
CloudPartners A/S

c/o Conscia A/S, Nannasvej 7, DK-8230 Åbyhøj

Annual Report for 1 October 2018 - 30 September 2019

CVR No 33 64 20 91

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
17/3 2020

Martin Adrian Møller
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 2018 - 30 September 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 financial position at 30 September 2019 of the Company and of the results of the Company operations for 2018/19.

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.

Åbyhøj, 17 March 2020

Executive Board

Martin Adrian Møller
CEO

Board of Directors

Claus Thorsgaard
Chairman

Peter Rafn

Martin Adrian Møller

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 2019 and of the results of the Company's operations for the financial year 1 October 2018 - 30 September 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CloudPartners A/S for the financial year 1 October 2018 - 30 September 2019, 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.

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.

Independent Auditor's Report

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.
- 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.

Independent Auditor's Report

- 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, 17 March 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Rasmus Friis Jørgensen
State Authorised Public Accountant
mne28705

Thomas Baunkjær Andersen
State Authorised Public Accountant
mne35483

Company Information

The Company

CloudPartners A/S
c/o Conscia A/S, Nannasvej 7
DK-8230 Åbyhøj

CVR No: 33 64 20 91
Financial period: 1 October - 30 September
Financial year: 9th financial year
Municipality of reg. office: Aarhus

Board of Directors

Claus Thorsgaard, Chairman
Peter Rafn
Martin Adrian Møller

Executive Board

Martin Adrian Møller

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.

Development in the year

The income statement of the Company for 2018/19 shows a profit of DKK 110,588, and at 30 September 2019 the balance sheet of the Company shows equity of DKK 2,770,889.

Uncertainty relating to recognition and measurement

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

Events subsequently to the financial year

The outbreak of the Corona virus during the beginning of 2020 is going to affect the world economy, and the related implications are going to create instability and uncertainty on the global markets throughout 2020. At the time of completing this annual report the impact and complete extent of the corona virus on the global healthcare and world's economy is undetermined, as the outbreak is still evolving and has yet not been contained or controlled in any country. Consequently, the Corona virus is also affecting the countries and markets in which Conscia and the Group operates.

Management has evaluated the potential impact of the Corona virus on the Company's operations and expected financial performance for 2019/20. Management believes that the outbreak is going to have an adverse effect on the Company's revenue and results for 2020 to some extent. Though, it is Management's expectations that the industry in which the Group operates is not going to be significantly affected by the Corona virus outbreak, thus the Company and Group's financial position is not expected to be significantly distorted.

Except for the above no events have occurred subsequently to the balance sheet date, which would have a material impact on the financial position of the company.

Income Statement

1 October 2018 - 30 September 2019

	Note	2018/19 DKK	2017/18 DKK
Gross profit/loss		8.441.479	8.603.743
Staff expenses	1	-8.383.273	-10.102.746
Other operating expenses		-60.486	-130.583
Profit/loss before financial income and expenses		-2.280	-1.629.586
Financial income	2	134.451	28.811
Financial expenses		-10.596	-40.600
Profit/loss before tax		121.575	-1.641.375
Tax on profit/loss for the year	3	-10.987	76.157
Net profit/loss for the year		110.588	-1.565.218

Distribution of profit

Proposed distribution of profit

Retained earnings	110.588	-1.565.218
	110.588	-1.565.218

Balance Sheet at 30 September 2019

	Note	2018/19 DKK	2017/18 DKK
Assets			
Trade receivables		2.521.456	3.117.602
Receivables from group enterprises		2.131.906	1.535.744
Other receivables		221.845	374.688
Deferred tax asset		0	10.987
Corporation tax receivable from group enterprises		571.212	571.212
Prepayments		140.157	151.665
Receivables		5.586.576	5.761.898
Currents assets		5.586.576	5.761.898
Assets		5.586.576	5.761.898
Liabilities and equity			
Share capital		500.000	500.000
Retained earnings		2.270.889	2.160.301
Equity		2.770.889	2.660.301
Other payables		55.864	0
Long-term debt	5	55.864	0
Trade payables		1.044.628	1.065.158
Contract work in progress, liabilities	4	0	208.026
Other payables	5	1.715.195	1.828.413
Short-term debt		2.759.823	3.101.597
Debt		2.815.687	3.101.597
Liabilities and equity		5.586.576	5.761.898
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 2018	500.000	2.160.301	2.660.301
Net profit/loss for the year	0	110.588	110.588
Equity at 30 September 2019	500.000	2.270.889	2.770.889

Notes to the Financial Statements

	<u>2018/19</u>	<u>2017/18</u>
	DKK	DKK
1 Staff expenses		
Wages and salaries	7.025.684	9.133.935
Pensions	257.008	331.440
Other social security expenses	59.075	57.771
Other staff expenses	<u>1.041.506</u>	<u>579.600</u>
	<u>8.383.273</u>	<u>10.102.746</u>
Average number of employees	<u>10</u>	<u>15</u>
2 Financial income		
Interest received from group enterprises	4.708	0
Exchange adjustments	<u>129.743</u>	<u>28.811</u>
	<u>134.451</u>	<u>28.811</u>
3 Tax on profit/loss for the year		
Current tax for the year	0	-305.810
Deferred tax for the year	<u>10.987</u>	<u>229.653</u>
	<u>10.987</u>	<u>-76.157</u>
4 Contract work in progress		
Selling price of work in progress	0	1.699.621
Payments received on account	<u>0</u>	<u>-1.907.647</u>
	<u>0</u>	<u>-208.026</u>
Recognised in the balance sheet as follows:		
Prepayments received recognised in debt	<u>0</u>	<u>-208.026</u>
	<u>0</u>	<u>-208.026</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:

	<u>2018/19</u> DKK	<u>2017/18</u> DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	55.864	0
Long-term part	55.864	0
Other short-term payables	1.715.195	1.828.413
	<u>1.771.059</u>	<u>1.828.413</u>

6 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligation	0	27.000
Rental obligation	327.000	143.000

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 and Capnor Connery HoldCo A/S, which is the management companies of the joint taxation purposes for 2018/19. 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

Transactions

The Company has chosen only to disclose transactions which have not been made carried out on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The company is included in the consolidated annual accounts for Conscia A/S and Capnor Connery HoldCo A/S. The annual reports for 2018/2019 for Conscia A/S and Capnor Connery HoldCo A/S can be obtained from the danish business authority.

<u>Name</u>	<u>Place of registered office</u>
Capnor Connery HoldCo A/S (Ultimate parent)	Brøndby, Denmark
Conscia A/S (Smallest parent)	Brøndby, Denmark

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of CloudPartners A/S for 2018/19 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.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018/19 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

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.

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.

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.

Staff expenses

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

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.

Notes to the Financial Statements

8 Accounting Policies (continued)

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 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.

Notes to the Financial Statements

8 Accounting Policies (continued)

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

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