

TASKLET FACTORY APS
ALFRED NOBELS VEJ 27, 1., 9220 AALBORG ØST
ANNUAL REPORT
1 JULY 2017 - 30 JUNE 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 2 November 2018**

Peter List

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COMPANY DETAILS

Company	Tasklet Factory ApS Alfred Nobels Vej 27, 1. 9220 Aalborg Øst Telephone: 96 35 45 00 Website: taskletfactory.com CVR no.: 31 26 14 73 Established: 1 February 2008 Registered Office: Aalborg Financial Year: 1 July 2017 - 30 June 2018
Board of Directors	Patrick Sorrentino, Chairman Marianne Berg Eisenhardt Peter List
Board of Executives	Peter List
Auditor	KPMG Statsautoriseret Revisionspartnerselskab Østre Havnegade 18 9000 Aalborg
Bank	Handelsbanken Nibevej 6 9200 Aalborg SV

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Tasklet Factory ApS for the year 1 July 2017 - 30 June 2018.

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 the Company's financial position at 30 June 2018 and of the results of the the Company's operations for the financial year 1 July 2017 - 30 June 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, den 2. november 2018

Board of Executives

Peter List

Board of Directors

Patrick Sorrentino
Chairman

Marianne Berg Eisenhardt

Peter List

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Tasklet Factory ApS

Opinion

We have audited the Financial Statements of Tasklet Factory ApS for the financial year 1 July 2017 - 30 June 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company's at 30 June 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 30 June 2018 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibility 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 Responsibility for 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 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.

INDEPENDENT AUDITOR'S REPORT

- 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.

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 Statements Act. We did not identify any material misstatement of Management's Review.

Aalborg, 2 November 2018

KPMG Statsautoriseret Revisionspartnerselskab
CVR no. 25578198

Steffen S. Hansen
State Authorised Public Accountant
MNE no. mne32737

MANAGEMENT'S REVIEW

Principal activities

The primary activity in Tasklet Factory is selling and delivering the Mobile WMS solution through a global network of resellers. The reseller network includes +150 resellers in 35 countries and the customer list includes +400 customers.

Development in activities and financial position

The Company reported a profit after tax of DKK 3,015 thousand. Equity represented DKK 4,892 thousand at 30 June 2018.

Profit for the year is considered satisfactory and once again Tasklet Factory has received a Gazelle (the 5th) as a token of our continued growth and retained the AAA credit rating.

This year Tasklet Factory celebrated its 10-year anniversary with business partners and family on the Dutch ship "Gulden Leeuw" during the Regatta in Aalborg. Tasklet Factory is now a mature and profitable company with ambitious plans for the years to come.

The continued commitment to making every customer a success story is now seriously starting to pay off and is reflected in the number of licenses sold and interest from new resellers.

The next big thing for Tasklet Factory is to establish an office in the US to better serve our resellers and customers in that time zone. The preparation for this has included interviewing 6 other Danish companies who have taken the leap and listened to their experiences. This resulted in the plan named "Coming to America" and at the time of writing Tasklet Factory's first leap has been taken and Tasklet Factory is now represented with 3 people in our Tampa office in Florida.

Until now, the Mobile WMS solution has been available exclusively for the Microsoft Dynamics NAV and AX ERP systems. This year we have started to work with another ERP provider to expand our reach and limit our dependability on one ERP provider.

The Microsoft Dynamics ERP suite has undergone a huge change the last years where everything is moving to the cloud. Tasklet Factory have successfully upgraded our Mobile WMS solution to be available for both D365 Business Central (formerly known as Dynamics NAV) and D365 Finance and Operations (formerly known as Dynamics AX). Many of our competitors are still struggling with this and we will use this to drive further growth.

Significant events after the end of the financial year

No events have occurred after the financial year end of importance to the Company's financial position.

Future expectations

The Company has continuously performed well after the financial year end.

INCOME STATEMENT 1 JULY - 30 JUNE

	Note	2017/18 DKK	2016/17 DKK
GROSS PROFIT		14.081.414	11.576.971
Staff costs.....	1	-9.597.586	-9.323.948
Depreciation, amortisation and impairment.....		-250.260	-153.654
OPERATING PROFIT		4.233.568	2.099.369
Other financial income.....		0	363.184
Other financial expenses.....		-346.875	-37.185
PROFIT BEFORE TAX		3.886.693	2.425.368
Tax on profit/loss for the year.....	2	-871.400	-535.803
PROFIT FOR THE YEAR		3.015.293	1.889.565
PROPOSED DISTRIBUTION OF PROFIT			
Proposed dividend for the year.....		3.000.000	1.500.000
Accumulated profit.....		15.293	389.565
TOTAL		3.015.293	1.889.565

