Thor Denmark Holding ApS

Bredevej 2, 2830 Virum

CVR No 35 86 87 71

Annual report for

01.01.2017
-
31.12.2017

The Annual Report was presented and adopted at the Annual General Meeting of the Company on: 20 April 2018

Chairman

David Schøndorff

Contents

Company Information

Company
Thor Denmark Holding ApS
Bredevej 2
2830 Virum

Cvr-nr.	35 86 87 71
Municipality of reg. office	Virum
Telefon	+45 70 22 76 20
Internet	www.tia.dk
E-mail	info@tia.dk

Executive Management
Christian Kromann

Board of Directors
Vagn Ove Sørensen
Simon Philip Guy Lee
Jonas Martin Göran Persson
Jakob Holmen Kraglund
Filip Göran Bredinger
Rikke Kjær Nielsen
Sabine Vander Linden

Audit
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management review

Main activity
THOR Denmark Holding ApS' purpose is to own shares, directly or indirectly, in TIA Technology A/S. For more information, please refer to the annual report for TIA Technology A/S.

Development over the year – Group
Revenue for 2017 was DKK 143 million and the loss was DKK 22.3 million.

Thor Denmark Holding A/S, has been involved in an arbitration case with the previous owner of TIA regarding information disclosed in a sales process in 2014. This resulted in legal costs of DKK 14.1 million in 2017. The final ruling was received in March 2018 and was in full support of Thor Holding. As a result, Thor Denmark Holding has received a significant amount of money that will impact the Group's financial position positively in 2018.

Developments during the year – TIA Technology
Assurator acquisition

As part of the company's growth strategy, TIA completed the acquisition of Assurator, a Danish partner, in February 2017. Assurator has been a key TIA partner in the Nordics for more than 10 years. Through the acquisition, TIA significantly strengthened its Professional Services offering, along with its best-practice methodology and tools, thereby building critical mass to support its customers' implementation projects.

Additionally, Assurator contributed with SIPAS (Simple Integrate Package and Sell Application), a TIA add-on solution that empowers insurance customers to build tailored products and drastically improve their time-to-market – an increasingly important driver for insurance businesses.
Assurator was successfully integrated into TIA during the first half of 2017 and the feedback from customers and partners has been overwhelmingly positive.

New customers and expanded customer commitments

The TIA community has been growing steadily through the onboarding of new customers and through existing customers expanding their business with TIA.

In 2017, four insurance companies selected the TIA solution as their future insurance platform. TIA's South African office, established in 2016, secured two bancassurance customers in Angola. Sol Seguros and Alianca both selected TIA to support their ambitious growth strategies. South Africa's Motovantage (part of the First Rand Bank Group) also selected TIA, further substantiating TIA's strong footprint in South Africa.

In Denmark, the robust and ambitious regional operator in Southern Jutland, Sønderjysk Forsikring, selected TIA.

Two existing customer affiliates decided to expand their business using the TIA Solution. In Poland, Nationale Nederlanden (NN) selected the TIA solution for its Life Insurance company, with TIA already implemented at NN Bankassurance. In Norway, the insurance company INSR acquired TIA customer Nemi and decided to integrate its own insurance business on the Nemi TIA platform.

New releases, solutions and partnerships

TIA version 7.5 and 7.6

Throughout 2017, TIA maintained focus on development, releasing TIA version 7.5 in Q1, which included a fundamental shift in claims handling functionality and increased ecosystem integration by enabling REST APIs. TIA version 7.6 was released in early April 2018, with extended integration capabilities to support customers’ ecosystem strategies.

GDPR and PoPIA

In 2017, TIA also focused significant resources on developing new functionality relating to GDPR. The GDPR functionality will support TIA customers in becoming compliant with the new EU-legislation, effective May 25, 2018. The GDPR requirements are extensive and require significant effort from European insurance companies. However, constructive cooperation with TIA’s customer base enabled the development of the optimal automated and future-proof solution.

In South Africa, legislation like GDPR (PoPIA) will become law during 2019 and South African customers will also be able to benefit from TIA’s investment in GPDR compliance.

Development tracks

TIA customers increasingly insure fleets of automobiles and other grouped objects. In 2017, TIA invested resources in developing TIA core’s fleet management capabilities, which make managing grouped objects faster and more efficient.

Other development tracks include re-insurance functionality and a kick-off of TIA’s strategy towards delivering functionality in a digital cloud as a menu of plug ‘n’ play applications. This includes a much-improved digital frontend, a self-service universe and support for agents and brokers. With TIA’s digital cloud solution, insurers can create a unique self-service solution tailored to their customer’s needs.

Add-ons and integrations

In addition to the continued focus on keeping the core solution ahead of competition, TIA also invested significantly in add-on modules. Especially TIA BI and SIPAS were improved with respect to functionality and layout in 2017, and this will continue in 2018. Several customers showed inceased interest in these two solutions, hereunder two of TIA's largest Nordic customers, Codan RSA and KLP. To support local requirements in the Nordic region, the Danish and Norwegian country-specific integrations were further improved during the year. The development of add-ons and integrations will play a key part of TIA’s digital ecosystem strategy.

Ecosystem partnerships

As customers begin to focus increasingly on building their digital ecosystems, TIA has strengthened its ecosystem partnerships and now offers integrations to Radar Live (external pricing engine) and CRM systems. Ecosystem opportunities will continue to expand with several new third-party providers available for integration with TIA. Selected examples of new ecosystem partners include Comadso, a company providing terms and conditions comparison technology, and 2021 AI, machine learning for fraud detection and churn rate prediction.

These partnerships and TIA-developed add-ons and integrations (above) mean that customers can begin to rely on TIA not only for its core solution but also for many of the business-critical applications that make up their digital ecosystem.

Customer upgrades

At the end of 2017, fifteen customers were live on version 7 and this number will grow in 2018 as ongoing and committed future upgrades are completed and new customers go live.

Financial Development

In 2017, revenue amounted to DKK 143m, an increase of 45% compared to 2016. Revenue includes consolidation of Assurator from March 1st, 2017. Proforma revenue with full year consolidation of Assurator amounted to DKK 148m. License sale revenue increased by 24%, reflecting a solid growth in both recurring license and new license fees from new and existing customers.

In 2017, EBITDA before Special Items grew by 73%, driven mainly by the increased license sale revenue. The overall profitability of TIA increased significantly in 2017, despite an increased investment in both development and go-to-market capabilities.

