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PSION ApS
Hummeltoftevej 49
2830 Virum
Business Registration No
33066651

Annual report 2017

The Annual General Meeting adopted the annual report on 16.05.2018

Chairman of the General Meeting



Name: Stephen Michael Piercey

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Income statement for 2017	6
Balance sheet at 31.12.2017	7
Statement of changes in equity for 2017	9
Notes	10
Accounting policies	12

Entity details

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Entity

PSION ApS
Hummeltoftevej 49
2830 Virum

Central Business Registration No (CVR): 33066651

Registered in: Lyngby-taarbæk

Financial year: 01.01.2017 - 31.12.2017

Executive Board

Stephen Michael Piercey, direktion

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of PSION ApS for the financial year 01.01.2017 - 31.12.2017.

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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 16.05.2018

Executive Board

Stephen Michael Piercey
direktion

Independent auditor's reports

To the shareholders of PSION ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of PSION ApS for the financial year 01.01.2017 - 31.12.2017. The financial statements, which comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies, are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical procedures and specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Conclusion

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

Independent auditor's reports

In connection with our extended review of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Aarhus, 16.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556



Morten Gade Steinmetz
State Authorised Public Accountant
Identification No (MNE) mne34145

Management commentary

Primary activities

The entity sell IT solutions and related services.

Development in activities and finances

Profit for the year is DKK 7,290k, which Management considers satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Gross profit		9.968.723	13.330.189
Staff costs	1	(9.397.599)	(8.837.027)
Depreciation, amortisation and impairment losses		<u>7.146.570</u>	<u>(3.668.039)</u>
Operating profit/loss		7.717.694	825.123
Other financial income	2	1.781.406	20.748
Other financial expenses	3	<u>(107.513)</u>	<u>(616.510)</u>
Profit/loss before tax		9.391.587	229.361
Tax on profit/loss for the year	4	<u>(2.101.932)</u>	<u>(140.676)</u>
Profit/loss for the year		<u>7.289.655</u>	<u>88.685</u>
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		7.289.655	0
Extraordinary dividend distributed in the financial year		0	8.750.000
Retained earnings		<u>0</u>	<u>(8.661.315)</u>
		<u>7.289.655</u>	<u>88.685</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> DKK	<u>2016</u> DKK
Acquired rights		0	610.473
Goodwill		0	9.092.379
Intangible assets	5	0	9.702.852
Other receivables		241.799	234.756
Fixed asset investments		241.799	234.756
Fixed assets		241.799	9.937.608
Trade receivables		0	5.647
Receivables from group enterprises		30.487.609	15.662.726
Deferred tax		11.511	541.916
Other receivables		78.203	61.179
Prepayments		133.225	139.129
Receivables		30.710.548	16.410.597
Cash		948.552	1.765.958
Current assets		31.659.100	18.176.555
Assets		31.900.899	28.114.163

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		8.597.327	8.597.327
Proposed dividend		7.289.655	0
Equity		<u>15.966.982</u>	<u>8.677.327</u>
Trade payables		44.039	419.735
Payables to group enterprises		11.963.815	16.319.312
Income tax payable		1.571.527	0
Other payables		2.354.536	2.555.262
Deferred income		<u>0</u>	<u>142.527</u>
Current liabilities other than provisions		<u>15.933.917</u>	<u>19.436.836</u>
Liabilities other than provisions		<u>15.933.917</u>	<u>19.436.836</u>
Equity and liabilities		<u>31.900.899</u>	<u>28.114.163</u>
Unrecognised rental and lease commitments	6		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	80.000	8.597.327	0	8.677.327
Profit/loss for the year	0	0	7.289.655	7.289.655
Equity end of year	80.000	8.597.327	7.289.655	15.966.982

Notes

	2017	2016
	DKK	DKK
1. Staff costs		
Wages and salaries	8.661.545	7.847.544
Pension costs	520.535	576.296
Other social security costs	215.519	413.187
	9.397.599	8.837.027
Average number of employees	7	8
	2017	2016
	DKK	DKK
2. Other financial income		
Financial income arising from group enterprises	5.157	20.748
Other financial income	1.776.249	0
	1.781.406	20.748
	2017	2016
	DKK	DKK
3. Other financial expenses		
Financial expenses from group enterprises	50.720	74.134
Other financial expenses	56.793	542.376
	107.513	616.510
	2017	2016
	DKK	DKK
4. Tax on profit/loss for the year		
Current tax	1.571.527	0
Change in deferred tax	530.405	314.084
Adjustment concerning previous years	0	(173.408)
	2.101.932	140.676

Notes

	Acquired rights DKK	Goodwill DKK
	<u>DKK</u>	<u>DKK</u>
5. Intangible assets		
Cost beginning of year	912.646	16.284.858
Disposals	<u>(912.646)</u>	<u>(16.284.858)</u>
Cost end of year	<u>0</u>	<u>0</u>
Amortisation and impairment losses beginning of year	(302.173)	(7.192.479)
Amortisation for the year	(45.909)	(1.085.657)
Reversal regarding disposals	<u>348.082</u>	<u>8.278.136</u>
Amortisation and impairment losses end of year	<u>0</u>	<u>0</u>
Carrying amount end of year	<u>0</u>	<u>0</u>
	2017	2016
	<u>DKK</u>	<u>DKK</u>
6. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>362.699</u>	<u>352.134</u>

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, costs of raw materials and consumables, and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise direct costs incurred for the sale of IT solutions for the financial year.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Accounting policies

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income and exchange adjustments from receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses and exchange adjustment of liabilities etc. It also includes interest income and exchange adjustments from receivables from group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Goodwill

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights comprise identifiable acquired customer relationships.

Rights to acquired customer relationships are measured at cost less accumulated amortisation. The amortisation period is five to eight years.

Customer relationships etc. are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Accounting policies

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

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

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.