

Sirrah A/S

Baneskellet 22, 2950 Vedbæk

**Annual report for
the period
1 January to 31 December 2016**

**Adopted at the annual general meeting on
24 April 2017**

Kent Oksfelt Jonassen

CVR no 29 97 14 63

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Statement by Management on the annual report

The Executive and Supervisory Boards have today discussed and approved the annual report of Sirrah A/S for the financial year 1 January - 31 December 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

In our opinion, Management's review includes a fair review of the matters dealt with in the Management's review

We recommend the adoption of the annual report at the annual general meeting.

Vedbæk, 24 April 2017

Executive Board

Kent Oksfeldt Jonassen
direktør

Supervisory Board

Søren Jens Laugaard
Chairman

James Noel
Deputy Chairman

Kent Oksfeldt Jonassen

Independent auditor's report

To the shareholders of Sirrah A/S

Opinion

We have audited the financial statements of Sirrah A/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, notes and summary of significant accounting policies, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the financial statements

Independent auditor's report

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 judgment and maintain professional skepticism throughout the audit. We also:

- 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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 Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Frederiksberg, 24 April 2017
Revisionsfirmaet Morten Schneider
Statsautoriseret revisionsvirksomhed
CVR-nr. 33 17 69 96

Morten Schneider
Statsautoriseret revisor

Company details

The Company

Sirrah A/S
Baneskellet 22
2950 Vedbæk

Tel: 70221202

Website: www.sirrahgroup.com

CVR no.: 29 97 14 63

Reporting period: 1 January - 31 December

Domicile: Rudersdal

Supervisory Board

Søren Jens Laugaard, Chairman
James Noel, Deputy Chairman
Kent Oksfeldt Jonassen

Executive Board

Kent Oksfeldt Jonassen, direktør

Auditors

Revisionsfirmaet Morten Schneider
Statsautoriseret revisionsvirksomhed
Dalgas Boulevard 168
2000 Frederiksberg

Management's review

Business activities

The main objective of the company is to perform business within education and development, including consulting, coaching, supervision and education design for companies and individuals.

Unusual matters

The Company's financial position at 31 December 2016 and the results of its operations for the financial year ended 31 December 2016 are not affected by any unusual matters.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 5.611.880, and the balance sheet at 31 December 2016 shows equity of DKK 7.142.347.

Income statement
1 January - 31 December 2016

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Revenue		17.608.480	16.545.918
Direct costs		-8.206.046	-8.835.425
Other external expenses		-1.586.879	-1.222.608
Gross profit		7.815.555	6.487.885
Staff costs	1	-2.001.933	-1.992.862
Earnings Before Interest Taxes Depreciation and Amortization		5.813.622	4.495.023
Profit/loss from ordinary operating activities before gains/losses from fair value adjustments		5.813.622	4.495.023
Profit/loss before financial income and expenses		5.813.622	4.495.023
Income from investments in subsidiaries	2	953.219	337.464
Financial income		190.469	505
Financial costs	3	-17.643	-43.871
Profit/loss before tax		6.939.667	4.789.121
Tax on profit/loss for the year	4	-1.327.787	-1.055.855
Net profit/loss for the year		5.611.880	3.733.266
Proposed dividend for the year		5.300.000	3.700.000
Reserve for net revaluation under the equity method		613.219	337.464
Retained earnings		-301.339	-304.198
		5.611.880	3.733.266

Balance sheet at 31 December 2016

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Assets			
Completed development projects		<u>0</u>	<u>0</u>
Intangible assets	5	<u>0</u>	<u>0</u>
Investments in subsidiaries	6	<u>1.753.789</u>	<u>1.150.101</u>
Fixed asset investments		<u>1.753.789</u>	<u>1.150.101</u>
Fixed assets total		<u>1.753.789</u>	<u>1.150.101</u>
Trade receivables		6.808.002	6.498.216
Receivables from subsidiaries		112.707	6.910
Receivables from associates		1.890	0
Prepayments		<u>0</u>	<u>5.477</u>
Receivables		<u>6.922.599</u>	<u>6.510.603</u>
Cash at bank and in hand		<u>2.292.804</u>	<u>1.190.829</u>
Current assets total		<u>9.215.403</u>	<u>7.701.432</u>
Assets total		<u>10.969.192</u>	<u>8.851.533</u>

