

Designit A/S

Bygmestervej 61, DK-2400 København NV

CVR no. 35 39 89 10

Annual report 2018/19

Approved at the Company's annual general meeting on 28 May 2019

Chairman:



.....
Therese Strange-Obel Johansen





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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Designit A/S for the financial year 1 April 2018 - 31 March 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 of the Company at 31 March 2019 and of the results of the Company's operations for the financial year 1 April 2018 - 31 March 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 28 May 2019
Executive Board:

DocuSigned by:

E077801466A3406
Humberto Rodriguez Matas
Managing director

Kjersti Krokmoen Lund
Director

Joaquin Enrique Guirao
Sagi-Vela
Director

Board of Directors:

DocuSigned by:

Rajan Kohli
Chairman

Mikal Christian Hallstrup

Kjersti Krokmoen Lund



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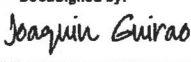
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Copenhagen, 28 May 2019
Executive Board:

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Humberto Rodriguez Matas
Managing director

DocuSigned by:

F954116EA6B74B4.....
Kjersti Krokmoegen Lund
Director

DocuSigned by:

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Joaquin Enrique Guirao
Sagi-Vela
Director

Board of Directors:

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Rajan Kohli
Chairman

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Mikal Christian Hallstrup

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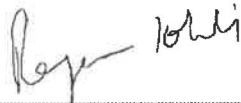
Copenhagen, 28 May 2019
Executive Board:

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Humberto Rodriguez Matas
Managing director

.....
Kjersti Krokmoen Lund
Director

.....
Joaquin Enrique Guirao
Sagi-Vela
Director

Board of Directors:



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Rajan Kohli
Chairman

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Mikal Christian Hallstrup

.....
Kjersti Krokmoen Lund



Independent auditor's report

To the shareholder of Designit A/S

Opinion

We have audited the financial statements of Designit A/S for the financial year 1 April 2018 - 31 March 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 of the Company at 31 March 2019 and of the results of the Company's operations for the financial year 1 April 2018 - 31 March 2019 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 rules and requirements.

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 as to 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 the 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.



Independent auditor's report

- ▶ 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.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 28 May 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'Claus Hammer-Pedersen'.

Claus Hammer-Pedersen
State Authorised Public Accountant
mne21334



Management's review

Company details

Name	Designit A/S
Address, Postal code, City	Bygmestervej 61, DK-2400 København NV
CVR no.	35 39 89 10
Established	31 May 2013
Registered office	København (Copenhagen)
Financial year	1 April 2018 - 31 March 2019
Website	www.designit.com
Telephone	+45 70 27 77 00
Board of Directors	Rajan Kohli, Chairman Mikal Christian Hallstrup Kjersti Krokmoen Lund
Executive Board	Humberto Rodriguez Matas, Managing director Kjersti Krokmoen Lund, Director Joaquín Enrique Guirao Sagi-Vela, Director
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark



Management's review

Business review

Designit helps ambitious companies make innovation happen. Our inter disciplinary teams work with our clients creating compelling products, services and experiences driving customer engagement and realising business growth.

Financial review

The reported profit of 28.168 t.DKK, compared to a loss of 79 m.DKK in 2017/18, reflects both improvement in operating profit and the profit from sale of Designit New York in a subsidiary to a Wipro entity. Designit continue to invest in its customer base in London.

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.

Outlook

The services offered by Designit are in high demand in all markets. Based on this demand, Designit expects growth and improved profitability from its future operations.



Financial statements 1 April 2018 - 31 March 2019

Income statement

Note	DKK	2018/19	2017/18
	Gross profit	17,676,244	12,875,386
2	Staff costs	-32,380,057	-26,202,426
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-387,509	-302,112
	Other operating expenses	-967,627	0
	Profit/loss before net financials	-16,058,949	-13,629,152
	Income from investments in group enterprises	46,438,648	-63,732,430
3	Financial income	2,775,887	4,911,858
4	Financial expenses	-5,243,583	-3,177,759
	Profit/loss before tax	27,912,003	-75,627,483
5	Tax for the year	256,290	-3,857,515
	Profit/loss for the year	<u>28,168,293</u>	<u>-79,484,998</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>28,168,293</u>	<u>-79,484,998</u>
		<u>28,168,293</u>	<u>-79,484,998</u>



Financial statements 1 April 2018 - 31 March 2019

Balance sheet

Note	DKK	<u>2018/19</u>	<u>2017/18</u>
	ASSETS		
	Fixed assets		
	Intangible assets		
	Acquired intangible assets	2,188,352	0
		<u>2,188,352</u>	<u>0</u>
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	479,332	230,788
		<u>479,332</u>	<u>230,788</u>
7	Investments		
	Investments in group enterprises	116,683,752	64,584,338
		<u>116,683,752</u>	<u>64,584,338</u>
	Total fixed assets	<u>119,351,436</u>	<u>64,815,126</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	1,306,309	0
	Work in progress	170,403	0
	Receivables from group enterprises	41,058,473	43,283,888
	Other receivables	161,304	138,487
8	Prepayments	3,309,665	3,800,622
		<u>46,006,154</u>	<u>47,222,997</u>
	Cash	3,873,949	3,167,397
	Total non-fixed assets	<u>49,880,103</u>	<u>50,390,394</u>
	TOTAL ASSETS	<u>169,231,539</u>	<u>115,205,520</u>