Developments after the period

In line with the growth strategy, TIA established a Southeast Asian presence by opening an office in Bangkok in January 2018. This office will be expanded during 2018 and will support the development of a customer base across the entire Southeast Asian region.

In January 2018, TIA acquired emerging InsurTech company goBundl. This supports the strategy of expanding TIA’s ecosystem capabilities and further enabling digitalization. A key focus area is to use the goBundl team’s competencies to develop a self-service platform based on machine learning and AI.

Thor Denmark Holding A/S, has been involved in an arbitration case with the previous owner of TIA regarding information disclosed in a sales process in 2014. The final ruling was received in March 2018 and was in full support of Thor Holding. As a result, Thor Denmark Holding has received a significant amount of money that will impact the Group’s result and balance sheet positively.

Strategy and objectives

Special risks

TIA has no significant exposure to business risks other than what is usual for the industry and type of business.

Research and Development

In R&D, the 2017 development focus was broad. TIA version 7.5 was released in Q1, after which, time was invested in several new functionalities for TIA core and several add-on modules.

In 2017, R&D costs before capitalization amounted to DKK 50m.

Intellectual capital resources

Throughout the year, TIA continued to invest in expanding employee knowledge of both technology and insurance-related fields, to ensure best possible utilization of the new technological opportunities that cater specifically to insurance market needs. There is an ongoing effort to ensure that TIA employees have a long-term professional development path and remain motivated, committed, and involved in the execution of TIA Technology's strategy.

Corporate Social Responsibility

Corporate Social Responsibility is important for TIA and its stakeholders. The Group has formulated a Code of Conduct and certain policies approved by the Board of Directors, to secure that employees are committed to being socially responsible while carrying out their work. Although TIA’s activities have limited impact on the environment, the company focuses on improving where possible. For example, by having optimal facilities to support a virtual working environment, TIA is reducing the number of flights between offices in Denmark and Lithuania. TIA also encourages employees to exercise, offering training facilities and running events.

Conclusion

2017 has been a productive and successful year for TIA Technology. Driven by strong financial results and investment in market-validated customer solutions and strategic business expansion, strong growth is expected to continue throughout 2018.

Key figures

	2017	(proforma) 2017**	2016	2015	2014*)
	IFRS	IFRS	IFRS	ÅRL	ÅRL
	TDKK	TDKK	TDKK	TDKK	TDKK
5 years key figures					
Profit and loss accounts					
Net revenue	142.572	148.470	98.328	132.367	73.589
Gross profit	138.961	145.272	87.996	95.177	28.740
EBITDA before special items	36.048	37.543	20.779	13.840	1.646
Operating profit/loss before special items	(1.263)	232	(13.933)	(14.027)	(11.519)
Profit/loss before financial income and expenses	(16.508)	(15.099)	(27.779)	(43.194)	(25.519)
Net financials	(7.479)	(7.471)	(7.310)	(8.501)	(5.447)
Profit/loss for the period	(22.686)	(21.189)	(28.631)	(42.668)	(26.691)
Balance sheet					
Balance sheet total	652.124		601.211	624.736	661.949
Equity	330.102		319.543	318.124	364.517
Invested capital including goodwill	503.197		496.930	495.533	543.518
Net interest-bearing debt	170.805		181.854	181.819	154.936
Investment in property, plant and equipment	488		510	659	199
Cash flows					
Operating activities	22.789		(4.622)	13.654	6.301
Investment activities	(43.877)		(25.964)	(35.671)	(561.145)
Financing activities	18.766		24.072	9.534	568.182
Empolyees					
Average number of employees	131		90	90	80
Key Ratios					
Revenue per employees	1.088		1.093	1.471	920
Gross margin (%)	97%		89%	72%	39%
Profit margin (%)	-1%		-14%	-11%	-35%
Return on equity (%)	-7%		-9%	-13%	-15%
Financial gearing (%)	0,5%		0,6%	0,6%	0,4%

*) The company has implemented IFRS as per 1.1.2015. The comparative figures for 2014 are stated under Danish GAAP. No comparatives are stated for 2012-2013 as the Company is formated in 2014.

**The proforma numbers include full year consolidation of Assurator that was taken over 1 March 2017.

Special items includes arbitration cost, acquisition costs, restructuring cost and provision for certain settlement costs on customer projects.

The key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts (2015).

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Thor Denmark Holding ApS for the financial year 1 January – 31 December 2017.

The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and further requirements in the Danish Financial Statements Act.

In our opinion, the Financial Statements and the consolidated Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and the Group of the results of the Company and Group operations and cash flows for the financial year 1 January – 31 December 2017.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Virum, 11 April 2018

Executive Management

Christian Kromann

Board of Directors

Vagn Ove Sørensen
Chairman

Simon Philip Guy Lee

Jonas Martin Göran Persson

Jakob Holmen Kraglund

Filip Göran Bredinger

Rikke Kjær Nielsen

Sabine Vander Linden

Independent Auditor's Report

To the Shareholders of Thor Denmark Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2017 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2017 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Thor Denmark Holding Group for the financial year 1 January - 31 December 2017, which comprise statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes, including a summary of significant accounting policies for both the Group and the Parent Company ("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 Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement 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 Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in 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 Group's and the Parent 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 Group or the Parent 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 judgment and maintain professional skepticism 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.

· 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.

· Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

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, 11 April 2018
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mikkel Sthyr
State Authorised Public Accountant
mne26693

Henrik Aslund Pedersen
State Authorised Public Accountant
mne17120

Statement of profit and loss

		Group		Parent	
		2017	2016	2017	2016
	Note	TDKK	TDKK	TDKK	TDKK
Net revenue	3	142.572	98.328	0	0
Cost of goods sold		(3.611)	(10.332)	0	0
Gross profit		**138.961**	**87.996**	**0**	**0**
Other external expenses		(15.748)	(8.847)	(62)	(47)
Staff expense	4, 5, 6	(87.165)	(58.370)	0	0
EBITDA before special items		**36.048**	**20.779**	**(62)**	**(47)**
Depreciation, amortisation and impairment	7	(37.311)	(34.712)	0	0
Operating profit/loss before special items		**(1.263)**	**(13.933)**	**(62)**	**(47)**
Special items	8	(15.245)	(13.846)	(14.145)	(5.146)
Operating profit/loss after special items		**(16.508)**	**(27.779)**	**(14.207)**	**(5.193)**
Finance income	9	2.071	1.739	645	1.151
Finance expenses	10	(9.550)	(9.049)	(7.382)	(7.786)
Profit/loss before income tax		**(23.987)**	**(35.089)**	**(20.944)**	**(11.828)**
Income tax expenses	11	1.301	6.458	1.521	1.470
Profit/loss for the period		**(22.686)**	**(28.631)**	**(19.423)**	**(10.358)**

