
Sirrah A/S

Baneskellet 22, DK-2950 Vedbæk

Annual Report for 1 January - 31 December 2017

CVR No 29 97 14 63

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/5 2018

Kent Oksfeldt Jonassen
Chairman



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Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Sirrah A/S for the financial year 1 January - 31 December 2017.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Rudersdal, 28 May 2018

Executive Board

Kent Oksfeldt Jonassen
CEO

Board of Directors

Søren Jens Laugaard
Chairman

James Noel
Deputy Chairman

Kent Oksfeldt Jonassen

Independent Auditor's Report

To the Shareholders of Sirrah A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Sirrah A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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 misstate-

Independent Auditor's Report

ment, 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

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:

- 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

Independent Auditor's Report

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.

Hellerup, 28 May 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Rønne Nielsen
statsautoriseret revisor
mne33726

Company Information

The Company

Sirrah A/S
Baneskellet 22
DK-2950 Vedbæk

Telephone: + 45 7022 1202
Website: www.sirrahgroup.com

CVR No: 29 97 14 63
Financial period: 1 January - 31 December
Municipality of reg. office: Rudersdal

Board of Directors

Søren Jens Laugaard, Chairman
James Noel
Kent Oksfeldt Jonassen

Executive Board

Kent Oksfeldt Jonassen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Lawyers

Lassen Ricard
Amaliegade 31
1256 København K

Bech-Bruun
Langelinie Allé 35
2100 København Ø

Bankers

Danske Bank A/S
Munkeengen 30
3400 Hillerød

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2017 TDKK	2016 TDKK	2015 TDKK	2014 TDKK	2013 TDKK
Key figures					
Profit/loss					
Revenue	21.749	17.608	16.546	16.391	9.791
Operating profit/loss	6.629	5.814	4.495	5.703	3.343
Profit/loss before financial income and expenses	6.629	5.814	4.495	5.703	3.343
Net financials	1.561	1.126	294	325	-3
Net profit/loss for the year	6.713	5.612	3.733	4.609	2.478
Balance sheet					
Balance sheet total	13.898	10.969	8.852	9.602	4.859
Equity	7.756	7.142	5.430	5.697	3.088
Number of employees	1	1	1	1	1
Ratios					
Gross margin	43,8%	44,4%	39,2%	47,7%	57,2%
Profit margin	30,5%	33,0%	27,2%	34,8%	34,1%
Return on assets	47,7%	53,0%	50,8%	59,4%	68,8%
Solvency ratio	55,8%	65,1%	61,3%	59,3%	63,6%
Return on equity	90,1%	89,3%	67,1%	104,9%	160,5%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

In connection with changes to accounting policies, the comparative figures back to 2013 have not been restated. See the description under accounting policies.

Management's Review

Financial Statements of Sirrah A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

The company sells leadership and specialist development solutions directly to clients and via licensees

Development in the year

The income statement of the Company for 2017 shows a profit of DKK 6,713,328, and at 31 December 2017 the balance sheet of the Company shows equity of DKK 7,755,675.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Revenue		21.749.468	17.608.480
Other external expenses		-12.214.191	-9.792.925
Gross profit/loss		9.535.277	7.815.555
Staff expenses	1	-2.906.630	-2.001.933
Profit/loss before financial income and expenses		6.628.647	5.813.622
Income from investments in subsidiaries	2	852.409	953.219
Financial income	3	734.487	190.469
Financial expenses		-26.257	-17.643
Profit/loss before tax		8.189.286	6.939.667
Tax on profit/loss for the year	4	-1.475.958	-1.327.787
Net profit/loss for the year		6.713.328	5.611.880

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	800.000	200.000
Proposed dividend for the year	5.800.000	5.300.000
Reserve for net revaluation under the equity method	64.365	613.219
Retained earnings	48.963	-501.339
	6.713.328	5.611.880

