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AX IV Con ApS

c/o Conscia A/S, Kirkebjerg Parkvej 9, 2., 2605 Brøndby

Company reg. no. 36 90 00 24

Annual report

1 October 2016 - 30 September 2017

The annual report has been submitted and approved by the general meeting on 12 March 2018

Søren Bech Justesen
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of AX IV Con ApS for the financial year 1 October 2016 to 30 September 2017.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion, the consolidated annual accounts and the annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated and for the company respectively as on 30 September 2017, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 October 2016 to 30 September 2017.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Brøndby, 20 December 2017

Executive management

Jesper Frydensberg Rasmussen

Board of directors

Peter Nyegaard	Christian Bamberger Bro	Nikolaj Vejlsgaard

Independent auditor's report

To the shareholders of AX IV Con ApS

Opinion

We have audited the consolidated annual accounts and the annual accounts of AX IV Con ApS for the financial year 1 October 2016 to 30 September 2017, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes, consolidated and for the company respectively and consolidated cash flow statement. The consolidated annual accounts and the annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated annual accounts and the annual accounts give a true and fair view of the assets, liabilities and financial position, consolidated and for the company respectively at 30 September 2017 and of the results of the company's operations, consolidated and for the company respectively and of consolidated cash flows for the financial year 1 October 2016 to 30 September 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the consolidated annual accounts and the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the consolidated annual accounts and the annual accounts

The management is responsible for the preparation of consolidated annual accounts and annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of consolidated annual accounts and annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts and the annual accounts, the management is responsible for evaluating the group's and the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the consolidated annual accounts and the annual accounts, unless the management either intends to liquidate the group or the company or to cease operations, or if it has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated annual accounts and the annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts and the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the consolidated annual accounts and the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated annual accounts and the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 company's internal control.

- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's preparation of the consolidated annual accounts and the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts and the annual accounts 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated annual accounts and the annual accounts, including the disclosures in the notes, and whether the consolidated annual accounts and the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated annual accounts. 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the consolidated annual accounts and the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the consolidated annual accounts and the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the consolidated annual accounts and the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the consolidated annual accounts or the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 23 February 2018

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Jan Tønnesen
State Authorised Public Accountant

Claus Koskelin
State Authorised Public Accountant

Company data

The company	AX IV Con ApS c/o Conscia A/S Kirkebjerg Parkvej 9, 2. 2605 Brøndby	
	Company reg. no.	36 90 00 24
	Financial year:	1 October - 30 September 2nd financial year
Board of directors	Peter Nyegaard Christian Bamberger Bro Nikolaj Vejlsgaard	
Executive management	Jesper Frydensberg Rasmussen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	

Consolidated financial highlights

DKK in thousands.	2016/17	2015/16
Profit and loss account:		
Net turnover	1.056.821	979.372
Gross profit	294.096	247.582
Results from operating activities	70.615	58.287
Net financials	-17.621	-17.083
Results for the year	33.539	22.973
EBITDA	118.989	104.975
EBITA	114.972	103.099
Balance sheet:		
Balance sheet sum	1.740.270	848.058
Investments in tangible fixed assets represent	-2.166	-4.150
Equity	368.916	332.017
Cash flow:		
Operating activities	54.024	86.797
Investment activities	-739.725	-714.820
Financing activities	681.386	630.690
Cash flow in total	-4.315	2.667
Employees:		
Average number of full time employees	201	120
Key figures in %:		
Gross margin	27,8	25,3
Profit margin	6,7	6,0
Acid test ratio	70,9	96,3
Solvency ratio	20,9	39,1
Return on equity	9,6	14,3

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

Management's review

The principal activities of the group

The Conscia Group (Conscia) provides IT solutions, consultancy and services to some of the largest private enterprises and public-sector organizations in the countries that the company is represented in. The technological areas of focus are network infrastructure, data center, mobility, cloud and security. The infrastructure solutions are based primarily on Cisco technology, and all country organizations are Cisco Gold Partner certified. Conscia also offers its unique, Cisco-awarded service concept CNS (Conscia Network Services), public cloud competencies based on Amazon Web Services, and other services that give customers direct access to highly certified consultants, fast troubleshooting and stable operation.

