



## ***CloudPartners A/S***

Hasselager Centervej 19, DK-8260 Viby J

### **Annual Report for 1 October 2017 - 30 September 2018**

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CVR No 33 64 20 91

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
26/02 2019

Søren Bech Justesen  
Chairman of the General  
Meeting

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# **Management's Statement**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CloudPartners A/S for the financial year 1 October 2017 - 30 September 2018.

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 financial position at 30 September 2018 of the Company and of the results of the Company operations for 2017/18.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Viby J, 26 February 2019

## **Executive Board**

Steen Bøgelund Hagengaard  
CEO

## **Board of Directors**

Claus Thorsgaard  
Chairman

Søren Bech Justesen

Mikkel Damsgaard

# Independent Auditor's Report

To the Shareholders of CloudPartners A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2018 and of the results of the Company's operations for the financial year 1 October 2017 - 30 September 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CloudPartners A/S for the financial year 1 October 2017 - 30 September 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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.

## 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

# Independent Auditor's Report

## **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 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 judgement and maintain professional scepticism 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.

## Independent Auditor's Report

- 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.

Hellerup, 26 February 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Rasmus Friis Jørgensen

statsautoriseret revisor

mne28705

Thomas Baunkjær Andersen

statsautoriseret revisor

mne35483

## **Company Information**

### **The Company**

CloudPartners A/S  
Hasselager Centervej 19  
DK-8260 Viby J

CVR No: 33 64 20 91  
Financial period: 1 October - 30 September  
Financial year: 8th financial year  
Municipality of reg. office: Viby

### **Board of Directors**

Claus Thorsgaard, Chairman  
Søren Bech Justesen  
Mikkel Damsgaard

### **Executive Board**

Steen Bøgelund Hagengaard

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# **Management's Review**

## **The significant activities of the enterprise**

CloudPartners A/S (CloudPartners) provides cloud-solutions, consultancy and services to private enterprises and public organizations in Denmark. The technological areas of focus are mainly within Cloud-based services and solutions for a variety of technologies spanning from basic network, infrastructure and security to IoT platforms BIG Data Analytic solutions. The services are based primarily on Amazon Web Services (AWS). Cloudpartners also offers its unique, Partner-Led Support model with 24x7 availability and proactive ticket handling and other services that give customers direct access to highly certified network consultants, fast troubleshooting and stable operation.

Cloudpartners is certified AWS Advanced Consulting Partners, AWS Resellers and Enterprise Support Partners.

April 17, Cloudpartners was acquired by Conscia and became the Public Cloud focused division within the Group. Cloudpartners work closely together with the Sales team in Conscia to leverage the mutual opportunities for customers that has combined on premise and cloud demands.

## **Development in the year**

The income statement of the Company for 2017/18 shows a loss of DKK 1,565,218, and at 30 September 2018 the balance sheet of the Company shows equity of DKK 2,660,301.

## **Uncertainty relating to recognition and measurement**

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 October - 30 September

	Note	2017/18 DKK	1/1 2017 - 30/9 2017 DKK
<b>Gross profit/loss</b>		<b>8.603.743</b>	<b>5.701.176</b>
Staff expenses	1	-10.102.746	-7.467.503
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		0	-270.728
Other operating expenses		-130.583	0
<b>Profit/loss before financial income and expenses</b>		<b>-1.629.586</b>	<b>-2.037.055</b>
Financial income	2	28.811	7.978
Financial expenses		-40.600	-294.500
<b>Profit/loss before tax</b>		<b>-1.641.375</b>	<b>-2.323.577</b>
Tax on profit/loss for the year	3	76.157	481.917
<b>Net profit/loss for the year</b>		<b>-1.565.218</b>	<b>-1.841.660</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-1.565.218	-1.841.660
		<b>-1.565.218</b>	<b>-1.841.660</b>

## Balance Sheet 30 September

### Assets

	<u>Note</u>	<u>2017/18</u> DKK	<u>1/1 2017 - 30/9</u> <u>2017</u> DKK
Trade receivables		3.117.602	3.410.343
Contract work in progress	4	0	116.036
Receivables from group enterprises		1.535.744	503.598
Other receivables		374.688	8.187
Deferred tax asset		10.987	279.592
Corporation tax receivable from group enterprises		571.212	1.183.826
Prepayments		151.665	129.420
<b>Receivables</b>		<b><u>5.761.898</u></b>	<b><u>5.631.002</u></b>
<b>Cash at bank and in hand</b>		<b><u>0</u></b>	<b><u>1.943.042</u></b>
<b>Currents assets</b>		<b><u>5.761.898</u></b>	<b><u>7.574.044</u></b>
<b>Assets</b>		<b><u>5.761.898</u></b>	<b><u>7.574.044</u></b>

