

ANNUAL REPORT

1. July 2016 - 30. June 2017

CUBRIS APS

Smedeholm 10

2730 Herlev

CVR-No. 31 74 41 72

9. Annual report

The Annual Report was presented and
adopted by the Annual General Meeting
9. October 2017

Torben Jacobsen
Chairman of the meeting

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Please note that Danish decimal and digit grouping symbols have been used in the Annual Report.

The Company:

Cubris ApS
Smedeholm 10
2730 Herlev

Board of Directors:

Torben Jacobsen
Knud Møllenbach
Kasper Asbjørn Heine
Steen Ruby

Executive Board:

Christian Sian Hage
Sune Edinger Gram

Bank:

Nykredit
Otto Mønstedts Plads 11
1780 København v

Auditors:

Lægård Revision
Statsautoriseret revisionsfirma
Østerbrogade 62
2100 København Ø

Today the Board of Directors and the Executive Board presented the Annual Report for 2016/17 for Cubris ApS.

The Annual Report has been presented in accordance with the Danish Financial Statements Act.

We find the accounting policies applied appropriate, and the Annual Report therefore provides a true and fair view of the Company's assets, liabilities and equity, financial position and results of the company. In our opinion, the Management's Review includes a true and fair description of the matters mentioned in the review.

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

Herlev, 9. October 2017.

Executive Board:

Christian Sian Hage

Sune Edinger Gram

Board of Directors:

Torben Jacobsen
(Chairman of the Board)

Knud Møllenbach

Kasper Asbjørn Heine

Steen Ruby

To the shareholders of Cubris ApS**Opinion:**

We have audited the Financial Statements of Cubris ApS for the financial year 1. July 2016 - 30. June 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies, for the Company. 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 Company's financial position at 30. June 2017 and of the results of the Company's operations for the financial year 1. July 2016 - 30. June 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 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

The company is with effect for the current financial year covered by the audit obligation. We should emphasize that the comparative information in the annual report have not been revised.

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:

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 of accounting information 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.

Auditor's Responsibilities for the Audit of the Financial Statements - continued:

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.

Herlev, 9. October 2017.
Lægård Revision, CVR-No. 18 43 70 82
State Authorised Public Accountants

Kurt Lægård
State Authorised Public Accountant
MNE-No. mne15013

Principal activity:

The purpose of Cubris ApS is development of software and delivery of consulting services within the IT industry and related services.

Development in activities and financial affairs:

The result is satisfying and has fulfilled the expectations.

The annual report of Cubris ApS for 2016/ 17 has been presented in accordance with the provisions of the Danish Financial Statements Act regarding reporting medium-sized class B enterprises.

The significant areas of the accounting policies, which are presented using the same policies as last year, are mentioned below.

GENERALLY REGARDING RECOGNITION AND MEASUREMENT

Income is recognised in the Income Statement as earned, including value adjustments of financial assets and liabilities. Likewise, all expenses including depreciation/amortisation, impairment losses, and reversals which are due to changes in estimated amounts previously recognised in the Income Statement, are 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 and when the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that the future economic benefits will flow out of the Company and when the measurement of the value of the liability is

On initial recognition, assets and liabilities are recognised at cost. Subsequently, assets and liabilities are measured as described below for each item.

Allowances are made for predictable losses and risks that arise before the presentation of the Annual Report and that confirm or invalidate circumstances that existed at the balance sheet date.

The carrying value of the tangible fixed assets, are reviewed annually to determine, if there are any indication of impairment, besides what is determined as normal depreciation. If this is the case, the assets will be written down to its recoverable amount.

THE INCOME STATEMENT

Gross income:

Gross income comprises the net turnover, changes in inventories of finished goods, other operating income and external costs.

Revenue

Revenue is recognised less VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Staff costs:

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs include public allowances.

Other external costs

Other external costs include costs relating to sale, advertising, administration and similar expenses.

Financials:

Financial income and costs are recognised in the income statement, with the amounts concerning the financial year. Financial income and costs include interest and financial costs of realized and unrealized gains and losses on loans and transactions in foreign currency.

Tax on results for the year:

Tax on results for the year which comprises current tax and changes in deferred tax is recognised in the Income Statement with the portion of taxes related to the taxable income for the year whereas the portion attributable to entries on equity is recognised directly in equity.

ASSETS:**Tangible fixed assets:**

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

The depreciable amount is cost less expected residual value after the end of the asset's life.

Cost includes the purchase price, as well as expenses directly attributable to the acquisition, up until the moment the asset is ready to be commissioned.

Assets are depreciated under the straight-line method over the expected useful lives of the assets and the scrap value:

	Operating time	Scrap value
Other plants, fixtures and equipment	5 år	0-20%

Assets with a purchase price not exceeding tDKK 12 per unit are recognised as costs in the Income Statement in the year of acquisition.

Tangible fixed assets, continued:

Profits and losses arising from disposal of plant and equipment are stated as the difference between the selling price less the selling costs and the carrying amount of the asset at the time of the disposal. Profits and losses are recognised in the Income Statement under depreciation.

Inventories:

Inventories are measured at cost on basis of "first in - first out" (FIFO) accounting. If the net realisable value is lower than cost, write-down is provided to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and direct production cost.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables:

Receivables are measured at amortised cost which usually equals nominal value. Provisions made for bad debts reduce the value.

Work in progress:

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

Work in progress is recognized in the balance sheet under receivables or payables depending on the net value of the selling price less progress billings and advance payments. Costs of sales work and contracts are recognized in the income statement as incurred.

Financial fixed assets:

Financial fixed assets are measured on the balance sheet date at fair value.

Cash:

Cash equivalents consist of bank deposits. Cash and cash equivalents are carried at fair value.