The most significant activities of the parent company

The main activities of AX IV Con ApS consist of owning capital shares in affiliated companies, including other related business, cf. the board's assessment.

Development in activities and financial matters

In the financial year 2016/2017, Conscia had three clear objectives:

- Further develop Conscia in the new countries we have entered
- Striving to have the highest competencies and professional skills within the technologies that matters most to our customers
- Further internationalization

Conscia took some important steps in 2017 to live up to these strategic objectives:ory.

In February 2017, Conscia Holding A/S acquired the Danish Security specialist and Cisco Premier Partner, Level8.

In April 2017, Conscia Holding A/S acquired the Danish Amazon Web Services partner Dashsoft, and changed the company's name to CloudPartners. This acquisition has added strong cloud competencies especially within automation and DevOps.

During spring 2017, the Conscia HyperCloud was announced. Conscia HyperCloud is a complete turn-key private cloud (Infrastructure-as-a-Service) datacenter solution that contains all the advantages of public cloud in a fully automated and flexible private cloud.

In June 2017, Conscia stepped into the Dutch market via the acquisition of the Gouda-based Cisco Gold Partner, Vosko. Vosko designs, secures, maintains and administers large, complex IT infrastructure in both the private and public sectors, and is very strongly represented within healthcare.

With these two acquisitions, Conscia is now represented in Sweden, Norway and the Netherlands and of course in Denmark.

Management's review

Conscia's EBITDA for 2016/2017 amounts to DKK 119 million compared to DKK 81 million for the same period in 2015/2016, equaling an increase of 46 %. The financial performance in 2016/2017 is influenced by a significant organic growth in existing business areas – especially within Sweden, but also by the acquisition of Level 8 ApS, CloudPartners A/S and Vosko B.V.

Management considers the results for the year satisfactory and in accordance with expectations.

EBITDA for the parent company (AX IV Con ApS) for 2016/2017 shows a loss of DKK 0,1 million, which is accordance with expectations. Management considers the results satisfactory.

Own shares
On the balance sheet day, the company owned own shares for a nominal value of 5.000 corresponding to 0,16% of the contributed capital.

In the financial year, own shares has been purchased, nominally 10.000 for tDKK 1.000, and sold own shares, nominal 5.000 for tDKK 500.

The net acquisition has been made for a resale purpose.

Corporate Governance
By virtue of its Private Equity ownership, Conscia is subject to "Guidelines for responsible ownership and good corporate governance" as defined by the Danish Venture Capital and Private Equity Association. The guidelines are available at DVCA's website, www.dvca.dk.

The organization of management is, among other things, based on the Danish Companies Act, the Danish Financial Statements Act and the company's articles of association. I.e. Conscia has based its corporate governance efforts on a two-tier system where the board of directors and the executive management have two distinct roles. The executive management undertakes the operational management of the company, whereas the board of directors determines the overall company strategy and acts as an active sparring partner to the executive management of the company. In addition, the board of directors use committees for special tasks. Thus, a chairman committee and an audit committee have been set up.

The board of directors consists of six members, where one of the representatives have been elected by Conscia A/S' employees. Board meetings are held four to five times a year. Additionally, the chairman committee meets with the executive management of the company on a bimonthly basis and the audit committee meets twice a year.

Social responsibility
Conscia bases its business development on combining financial performance with socially responsible behavior and environmental awareness. Conscia complies with applicable legislation, local as well as international, and in 2017 Conscia joined the UN Global Compact. As a natural part of our commitment to the UN Global Compact, Conscia has developed policies for the ethical conduct.

Management's review

Concerning technology, Conscia operates with WEEE Compliant Cisco hardware, which means that returned equipment will be sent to Cisco, and that Cisco will secure a reasonable handling of the hardware.

Conscia wants to focus on health and job satisfaction across the company and secure that Conscia provides a healthy and safe working environment in accordance with current legislation.

Conscia does not generate higher levels of direct pollution or emissions than the norm in the IT consultancy business. In addition, we seek to minimize the environmental implications of transportation between our offices by using telephone and video conference equipment to the extent possible.

