

**EMDESIC TECHNOLOGY SOLUTIONS DENMARK APS**

**NIELS JERNES VEJ 10, 9220 AALBORG ØST**

**ANNUAL REPORT**

**1. OKTOBER 2015 - 30. SEPTEMBER 2016**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 28 February 2017**

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**Suneesh Thavarool Puthiyadath**

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## COMPANY DETAILS

### Company

Emdesic Technology Solutions Denmark ApS  
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CVR no.: 33 06 66 35  
Established: 6 July 2010  
Registered Office: Aalborg  
Financial Year: 1 October 2015 - 30 September 2016

### Board of Executives

Suneesh Thavarool Puthiyadath

## STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of Emdesic Technology Solutions Denmark ApS for the year 1 October 2015 - 30 September 2016.

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

In my opinion the Financial Statements give a true and fair view of the the Company's financial position at 30 September 2016 and of the results of the the Company's operations for the financial year 1 October 2015 - 30 September 2016.

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

The board of executives remain of the opinion that the conditions for opting out of audit have been fulfilled.

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

Aalborg, 28 February 2017

Board of Executives

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Suneesh Thavarool Puthiyadath

## MANAGEMENT'S REVIEW

### Principal activities

The principal activity of Emdesic Technology Solutions Denmark ApS is to carry on product and software development and all business, which the Board of Directors deems is related hereto

### Development in activities and financial position

The results of the Company's operations during the year under review and the Company's financial position at the end of the fiscal year appear from the income statement and balance sheet.

The company has lost more than 50% of its capital. Management expects the company's future operations will be profitable, why the share capital is expected restored by future earnings.

### Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

**INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER**

	Note	2015/16 DKK	2014/15 DKK
<b>GROSS PROFIT</b> .....		<b>1.655.032</b>	<b>2.079.260</b>
Staff costs.....	1	-2.339.131	-1.948.465
Depreciation, amortisation and impairment.....		-10.612	-9.960
<b>OPERATING LOSS</b> .....		<b>-694.711</b>	<b>120.835</b>
Other financial income.....		368	2.708
Other financial expenses.....		-1.194	-1.198
<b>PROFIT BEFORE TAX</b> .....		<b>-695.537</b>	<b>122.345</b>
Tax on profit/loss for the year.....	2	153.196	-29.607
<b>PROFIT FOR THE YEAR</b> .....		<b>-542.341</b>	<b>92.738</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Accumulated profit.....		-542.341	92.738
<b>TOTAL</b> .....		<b>-542.341</b>	<b>92.738</b>

**BALANCE SHEET AT 30 SEPTEMBER**

<b>ASSETS</b>	<b>Note</b>	<b>2016 DKK</b>	<b>2015 DKK</b>
Other plants, machinery, tools and equipment.....		4.842	15.454
<b>Tangible fixed assets.....</b>	<b>3</b>	<b>4.842</b>	<b>15.454</b>
<b>FIXED ASSETS.....</b>		<b>4.842</b>	<b>15.454</b>
Trade receivables.....		374.096	1.924.801
Deferred tax assets.....		149.336	0
Other receivables.....		172.699	11.554
Receivables corporation tax.....		10.000	0
<b>Receivables.....</b>		<b>706.131</b>	<b>1.936.355</b>
Cash and cash equivalents.....		181.571	74.164
<b>CURRENT ASSETS.....</b>		<b>887.702</b>	<b>2.010.519</b>
<b>ASSETS.....</b>		<b>892.544</b>	<b>2.025.973</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital.....		80.000	80.000
Retained profit.....		-57.330	485.012
<b>EQUITY.....</b>	<b>4</b>	<b>22.670</b>	<b>565.012</b>
Provision for deferred tax.....		0	3.682
<b>PROVISION FOR LIABILITIES.....</b>		<b>0</b>	<b>3.682</b>
Trade payables.....		243.700	505.978
Corporation tax.....		0	1.950
Other liabilities.....		626.174	949.351
<b>Current liabilities.....</b>		<b>869.874</b>	<b>1.457.279</b>
<b>LIABILITIES.....</b>		<b>869.874</b>	<b>1.457.279</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>892.544</b>	<b>2.025.973</b>

NOTES

	2015/16 DKK	2014/15 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 6 (2014/15: 5)			
Wages and salaries.....	2.276.941	1.892.890	
Pensions.....	12.932	10.380	
Social security costs.....	24.014	18.179	
Other staff costs.....	25.244	27.016	
	<b>2.339.131</b>	<b>1.948.465</b>	
<b>Tax on profit/loss for the year</b>			<b>2</b>
Calculated tax on taxable income of the year.....	0	26.889	
Adjustment of tax for previous years.....	-178	70	
Adjustment of deferred tax.....	-153.018	2.648	
	<b>-153.196</b>	<b>29.607</b>	
<b>Tangible fixed assets</b>			<b>3</b>
		Other plants, machinery, tools and equipment	
Cost at 1 October 2015.....		45.490	
Cost at 30 September 2016.....		45.490	
Depreciation and write-down at 1 October 2015.....		30.036	
Depreciation for the year.....		10.612	
Depreciation and write-down at 30 September 2016.....		40.648	
Carrying amount at 30 September 2016.....		4.842	
<b>Equity</b>			<b>4</b>
	Share capital	Retained profit	Total
Equity at 1 October 2015.....	80.000	485.011	565.011
Proposed distribution of profit.....		-542.341	-542.341
Equity at 30 September 2016.....	<b>80.000</b>	<b>-57.330</b>	<b>22.670</b>



## ACCOUNTING POLICIES

The annual report of Emdesic Technology Solutions Denmark ApS for 2015/16 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

### Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

### Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts 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, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies 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.

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. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

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.....	2-5 years	0 %

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.

## ACCOUNTING POLICIES

### Receivables

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

### 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.

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.