Statement of comprehensive income

		Group		Parent	
		2017	**2016**	**2017**	**2016**
	Notes	**TDKK**	**TDKK**	**TDKK**	**TDKK**
Profit for the period		(22.686)	(28.631)	(19.423)	(10.358)
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of subsidaries (net)		14	(11)	0	0
Income tax relating to these items	11	0	0	0	0
Other comprehensive income for the period, net of tax		**14**	**(11)**	**0**	**0**
Total comprehensive income for the period		**(22.672)**	**(28.642)**	**(19.423)**	**(10.358)**

Balance sheet

		Group		Parent	
	Notes	2017 TDKK	2016 TDKK	2017 TDKK	2016 TDKK
Goodwill		540.707	507.707	0	0
Completed development projects		50.182	46.779	0	0
Software		373	382	0	0
Development projects in progress		10.169	17.165	0	0
Intangible assets	12	**601.431**	**572.033**	**0**	**0**
Other fixtures and fittings, tools and equipment		900	979	0	0
Leasehold improvements		230	61	0	0
Tangible assets	13	**1.130**	**1.040**	**0**	**0**
Investments in subsidiaries	14	0	0	579.787	550.056
Deferred tax asset	15	0	0	5.940	4.419
Deposits		1.088	1.033	0	0
Financial assets		**1.088**	**1.033**	**585.727**	**554.475**
Total non-current assets		**603.649**	**574.106**	**585.727**	**554.475**
Trade receivables	16	44.627	14.553	0	0
Other receivables		2.286	3.313	0	0
Income tax receivable	15	0	5.500	0	0
Prepayments		792	647	0	0
Receivables		**47.705**	**24.013**	**0**	**0**
Cash		**770**	**3.092**	**6**	**850**
Total current assets		**48.475**	**27.105**	**6**	**850**
Total assets		**652.124**	**601.211**	**585.733**	**555.325**

Balance sheet

		Group		Parent	
		2017	2016	2017	2016
	Notes	TDKK	TDKK	TDKK	TDKK
Share capital		10.534	9.269	10.534	9.269
Reserve for foreign currency translation		(2)	(16)	0	0
Retained earnings		319.570	310.290	371.804	359.256
Total equity	20	**330.102**	**319.543**	**382.338**	**368.525**
Credit institutions	21	153.869	154.245	147.687	154.245
Other payables		1.806	1.720	648	618
Deferred tax liabilities	15	4.277	4.758	0	0
Total non-current liabilities		**159.952**	**160.723**	**148.335**	**154.863**
Credit institutions	21	15.900	28.981	6.182	5.571
Trade payables		12.904	4.969	6.568	1.218
Payables to related parties		0	0	37.060	19.574
Current income tax liabilities		2.037	68	0	0
Other payables		57.330	25.237	5.250	5.574
Deferred revenue		73.899	61.690	0	0
Total current liabilities		**162.070**	**120.945**	**55.060**	**31.937**
Total liabilities		**322.022**	**281.668**	**203.395**	**186.800**
Total equity and liabilities		**652.124**	**601.211**	**585.733**	**555.325**

Statement of changes in equity

Group

	Share capital	Reserve for foreign currency translation	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 01.01.2016	7.906	(5)	310.223	318.124
Profit for the period	0	0	(28.631)	(28.631)
Foreign currency translation	0	(11)	0	(11)
Total comprehensive income for the period	7.906	(16)	281.592	289.482
Transactions with owners in their capacity as owners				
Capital increase	1.363	0	28.698	30.061
Equity at 31.12.2016	**9.269**	**(16)**	**310.290**	**319.543**
Profit for the period	0	0	(22.686)	(22.686)
Exchange differences regarding subsidiaries in another currency	0	14	0	14
Income tax relating to these items	0	0	0	0
Total comprehensive income for the period	9.269	(2)	287.604	296.871
Transactions with owners in their capacity as owners				
Capital increase	1.265	0	31.966	33.231
Equity at 31.12.2017	**10.534**	**(2)**	**319.570**	**330.102**

Statement of changes in equity

Parent

	Share capital	Retained earnings	Total
	TDKK	**TDKK**	**TDKK**
Equity at 01.01.2016	7.906	340.916	348.822
Profit for the period	0	(10.358)	(10.358)
Total comprehensive income for the period	7.906	330.558	338.464
Transactions with owners in their capacity as owners			
Capital increase	1.363	28.698	30.061
Equity at 31.12.2016	**9.269**	**359.256**	**368.525**
Profit for the period	0	(19.423)	(19.423)
Total comprehensive income for the period	9.269	339.833	349.102
Transactions with owners in their capacity as owners			
Purchase of treasury shares	0	5	5
Capital increase	1.265	31.966	33.231
Equity at 31.12.2017	**10.534**	**371.804**	**382.338**

Cash flow statement

		Group		Parent	
		2017	2016	2017	2016
	Notes	TDKK	TDKK	TDKK	TDKK
Profit/loss for the period		(22.686)	(28.631)	(19.423)	(10.358)
Non-cash items	24	43.489	35.564	5.216	5.165
Change in working capital	24	3.059	(10.543)	5.056	364
Cash flows from operating activities before financial income and expenses		23.862	(3.610)	(9.151)	(4.829)
Financial income		603	267	645	1.150
Financial expenses		(7.646)	(6.987)	(7.382)	(6.778)
Cash flows from ordinary activities		**16.819**	**(10.330)**	**(15.888)**	**(10.457)**
Income taxes paid		5.970	5.708	0	0
Net cash flow from operating activities		**22.789**	**(4.622)**	**(15.888)**	**(10.457)**
Purchase of intangible assets		(43.834)	(25.190)	0	0
Purchase of property, plant and equipment		(488)	(510)	0	0
Sale of fixed asset investments etc.		500	0	0	0
Purchase of fixed asset investments etc.		(55)	(264)	0	0
Capital increase in subsidiaries		0	0	(29.731)	(25.000)
Net cash flow from investing activities		**(43.877)**	**(25.964)**	**(29.731)**	**(25.000)**
Capital increase		33.231	30.061	33.231	30.061
Repayment of loans from credit institutions		(14.465)	(5.989)	(5.947)	(6.921)
Repayment of payables to group enterprises		0	0	17.486	13.139
Purchase of treasury shares		0	0	5	0
Cash flow from financing activities	24	**18.766**	**24.072**	**44.775**	**36.279**
Net cash flow for the year		(2.322)	(6.514)	(844)	822
Cash and cash equivalents, beginning of the year		3.092	9.606	850	28
Cash and cash equivalents, end of the year		**770**	**3.092**	**6**	**850**

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Notes

1. Accounting policies

The Annual Report for the period 1 January - 31 December 2017 comprise the consolidated financial statement of the parent company Thor Denmark Holding ApS and subsidiaries controlled by the parent company (the group) as well as separate financial statements for the parent company, Thor Denmark Holding ApS.