Conscia supports the protection of internationally proclaimed human rights by engaging with the IGU program ("Integrationsuddannelsen" in Danish). Additionally, Conscia defines data privacy as a human right, and we want to be a 100% trusted data handling partner.

Conscia has an anti-corruption and anti-bribery policy in all affiliates and countries, as we do not accept corruption and bribery practice in any shape or form in our business. We expect the same from our suppliers.

Moreover, Conscia has introduced a central whistleblower policy that enables all employees to anonymously report situations, incidents or circumstances that seem inappropriate or contrary to the Group's guidelines.

Employees and organization

The employees and their high focus on competencies and skills create the foundation of the company.

In general, the employees are meant to experience an open and unprejudiced culture where the individual can use his or her skills in the best possible way, regardless of gender, age and ethnic background. Both women and men have the same opportunities for careers and leadership positions.

Conscia's overall policy is to employ or promote the best suitable persons no matter of gender. Traditionally, the leading positions within the business are over-represented by men just as applications for new positions are primarily received from men and this complicates the work towards gender balance.

Conscia's policy in relation to the under-represented gender is reassessed on an ongoing basis in order to create a basis for increasing the gender equality.

Top management

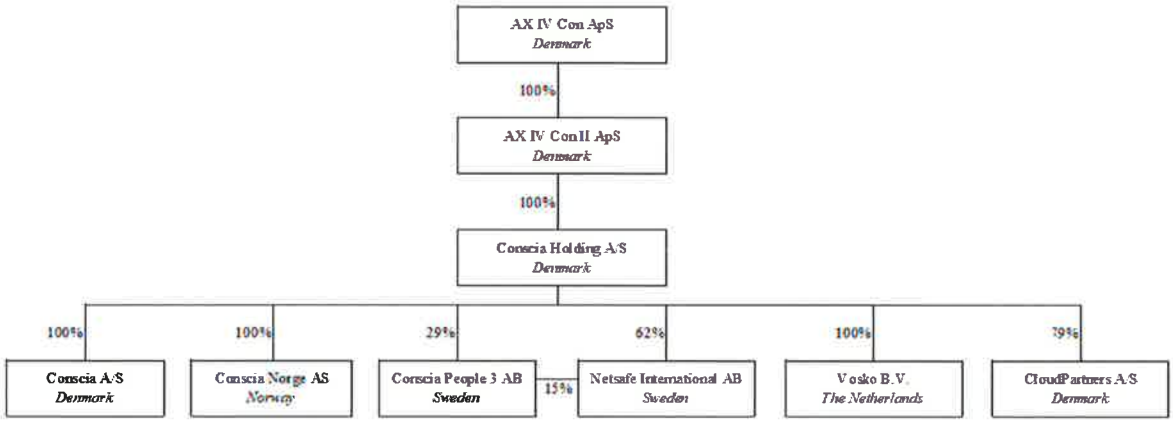
The board consists of 6 people that are all men. It is Conscia's aim that at least one member must be from the under-represented gender. As a consequence of business conditions, the target is not yet fulfilled.

Management's review

Other leading positions

It is the management's aim to increase the number of female leaders in Conscia through development interviews, training etc.

Organizational structure:



As of 30th September 2017, Conscia has 323 employees, which is an increase of 186 employees since same time last year. 193 employees are located outside Denmark

Risks

Conscia Group is exposed to uncertainties and risk factors, which may affect some or all of the company's activities

Contractual risks

As Conscia's business model is founded upon extensive partnerships, it is essential to secure that vendor contracts or other agreements do not impose abnormal obligations on Conscia, nor are drafted in an unbalanced manner with regards to the protection of Conscia's business. Therefore, before entering any agreements, suppliers are thoroughly evaluated with regards to financial solidity, delivery quality, timeliness as well as overall reliability

Employee risks

Conscia is well aware that employees are the most important asset of the company. As Conscia's business model is founded upon IT consultancy and extensive partnerships, having the right competencies with the adequate experience is vital. Therefore, it is important that Conscia continues to attract, retain and develop skilled employees. Failure to do so will negatively impact the continued development of the company.