Financial statements 1 April 2018 - 31 March 2019
Balance sheet

Note	DKK	<u>2018/19</u>	<u>2017/18</u>
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	10,000,200	10,000,100
	Retained earnings	64,701,079	18,517,142
	Total equity	<u>74,701,279</u>	<u>28,517,242</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	2,182,993	2,963,949
	Payables to group enterprises	87,110,940	79,485,861
	Other payables	5,236,327	4,238,468
		<u>94,530,260</u>	<u>86,688,278</u>
	Total liabilities other than provisions	<u>94,530,260</u>	<u>86,688,278</u>
	TOTAL EQUITY AND LIABILITIES	<u>169,231,539</u>	<u>115,205,520</u>

- 1 Accounting policies
- 10 Contractual obligations and contingencies, etc.
- 11 Related parties



Financial statements 1 April 2018 - 31 March 2019

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 April 2018	10,000,100	18,517,142	28,517,242
Capital increase	100	18,500,000	18,500,100
Transfer through appropriation of profit	0	28,168,293	28,168,293
Adjustment of investments through foreign exchange adjustments	0	-484,356	-484,356
Equity at 31 March 2019	<u>10,000,200</u>	<u>64,701,079</u>	<u>74,701,279</u>



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

1 Accounting policies

The annual report of Designit A/S for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

With reference to section 112,1 in the Danish Financial Statements Act the consolidated Financial Statements have not been disclosed. The Financial Statements of the Company and subsidiaries are included in the Consolidated Financial Statements of Wipro Digital ApS

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IFRS15 as interpretation for revenue recognition.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Other external expenses

Other external costs comprise costs of sale, advertising, administration, premises, bad debt losses, operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

1 Accounting policies (continued)

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	5 years
Fixtures and fittings, other plant and equipment	3-5 years

Profit from investments in subsidiaries

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the parent company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

1 Accounting policies (continued)

Investments in subsidiaries

Investments in subsidiaries and associates are measured under the equity method.

Investments in subsidiaries and associates are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries and associates with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries and associates is recognised in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made based on an individual assessment.

Work in progress

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

DKK	<u>2018/19</u>	<u>2017/18</u>
2 Staff costs		
Wages/salaries	30,542,807	24,897,791
Pensions	690,772	583,806
Other social security costs	67,644	194,872
Other staff costs	1,078,834	525,957
	<u>32,380,057</u>	<u>26,202,426</u>
Average number of full-time employees	<u>32</u>	<u>29</u>
3 Financial income		
Interest receivable, group entities	2,498,010	2,562,362
Exchange gain	277,877	2,349,496
	<u>2,775,887</u>	<u>4,911,858</u>
4 Financial expenses		
Interest expenses, group entities	4,234,618	2,001,355
Other interest expenses	191,967	19,091
Exchange losses	829,691	1,157,313
Other financial expenses	-12,693	0
	<u>5,243,583</u>	<u>3,177,759</u>
5 Tax for the year		
Deferred tax adjustments in the year	0	3,721,900
Tax adjustments, prior years	-256,290	135,615
	<u>-256,290</u>	<u>3,857,515</u>



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

6 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment
Cost at 1 April 2018	574,479
Additions	636,615
Disposals	-28,629
Cost at 31 March 2019	1,182,465
Impairment losses and depreciation at 1 April 2018	343,691
Depreciation	359,442
Impairment losses and depreciation at 31 March 2019	703,133
Carrying amount at 31 March 2019	479,332

7 Investments

DKK	Investments in group enterprises
Cost at 1 April 2018	162,303,220
Cost at 31 March 2019	162,303,220
Value adjustments at 1 April 2018	-97,718,882
Foreign exchange adjustments	-483,536
Profit/loss for the year	49,762,639
Amortisation of goodwill	-3,323,911
Underbalance transferred to be offset in receivables primo	-21,061,706
Underbalance transferred to be offset in receivables ultimo	27,205,928
Value adjustments at 31 March 2019	-45,619,468
Carrying amount at 31 March 2019	116,683,752

Name	Legal form	Domicile	Interest
Subsidiaries			
Designit Denmark A/S	Company	Copenhagen, Denmark	100.00%
Designit Oslo AS	Company	Oslo, Norway	100.00%
Designit München GmbH	Company	Munich, Germany	100.00%
Designit T.L.V Ltd.	Company	Tel Aviv, Israel	100.00%
Designit Spain Digital S.L.	Company	Madrid, Spain	100.00%
Designit Sweden AB	Company	Stockholm, Sweden	100.00%
Designit Tokyo	Company	Tokyo, Japan	100.00%



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

8 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including expenses relating to software and hardware.

9 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK	2018/19	2017/18	2016/17	2015/16	2014/15
Opening balance	10,000,100	10,000,000	10,000,000	10,000,000	10,000,000
Capital increase	100	100	0	0	0
	<u>10,000,200</u>	<u>10,000,100</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>

10 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK	2018/19	2017/18
Guarantee commitments	<u>3,909,371</u>	<u>0</u>
	<u>3,909,371</u>	<u>0</u>

The Company is jointly taxed with its parent, Wipro Digital ApS, which acts as management company, and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

The Group's Danish companies are jointly and severally liable for group VAT registration.

Other financial obligations

Rent and lease liabilities vis-à-vis the parent company and its other subsidiaries:

DKK	2018/19	2017/18
Rent and lease liabilities	<u>1,244,933</u>	<u>73,320</u>



Financial statements 1 April 2018 - 31 March 2019

Notes to the financial statements

11 Related parties

Designit A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Wipro Digital ApS	Bygmestervej 61, DK-2400 København NV	Participating interest

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Wipro Limited	India	Available on company website

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Wipro Digital ApS	Bygmestervej 61, DK-2400 København NV