
SkabelonDesign A/S

Østergade 36, 3. sal, DK-1100 København K

Annual Report for 1 January - 31 December 2015

CVR No 35 67 95 29

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
31/5 2016

Jeppe Schytte-Hansen
Chairman



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report on the Financial Statements	2
Management's Review	
Company Information	4
Financial Highlights	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12
Accounting Policies	16

Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of SkabelonDesign A/S for the financial year 1 January - 31 December 2015.

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 31 December 2015 of the Company and of the results of the Company operations for 2015.

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.

København, 31 May 2016

Executive board

Jeppe Schytte-Hansen
CEO

Jakob Bjersing
CFO

Morten Hald Mortensen
CTO

Board of directors

Christian Lund
Chairman

Jeppe Schytte-Hansen

Henrik Printzlau

Independent Auditor's Report on the Financial Statements

To the Shareholders of SkabelonDesign A/S

Report on the Financial Statements

We have audited the Financial Statements of SkabelonDesign A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The Financial Statements are 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, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Copenhagen, 31 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Carsten Blicher

statsautoriseret revisor

Company Information

The Company

SkabelonDesign A/S
Østergade 36, 3. sal
DK-1100 København K

Telephone: +45 70 20 72 47
Facsimile: +45 33 36 32 01
Website: www.skabelondesign.dk

CVR No: 35 67 95 29
Financial period: 1 January - 31 December
Municipality of reg. office: København

Parent Company

Black Belt Technologies ApS, Østergade 36, 3., 1100 København K

Board of Directors

Christian Lund, Chairman
Jeppe Schytte-Hansen
Henrik Printzlau

Executive Board

Jeppe Schytte-Hansen
Jakob Bjersing
Morten Hald Mortensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød
Telefon 48 25 35 00
Telefax 48 26 58 33
www.pwc.dk

Bankers

Danske Bank

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK	2011 TDKK
Key figures					
Profit/loss					
Operating profit/loss	1.416	1.196	946	835	1.716
Profit/loss before financial income and expenses	2.142	1.763	1.127	846	1.721
Net financials	85	1	-103	-47	-107
Net profit/loss for the year	1.716	1.325	758	605	1.191
Balance sheet					
Balance sheet total	18.758	14.360	10.120	7.514	7.990
Equity	6.034	5.998	4.673	2.512	2.207
Investment in property, plant and equipment	129	0	262	129	71
Number of employees	22	20	20	20	18
Ratios					
Return on assets	11,4%	12,3%	11,1%	11,3%	21,5%
Solvency ratio	32,2%	41,8%	46,2%	33,4%	27,6%
Return on equity	28,5%	24,8%	21,1%	25,6%	62,0%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Main activity

The company's main activity consists in providing consulting services related to implementation, distribution, use and maintenance of visual identity and partly in the development and sale of own software components, as well as 3rd party software applications - mainly for Microsoft Office.

Performance

The income statement of the Company for 2015 shows a profit of DKK 1,715,544, and at 31 December 2015 the balance sheet of the Company shows equity of DKK 6,033,815.

The Board of Directors propose a dividend pay of DKK 1,000,000 for 2015, whereafter the equity will amount to DKK 5,033,815.

Development in the year

2015 was another good year for SkabelonDesign with a growth in revenue of 7% which is considered very good given the change in business model the company initiated during the year.

A new strategy with targets set to 2020 was launched August 2015 (for further information, please use this link: http://skabelondesign.dk/wp-content/uploads/2016/02/Strategi_folder.pdf) with the clear objective to grow the business and manifest SkabelonDesign as the World leading supplier of Brand Management Tools and templates. Initiatives with the aim to optimize the consultancy activities of the business has been launched. The same is the case for new product development projects which will complement and strengthen the portfolio of products and services offered. The companys position as Templafy Reseller & Certified Partner of cloud based template management systems is accelerating and more and more of SkabelonDesigns existing client base is as planned moving towards the Templafy solution.

Organizationally, several new recruitments during especially Q4 of 2015 has strengthened the SkabelonDesign team even further – with 34 employees SkabelonDesign is ready to accommodate the expected growth in business in the year to come.

Management's Review

Strategy and objectives

The budget for 2016 implies moderate revenue growth of 3% compared to the record level of 2015 – The conversion from up-front payment of software products towards subscription based software services will affect revenue levels negatively short term but an increase in consultancy services related to Templafy implementations should compensate significantly for this reduction. It is also expected that export revenue will have a positive effect due to the global client base of potential Templafy buyers.

The work with implementation of the new strategy will continue through 2016 with a balanced regime of follow up activities and meetings to make sure that the strategy “is living” and SkabelonDesign move towards the set targets for the company - formulated as six Must-Win Battles. Several employees have been allocated project driver responsibilities to assure full involvement of the organization. Performance briefs of relevant KPIs are also initiated through different channels to the whole team, so everyone can follow the performance of the company.

Research and development

The investment budget for new product development will continue and is planning to increase during 2016, - e.g. with the initiative CorporateInfographics. Complementary funding of these activities through pilot customers and other external funding sources shall assure that the cost impact on financial performance for SkabelonDesign in 2016 will be limited.