Management's review

Currency risks
Conscia is exposed to currency fluctuations in the countries where it has its main activities. I.e. the risks relate primarily to the rise/fall in USD, as almost all hardware and software are purchased in USD. It is Group policy to seek to offset exchange-rate risks by matching revenue, as well as other positive cash flow, against costs in the same currencies. If this is not possible, the exchange risk hedged via foreign exchange contracts. No speculative currency positions are taken.

Exchange rate fluctuations related to the translation of the results and intercompany balance of foreign subsidiaries at the balance sheet date constitute a risk. The company does not hedge this type of risk. Consequently, the Group may be affected in the short term by exchange rate fluctuations related to the translation of the results and intercompany balance of subsidiaries into DKK.

IT risks
Conscia uses IT to a significant extent and is vulnerable to interruptions of operation and breaches of the established security. Conscia continuously seeks to improve its IT security in order to ensure that a high level of security is maintained at all times.

The Audit Committee assists the board of directors with reviews of financial reporting processes, review of internal control systems including risk management and the on-going dialogue with the external auditor.

Research and development activities
Conscia does not carry out research, but is continuously developing internal systems to support its customers' business.

Outlook for 2017/2018
In 2017/2018, Conscia expects growth in revenue, EBITDA and in number of employees.

Events subsequent to the financial year
No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Deviation by recognition or measurement
During the financial year, there has been no deviation by recognition and measurement of account entries in neither the group accounts nor the financial report respectively.

Accounting policies used

The annual report for AX IV Con ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (large enterprises) for the group and class C for the parent company.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Adjustments as regards presentation have been made of the groups's exchange rate profit og loss. Income in the current financial year of mDKK 1,5 and last financial year of mDKK 1,5 has been moved from the group's line "raw materials and consumables used" to "financial items".

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. Transactions at secured exchange rates are recognised at security rate, mainly included in the gross profit.

Accounting policies used

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets acquired in foreign currency are measured at the exchange rate on the transaction date.

In case the foreign group enterprises and associated enterprises meet the criteria for being independent units, the profit and loss accounts are translated by using an average exchange rate for the period in question, and the balance sheet items are translated by using the closing rate. Differences arising in connection with the translation of the equity of foreign group enterprises at the beginning of the year to the closing rate are recognised directly in the equity. The same goes for differences arising in connection with translation of the profit and loss accounts from average exchange rate to the closing rate.

Derived financial instruments

At the first recognition, derived financial instruments are recognised at cost in the balance sheet. Afterwards they are measured at fair value. Positive and negative fair values of derived financial instruments are recognised under other debtors and other creditors respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging future cash flows are recognised in the equity.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company AX IV Con ApS and those group enterprises of which AX IV Con ApS directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest.

By the consolidation, elimination of intercompany income and costs, shareholding, intercompany balances and dividends and realised and unrealised gains and losses from transactions among the consolidated enterprises takes place.

Equity interests in group enterprises are settled by the proportional share of the group enterprises' trade value of net assets and liabilities at the date of acquisition.

Newly acquired or newly established enterprises are recognised in the consolidated annual accounts as of the date of acquisition. Disposed or terminated enterprises are recognised in the consolidated annual accounts until the date of disposal. In relation to newly acquired, disposed or terminated enterprises, comparative figures are not adjusted.

Accounting policies used

In connection with the acquisition of new enterprises, the acquisition method is applied, by which the acquirees' identifiable assets and liabilities are measured at fair value at the time of acquisition. Costs for restructuring which are recognised in the acquiree before the acquisition date and which have not been agreed upon as part of the acquisition, are recognised in the pre-acquisition balance sheet and thereby forms part of the measurement of goodwill. Restructuring decided by the acquiree is recognised in the profit and loss account. The tax effect of the revaluations carried out is taken into consideration.

Positive balances (goodwill) between cost and fair value of the acquired, identifiable assets and liabilities, including provisions for restructuring, are recognised under intangible fixed assets and in accordance with an individual evaluation allocated on a systematic basis over their useful lives in the profit and loss account. Negative balances (negative goodwill) is recognised as income in the profit and loss account at the date of acquisition when the general requirements for recognition of income are met.

