

SecureLink Denmark A/S

Roskildevej 522

2605 Brøndby

Business Registration No

29776555

Annual report 2017

The Annual General Meeting adopted the annual report on 31.05.2018

Chairman of the General Meeting



Name: Johan Andersson

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Entity details

Entity

SecureLink Denmark A/S
Roskildevej 522
2605 Brøndby

Central Business Registration No (CVR): 29776555
Registered in: Brøndby
Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Johan Andersson, Chairman
Marc Cellina Francois Goegebuer
Mårten Carl Goran Toll Soderblom

Executive Board

Mårten Carl Göran Toll Soderblom, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of SecureLink Denmark A/S for the financial year 01.01.2017 - 31.12.2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Brøndby, 31.05.2018


Executive Board

Mårten Carl Göran Toll Söderblom
Chief Executive Officer

Board of Directors

Johan Andersson
Chairman

Marc Celina Francois Goegebuer


Mårten Carl Göran Toll Söderblom



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Brøndby, 31.05.2018

Executive Board

Mårten Carl Göran Toll Söderblom
Chief Executive Officer

Board of Directors

Johan Andersson
Chairman

Marc Celina Francois Goegebuer

Mårten Carl Göran Toll Söderblom

Independent auditor's report

To the shareholders of SecureLink Denmark A/S

Opinion

We have audited the financial statements of SecureLink Denmark A/S for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

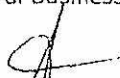
Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 31.05.2018

Deloitte

Statsautoriseret Revisionspartnersekskab

Central Business Registration No (CVR) 33963556



Jens Sejer Pedersen

State-Authorised Public Accountant

Identification No (MNE) mne14986

Management commentary

	2017 DKK'000	2016 DKK'000	2015 DKK'000	2014 DKK'000	2013 DKK'000
Financial highlights					
Key figures					
Gross profit	26.966	20.616	22.514	21.297	16.701
Operating profit/loss	(1.451)	3.820	5.034	2.791	(1.920)
Net financials	(213)	269	94	(45)	35
Profit/loss for the year	(1.346)	3.173	3.881	2.034	(1.475)
Total assets	91.064	71.865	54.668	23.696	25.859
Investments in property, plant and equipment	0	33	114	22	70
Equity	7.998	9.344	11.158	7.276	5.243
Ratios					
Return on equity (%)	(12,2)	34,0	42,1	32,5	(24,7)
Equity ratio (%)	8,8	13,0	20,4	30,7	20,3

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity

Management commentary

Primary activities

Main activities consist of implementation of IT security and related consulting

Development in activities and finances

2017 was a year when the company adopted to the SecureLink Group structure and grow in both revenues and number of employees

In 2017, SecureLink Denmark A/S continued to be active on the market which has led to new significant customers

Based on outcome and actions taken during 2017, SecureLink Denmark A/S looks forward with confidence.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	Notes	2017 DKK	2016 DKK
Gross profit		26.965.587	20.616.221
Staff costs	2	(28.362.876)	(16.740.620)
Depreciation, amortisation and impairment losses	3	(53.903)	(55.231)
Operating profit/loss		(1.451.192)	3.820.370
Other financial income	4	449.626	361.146
Other financial expenses	5	(662.952)	(92.347)
Profit/loss before tax		(1.664.518)	4.089.169
Tax on profit/loss for the year	6	318.148	(916.635)
Profit/loss for the year	7	(1.346.370)	3.172.534

Balance sheet at 31.12.2017

	Notes	2017 DKK	2016 DKK
Other fixtures and fittings, tools and equipment		23 527	77 430
Property, plant and equipment	8	23.527	77.430
Deposits		219.418	219 418
Fixed asset investments		219.418	219.418
Fixed assets		242.945	296.848
Trade receivables		39 974 721	28 997 857
Receivables from group enterprises		13.178.657	11.107.648
Deferred tax		1 718.789	1.386 789
Other receivables		407 974	0
Prepayments	9	27 116.190	28.418.771
Receivables		82.396.331	69.911.065
Cash		8.424.234	1.657.357
Current assets		90.820.565	71.568.422
Assets		91.063.510	71.865.270

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital	10	679 095	679 095
Retained earnings		7,318,876	8,665,246
Equity		7,997,971	9,344,341
Prepayments received from customers		8,986,966	56,666
Non-current liabilities other than provisions		8,986,966	56,666
Prepayments received from customers	11	28,222 811	37,564,299
Trade payables		36,575,446	18 272,325
Payables to group enterprises		26,475	0
Income tax payable		0	413 500
Other payables		9,253 841	6,214 139
Current liabilities other than provisions		74,078,573	62,464,263
Liabilities other than provisions		83,065,539	62,520,929
Equity and liabilities		91,063,510	71,865,270
Events after the balance sheet date	1		
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Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	679.095	13.465.045	14.144.140
Changes in accounting policies	0	(4 799 799)	(4 799.799)
Adjusted equity, beginning of year	679.095	8.665.246	9.344.341
Profit/loss for the year	0	(1.346.370)	(1.346.370)
Equity end of year	679.095	7.318.876	7.997.971