Balance Sheet 31 December

Assets

	Note	2017 DKK	2016 DKK
Completed development projects		0	0
Intangible assets	5	0	0
Investments in subsidiaries	6	1.802.685	1.753.789
Deposits		45.000	0
Fixed asset investments		1.847.685	1.753.789
Fixed assets		1.847.685	1.753.789
Trade receivables		10.554.358	6.808.002
Receivables from group enterprises		156.624	114.597
Prepayments		2.269	0
Receivables		10.713.251	6.922.599
Cash at bank and in hand		1.337.446	2.292.804
Currents assets		12.050.697	9.215.403
Assets		13.898.382	10.969.192

Balance Sheet 31 December

Liabilities and equity

	Note	2017 DKK	2016 DKK
Share capital		500.000	500.000
Reserve for net revaluation under the equity method		1.402.685	1.338.320
Retained earnings		52.990	4.027
Proposed dividend for the year		<u>5.800.000</u>	<u>5.300.000</u>
Equity		<u>7.755.675</u>	<u>7.142.347</u>
Trade payables		55.000	817.749
Payables to group enterprises		2.480.693	0
Payables to owners and Management		24.710	4.342
Corporation tax		571.958	392.114
Other payables		<u>3.010.346</u>	<u>2.612.640</u>
Short-term debt		<u>6.142.707</u>	<u>3.826.845</u>
Debt		<u>6.142.707</u>	<u>3.826.845</u>
Liabilities and equity		<u>13.898.382</u>	<u>10.969.192</u>
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	1.338.320	4.027	5.300.000	7.142.347
Ordinary dividend paid	0	0	0	-5.300.000	-5.300.000
Extraordinary dividend paid	0	0	-800.000	0	-800.000
Net profit/loss for the year	0	64.365	848.963	5.800.000	6.713.328
Equity at 31 December	500.000	1.402.685	52.990	5.800.000	7.755.675

Notes to the Financial Statements

	2017	2016
	DKK	DKK
1 Staff expenses		
Wages and salaries	2.560.239	1.859.811
Pensions	292.948	102.930
Other social security expenses	6.846	7.745
Other staff expenses	46.597	31.447
	<u>2.906.630</u>	<u>2.001.933</u>
Average number of employees	<u>1</u>	<u>1</u>
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed in the Financial Statements.		
2 Income from investments in subsidiaries		
Share of profits of subsidiaries	852.409	953.219
	<u>852.409</u>	<u>953.219</u>
3 Financial income		
Other financial income	734.487	190.469
	<u>734.487</u>	<u>190.469</u>
4 Tax on profit/loss for the year		
Current tax for the year	1.473.978	1.350.536
Adjustment of tax concerning previous years	1.980	-22.749
	<u>1.475.958</u>	<u>1.327.787</u>

Notes to the Financial Statements

5 Intangible assets

	Completed development projects DKK
Cost at 1 January	700.000
Cost at 31 December	700.000
Impairment losses and amortisation at 1 January	700.000
Impairment losses and amortisation at 31 December	700.000
Carrying amount at 31 December	0

6 Investments in subsidiaries

Cost at 1 January	415.469	425.000
Disposals for the year	-15.469	-9.531
Cost at 31 December	400.000	415.469
Value adjustments at 1 January	1.338.320	725.101
Net profit/loss for the year	852.409	953.219
Dividend to the Parent Company	-738.000	-340.000
Other adjustments	-50.044	0
Value adjustments at 31 December	1.402.685	1.338.320
Carrying amount at 31 December	1.802.685	1.753.789

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Leadership Pipeline Institute A/S	Rudersdal	500.000	80%	2.253.356	1.065.511

Notes to the Financial Statements

7 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Rental obligation, period of non-terminability 3 months	45.000	0
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Other contingent liabilities

The Company is in joint taxation with Leadership Pipeline Institute A/S and Human Capital Invest ApS.

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of Sirrah A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

8 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Notes to the Financial Statements

8 Accounting Policies (continued)

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit on rent.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

8 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$