Adoption of new and amended standards

The group has implemented all new standards and interpretations effective in the EU from 2017.

The IASB has issued a number of new or amended standards and interpretations effective for financial years beginning after 1 January 2018. Some of these have not yet been endorsed by the EU. Most relevant to the Group is the following:
- IFRS 9 "Financial Instruments" reducing the number of asset classes for financial assets to two: amortized cost and fair value. The standard incorporates new requirements for accounting for financial liabilities. The standard will be effective for financial years beginning on or after 1 January 2018. The group does not expect the new standard to have significant effect.
- IFRS 15 “Revenue from contracts with customers” deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 ‘Revenue’ and IAS 11 ‘Construction contracts’ and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The group is in processing with assessing the impact of IFRS 15 but based on preliminary analyst is not expected to have significant impact.
- IFRS 16 "Leasing" was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted. The group is assessing the impact of IFRS 16.

There are no other IFRSs or IFRIC interpretations that are not yet effective that is expected to have a material impact on the Group.

Basis of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

On consolidation, elimination is made of intra-group income and costs, shareholdings, intra-group balances and dividend and realized and unrealized profits or losses on transactions between the consolidated companies.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment if indications of impairment exists.

Foreign currency translation

Functional and presentation currency

Items in the financial statements of each of the reporting companies of the Group are measured in the currency of the primary economic environment in which the company operates (the functional currency).

The functional currency of the Parent company, Thor Denmark Holding ApS is DKK.

The financial statements are presented in Danish kroner (DKK). The financial statements have been rounded to the nearest thousand.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each income statement are translated at average exchange rates; and
c) All resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:
- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Revenue

Revenue consists of initial license fees, recurring license fees and consulting services. Initial license fee revenue is generally recognised when the software is delivered. Recurring license fee revenue is recognised on a straight line basis over the license period, which is typically renewed once a year. Consulting service revenue is recognised as services are performed.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties.

Deferred revenue

Prepaid license fees are recognised as deferred revenue until the criterias and conditions for revenue recognition in relevant agreements are met.

Cost of goods sold

Cost of goods sold comprises external consulting fees, travel expense and 3rd party licence fee.

Other external expenses

Other external expenses comprise expenses for consulting fees not charged to customers, travel expenses not charged to customers, distribution, sale, marketing, administration premises, bad debts and office expenses, etc.

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

Amortisation, depreciation and impairment
Amortisation, depreciation and impairment comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses comprise interest income and expenses, realised and non-realised capital gains/losses on transactions in foreign currency, amortisation of financial assets and liabilities etc.

Income tax and deferred tax
The company is jointly taxed with the parent company Thor Denmark Holding ApS and the Danish subsidiaries. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish tax payment scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Intangible assets

Software

Separately acquired software is measured at historical cost and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of software over its estimated useful lives of 3 years.

Development projects

Development projects regarding the entity's own developed software are measured at cost less accumulated amortisation and impairment losses.

Development projects on clearly defined and identifiable products and processes, for which the technical rate utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to develop, market or apply the product or procss in question, are recognised as intangible assets.

Research expenditure and development expenditure that do not meet the criteria in above are recognised as an expense in the income statement as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The cost of development projects comprise costs such as salaries and benefits that are directly attributable to the development projects.

Amortisation is calculated using the straight-line method to allocate the cost of development projects over their estimated useful lives of 3 years.

The amortisation begins when the development project is at a stage where its commercial potentials can be utilized in the manner intended by Management.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life (Goodwill) and intangible assets not yet available for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Tangible assets

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost comprise 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 baisis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment: 3 years
Leasehold improvements: 3-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses arising from disposal of tangible assets are calculated as the difference between the sales price less sales costs and the carrying amount at the time of sale. Gains and losses are recognized in the profit and loss account as other operating income or other operating costs.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the income statement when the impairment is identified.

Financial assets

Investments in subsidiaries

Investments in subsidiaries are measured at cost. If there is any indication of impairment, investments are tested for impairment as described in the accounting policies applied by the Group. If the cost exceeds the recoverable amount, the investment is written down to this lower value.

Dividends from investments in subsidiaries are recognised as income in the Parent's income statement under financial income in the financial year in which the dividends are declared.

Other financial assets comprise deposits.

Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Receivables

Receivables are initially recognised at fair value adjusted for any transaction costs. Subsequently, receivables are measured at amortised cost, which usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

Prepayments

Prepayments comprise various prepaid expenses such as rent and insurance. Prepayments are measured at cost.

Equity

Reserve for foreign currency translation

The reserve for exchange adjustments consists of exchange rate differences that occur when translating the foreign subsidiaries financial statements from their functional currency into the the Group's presentation currency. On disposal of the net investment, the reserve for exchange adjustments of that foreign subsidiary is recognised in the income statement. Reduction of a net investment in a foreign operation which does not result in loss of control is not treated as a disposal.

Dividend distribution

Dividends are recognised as a liability in the period in which they are adopted at the Annual General Meeting.

Credit institutions

Borrowings from credit institutions are initially recognised at fair value, net of transaction expenses incurred. Borrowings from credit institutions are subsequently measured at amortised cost. Any differences between the proceeds and the redemption value are recognised in the income statement over the period of the borrowings using the effective interest method.

Other liabilities

Other debt or liabilities covering trade creditors and other debt are recognized at amortized cost, which is usually equivalent to the nominal value.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The group has not designated derivaties as hedging instruments. Changes in fair value are recignised in profil and loss under financial items.

Share-based payment

The group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (shares) of the group. The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense. The total amount to be expensed as a staff expense is determined by reference to difference between the fair value of the shares granted and the purchase price of the shares.

Statement of cash flow

The cash flow statement shows the Group's and the parent company's cash flows during the year distributed on operating, investing and financing activities, changes in cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are calculated using the indirect method and as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment los-ses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

Consolidated Key Figures

The key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts (2015).