Cash flow statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Operating profit/loss		(1.451.192)	3.820.370
Amortisation, depreciation and impairment losses		53.903	55.231
Working capital changes	12	<u>8.790.992</u>	<u>(2.078.826)</u>
Cash flow from ordinary operating activities		7.393.703	1.796.775
Financial income received		449.626	361.146
Financial expenses paid		(662.952)	(92.347)
Income taxes refunded/(paid)		<u>(413.500)</u>	<u>(1.488.700)</u>
Cash flows from operating activities		<u>6.766.877</u>	<u>576.874</u>
Acquisition etc of property, plant and equipment		0	(32.798)
Acquisition of fixed asset investments		<u>0</u>	<u>(3.096)</u>
Cash flows from investing activities		<u>0</u>	<u>(35.894)</u>
Increase/decrease in cash and cash equivalents		6.766.877	540.980
Cash and cash equivalents beginning of year		<u>1.657.357</u>	<u>1.116.377</u>
Cash and cash equivalents end of year		<u>8.424.234</u>	<u>1.657.357</u>

Notes

1. Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

	2017 DKK	2016 DKK
2. Staff costs		
Wages and salaries	25.231.601	14.588.415
Pension costs	2.331.261	1.593.872
Other staff costs	800.014	558.333
	28.362.876	16.740.620

Number of employees at balance sheet date	26	22
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Pursuant to section 98b (3)(2) of the Danish Financial Statements Act, the remuneration to Management has not been disclosed separately

	2017 DKK	2016 DKK
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	53.903	55.231
	53.903	55.231

	2017 DKK	2016 DKK
4. Other financial income		
Financial income arising from group enterprises	43.601	277.587
Exchange rate adjustments	406.025	74.516
Other financial income	0	9.043
	449.626	361.146

	2017 DKK	2016 DKK
5. Other financial expenses		
Other interest expenses	3.416	3.157
Exchange rate adjustments	659.536	89.190
	662.952	92.347

	2017 DKK	2016 DKK
6. Tax on profit/loss for the year		
Current tax	0	914.046
Change in deferred tax	(332.000)	4.284
Adjustment concerning previous years	13.852	(1.695)
	(318.148)	916.635

Notes

	2017 DKK	2016 DKK
7. Proposed distribution of profit/loss		
Retained earnings	(1.346.370)	3.172.534
	<u>(1.346.370)</u>	<u>3.172.534</u>

	Other fixtures and fittings, tools and equipment DKK
8. Property, plant and equipment	
Cost beginning of year	485.932
Cost end of year	<u>485.932</u>
Depreciation and impairment losses beginning of year	(408.502)
Depreciation for the year	(53.903)
Depreciation and impairment losses end of year	<u>(462.405)</u>
Carrying amount end of year	<u>23.527</u>

9. Prepayments

Prepayments comprise incurred cost relating to subsequent financial year such as deferred income, subscriptions, rent and insurance.

	Number	Par value DKK	Nominal value DKK
10. Contributed capital			
A-shares	510.000	1	510.000
B-shares	169.095	1	169.095
	<u>679.095</u>		<u>679.095</u>

11. Prepayments received from customers

Prepayments received from customers comprise received income for recognition and subsequent financial years.

	2017 DKK	2016 DKK
12. Change in working capital		
Increase/decrease in receivables	(12.140.643)	12.045.975
Increase/decrease in trade payables etc	20.931.635	(14.124.801)
	<u>8.790.992</u>	<u>(2.078.826)</u>

Notes

13. Financial instruments

As part of hedging of sales and purchases the Company has entered into foreign exchange contracts regarding finalized transactions with their bank. The hedging is therefore composed of trade receivables and payables. The hedged transactions have been made in USD. As of December 31 2017 the fair value regulation of the derivatives is a loss of DKK 215 thousand, which has been recognized as part of the Company's other payables. As the hedge is a fair value hedge, the fair value regulation has been recognized in the income statement

14. Transactions with related parties

In relation to the Danish Statement Act §98c, section 7 non-arm's length transactions with related parties should be disclosed. There has not been completed any transactions on non-arm's length with related parties in the financial year.

	<u>2017</u> <u>DKK</u>	<u>2016</u> <u>DKK</u>
15. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>285.336</u>	<u>285.336</u>

16. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: SL Holdco BV, Trapezium 224 3364 DL Shiedrecht, Holland

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises

The accounting policies applied to these financial statements are consistent with those applied last year, except for the below change in accounting policies regarding revenue recognition of maintenance contracts

Changes in accounting policies

The company has during 2017 aligned its accounting policies regarding revenue recognition of maintenance contracts with the group. The revenues and correlating costs are now deferred over to contract period

The restatement has been incorporated in the comparative figures for 2016 thus increasing the profit for the years by 186 thousand. The assets have been increased by 29 596 thousand and the liabilities have been increased by 26.596 thousands

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables

Accounting policies

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, cost of raw materials and consumables and external expenses

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits

Accounting policies

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid

Cash flows from investing activities comprise payments in connection with ,acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as , the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend. Cash and cash equivalents comprise cash ,and short-term securities with an insignificant price risk less short-term bank loans