

Piaster Revisorerne

vi giver bedre råd

Cogniance Denmark ApS

CVR-nr. 34 59 91 22

Grønningen 1
1270 København K

Annual Report 2017

(Financial year 1 January 2017 - 31 December 2017)

The Annual Report is presented and
adopted at the Annual General Meeting of
shareholders on the 12 March 2018

Michael Shraybman
Chairman of the meeting

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Management's Statement

The Executive Board have today considered and approved the Annual Report of 1 January 2017 - 31 December 2017 for Cogniance Denmark ApS.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

The Annual Report, that is not audited, has been prepared in accordance with the Danish Financial Statements Act. Management state that the conditions for non audit Annual Reports are met.


In my opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2017.

In my opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Copenhagen, 12 March 2018

Executive Board:



Michael Shraybman

The AGM has decided that the financial statements for the next year shall not be audited.

Auditor's Compilation Report

To Shareholders of Cogniance Denmark ApS

We have compiled the accompanying financial statements of Cogniance Denmark ApS for the financial year 1 January 2017 - 31 December 2017, based on information the management have provided.

The financial statements comprise the income statement, the balance sheet and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise to assist you in the preparation and presentation of these financial statements in accordance with Danish Financial Statements Act. We have complied with the rules in the Danish Audit Act and FSR - danske revisorer's ethic guidelines for auditors, including the principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with Danish Financial Statements Act.

Birkerød, 12 March 2018

**Piaster Revisorerne,
Statsautoriseret Revisionsaktieselskab
CVR-nr.: 25 16 00 37**



Niels Kristian Tordrup Nielsen
State Authorized Public Accountant
mne35462

Corporate information

The Company	Cogniance Denmark ApS Grønningen 1 1270 København K
	Identification no.: 34 59 91 22
	Founded: 13 June 2012
	Registered office: København
	Financial year: 1 January - 31 December
Executive Board	Michael Shraybman
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Abildgårdsparken 8A 3460 Birkerød

Management's Review

Primary activities of the Company

The company's primary activity is sales.

Development in activities and financial affairs

The company's financial performance is considered satisfying.

Significant events occurred after the end of the financial year

No events materially affecting the financial position of the company have occurred after the end of the financial year.

Income statement 1 January - 31 December

	Notes	2017	2016
Revenue		5.650.667	4.462.199
Other operating income		0	9.299
Other external expenses		-1.506.275	-1.486.984
Gross profit		4.144.392	2.984.514
Staff costs	1	-3.723.823	-2.592.633
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-2.000	-48.417
Operating profit		418.569	343.464
Financial income		0	660
Financial expenses	3	-5.164	-13.588
Profit before tax		413.405	330.536
Tax expense	4	-104.916	-83.354
Profit for the year		308.489	247.182
Proposed distribution of results			
Retained earnings		308.489	247.182
Proposed dividend recognised in equity		0	0
Total distribution		308.489	247.182

Balance sheet at 31 December

Assets

	Notes	2017	2016
Fixtures, fittings, tools and equipment	5	20.000	9.500
Property, plant and equipment		20.000	9.500
Fixed assets		20.000	9.500
Receivables from group enterprises		1.822.851	1.161.931
Other receivables		182.472	161.478
Deferred tax assets		2.000	4.000
Receivables		2.007.323	1.327.409
Cash and cash equivalents		70.156	45.968
Current assets		2.077.479	1.373.377
Assets		2.097.479	1.382.877

Balance sheet at 31 December

Equity and liabilities

	Notes	2017	2016
Share capital		80.000	80.000
Retained earnings		1.207.037	898.548
Proposed dividend recognised in equity		0	0
Equity	6	1.287.037	978.548
Trade payables		250.942	30.000
Tax payables		68.916	82.354
Other payables		489.907	291.975
Deferred income		677	0
Short-term liabilities other than provisions		810.442	404.329
Liabilities other than provisions		810.442	404.329
Equity and liabilities		2.097.479	1.382.877

Notes

	<u>2017</u>	<u>2016</u>
1 Staff costs		
Wages and salaries	3.324.262	2.499.658
Post-employment benefit expense	393.569	66.727
Social security contributions	5.992	26.248
	<u>3.723.823</u>	<u>2.592.633</u>
Average number of full time employees	<u>3</u>	<u>3</u>
2 Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		
Depreciation, fixtures, fittings, tools and equipment	2.000	48.417
	<u>2.000</u>	<u>48.417</u>
3 Financial expenses		
Other financial expenses	5.164	13.588
	<u>5.164</u>	<u>13.588</u>
4 Tax expense		
Tax expense on ordinary activities	103.916	90.354
Adjustment of deferred tax	1.000	-7.000
Tax, prior years	0	0
	<u>104.916</u>	<u>83.354</u>

Notes

	2017	2016
5 Fixtures, fittings, tools and equipment		
Cost at 1 January	10.000	238.931
Additions	12.500	0
Disposals	0	-228.931
Cost at 31 December	<u>22.500</u>	<u>10.000</u>
Depreciations at 1 January	500	63.513
Depreciations for the year	2.000	48.417
Depreciations on disposals of the year	0	-111.430
Depreciations at 31 December	<u>2.500</u>	<u>500</u>
Carrying amount at 31 December	<u>20.000</u>	<u>9.500</u>
6 Equity		
Share capital at 1 January	80.000	80.000
Share capital at 31 December	<u>80.000</u>	<u>80.000</u>
Retained earnings at 1 January	898.548	651.366
Proposed distribution of results this year	308.489	247.182
Retained earnings at 31 December	<u>1.207.037</u>	<u>898.548</u>
Proposed dividend recognised in equity at 1 January	0	0
Dividend paid	0	0
Proposed distribution of results	0	0
Proposed dividend recognised in equity at 31 December	<u>0</u>	<u>0</u>
Equity at 31 December	<u>1.287.037</u>	<u>978.548</u>

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

General

Reporting currency

The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

Accounting policies

Currency retranslation

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Income statement

Revenue

Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a committing sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

Cost of sales

Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Other operating income and expenses

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

Accounting policies

Staff costs

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Balance sheet

Property, plant and equipment

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

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Fixtures, fittings, tools and equipment	3-5 years	0%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or other operating expenses.

Accounting policies

Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Cash and bank balances

Cash comprises cash balances and bank balances.

Dividends

Dividends expected to be paid in respect of the year are stated as a separate line item under liabilities.

Current tax and current deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortized cost, corresponding to the nominal value.