* Gross margin is calculated as the gross profit divided by revenue.
* Profit margin is calculated as operation profit before special items divided by revenue.
* Return on equity is calculated as net profit or loss for the year diveded by the average equity.
* Financial gearing is calculated as net interest less bearing debt divided by equity.

Net interest-bearing debt is defined as interest-bearing liabilities, including income tax payable, net of interest-bearing assets, including cash and income tax receivable.

2. Critical accounting estimates and judgements

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Impairment testing of goodwill
The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 12. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

Development projects
For development projects in progress an impairment test is performed annually. The impairment test is performed on the basis of various factors, including future expected use of the outcome of the project, the fair value of the estimated future earnings or savings, interest rates and risks.

For development projects in progress, Management estimates on an ongoing basis whether each project is likely to generate future economic benefits for the Group in order to qualify for recognition.
The development projects are evaluated on technical as well as commercial criteria.

Notes

	Group		Parent	
	2017	2016	2017	2016
	TDKK	TDKK	TDKK	TDKK
3. Net revenue				
Royalties / license	103.336	83.846	0	0
Sale of services	39.236	14.482	0	0
	142.572	**98.328**	**0**	**0**

	Group		Parent	
4. Staff expenses				
Wages and salaries	78.877	53.079	0	0
Pensions, defined contribution plans	7.776	4.946	0	0
Other staff costs	512	345	0	0
	87.165	**58.370**	**0**	**0**
Average number of full time employees	131	90	0	0

Key Management Compensation

Key Management includes Board of Directors and Executive Management and the extended Executive Leadership in Thor, in total eight persons by end 2017. The compensation paid or payables to key management for employee services is shown below:

	Group 2017	Group 2016	Parent 2017	Parent 2016
Wages and salaries	15.741	13.040	0	0
Pensions, defined contribution plans	664	1.219	0	0
Termination benefits	0	1.225	0	0
Share based payments (Note 5)	0	0	0	0
	16.405	**15.484**	**0**	**0**
Compensation to the Board of Directors and Executive Management				
Compensation to the Board of Directors	625	646	0	0
Compensation to the Executive Management	4.200	7.805	0	0
	4.825	**8.451**	**0**	**0**

Compensation to Key Management and to Board of Directors and Executive Management has been paid from the subsidiary TIA Technology A/S.

5. Share based payments

Employee share scheme

A share based payment scheme under which shares may be issued by the company to employees for a cash consideration of DKK 0-1 or a cash consideration of fair value of the shares has been approved by shareholders at 30 December 2016. The scheme are available to executive management and certain key employees.

Both types of share issues are subject to leaver provisions and are therefore recognised over four years from grant date and treated as equity settled share based payments.

	2016		
	Number	**Fair value**	**Purchase prise**
		DKK	**DKK**
Preference shares granted at fair value	175.017	27,81	27,81
Preference shares granted at DKK 0-1	37.488	27,81	0-1
Ordinary shares granted at DKK 0-1	160.665	1,00	0-1

Shares issued under the scheme may not be sold until the earlier of four years after issue or cessation of employment by the Group. In all other respects the shares rank equally with other fully-paid preference and ordinary shares on issue, se note 18.

The grant date fair value of the scheme amounts to TDKK 1.005 and is expensed from 30 December 2016 until 30 December 2020.

The fair value of the shares has been based on a valuation of the company.

Fair value estimates of the company are measured using valuation techniques according to the guidelines of the "International Private Equity and Venture Capital" (IPEV) "Valuation guidelines.

In determining the valuation management utilizes comparable trading multiples, determines appropriate public companies based on industry, size, development stage, revenue generation and strategy. Management then calculates a trading multiple for each comparable company identified. The multiple is calculated by dividing the enterprise value (EV) with EBITDA or Sales. The trading multiple or the enterprise value is then adjusted for discounts/premium with regard to such considerations as illiquidity and other differences, advantages and disadvantages between the unlisted security and the comparable public compaines based in company specific facts and circumstances.

	Group		Parent	
	2017	**2016**	**2017**	**2016**
	TDKK	**TDKK**	**TDKK**	**TDKK**

6. Research and development

Costs for development of new projects, which do not fulfil the requirements for recognition in the balance sheet are expensed immediately in the income statement:

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Staff expenses	18.658	14.392	0	0
	18.658	**14.392**	**0**	**0**

7. Amortisation and depreciation

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Amortisation of intangible assets	36.912	34.433	0	0
Depreciation of tangible assets	399	279	0	0
	37.311	**34.712**	**0**	**0**

8. Special items

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Acquisition costs	1.100	0	0	0
Restructuring costs	0	1.200	0	0
Settlement of customer agreements	0	7.500	0	0
Arbitration case	14.145	5.146	14.145	5.146
	15.245	**13.846**	**14.145**	**5.146**

9. Financial income

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Interest income, banks	6	1	0	0
Exchange rate adjustments	830	957	7	636
Fair value gain on derivatives	638	515	638	515
Other interest income	597	266	0	0
	2.071	**1.739**	**645**	**1.151**

10. Financial expenses

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Interest expenses, bank borrowings	6.449	6.843	6.111	6.526
Exchange rate adjustments	1.904	1.054	231	0
Other financial expenses, including bank fees	1.197	1.152	1.040	1.260
	9.550	**9.049**	**7.382**	**7.786**

	Group		Parent	
	2017	2016	2017	2016
	TDKK	TDKK	TDKK	TDKK

11. Tax on profit for the year

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Current tax:				
Current tax on profits for the year	(1.710)	5.214	0	0
Current tax on profits for previous years	(49)	0	0	0
Foreign withholding tax	(310)	(95)	0	0
Total current tax income	(2.069)	5.119	0	0
Deferred tax:				
Changes in deferred tax	3.370	1.339	1.521	1.470
Total deferred tax	**3.370**	**1.339**	**1.521**	**1.470**
Income tax for the period	**1.301**	**6.458**	**1.521**	**1.470**

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Income tax is specified as follows:				
Calculated 22.0% tax on profit for the year before income tax	5.277	7.720	4.607	2.602
Tax effects of:				
Higher/lower tax rate in subsidiaries	53	60	0	0
Foreign withholding tax	(310)	(95)	0	0
Non-deductable expenses	(3.241)	(1.258)	(3.086)	(1.132)
Other	(478)	31	0	0
	1.301	**6.458**	**1.521**	**1.470**
Effective tax rate	5,4%	18,4%	7,3%	12,4%

