

SoftwareCentral A/S

Kongevejen 418, 2840 Holte

Company reg. no. 32 55 97 35

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 29 May 2019.

Benjamin Kramarz
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of SoftwareCentral A/S for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities and cash flows in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Holte, 29 May 2019

Managing Director

Andreas Thim Spiegelhauer

Board of directors

Benjamin Kramarz

Johnnie Helge Bloch Jensen

Olaf Fritjof Lind

Thomas Elling

Independent auditor's report

To the shareholders of SoftwareCentral A/S

Opinion

We have audited the annual accounts of SoftwareCentral A/S for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet, cash flow statement and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations and cash flows for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 29 May 2019

Grant Thornton

*State Authorised Public Accountants
Company reg. no. 34 20 99 36*

Brian Rasmussen

*State Authorised Public Accountant
mne30153*

Kasper Sone Randrup

*State Authorised Public Accountant
mne36175*

Company data

The company

SoftwareCentral A/S
Kongevejen 418
2840 Holte

Company reg. no. 32 55 97 35

Established: 9 September 2009

Domicile: Rudersdal

Financial year: 1 January 2018 - 31 December 2018
9th financial year

Board of directors

Benjamin Kramarz
Johnnie Helge Bloch Jensen
Olaf Fritjof Lind
Thomas Elling

Managing Director

Andreas Thim Spiegelhauer

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

MS Group ApS

Management's review

The principal activities of the company

The company's purpose is to develop, sell and maintain software and other related activities.

Development in activities and financial matters

The gross profit for the year is DKK 13.576.000 against DKK 14.323.000 last year. The results from ordinary activities after tax are DKK 6.225.000 against DKK 7.440.000 last year.

During the fiscal year 2018, SoftwareCentral A/S has experienced a reasonable growth in customer intake and revenue. Additional sales staff has been hired and a major graphic and technical update of the products have been initiated. In addition, investments have been made in new partnerships in the Nordic countries and Germany.

Corporate Governance

SoftwareCentral A/S is owned 80% by MS Group ApS, which is 100% by MS TopCo ApS. The remaining 20% is owned by Mansoft A/S, which is owned 100% by MS Group ApS. VIA equity fond II K/S is a minority owner (approx. 47%) of MS TopCo ApS (for additional information regarding VIA Equity go to www.viaequity.com). VIA Equity Fond II K/S is thus an indirect co-owner of SoftwareCentral A/S.

Some management members and board members, as well as regular employees of SoftwareCentral A/S, are also shareholders (approx. 53%) of MS TopCo ApS and thus indirect co-owners of SoftwareCentral A/S as well.

The board consists of:

Benjamin Kramarz (chairman); partner in VIA equity A/S; board member in:

- MS TopCo ApS (chairman)
- MS Group ApS (chairman)
- SoftwareCentral A/S (chairman)
- Mansoft A/S (chairman)
- Continia TopCo ApS (chairman)
- Continia Software A/S (chairman)
- Continia MidCo ApS (chairman)
- Mægler service af 17/7 – 2010 A/S (chairman)
- C&B TopCo ApS (chairman)
- C&B MidCo ApS (chairman)
- C & B Systemer A/S (chairman)
- C & B Solutions A/S (chairman)
- Advania AB
- Profit Software Oy (chairman)
- Profit Holding Oy (chairman)

Benjamin Kramarz is also the managing director and 100% owner of Kramarz Holding ApS, as well as the managing director of VIA VPF GP ApS.

Management's review

Johnnie Helge Bloch Jensen is also the managing director of:

- A/S Jensen Consulting
- Jensen Estate ApS
- Corporate Capital
- 1-Consult ApS
- Corporate Services A/S
- Dansk Virksomhedshandel A/S
- Match Online A/S
- E-CVR.dk ApS
- Hangar 2 ApS
- Flyvestation Værløse Hangar 1 ApS
- Copenhagen Technologies ApS
- i-demokrati ApS
- Nordic Wing ApS

Olaf Fritjof Lind; managing director of Reset Works; board member in:

- Mjølner Informatics A/S
- Mjølner Holding I A/S
- Softwarecentral A/S
- MS TopCo ApS
- MS Group ApS
- Mansoft A/S

Thomas Elling; board member in:

- Mansoft A/S
- SoftwareCentral A/S

Thomas Elling is also the managing director of:

- MS TopCo ApS
- MS Group ApS
- Mansoft AB
- Mansoft GmbH
- EC-Pack ApS
- Freeport Skagen ApS

Benjamin Kramarz has been appointed to the board by VIA Equity Fond II K/S. Johnnie Helge Bloch Jensen, Thomas Elling and Olaf Fritjof Lind have been appointed to the board by the General Assembly.