# Balance Sheet 30 September

## Liabilities and equity

	Note	2017/18 DKK	1/1 2017 - 30/9 2017 DKK
Share capital		500.000	500.000
Retained earnings		2.160.301	3.725.519
<b>Equity</b>		<b>2.660.301</b>	<b>4.225.519</b>
Other payables		0	846.871
<b>Long-term debt</b>	5	<b>0</b>	<b>846.871</b>
Credit institutions		0	434.806
Prepayments received from customers		0	69.201
Trade payables		1.065.158	494.651
Contract work in progress, liabilities	4	208.026	0
Payables to group enterprises		0	97.826
Other payables	5	1.828.413	1.405.170
<b>Short-term debt</b>		<b>3.101.597</b>	<b>2.501.654</b>
<b>Debt</b>		<b>3.101.597</b>	<b>3.348.525</b>
<b>Liabilities and equity</b>		<b>5.761.898</b>	<b>7.574.044</b>
Contingent assets, liabilities and other financial obligations	6		
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## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 October 2017	500.000	3.725.519	4.225.519
Net profit/loss for the year	0	-1.565.218	-1.565.218
<b>Equity at 30 September 2018</b>	<b>500.000</b>	<b>2.160.301</b>	<b>2.660.301</b>

## Notes to the Financial Statements

	<u>2017/18</u> DKK	<u>1/1 2017 - 30/9</u> 2017 DKK
<b>1 Staff expenses</b>		
Wages and salaries	9.133.935	7.005.689
Pensions	331.440	498.927
Other social security expenses	57.771	92.796
Other staff expenses	579.600	-129.909
	<u><b>10.102.746</b></u>	<u><b>7.467.503</b></u>
<b>Average number of employees</b>	<u><b>15</b></u>	<u><b>18</b></u>
<b>2 Financial income</b>		
Other financial income	0	7.978
Exchange adjustments	28.811	0
	<u><b>28.811</b></u>	<u><b>7.978</b></u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	-305.810	-258.480
Deferred tax for the year	229.653	-223.437
	<u><b>-76.157</b></u>	<u><b>-481.917</b></u>
<b>4 Contract work in progress</b>		
Selling price of work in progress	1.699.621	116.036
Payments received on account	-1.907.647	0
	<u><b>-208.026</b></u>	<u><b>116.036</b></u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	0	116.036
Prepayments received recognised in debt	-208.026	0
	<u><b>-208.026</b></u>	<u><b>116.036</b></u>

## Notes to the Financial Statements

### 5 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2017/18	1/1 2017 - 30/9
	DKK	2017
	DKK	DKK
<b>Other payables</b>		
After 5 years	0	0
Between 1 and 5 years	0	846.871
Long-term part	0	846.871
Other short-term payables	1.828.413	1.405.170
	<b>1.828.413</b>	<b>2.252.041</b>

### 6 Contingent assets, liabilities and other financial obligations

#### Rental and lease obligations

Lease obligation	27.000	284.000
Rental obligation	143.000	1.167.026

#### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of AX IV Con ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 7 Related parties

### Consolidated Financial Statements

The company is included in the consolidated annual accounts for Conscia Holding A/S and AX IV Con ApS. The annual reports for 2017/2018 for Conscia Holding A/S and AX IV Con ApS can be obtained from the danish business authority.

<u>Name</u>	<u>Place of registered office</u>
AX IV Con ApS (ultimate parent)	Brøndby, Denmark
Conscia Holding A/S (parent)	Brøndby, Denmark

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of CloudPartners A/S for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

With reference to a true and fair view, certain reclassifications have been made in the income statement, balance sheet and notes for the company. Comparative figures are adjusted accordingly.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017/18 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.



# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Income Statement

#### Gross profit/loss

The gross profit/loss comprises the net turnover, cost of sales and external costs.

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

#### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Costs of sales

Costs of sales includes costs directly related to sales with deduction of discounts.

#### Other external expenses

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

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale 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.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## **Balance Sheet**

### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### **Contract work in progress**

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.