12. Intangible assets

Group

	Goodwill TDKK	Completed develop-ment projects TDKK	Software TDKK	Develop-ment projects in progress TDKK	Total TDKK
Cost:					
At 01.01.2016	507.707	154.188	4.769	8.476	675.140
Additions during the year	0	0	0	25.190	25.190
Reclassifications	0	16.501	0	(16.501)	0
At 31.12.2016	507.707	170.689	4.769	17.165	700.330
Amortisation and impairment:					
At 01.01.2016	0	90.707	3.157	0	93.864
Amortisation charge	0	33.203	1.230	0	34.433
At 31.12.2016	0	123.910	4.387	0	128.297
Carrying amount 31.12.2016	**507.707**	**46.779**	**382**	**17.165**	**572.033**
Cost:					
At 01.01.2017	507.707	170.689	4.769	17.165	700.330
Additions during the year	33.000	14.667	411	18.232	66.310
Reclassifications	0	25.228	0	(25.228)	0
At 31.12.2017	540.707	210.584	5.180	10.169	766.640
Amortisation and impairment:					
At 01.01.2017	0	123.910	4.387	0	128.297
Amortisation charge	0	36.492	420	0	36.912
At 31.12.2017	0	160.402	4.807	0	165.209
Carrying amount 31.12.2017	**540.707**	**50.182**	**373**	**10.169**	**601.431**

Impairment test for goodwill

Goodwill is monitored by management on a continous basis.

The Group tests whether goodwil has suffered any impairment on an annual basis. The carried amount of goodwill, TDKK 540,707 (2016: TDKK 507,707) is related to the purchase of TIA in 2014 and Tia Technology 2 ApS in 2017 and monitored by management as a single cash generating unit. The recoverable amount of TIA is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Market research estimates that the standard insurance software solutions market will continue to grow. The forecast period involves growth in revenue based on winning new customers, as well as selling to existing customers and growth in professional services.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate is set to match expected long-term inflation.

Key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows:

	2017	**2016**
Information and assumptions 2017	**TDKK**	**TDKK**
Goodwill	540.707	507.707
Sales (% annual growth rate)	19%	15%
Operating costs (annual growth rate)	16%	8%
Long term growth rate	2%	2%
Pre-tax discount rate	9%	8%
Recoverable amount	593.200	613.500

Sales is the average annual growth rate over the five-year forecast period. It is based on current industry trends and includes long term inflation forecasts for each territory.

Operating costs consist to a large degree of salary costs for R&D and SG&A, which do not vary significantly with sales volumes or prices. Another part of salary costs relate to professional services consultants, which varies with the development in professional serices sales volume. As SaaS offerings grow increasingly popular with customer, costs for hosting, which is directly linked to revenue, start to have an impact. Management forecasts these costs based on the current structure of the business, accounting for increased geographical and product scope, adjusting for inflationary increases and these do not reflect any future restructorings or cost saving measures. The growth disclosed is the expected average annual growth rate for the five-year forecast period. The recoverable amount is sensitive to the expected growth rate in the five-year forecast period.

In TIA, the recoverable amount calculated based on value in use exceeded carrying value by TDKK 42,200. An annual sales growth rate of 18.3% (with direct costs unchanged), annual operating costs growth of 16.2%, a perpetual growth rate of 1.5%, or a rise in discount rate to 10.0% would, all changes taken in isolation, result in the recoverable amount being equal to the carrying amount.

13. Property, plant and equipment

Group

	Other fixtures and fittings, tools and equip-ment	Lease-hold improve-ments	Total
	TDKK	**TDKK**	**TDKK**
Cost:			
At 01.01.2016	2.678	1.063	3.741
Exchange differences	(2)	0	(2)
Additions during the year	444	66	510
At 31.12.2016	3.120	1.129	4.249
Amortisation and impairment:			
At 01.01.2016	1.872	1.057	2.929
Exchange differences	1	0	1
Amortisation charge	268	11	279
At 31.12.2016	2.141	1.068	3.209
Carrying amount 31.12.2016	**979**	**61**	**1.040**

	TDKK	**TDKK**	**TDKK**
Cost:			
At 01.01.2017	3.120	1.129	4.249
Exchange differences	1	0	0
Additions during the year	271	217	488
At 31.12.2017	3.392	1.346	4.738
Amortisation and impairment:			
At 01.01.2017	2.141	1.068	3.209
Amortisation charge	351	48	399
At 31.12.2017	2.492	1.116	3.608
Carrying amount 31.12.2017	**900**	**230**	**1.130**

	2017 TDKK	2016 TDKK

14. Investments in subsidiaries

	2017 TDKK	2016 TDKK
Parent		
Cost at 1 January	550.056	525.056
Additions during the year	29.731	25.000
Cost at 31 December	579.787	550.056
Amortisation and impairment 31 December	0	0
Carrying amount 31 December	**579.787**	**550.056**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Vote and ownership
Tia Technology A/S	Virum	100%
Tia Technology UK Ltd.	England	100%
Tia Technology UAB	Lithuania	100%
TIA South Africa (Pty) Ltd.	South Africa	100%
TIA Technology 2 ApS	Denmark	100%
Insurance Cloud ApS	Denmark	100%

15. Deferred tax

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
At 01.01.2017	(4.758)	(6.097)	4.419	2.949
Adjustments regarding previous years	0	0	0	0
Deferred tax reccognised in the income statement	3.370	1.339	1.521	1.470
Deferred tax from acquisitions	(2.889)	0	0	0
Deferred tax reccognised in other comprehensive income	0	0	0	0
At 31.12.2017	**(4.277)**	**(4.758)**	**5.940**	**4.419**
Deferred tax relates to:				
Intangible assets	(13.359)	(14.152)	0	0
Property, plant and equipment	60	45	0	0
Provisions	0	667	0	0
Tax loss carry-forwards	9.022	8.682	5.940	4.419
	(4.277)	**(4.758)**	**5.940**	**4.419**

	Group		Parent	
	2017	**2016**	**2017**	**2016**
	TDKK	**TDKK**	**TDKK**	**TDKK**
16. Trade receivables				
Trade receivables and other receivables at 31.12.2017	44.627	14.553	0	0
Less provision for impairment of trade receivables	0	0	0	0
Trade receivables net	**44.627**	**14.553**	**0**	**0**
Movement on the Group provision for impairment of trade receivables are as follows:				
Opening balances	0	2.749	0	0
Allowances during the year	0	0	0	0
Reversed allowances	0	(2.749)	0	0
At 31.12.2017	**0**	**0**	**0**	**0**
Allocation of overdue net receivables (not written off) by maturity period are as follows:				
Up to 30 days	30.671	8.263	0	0
Between 31 and 90 days	4.674	758	0	0
Between 91 and 365 days	326	377	0	0
Overdue net receivables at 31.12.2017	**35.671**	**9.398**	**0**	**0**