BALANCE SHEET AT 30 JUNE

ASSETS	Note	2018 DKK	2017 DKK
Other plants, machinery, tools and equipment.....		454.075	505.800
Tangible fixed assets.....	3	454.075	505.800
FIXED ASSETS.....		454.075	505.800
Trade receivables.....		2.649.035	4.115.016
Other receivables.....		269.961	262.676
Receivables.....		2.918.996	4.377.692
Other securities and equity investments.....		5.654.017	2.868.205
Current investments.....		5.654.017	2.868.205
Cash and cash equivalents.....		2.809.706	984.401
CURRENT ASSETS.....		11.382.719	8.230.298
ASSETS.....		11.836.794	8.736.098
EQUITY AND LIABILITIES			
Share capital.....		129.167	129.167
Retained profit.....		1.763.342	1.748.049
Proposed dividend.....		3.000.000	1.500.000
EQUITY.....		4.892.509	3.377.216
Provision for deferred tax.....		95.856	64.089
PROVISION FOR LIABILITIES.....		95.856	64.089
Trade payables.....		713.552	633.494
Corporation tax.....		827.313	456.384
Other liabilities.....		2.607.355	1.993.630
Accruals and deferred income.....		2.700.209	2.211.285
Current liabilities.....		6.848.429	5.294.793
LIABILITIES.....		6.848.429	5.294.793
EQUITY AND LIABILITIES.....		11.836.794	8.736.098
Contingencies etc.	4		
Charges and securities	5		

EQUITY

	Share capital	Retained profit	Proposed dividend	Total
Equity at 1 July 2017.....	129.167	1.748.049	1.500.000	3.377.216
Dividend paid.....			-1.500.000	-1.500.000
Proposed distribution of profit.....		15.293	3.000.000	3.015.293
Equity at 30 June 2018.....	129.167	1.763.342	3.000.000	4.892.509

NOTES

	2017/18 DKK	2016/17 DKK	Note
Staff costs			1
Average number of employees 16 (2016/17: 16)			
Wages and salaries.....	8.907.447	8.715.613	
Pensions.....	359.443	328.001	
Social security costs.....	61.113	59.569	
Other staff costs.....	269.583	220.765	
	9.597.586	9.323.948	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	839.633	503.655	
Adjustment of deferred tax.....	31.767	32.148	
	871.400	535.803	
Tangible fixed assets			3
		Other plants, machinery, tools and equipment	
Cost at 1 July 2017.....		879.616	
Additions.....		198.536	
Cost at 30 June 2018.....		1.078.152	
Depreciation and write-down at 1 July 2017.....		373.817	
Depreciation for the year.....		250.260	
Depreciation and write-down at 30 June 2018.....		624.077	
Carrying amount at 30 June 2018.....		454.075	
Contingencies etc.			4
The company has entered into a lease agreement that can not be terminated before resignation at 14/9-2021. Annual rent amounts to DKK 515 thousand.			
In addition, a car rental agreement has been concluded, which runs until 31.03.2019. The residual obligation constitutes 69 t.DKK.			
Joint liabilities			
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.			
Tax payable of the group's jointly taxed income is stated in the annual report of TFPL ApS, which serves as management company for the joint taxation.			

NOTES

	Note
Charges and securities	5
For collateral for balances with credit institutions, a company loan of 500 tkr has been issued in assets with a carrying amount of a total of 11,837 t.DKK.	

ACCOUNTING POLICIES

The annual report of Tasklet Factory ApS for 2017/18 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B.

The Annual Report is prepared consistently with the accounting principles used last year.

INCOME STATEMENT

Gross profit

The items' net sales, product consumption, other external costs and other operating income are referred to in Section 32 of the Danish Financial Statements Act as summarized in the item "Gross profit".

Net revenue

Upon the sale of license for standard software, license fees are recognized immediately after the software delivery has taken place and subject to customer acceptance of functionality.

When sold through partnerships, the company's share of license is recognized when delivery to end-user has occurred. Revenue from maintenance agreements is recognized linearly over the term of the agreement.

Net sales are measured at the fair value of the agreed consideration excl. VAT and taxes charged on behalf of third parties. All forms of discounts are recognized in net sales.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

The depreciation base is cost less estimated residual value after end of useful life.

ACCOUNTING POLICIES

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plants, fixtures and equipment.....	3-5 years	0%

The useful life and residual value are reassessed annually. A change is treated as an accounting estimate and the effect on depreciation is recognized in the forward direction.

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of intangible and tangible fixed assets together with investments, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, write-down is provided to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Securities and investments

Securities and investments, recognised as current assets, comprise public quoted bonds, shares and other current investments that are measured at fair market value on the balance sheet date. Public quoted securities are measured at quoted price. Non-quoted securities are measured at sales value based on computed net present value.

Equity

Dividends

Dividends expected to be paid for the year are shown as a separate item under equity.

ACCOUNTING POLICIES

Tax payable and deferred tax

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

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.