Goodwill and negative goodwill from acquirees may be adjusted until 12 months after the acquisition.

Gains or losses from the disposal or termination of group enterprises or associated enterprises are recognised as the difference between the sales price or the termination sum and the book value of the net assets at the sales date and expected costs of sale or termination.

Minority interests

The items of the group enterprises are recognised by 100 % in the consolidated annual accounts. The minority interests' proportionate share of the profit or loss and the equity of the group enterprises are adjusted annually, and they are recognised as a separate item below the profit and loss account and as a separate item in the balance sheet respectively.

The profit and loss account

Net turnover

The net turnover for sold goods and related manufacturer delivered services is recognized in the profit and loss account if delivery and risk transfer to the buyer have taken place before year-end, and if the income can be determined reliably and is expected to be received. The net turnover for own service and consulting services is recognized in steps with the performance of the service.

Contract work in progress concerning construction contracts is recognised concurrently in the net turnover with the progress of the production. Thus the net turnover corresponds to the sales value of the completed productions of the year (the production method). The net turnover is recognised when the total income and costs of the contract and the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the financial benefits will be received by the company.

Turnover is exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

Raw materials and consumables used

Raw materials and consumables used include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income/costs

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains and losses on disposal of intangible and tangible fixed assets.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The parent company and the Danish group enterprises are subject to the Danish rules on compulsory joint taxation of the consolidated Danish enterprises. The parent company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Intangible fixed assets

Software

Software is measured at cost less accumulated amortisation, or at recoverable value, whichever is lower.

Software is amortised on a straight-line basis over the etimated financial useful life, which is 3 years. The scrap value is DKK 0.

Goodwill

Purchased goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated financial life, which is 20 years.

The estimated financial life is based on the activity's unique commercial position and the employee's commercial and technical skills that are expected to be in use for at least 20 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life	Scrap value
Other plants, operating assets, fixtures and furniture	3-10 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

The group has no financially leased assets.

Accounting policies used

Writedown of fixed assets

The book values of both intangible and tangible fixed assets are subject to annual review in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed in the review, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable value, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Inventories

Trade goods and sold non-delivered goods are measured at cost. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods and sold non-delivered goods comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Work in progress for the account of customers

Work in progress for the account of customers is measured at the sales value of the work performed. The sales value is measured on basis of the scope of completion on the balance sheet date and the total expected income from the individual work in progress.

When the sales value of a contract cannot be determined reliably, the sales value is measured at the costs incurred or at the net realisable value, if this is lower.

Accounting policies used

The individual work in progress is recognised in the balance sheet under debtors or liabilities, depending on the net value of the sales price with deduction of prepayments and amounts invoiced on account.

Costs in connection with sales work and the achievement of contracts are recognised in the profit and loss account when incurred.

Deferred expenses

Deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Cash funds

Cash funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

Own shares

Purchases and sales of own shares are recognized directly to results brought forward (equity).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognized in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

AX IV Con ApS is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, AX IV Con ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax either as an income or expense.

Accounting policies used

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Liabilities are measured at amortised cost, which usually corresponds to the nominal value.

The cash flow statement

The cash flow statement shows the cash flow of the group for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

The effect of cash flow deriving from purchase and sale of enterprises appears separately under cash flow from investment activities. In the cash flow statement, cash flow deriving from purchased enterprises is recognised as of the date of acquisition, and cash flow deriving from sold enterprises is recognised until the sales date.

Cash flow from operating activities

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities

Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities and payments related to the acquisition and sale of fixed assets.

Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Cash funds

Cash funds comprise cash funds and short term securities which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Segment information

Segment information on activity is provided. The segment information follows the consolidated accounting policies, risks and internal financial control systems.

Profit and loss account

DKK in thousands.