17. Financial assets and liabilities

Carrying amount

Financial assets:				
Loans and receivables:				
Trade receivables	44.627	14.553	0	0
Other receivables	2.286	3.313	0	0
Deposit	1.088	1.033	0	0
Cash and cash equivalents	770	3.092	6	850
Total Loans and receivables	48.771	21.991	6	850
Total	**48.771**	**21.991**	**6**	**850**

	Group		Parent	
	2017	**2016**	**2017**	**2016**
	TDKK	**TDKK**	**TDKK**	**TDKK**
Financial liabilities:				
Financial liabilities at amortised cost:				
Borrowings	169.769	183.226	153.869	159.816
Trade payables	12.904	4.969	6.568	1.218
Other payables	59.136	26.957	5.898	6.192
Total Financial liabilities at amortised cost	241.809	215.152	166.335	167.226
Total	**241.809**	**215.152**	**166.335**	**167.226**

Fair values are approximately the same as the carrying amounts.

18. Share capital

The share capital is broken down as follows:

	Number of shares	Nominal value, TDKK
A-shares	9.259.642	9.259.642
B-shares	1.274.111	1.274.111
Share capital at 31.12.2017		**10.533.753**

Class A shares have a preference right of return and carry one voting right per share. Class B shares do not carry voting rights.

Group	**Number of shares**	**Nominal value, TDKK**	**% of share capital**
Treasury shares:			
Treasury shares at 01.01.2017	115.142	115.142	1,1%
Shares issued	0	0	0,0%
Shares outstanding	0	0	0,0%
Shares sold	-31.200	-31.200	-0,3%
Treasury shares at 31.12.2017	**83.942**	**83.942**	**0,8%**

Parent	**Number of shares**	**Nominal value, TDKK**	**% of share capital**
Treasury shares:			
Treasury shares at 01.01.2017	30.000	30.000	0,3%
Shares issued	0	0	0,0%
Shares sold	-4.858	-4.858	0,0%
Treasury shares at 31.12.2017	**25.142**	**25.142**	**0,2%**

	TDKK
Changes in share capital:	
Share capital at 01.01.2017	9.269.361
Shares issued	1.264.392
Shares outstanding	0
Share capital at 31.12.2017	**10.533.753**

The amount of treasury shares relate to previously acquired shares in connecntion with settlement of certain Management Incentive Programmes for former emplyees.

Capital management
The Group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

The management and board of directors monitor the share and capital structure to ensure that the Group's capital resources support the strategic goals. Through a close dialogue with its main lender and with one majority shareholder, the Group has been able to decide on funding of strategic initiatives within a very short time frame.

During 2017 the Group had a equity injection of TDKK 33,231 in cash to fund part of the acquisition of Assurator.

19. Credit institutions

General description of the loan.

	Principal	**Average nominal interest rate**	**Average effective rate of interest**	**Term**	**Carrying amount**
Floating rate loan, EUR	45.000	EURIBOR +3%	2,690%	Loan in EUR	26.064
Floating rate loan, EUR	130.000	EURIBOR +3.5%	3,190%	Loan in EUR	129.821
Revolving credit facility	40.000	CIBOR +2%	2,000%	Loan in DKK	15.782

20. Related parties

The Groups ultimate parent is Thor Holding S.à.r.l., 23, Rue Aldringen, L-1118 Luxembourg

The disclosure of “Key management compensation” is presented in note 4.

The following transactions were carried through with related parties:

	Parent	
	2017	**2016**
	TDKK	**TDKK**
Transactions with subsidiaries:		
Payable to subsidiaries	37.060	19.574

	Group		Parent	
	2017	**2016**	**2017**	**2016**
	TDKK	**TDKK**	**TDKK**	**TDKK**

21. Commitments and contingent liabilities

Operating leases

The Group has entered into a lease on office premises.The lease is non-cancellable for 105 months. The Group has also entered into leases on company cars. The contracts are non-cancellable for 21 months.

	Group 2017 TDKK	Group 2016 TDKK	Parent 2017 TDKK	Parent 2016 TDKK
Operating lease commitments:				
Due within 1 year	5.210	3.320	0	0
Due between 1 and 5 years	9.537	6.260	0	0
Due after 5 years	4.204	6.378	0	0
	18.951	**15.958**	**0**	**0**
Expensed payments relating to operating leases	5.492	3.951	0	0

Lease commitments relate primarily to office, IT equipment and car rental.

The Danish 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 by the Group amounts to DKK 0. Moreover, the Danish 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.

	Group		Parent	
	2017	**2016**	**2017**	**2016**
	TDKK	**TDKK**	**TDKK**	**TDKK**

22. Cash flow statement

Adjustments				
Financial income	(2.071)	(1.739)	(645)	(1.151)
Financial expenses	9.550	9.049	7.382	7.786
Depreciation, amortisation and impairment losses, including	37.311	34.712	0	0
Tax on profit/loss for the year	(1.301)	(6.458)	(1.521)	(1.470)
	43.489	**35.564**	**5.216**	**5.165**
Change in working capital				
Change in receivables	(29.192)	38.392	0	0
Change in trade payables, etc.	32.251	(1.302)	5.056	363
	3.059	**37.090**	**5.056**	**363**
Changes in liabilities arising from financing activities				
Debt as at 1 January	215.152	221.832	186.800	179.211
Cashflow	12.519	564	5.027	280
Proceeds from borrowings	0	0	17.486	13.139
Repayment of borrowings	(7.187)	(7.700)	(7.187)	(6.286)
Contingent considerations from acquisition	20.000	0	0	0
Foreign currency	231	(636)	231	(636)
Other non-cash movements	1.094	1.092	1.038	1.092
Debt as at 31 December	**241.809**	**215.152**	**203.395**	**186.800**

Notes

23. Financial risk management

Financial risk factors

The Financial risks of the group are managed centrally. The overall risk management guidelines and policies have been approved by the board of directors. Group finance identifies and evaluates in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Market risk

Foreign exchange risk

The group operates internationally and sales revenue is exposed to foreign exchange risk, primarily with respect to the NOK. Foreign exchange risk arises from recuring license sales denominated in local currency. Increases or decreases in the exchange rate of such foreign currencies against the functional currency, the DKK, can affect the group's results and cash position negatively or positively. The exchange risk is limited by the fact that license fees are paid annually in advance. Professional services are invoiced monthly with dynamic exchange rate conversion and are therefore generally not impacted materially by exchange rate fluctuations.

