

Software Improvement Group - Nordic ApS

Bredgade 30, 1260 København K

CVR no. 32 67 51 23

**Annual report for the period
1 January to 31 December 2019**

Adopted at the annual general meeting on 26 March
2020

Anna Johanna Theresia Masen
chairman



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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Software Improvement Group - Nordic ApS for the financial year 1 January - 31 December 2019.

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 company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

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

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 26 March 2020

Executive board

Robert Ernst Pijselman

Anna Johanna Theresia Masen

Independent auditor's report

To the shareholder of Software Improvement Group - Nordic ApS

Opinion

We have audited the financial statements of Software Improvement Group - Nordic ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the 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 taken on the basis of these financial statements.

Independent auditor's report

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.

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.

Independent auditor's report

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.

Copenhagen, 26 March 2020

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
State Authoried Public Accountant
MNE no. mne41287

Company details

The company	Software Improvement Group - Nordic ApS Bredgade 30 1260 København K CVR no.: 32 67 51 23 Reporting period: 1 January - 31 December 2019 Incorporated: 18. January 2010 Domicile: Copenhagen
Executive board	Robert Ernst Pijselman Anna Johanna Theresia Masen
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

SIG is a consultancy firm that provides impartial, objective, verifiable and quantitative assessments of risks related to your corporate software systems. Our analysis software allows us to measure quality, reliability and security aspects according to international standards, to lay bare the underlying architecture and to assess the risks related to a system.

We make these aspects transparent for everyone. Whether you have a brand new client portal or a 30-year-old mainframe system, or an SAP application. Whether you are a financial institution, a logistics provider, a government agency or a high-tech service provider we provide transparency and help you get in control. Regarding maintainability, security, performance and many aspects of IT, SIG provides factbased advice with high impact.

Financial review

The company's income statement for the year ended 31. december 2019 shows a profit of EUR 516.640, and the balance sheet at 31 December 2019 shows equity of EUR 490.566.

The group finds the growth and profit for the year to be satisfying.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2019 EUR	2018 EUR
Gross profit		1.301.948	952.323
Staff costs	1	-661.275	-890.330
Profit/loss before amortisation/depreciation and impairment losses		640.673	61.993
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-7.407	-22.458
Profit/loss before net financials		633.266	39.535
Financial income	2	2.429	0
Financial costs	3	-359	-12.793
Profit/loss before tax		635.336	26.742
Tax on profit/loss for the year	4	-118.696	-215
Profit/loss for the year		516.640	26.527
Recommended appropriation of profit/loss			
Retained earnings		516.640	26.527
		516.640	26.527

Balance sheet 31 December

	Note	2019 EUR	2018 EUR
Assets			
Other fixtures and fittings, tools and equipment		5.905	11.401
Tangible assets	5	5.905	11.401
Deposits		13.656	18.514
Fixed asset investments		13.656	18.514
Total fixed assets		19.561	29.915
Trade receivables		474.825	480.833
Receivables from related parties		224.992	0
Other receivables		9.029	37.027
Deferred tax asset		4.042	0
Corporation tax		0	2.956
Prepayments		10.297	10.596
Receivables		723.185	531.412
Cash at bank and in hand		230.502	47.534
Total current assets		953.687	578.946
Total assets		973.248	608.861

Balance sheet 31 December

	Note	2019	2018
		EUR	EUR
Equity and liabilities			
Share capital		16.789	16.789
Retained earnings		473.777	-42.863
Equity		490.566	-26.074
Trade payables		91.393	83.722
Payables to related parties		803	265.417
Corporation tax		119.197	0
Other payables		218.294	278.711
Deferred income		52.995	7.085
Total current liabilities		482.682	634.935
Total liabilities		482.682	634.935
Total equity and liabilities		973.248	608.861
Contingent liabilities	6		

Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	16.789	-42.863	-26.074
Net profit/loss for the year	0	516.640	516.640
Equity at 31 December	16.789	473.777	490.566

Notes

	2019	2018
	EUR	EUR
1 Staff costs		
Wages and salaries	570.967	765.027
Pensions	60.307	93.154
Other social security costs	5.893	8.536
Other staff costs	24.108	23.613
	661.275	890.330
Average number of employees	5	7
2 Financial income		
Interest received from related parties	2.421	0
Exchange gains	8	0
	2.429	0
3 Financial costs		
Other financial costs	359	10.674
Exchange loss	0	2.119
	359	12.793
4 Tax on profit/loss for the year		
Current tax for the year	122.738	0
Deferred tax for the year	-4.042	0
Adjustment of tax concerning previous years	0	215
	118.696	215

Notes

5 Tangible assets

	Other fixtures and fittings, tools and equipment
	<u>EUR</u>
Cost at 1 January	22.840
Additions for the year	1.986
Disposals for the year	-511
Cost at 31 December	<u>24.315</u>
Impairment losses and depreciation at 1 January	11.439
Depreciation for the year	7.407
Reversal of impairment and depreciation of sold assets	-436
Impairment losses and depreciation at 31 December	<u>18.410</u>
Carrying amount at 31 December	<u><u>5.905</u></u>

6 Contingent liabilities

The company has entered into leases with a total liability of t.EUR 18.

Accounting policies

The annual report for Software Improvement Group - Nordic ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class Benterprises. Furthermore, the company has chosen to comply with some of the rules applying for class Centerprises.

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

The annual report for 2019 is presented in EUR

Basis of recognition and measurement

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

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

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

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

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

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

Income statement

Gross profit

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

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

Accounting policies

Revenue

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Other external costs

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

Staff costs

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

Amortisation, depreciation and impairment losses

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-4	years
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Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Receivables for which there is no objective evidence of individual impairment are tested for impairment on a portfolio basis. The portfolios are primarily based on debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Prepayments

Deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Income tax and deferred tax

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

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

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

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

Deferred income

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