The actual number of employees has grown from 5 as of January 1, 2018 to 6 as of December 31, 2018.

Management's review

Risk Assessment and Risk Management

The Board of Directors and the Executive Board determine and approve overall policies, procedures and controls of important areas in the day-to-day operation of the company. The foundation for this is a clear organizational structure, clear guidelines, authorization and certification procedures and separation of persons.

The Board of Directors and the Executive Board regularly (at least annually) assess significant risks and internal controls in connection with the company's activities. On this basis, ongoing actions are evaluated and adopted to eliminate and/or reduce risks, including business and financial risks.

As part of the risk assessment, the Board of Directors and the Executive Board annually assess the risk of fraud and the measures taken to reduce and/or eliminate these risks.

Business and Financial Risks

The most important business risks include the ability to be strongly positioned in the markets the company operates in. It is important for the company to be at the forefront of technological development to maintain the company's market shares.

SoftwareCentral is exposed to several financial risks, including market risks (currency and interest rate risks) as well as liquidity and financing risks.

SoftwareCentral has a fiscal policy that sets the overall framework for financial risk management. It is the company's policy not to engage in speculation of financial risks. The company's financial policy focuses only on the management and reduction of the financial risks that are a direct consequence of the company's operations, investments and financing.

Accounting policies used

The annual report for SoftwareCentral A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, other operating income, and external costs.

Accounting policies used

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

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

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, SoftwareCentral A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Accounting policies used

The cash flow statement

The cash flow statement shows the cash flow of the company for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities, respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

The effect of cash flow deriving from purchase and sale of enterprises appears separately under cash flow from investment activities. In the cash flow statement, cash flow deriving from purchased enterprises is recognised as of the date of acquisition, and cash flow deriving from sold enterprises is recognised until the sales date.

Cash flow from operating activities

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities

Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Available funds

Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Profit and loss account 1 January - 31 December*All amounts in DKK.*

<u>Note</u>	<u>2018</u>	<u>2017</u>
<i>Gross profit</i>	13.575.611	14.323.375
1 <i>Staff costs</i>	<u>-5.533.435</u>	<u>-4.786.192</u>
<i>Operating profit</i>	8.042.176	9.537.183
<i>Other financial income</i>	0	39.486
<i>Other financial costs</i>	<u>-60.220</u>	<u>-38.617</u>
<i>Results before tax</i>	7.981.956	9.538.052
2 <i>Tax on ordinary results</i>	<u>-1.757.311</u>	<u>-2.098.371</u>
<i>Results for the year</i>	<u>6.224.645</u>	<u>7.439.681</u>
 <i>Proposed distribution of the results:</i>		
<i>Dividend for the financial year</i>	6.224.645	7.439.681
<i>Allocated from results brought forward</i>	<u>0</u>	<u>0</u>
<i>Distribution in total</i>	<u>6.224.645</u>	<u>7.439.681</u>

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Assets		
Fixed assets		
Deposits	36.255	36.255
Financial fixed assets in total	36.255	36.255
Fixed assets in total	36.255	36.255
Current assets		
Trade debtors	948.626	2.307.516
Amounts owed by group enterprises	22.037.272	16.460.524
Deferred tax assets	10.623	14.164
Debtors in total	22.996.521	18.782.204
Available funds	3.352.147	4.926.313
Current assets in total	26.348.668	23.708.517
Assets in total	26.384.923	23.744.772

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Equity and liabilities		
Equity		
3 <i>Contributed capital</i>	500.000	500.000
<i>Results brought forward</i>	0	0
4 <i>Proposed dividend for the financial year</i>	6.224.645	7.439.681
<i>Equity in total</i>	<u>6.724.645</u>	<u>7.939.681</u>
Liabilities		
<i>Bank debts</i>	140.508	73.784
<i>Trade creditors</i>	354.942	576.606
<i>Debt to group enterprises</i>	179.017	140.555
<i>Corporate tax</i>	1.753.770	2.099.389
<i>Other debts</i>	1.632.239	1.094.256
<i>Accrued expenses and deferred income</i>	15.599.802	11.820.501
<i>Short-term liabilities in total</i>	<u>19.660.278</u>	<u>15.805.091</u>
<i>Liabilities in total</i>	<u>19.660.278</u>	<u>15.805.091</u>
<i>Equity and liabilities in total</i>	<u>26.384.923</u>	<u>23.744.772</u>
5 <i>Contingencies</i>		
6 <i>Related parties</i>		

