

OpenSolution Denmark ApS

Amager Landevej 119, 2770 Kastrup

CVR no. 35 40 47 67

Annual report 2017

Approved at the Company's annual general meeting on 23 May 2018

Chairman:



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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 OpenSolution Denmark ApS for the financial year 1 January - 31 December 2017.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Board of Directors and the Executive Board have the criteria for omission of audit to be met.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

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.

Kastrup, 23 May 2018
Executive Board:



Rolf Christian Alexander
Johansson

Board of Directors:



Mikael Leif Hedlöf
Chairman



Rolf Christian Alexander
Johansson

Independent auditor's reports

To the shareholder of OpenSolution Denmark ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of OpenSolution Denmark ApS for the financial year 1 January - 31 December 2017. The financial statements, comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, have been 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. Further, Management is responsible for such internal control as it 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 a conclusion on the financial statements. We have conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act.

This requires us to comply with the ethical requirements of the Danish Auditors Act and FSR - Danish Auditors and plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required additional procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and specifically required additional procedures as well as evaluation of the evidence obtained.

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

Opinion

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of its operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.



Independent auditor's reports

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion 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 extended review 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 extended review, 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 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 Management's review.

Copenhagen, 23 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Birgit Morville Schröder
State Authorised Public Accountant
MNE no.: mne21337



Management's review

Company details

Name	OpenSolution Denmark ApS
Address, Postal code, City	Amager Landevej 119, 2770 Kastrup
CVR no.	35 40 47 67
Established	18 July 2013
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Mikael Leif Hedlöf, Chairman Rolf Christian Alexander Johansson
Executive Board	Rolf Christian Alexander Johansson
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The Company's activities comprise sale of cashier systems and payment terminals and other activities which Management assesses as related.

Financial review

The income statement for 2017 shows a profit of DKK 347 thousand against a profit of DKK 1,564 thousand last year, and the balance sheet at 31 December 2017 shows equity of DKK 2,144 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2017	2016
	Gross margin	1,956	3,453
2	Staff costs	-1,550	-1,416
	Profit before net financials	406	2,037
3	Financial income	88	23
4	Financial expenses	-49	-49
	Profit before tax	445	2,011
5	Tax for the year	-98	-447
	Profit for the year	347	1,564
	Recommended appropriation of profit	1,700	0
	Proposed dividend recognised under equity	-1,353	1,564
	Retained earnings/accumulated loss	347	1,564



Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2017</u>	<u>2016</u>
	ASSETS		
	Fixed assets		
	Investments		
	Deposits	20	20
		<u>20</u>	<u>20</u>
	Total fixed assets	<u>20</u>	<u>20</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	76	89
		<u>76</u>	<u>89</u>
	Receivables		
	Trade receivables	1,704	1,593
	Receivables from group enterprises	951	0
	Corporation tax receivable	180	0
	Other receivables	3	0
	Prepayments	25	19
		<u>2,863</u>	<u>1,612</u>
	Cash	313	2,531
	Total non-fixed assets	<u>3,252</u>	<u>4,232</u>
	TOTAL ASSETS	<u><u>3,272</u></u>	<u><u>4,252</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2017	2016
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	80	80
	Retained earnings	364	1,717
	Dividend proposed	1,700	0
	Total equity	<u>2,144</u>	<u>1,797</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	110	377
	Payables to group enterprises	98	722
	Corporation tax payable	0	65
	Other payables	615	831
	Deferred income	305	460
		<u>1,128</u>	<u>2,455</u>
	Total liabilities other than provisions	<u>1,128</u>	<u>2,455</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>3,272</u></u>	<u><u>4,252</u></u>

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral



Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 January 2016	80	153	1,200	1,433
Transfer through appropriation of profit	0	1,564	0	1,564
Dividend distributed	0	0	-1,200	-1,200
Equity at 1 January 2017	80	1,717	0	1,797
Transfer through appropriation of profit	0	-1,353	1,700	347
Equity at 31 December 2017	80	364	1,700	2,144

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of OpenSolution Denmark ApS for 2017 has been prepared in accordance with the provisions of 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.

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

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

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

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

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 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Balance sheet

Investments

Deposits are recognised at cost.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of consumables comprises the cost of acquisition plus delivery costs.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short-term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2017	2016
2 Staff costs		
Wages/salaries	1,508	1,385
Other social security costs	24	17
Other staff costs	18	14
	<u>1,550</u>	<u>1,416</u>
Average number of full-time employees	<u>4</u>	<u>4</u>
3 Financial income		
Other financial income	88	23
	<u>88</u>	<u>23</u>
4 Financial expenses		
Other financial expenses	49	49
	<u>49</u>	<u>49</u>
5 Tax for the year		
Estimated tax charge for the year	98	447
	<u>98</u>	<u>447</u>

6 Share capital

The Company's share capital has remained DKK 80 thousand over the past 5 years.

7 Contractual obligations and contingencies, etc.

Other financial obligations

Rent liabilities include a rent obligation totalling DKK 24 thousand in interminable rent agreements with remaining contract terms of 3 months.

8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2017.