Management has set up a policy to manage the foreign exchange risk against the DKK. Foreign exchange risk arise when long-term license agreements are denominated in local currency using the exchange rate at the time of signing.

The Groups cost of goods sold and operating expenses are mainly incurred in DKK or EUR. The Group has transactions in other currencies, but the foreign exchange risks related to this are not considered material.

Interest rate risk

Thor's interest rate risk arises from long-term borrowing related to the acquistion of TIA. Borrowings issued at variable rates expose the group to cash flow interest rate risk, and short-term credit facilities (denominated in DKK) to cover operational liquidity needs. Borrowings issued at fixed rates expose the group to fair value interest rate risk. During 2017, the majority of the groups borrowings were at fixed rates through use of interest rate swaps.

Sensitivity analysis

	Impact on post tax profit	Impact on equity
	TDKK	TDKK
Interest rates – increase by 70 basis points	-1.335	-1.335
Interest rates – decrease by 100 basis points	1.907	1.907

The calculation is based on an increase in both short and long term interest. All other variables are held constant.

Credit risks

The Group has no material credit risk. Recurring license fees are paid in advance, and professional serices are paid monthly.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

The maximum exposure corresponds to the carrying amount of receivables.

Liquidity risk

Cash flow forecasting is performed by group finance. Group finance monitors rolling forecasts of the group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times to avoid breach of borrowing limits or any of its borrowing facilities. Such forecasting takes into consideration the group’s debt financing plans and compliance with internal balance sheet ratio targets.

The group has undrawn borrowing facilities of DKK 24m on the revolving credit facity and a further DKK 17.5m that may be available for future operating activities and to settle capital commitments.

Notes

23. Financial risks (continued)

The table below analyses the group's non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group	Less than 1 year TDKK	1-5 years TDKK	>5 years TDKK	Total TDKK
At 31.12.2016				
Credit institutions	13.023	195.597	0	208.620
Trade payables	4.969	0	0	5.158
Other payables	1.720	25.237	0	26.957
	19.712	**220.834**	**0**	**240.735**
At 31.12.2017				
Credit institutions	13.491	170.415	0	183.906
Trade payables	12.904	0	0	12.904
Other payables	57.330	1.808	0	59.138
	83.725	**172.223**	**0**	**255.948**

Parent	Less than 1 year TDKK	1-5 years TDKK	>5 years TDKK	Total TDKK
At 31.12.2016				
Credit institutions	12.717	173.972	0	186.689
Trade payables	1.218	0	0	1.218
Other payables	5.574	618	0	6.192
Intercompany	19.574	0	0	19.574
	39.083	**174.590**	**0**	**213.673**
At 31.12.2017				
Credit institutions	13.267	154.409		167.676
Trade payables	6.568	0	0	6.568
Other payables	5.250	649	0	5.899
Intercompany	37.060	0	0	37.060
	62.145	**155.058**	**0**	**217.203**

Notes

24. Events after the balance sheet date

Thor Denmark Holding A/S, has been involved in an arbitration case with the previous owner of TIA regarding information disclosed in a sales process in 2014. The final ruling was received in March 2018 and was in full support of Thor Holding. As a result, Thor Denmark Holding has received a significant amount of money that will impact the Group’s financial position positively in 2018.

No other events have occurred after the balance sheet date of importance to the Annual Report.

25. Business combinations

On 28 February 2017 the group acquired 100% of the share capital in the subsidiary Assurator ApS, a Danish TIA implementation partner. Assurator provides IT consulting services to TIA customers, and also develops insurance applications, incl. the solution SIPAS.

With this acquisition TIA significantly strengthens Professional Services, as well as best-practice guidance and tools and thereby builds a critical mass to support customers through projects, regardless of scope and scale.

Details of the purchase consideration are as follows:

	TDKK
Cash paid	27.100
Contingent consideration	20.000
Total consideration	47.100

The fair value of the contingent consideration has been estimated at TDKK 20,000 and is based on the fullfillment of certain financial targets and retention of employees. TDKK 5,000 of the contingent consideration will be settled with shares calculated as 'No of shares'= TDKK 5,000 / Share price per 30 June 2018. Management expects that the conditions will be fulfilled and has therefore estimated the fair value of the contingent consideration at TDKK 20,000.

The goodwill of TDKK 33.000 arising from the acquisition is attributable to the workforce and expected growth in the acquired business. None of the goodwill recognised is expected to be deductible for income tax purposes.

Fair value of the assets and liabilities acquired is summarized in the following table, which discloses recognised amounts of identifiable assets acquired and liabilities assumed:

	TDKK
Net assets acquired	
Development projects	13.742
Tangible assets	29
Deposits	281
Trade receivables (Gross amount TDKK 4.056)	4.056
Other receivables	52
Cash	4.585
Deferred revenue	1.058
Deferred tax liabilities	2.990
Other debt	4.597
Net assets	14.100
Consideration paid	47.100
Goodwill	33.000

Cash flows from acquisition:	
Total consideration	47.100
Less contingent consideration	(20.000)
Less cash received	(4.585)
	22.515

The acquired business contributed revenues of TDKK 28,028 and net profit of TDKK 2.168 to the group for the period from 28 Febuary to 31 December 2017.

If the acquisition had occurred on 1 January 2017, consolidated pro-forma revenue and profit for the year ended 31 December 2017 would have been TDKK 34.301 and TDKK 3.528 respectively.

These amounts have been calculated using the subsidiary's results and adjusting them for:

- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to intangible assets had applied from 1 January 2017, together with the consequential tax effects.

Transaction costs of approximately TDKK 1,100 has been incurred.

26. Business combinations after the balance sheet date

On 1 March 2018 the group acquired 100% of the share capital in the subsidiary goBundl ApS, a Danish implementation partner of TIA Technology A/S.
With this acquisition TIA Technology A/S significantly strengthens Professional Services, as well as best-
Details of the purchase consideration are as follows:

	TDKK
Cash paid	0
Contingent consideration	15.000
Total consideration	15.000

The fair value of the contingent consideration has been estimated at TDKK 15,000 and is reflecting the

Transaction costs of approximately TDKK 50 has been incurred.