Cash flow statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
<i>Results for the year</i>	6.224.645	7.439.681
7 <i>Adjustments</i>	1.817.531	2.097.502
8 <i>Change in working capital</i>	-83.777	-4.668.162
<i>Cash flow from operating activities before net financials</i>	7.958.399	4.869.021
<i>Interest received and similar amounts</i>	1	1
<i>Interest paid and similar amounts</i>	-25.475	-38.617
<i>Cash flow from ordinary activities</i>	7.932.925	4.830.405
<i>Corporate tax paid</i>	-2.099.389	-1.577.026
<i>Cash flow from operating activities</i>	5.833.536	3.253.379
<i>Dividend paid</i>	-7.439.681	-5.281.948
<i>Cash flow from financing activities</i>	-7.439.681	-5.281.948
<i>Changes in available funds</i>	-1.606.145	-2.028.569
<i>Available funds 1 January 2018</i>	4.852.529	6.841.612
<i>Exchange rate adjustments (available funds)</i>	-34.745	39.486
<i>Available funds 31 December 2018</i>	3.211.639	4.852.529
 <i>Available funds</i>		
<i>Available funds</i>	3.352.147	4.926.313
<i>Short-term bank debts</i>	-140.508	-73.784
<i>Available funds 31 December 2018</i>	3.211.639	4.852.529

Notes*All amounts in DKK.*

	<u>2018</u>	<u>2017</u>
1. Staff costs		
<i>Salaries and wages</i>	5.040.099	4.357.595
<i>Pension costs</i>	149.957	0
<i>Other costs for social security</i>	42.634	44.373
<i>Other staff costs</i>	300.745	384.224
	<u>5.533.435</u>	<u>4.786.192</u>
<i>Average number of employees</i>	<u>6</u>	<u>6</u>
2. Tax on ordinary results		
<i>Tax of the results for the year, parent company</i>	1.753.770	2.099.389
<i>Adjustment for the year of deferred tax</i>	3.541	-1.018
	<u>1.757.311</u>	<u>2.098.371</u>
3. Contributed capital		
<i>Contributed capital 1 January 2018</i>	500.000	500.000
	<u>500.000</u>	<u>500.000</u>
<i>The share capital consists of 500.000 shares, each with a nominal value of DKK 1.</i>		
4. Proposed dividend for the financial year		
<i>Dividend 1 January 2018</i>	7.439.681	5.281.948
<i>Distributed dividend</i>	-7.439.681	-5.281.948
<i>Dividend for the financial year</i>	6.224.645	7.439.681
	<u>6.224.645</u>	<u>7.439.681</u>

Notes

All amounts in DKK.

5. Contingencies**Contingent liabilities**

	<i>DKK in thousands</i>
<i>Leasing liabilities</i>	<u>148</u>
<i>Contingent liabilities in total</i>	<u>148</u>

Joint taxation

MS TopCo ApS, company reg. no 37553778 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

6. Related parties**Controlling interest**

MS Group ApS
Kongevejen 4187
2840 Holte

Majority shareholder

Other related parties

Mansoft A/S
MS TopCo ApS
Mansoft AB
Mansoft GmbH

Associated enterprise
Associated enterprise
Associated enterprise
Associated enterprise

Notes*All amounts in DKK.*

	<u>2018</u>	<u>2017</u>
7. Adjustments		
<i>Other financial income</i>	0	-39.486
<i>Other financial costs</i>	60.220	38.617
<i>Tax on ordinary results</i>	<u>1.757.311</u>	<u>2.098.371</u>
	<u>1.817.531</u>	<u>2.097.502</u>
8. Change in working capital		
<i>Change in debtors</i>	-4.217.858	-8.096.717
<i>Change in trade creditors and other liabilities</i>	<u>4.134.081</u>	<u>3.428.555</u>
	<u>-83.777</u>	<u>-4.668.162</u>