LIABILITIES:**Tax payable and deferred tax:**

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

Deferred tax is measured according to the balance sheet liability method in respect of temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the balance sheet liability method in respect of temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, e.g. in respect of shares in which the statement of the tax base can be made according to alternative taxation rules, deferred tax is measured on the basis of the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets including the tax value of tax loss carryforwards, are measured at the expected realisable value, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realisable value.

Liabilities:

Liabilities concerning debts to suppliers and other debts are measured at amortised cost which usually corresponds to the nominal value.

Conversion of foreign currency:

Transactions in foreign currency are translated at the exchange rates on the transaction date. Differences in exchange rates arising between the transaction date and the payment date are recognized in the income statement as financial income and expenses.

Receivables, debt and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are measured at the exchange rate at the balance sheet date. The difference between the exchange rate at the balance sheet date and the time of the origin of the debt is recognized in the income statement under financial income and expenses.

Note	2016/17	2015/16
GROSS PROFIT	9.096.883	5.119.835
1 Staff costs	-7.345.338	-5.814.912
OPERATING PROFIT	1.751.545	-695.077
Depreciation	-99.007	-43.807
EARNINGS BEFORE INTEREST & TAX (EBIT)	1.652.538	-738.884
Financial income	12.678	115.767
Financial expenses	-236.182	-292.930
EARNINGS BEFORE TAX (EBT)	1.429.034	-916.048
2 Tax on profit for the year	-315.929	199.727
EARNINGS FOR THE YEAR	1.113.105	-716.321
PROPOSED DISTRIBUTION OF PROFIT		
Dividend for the year	0	0
Retained earnings	1.113.105	-716.321
TOTAL DISTRIBUTION	1.113.105	-716.321

BALANCE SHEET AS AT 30. JUNE 2017
ASSETS**10**

<u>Note</u>	<u>30/6 2017</u>	<u>30/6 2016</u>
3 Other plants, fixtures and equipment	251.488	74.495
TANGIBLE ASSETS	251.488	74.495
Other receivables	143.905	99.400
FINANCIAL ASSETS	143.905	99.400
TOTAL NON-CURRENT ASSETS	395.393	173.895
INVENTORY	0	276.000
3 Trade & service receivables	1.314.201	1.378.192
Work in progress	1.908.165	223.500
Deferred Tax	0	199.229
Corporate tax	0	883
Other receivables	1.600	0
RECEIVABLES	3.223.965	1.801.804
CASH FUNDS	261.002	454.441
CURRENT ASSETS	3.484.967	2.532.244
TOTAL ASSETS	3.880.360	2.706.139

BALANCE SHEET AS AT 30. JUNE 2017
LIABILITIES

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<u>Note</u>	<u>30/6 2017</u>	<u>30/6 2016</u>
Share capital	125.000	125.000
Retained earnings	2.025.510	912.405
Proposed dividend for the financial year	0	0
EQUITY	2.150.510	1.037.405
Provisions for deferred tax	116.700	0
PROVISIONS	116.700	0
Payables to financial institutes	395.086	39.240
Prepayments from customers	0	599.568
Trade payables	97.419	9.623
Other payables	1.120.645	1.020.304
SHORT-TERM LIABILITIES	1.613.150	1.668.735
TOTAL LIABILITIES	1.613.150	1.668.735
TOTAL LIABILITIES AND EQUITY	3.880.360	2.706.139

Note

- 3 Pledges
- 4 Contingent liabilities
- 5 Contractual obligations

1 Staff costs	2016/17	2015/16
Wages and salaries	6.752.880	5.494.981
Pensions	341.406	134.426
Other social security contributions	88.566	79.201
Other employee costs	162.487	106.304
TOTAL	7.345.338	5.814.912

Average number of employees	18	17
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2 Tax on profit/loss of the year	2016/17	2015/16
Corporate tax of the taxable income	0	0
Adjustment of deferred tax of the year	315.929	-199.727
TAX ON THE PROFIT/LOSS OF THE YEAR	315.929	-199.727

3 Pledges

Company Pledge, nominal DKK 500.000 in the company's goodwill, operating assets and trade receivables with a total balance sheet value of DKK 1.565.688 is deposited for collateral with financial institutes.

4 Contingent liabilities

The company has made the following guarantees to third parties. 743.660

5 Contractual obligations

The company has entered following contracts to which the following obligations are attached:

	Obligation
Premises contract	407.731
TOTAL OBLIGATIONS	407.731

The premises contract is irrevocable until the 30th of November 2018.

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Torben Jacobsen

Bestyrelsesformand

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IP: 90.184.110.210

2017-10-11 08:08:20Z

NEM ID 

Knud Møllenbach

Bestyrelsesmedlem

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-957474297248

IP: 176.23.7.234

2017-10-11 09:50:39Z

NEM ID 

Christian Sian Hage

Direktør

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-652222491292

IP: 152.115.64.194

2017-10-13 10:42:34Z

NEM ID 

Kasper Asbjørn Heine

Bestyrelsesmedlem

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-578028361605

IP: 87.59.254.141

2017-10-15 17:28:33Z

NEM ID 

Sune Edinger Gram

Direktør

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-307623932731

IP: 152.115.64.194

2017-10-18 09:56:29Z

NEM ID 

Steen Ruby

Bestyrelsesmedlem

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-600846218118

IP: 83.89.196.46

2017-10-18 16:03:40Z

NEM ID 

Kurt Lægård

Statsautoriseret revisor

På vegne af: Lægård Revision

Serienummer: CVR:18437082-RID:1060001072948

IP: 91.236.186.191

2017-10-18 19:09:13Z

NEM ID 

Torben Jacobsen

Dirigent

På vegne af: Cubris ApS

Serienummer: PID:9208-2002-2-851785229645

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