Note		Group 1/10 2016 - 30/9 2017	Group 21/5 2015 - 30/9 2016	Parent company 1/10 2016 - 30/9 2017	Parent company 21/5 2015 - 30/9 2016
1	Net turnover	1.056.821	979.372	0	-1
	Raw materials and consumables used	-726.581	-700.653	0	0
	Other external costs	-36.144	-31.137	-125	-51
	Gross results	**294.096**	**247.582**	**-125**	**-52**
2	Staff costs	-175.107	-142.607	0	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-48.115	-44.177	0	0
	Other operating costs	-259	-2.511	-259	-472
	Operating profit	**70.615**	**58.287**	**-384**	**-524**
	Other financial income from group enterprises	0	0	749	695
	Other financial income	2.922	2.669	0	0
	Other financial costs	-20.543	-19.752	-253	-2.762
	Results before tax	**52.994**	**41.204**	**112**	**-2.591**
3	Tax on ordinary results	-19.455	-18.231	-53	518
4	**Results for the year**	**33.539**	**22.973**	**59**	**-2.073**
	The group's results are as follows:				
	Shareholders in AX IV Con ApS	29.801	23.627		
	Minority interests	3.738	-654		
		33.539	**22.973**		

Balance sheet 30 September

DKK in thousands.

Assets

Note		Group 2017	Group 2016	Parent company 2017	Parent company 2016
	Fixed assets				
5	Software	2.212	1.565	0	0
6	Goodwill	1.346.200	639.221	0	0
	Intangible fixed assets in total	1.348.412	640.786	0	0
7	Other plants, operating assets, and fixtures and furniture	14.838	4.253	0	0
	Tangible fixed assets in total	14.838	4.253	0	0
8	Equity investments in group enterprises	0	0	306.237	306.237
9	Other debtors	2.753	2.063	0	0
	Financial fixed assets in total	2.753	2.063	306.237	306.237
	Fixed assets in total	**1.366.003**	**647.102**	**306.237**	**306.237**
	Current assets				
	Trade goods	13.286	778	0	0
	Sold non-delivered goods	14.719	11.169	0	0
	Inventories in total	28.005	11.947	0	0
	Trade debtors	186.423	116.008	0	0
10	Work in progress for the account of customers	77.096	3.362	0	0
	Amounts owed by group enterprises	0	0	95.307	2.558
11	Deferred tax assets	2.416	0	0	0
	Receivable corporate tax	0	0	0	518
	Other debtors	18.992	17.377	0	0
12	Deferred expenses	14.774	1.386	0	0
	Debtors in total	299.701	138.133	95.307	3.076
	Cash funds	46.561	50.876	0	772
	Current assets in total	**374.267**	**200.956**	**95.307**	**3.848**
	Assets in total	**1.740.270**	**848.058**	**401.544**	**310.085**

Balance sheet 30 September

DKK in thousands.

Equity and liabilities

Note		Group 2017	Group 2016	Parent company 2017	Parent company 2016
	Equity				
13	Contributed capital	3.154	3.116	3.154	3.116
14	Share premium account	314.231	308.519	314.231	308.519
15	Results brought forward	46.378	19.721	-2.514	-2.073
	Equity before non-controlling interest.	363.763	331.356	314.871	309.562
16	Minority interests	5.153	661	0	0
	Equity in total	**368.916**	**332.017**	**314.871**	**309.562**
	Provisions				
17	Provisions for deferred tax	632	1.462	0	0
	Provisions in total	**632**	**1.462**	**0**	**0**
	Liabilities				
18	Bank debts	841.794	305.795	0	0
19	Other debts	846	0	0	0
	Long-term liabilities in total	842.640	305.795	0	0
	Short-term part of long-term liabilities	50.442	13.500	0	0
	Bank debts	116.527	0	86.589	0
	Prepayments received from customers	38.471	5.362	0	0
10	Prepayments received from customers concerning work in progress for the account of customers	39.016	541	0	0
	Trade creditors	166.947	115.228	0	0
	Corporate tax	20.004	18.043	53	0
	Other debts	96.675	56.110	31	523
	Short-term liabilities in total	528.082	208.784	86.673	523
	Liabilities in total	**1.370.722**	**514.579**	**86.673**	**523**
	Equity and liabilities in total	**1.740.270**	**848.058**	**401.544**	**310.085**

Balance sheet 30 September

DKK in thousands.