Balance sheet at 31 December 2016

	Note	2016	2015
		DKK	DKK
Liabilities and equity			
Share capital		500.000	500.000
Reserve for net revaluation under the equity method		1.338.320	725.101
Retained earnings		4.027	505.366
Proposed dividend for the year		5.300.000	3.700.000
Equity	7	7.142.347	5.430.467
Trade payables		817.749	50.000
Payables to associates		0	6.265
Payables to shareholders and management		4.342	18.106
Corporation tax		392.114	1.009.812
Other payables		2.612.640	2.336.883
Short-term debt		3.826.845	3.421.066
Debt total		3.826.845	3.421.066
Liabilities and equity total		10.969.192	8.851.533
Contingent assets, liabilities and other financial obligations	8		
Charges and securities	9		

Notes

	2016	2015
	DKK	DKK
1 Staff costs		
Wages and salaries	1.859.811	1.849.730
Pensions	102.930	101.768
Other social security costs	1.013	990
Other staff costs	38.179	40.374
	2.001.933	1.992.862
Average number of employees	1	1
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.		
2 Income from investments in subsidiaries		
Share of profits of subsidiaries	953.219	337.464
	953.219	337.464
3 Financial costs		
Other financial costs	17.643	43.871
	17.643	43.871
4 Tax on profit/loss for the year		
Current tax for the year	1.350.536	1.063.775
Adjustment of tax concerning previous years	-22.749	-7.920
	1.327.787	1.055.855

Notes

5 Intangible assets

		Completed development projects
Cost at the beginning		700.000
Cost at the end		700.000
Revaluations at the end		0
Impairment losses and amortisation at the beginning		700.000
Impairment losses and amortisation at the end		700.000
Carrying amount at the end		0

6 Investments in subsidiaries

Cost at the beginning	425.000	425.000
Disposals for the year	-9.531	0
Cost at the end	415.469	425.000
Revaluations at the beginning	725.101	387.637
Net profit/loss for the year	953.219	337.464
Dividend to the Parent Company	-340.000	0
Revaluations at the end	1.338.320	725.101
Carrying amount at the end	1.753.789	1.150.101

Notes

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and owners hip	Equity	Net profit/loss for the year
Leadership Pipeline Institute A/S	Ruderdal	84%	2.087.844	1.134.784

7 Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
Equity at the beginning	500.000	725.101	505.366	3.700.000	5.430.467
Ordinary dividend paid	0	0	0	-3.700.000	-3.700.000
Extraordinary dividend paid	0	0	-200.000	0	-200.000
Net profit/loss for the year	0	613.219	-301.339	5.300.000	5.611.880
Equity at the end	500.000	1.338.320	4.027	5.300.000	7.142.347

8 Contingent assets, liabilities and other financial obligations

None

9 Charges and securities

None

Accounting policies

The annual report of Sirrah A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2016 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report are presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Finansielle indtægter og omkostninger

Profit/loss from investments in subsidiaries and associates

Tax on profit/loss for the year

Balance sheet

Intangible assets

Development projects, patents and licences

Development costs comprise costs directly and indirectly attributable to the company's development activities.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the term of the licence, however not more than years.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, less or plus unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill made up according to the purchase method.

Accounting policies

Net revaluations of investments in subsidiaries and associates are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Sirrah A/S is adopted are not taken to the net revaluation reserve.

Acquisitions are accounted for using the purchase method, cf. the description of the statement of goodwill above.

Receivables

Receivables are measured at amortised cost.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, reconstructions, etc. Provisions are recognised when as a result of a past event the company's has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

Deferred income

Deferred income comprises payments received concerning income in subsequent reporting years.