Uncertainty relating to recognition and measurement

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

Unusual events

The financial position at 31 December 2015 of the Company and the results of the activities of the Company for the financial year for 2015 have not been affected by any unusual events.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2015 DKK	2014 DKK
Gross profit/loss		15.624.748	13.433.135
Staff expenses	1	-13.000.961	-11.356.464
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-481.643	-313.961
Profit/loss before financial income and expenses		2.142.144	1.762.710
Financial income	3	119.920	57.396
Financial expenses		-34.944	-56.283
Profit/loss before tax		2.227.120	1.763.823
Tax on profit/loss for the year	4	-511.576	-438.359
Net profit/loss for the year		1.715.544	1.325.464

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	1.000.000	1.000.000
Retained earnings	715.544	325.464
	1.715.544	1.325.464

Balance Sheet 31 December

Assets

	Note	2015 DKK	2014 DKK
Completed development projects		356.209	498.704
Intangible assets	5	356.209	498.704
Other fixtures and fittings, tools and equipment		1.029.773	1.252.997
Leasehold improvements		22.116	39.809
Property, plant and equipment	6	1.051.889	1.292.806
Fixed assets		1.408.098	1.791.510
Trade receivables		9.782.297	7.585.599
Contract work in progress	7	500.000	616.976
Receivables from group enterprises		3.230.004	3.593.084
Other receivables		2.967.088	420.918
Prepayments		312.693	0
Receivables		16.792.082	12.216.577
Cash at bank and in hand		557.593	352.246
Currents assets		17.349.675	12.568.823
Assets		18.757.773	14.360.333

Balance Sheet 31 December

Liabilities and equity

	Note	2015 DKK	2014 DKK
Share capital		500.000	500.000
Retained earnings		4.533.815	4.498.271
Proposed dividend for the year		1.000.000	1.000.000
Equity	8	6.033.815	5.998.271
Provision for deferred tax	9	246.127	246.170
Provisions		246.127	246.170
Credit institutions		988.526	88.657
Trade payables		259.823	396.619
Corporation tax		917.266	405.647
Other payables		3.503.280	3.241.605
Deferred income		6.808.936	3.983.364
Short-term debt		12.477.831	8.115.892
Debt		12.477.831	8.115.892
Liabilities and equity		18.757.773	14.360.333
Contingent assets, liabilities and other financial obligations	10		

Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	4.498.271	1.000.000	5.998.271
Ordinary dividend paid	0	0	-1.000.000	-1.000.000
Other equity movements	0	-680.000	0	-680.000
Net profit/loss for the year	0	715.544	1.000.000	1.715.544
Equity at 31 December	500.000	4.533.815	1.000.000	6.033.815

Notes to the Financial Statements

	2015 DKK	2014 DKK
1 Staff expenses		
Wages and salaries	11.730.649	10.345.574
Pensions	823.728	773.319
Other social security expenses	144.283	121.904
Other staff expenses	302.301	115.667
	13.000.961	11.356.464
Average number of employees	22	20
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Amortisation of intangible assets	188.173	142.476
Depreciation of property, plant and equipment	293.470	171.485
	481.643	313.961
3 Financial income		
Interest received from group enterprises	119.920	54.742
Exchange adjustments	0	2.654
	119.920	57.396
4 Tax on profit/loss for the year		
Current tax for the year	511.619	405.647
Deferred tax for the year	-43	32.712
	511.576	438.359

Notes to the Financial Statements

5 Intangible assets

	Completed development projects DKK
Cost at 1 January	712.421
Cost at 31 December	712.421
Impairment losses and amortisation at 1 January	213.718
Amortisation for the year	142.494
Impairment losses and amortisation at 31 December	356.212
Carrying amount at 31 December	356.209

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	2.286.151	70.770
Additions for the year	128.633	0
Disposals for the year	-50.000	0
Cost at 31 December	2.364.784	70.770
Impairment losses and depreciation at 1 January	999.816	30.962
Depreciation for the year	318.528	17.692
Reversal of impairment and depreciation of sold assets	16.667	0
Impairment losses and depreciation at 31 December	1.335.011	48.654
Carrying amount at 31 December	1.029.773	22.116

Notes to the Financial Statements

	2015 DKK	2014 DKK
7 Contract work in progress		
Selling price of production for the period	500.000	616.976
	500.000	616.976

8 Equity

The share capital consists of 500,000 shares of a nominal value of DKK 1. No shares carry any special rights.

9 Provision for deferred tax

Intangible assets	78.000	118.000
Property, plant and equipment	22.000	27.000
Contract work in progress	77.000	101.000
Amortization	69.000	0
Tax loss carry-forward	127	170
	246.127	246.170

Notes to the Financial Statements

	2015 DKK	2014 DKK
10 Contingent assets, liabilities and other financial obligations		
Rental agreements and leases		
Rental commitments, non-cancellation period	814.000	1.834.000
Security		
The following assets have been placed as security with bankers:		
Indemnification Letter of TDKK 3,400, which provide mortgage in receivables from sales to a total carrying value of	9.782.297	7.585.599

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 SkabelonDesign Holding 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 un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

There are no security and contingent liabilities at 31 December 2015.

Accounting Policies

Basis of Preparation

The Annual Report of SkabelonDesign A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 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.

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. Gains and losses 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 transaction date rates are recognised in financial income and expenses in the income statement.

Income Statement

Gross profit

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

Accounting Policies

Revenue

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.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

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 core activities of the enterprise, 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.

Accounting Policies

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

Balance Sheet

Intangible assets

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5	years
--	---	-------

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Accounting Policies

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.

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.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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, including the tax base of tax loss carry-forwards, 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.

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.

Accounting Policies

Financial debts

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

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$