	Equity and liabilities	Group		Parent company	
Note		2017	2016	2017	2016
20	**Fee, auditor**				
21	**Mortgage and securities**				
22	**Contingencies**				
23	**Financial risks**				

Consolidated statement of changes in equity

DKK in thousands.

	Contributed capital	Share premium account	Results brought forward	Proposed dividend for the financial year	Minority interests	In total
Equity 21 May 2015	50	0	0	0	1.542	1.592
Cash capital increase	3.066	308.519	0	0	0	311.585
Profit or loss for the year brought forward	0	0	23.627	0	-654	22.973
Currency adjustment	0	0	-901	0	-37	-938
Adjustment of financial instruments at fair value	0	0	-3.005	0	0	-3.005
Dividend adopted	0	0	0	0	-190	-190
Equity 1 October 2016	3.116	308.519	19.721	0	661	332.017
Cash capital increase	38	5.712	0	0	0	5.750
Purchase of own shares	0	0	-1.000	0	0	-1.000
Sale of own shares	0	0	500	0	0	500
Profit or loss for the year brought forward	0	0	29.801	0	3.738	33.539
Addition during the year	0	0	0	0	1.110	1.110
Currency adjustment	0	0	-448	0	-356	-804
Adjustment of financial instruments at fair value	0	0	-2.196	0	0	-2.196
	3.154	**314.231**	**46.378**	**0**	**5.153**	**368.916**

Statement of changes in equity of the parent company

DKK in thousands.

	Contributed capital	Share premium account	Results brought forward	In total
Equity 21 May 2015	50	0	0	50
Cash capital increase	3.066	308.519	0	311.585
Profit or loss for the year brought forward	0	0	-2.073	-2.073
Equity 1 October 2016	3.116	308.519	-2.073	309.562
Cash capital increase	38	5.712	0	5.750
Profit or loss for the year brought forward	0	0	59	59
Sales of own shares	0	0	-1.000	-1.000
Purchase of own shares	0	0	500	500
	3.154	**314.231**	**-2.514**	**314.871**

Cash flow statement

DKK in thousands.

Note		Group 1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
	Results for the year	33.539	22.973
24	Adjustments	85.192	80.968
25	Change in working capital	-21.056	16.883
	Cash flow from operating activities before net financials	97.675	120.824
	Interest received and similar amounts	2.922	1.192
	Interest paid and similar amounts	-20.543	-19.752
	Cash flow from ordinary activities	80.064	102.264
	Corporate tax paid	-26.040	-15.467
	Cash flow from operating activities	**54.024**	**86.797**
	Purchase of intangible fixed assets	-1.699	-1.257
	Purchase of tangible fixed assets	-2.166	-4.150
	Purchase of financial fixed assets	0	-564
	Sale of financial fixed assets	671	0
	Purchase of enterprises	-736.531	-708.849
	Cash flow from investment activities	**-739.725**	**-714.820**
	Raising of long-term debts	584.173	332.795
	Repayments of long-term debt	-24.216	-13.500
	Raising of short-term debts	116.527	0
	Cash capital increase	5.750	311.585
	Purchase of own shares	-1.000	0
	Sale of own shares	500	0
	Dividend paid to minority interests	-348	-190
	Cash flow from financing activities	**681.386**	**630.690**
	Changes in available funds	**-4.315**	**2.667**
	Available funds opening balance	50.876	48.209
	Available funds closing balance	**46.561**	**50.876**
	Available funds		
	Cash funds	46.561	50.876
	Available funds closing balance	**46.561**	**50.876**

Notes

DKK in thousands.

		Group	
		1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
1.	**Net turnover**		
	Segment informations:		
	Hardware and manufactor service	894.501	870.419
	Own service and consultancy	162.320	108.953
		1.056.821	**979.372**

All sales are on the northern European market.

		Group	
		1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
2.	**Staff costs**		
	Salaries and wages	140.798	118.710
	Pension costs	11.943	9.807
	Other costs for social security	10.608	6.862
	Other staff costs	11.758	7.228
		175.107	**142.607**
	Executive management	3.217	4.626
	Board of directors	804	717
		4.021	**5.343**
	Average number of fulltime employees	201	120

		Group		Parent company	
		1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016	1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
3.	**Tax on ordinary results**				
	Tax of the results for the year	21.334	18.056	53	-518
	Adjustment for the year of deferred tax	-1.879	175	0	0
		19.455	**18.231**	**53**	**-518**

Notes

DKK in thousands.

		Parent company 1/10 2016 - 30/9 2017	Parent company 21/5 2015 - 30/9 2016
4.	**Proposed distribution of the results**		
	Allocated to results brought forward	59	0
	Allocated from results brought forward	0	-2.073
	Distribution in total	**59**	**-2.073**

		Group 30/9 2017	Group 30/9 2016
5.	**Software**		
	Cost opening balance	2.502	0
	Additions during the year	1.699	2.502
	Cost closing balance	**4.201**	**2.502**
	Amortisation and writedown opening balance	-937	0
	Amortisation for the year	-1.052	-937
	Amortisation and writedown closing balance	**-1.989**	**-937**
	Book value closing balance	**2.212**	**1.565**

		Group 30/9 2017	Group 30/9 2016
6.	**Goodwill**		
	Cost opening balance	681.522	0
	Additions concerning company transfer	751.494	682.243
	Currency adjustments	-381	-721
	Cost closing balance	**1.432.635**	**681.522**
	Amortisation and writedown opening balance	-42.301	0
	Amortisation for the year	-44.134	-42.301
	Amortisation and writedown closing balance	**-86.435**	**-42.301**
	Book value closing balance	**1.346.200**	**639.221**

Notes

DKK in thousands.

		Group	
		30/9 2017	30/9 2016
7.	**Other plants, operating assets, and fixtures and furniture**		
	Cost opening balance	5.192	0
	Additions during the year	13.583	5.193
	Disposals during the year	-374	0
	Currency adjustment	-33	-1
	Cost closing balance	**18.368**	**5.192**
	Depreciation and writedown opening balance	-939	0
	Depreciation for the year	-2.965	-939
	Depreciation, amortisation and writedown for the year, assets disposed of	374	0
	Depreciation and writedown closing balance	**-3.530**	**-939**
	Book value closing balance	**14.838**	**4.253**

Notes

DKK in thousands.

		Parent company 30/9 2017	Parent company 30/9 2016
8.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance opening balance	306.237	0
	Additions during the year	0	306.237
	Cost closing balance	**306.237**	**306.237**
	Book value closing balance	**306.237**	**306.237**

The financial highlights for the enterprises according to the latest approved annual reports

DKK in thousands	Share of ownership	Equity	Results for the year
AX IV Con II ApS, Denmark, Brøndby	100 %	308.110	-10.281
Conscia A/S, Denmark, Brøndby	100 %	125.690	69.250
Conscia People 3 AB, Sweden, Stockholm	29 %	-1.604	-355
Netsafe International AB, Sweden, Stockholm*	62 %	14.695	11.858
Conscia Norge AS, Norway, Oslo	100 %	3.196	1.650
CloudPartners A/S, Denmark, Viby	79 %	4.368	-1.841
Vosko B.V., Netherlands, Gouda**	100 %	286.917	1.718

* Indirect ownership is 66,3 %

** For the period 6 July 2017 - 30 September 2017

Notes

DKK in thousands.

		Group	
		30/9 2017	30/9 2016
9.	**Other debtors**		
	Cost opening balance	2.063	0
	Additions during the year	1.383	2.174
	Disposals during the year	-671	-113
	Currency adjustment	-22	2
	Cost closing balance	**2.753**	**2.063**
	Book value closing balance	**2.753**	**2.063**
	Specified as follows:		
	Other debtors	245	530
	Leasehold deposits	2.508	1.533
		2.753	**2.063**

Notes

DKK in thousands.

		Group 30/9 2017	30/9 2016
10.	**Work in progress for the account of customers**		
	Sales value of the production of the period	189.572	3.996
	Payments on account received	-151.492	-1.175
	Work in progress for the account of customers, net	**38.080**	**2.821**
	The following is recognised:		
	Work in progress for the account of customers (prepayments received)	77.096	3.362
	Work in progress for the account of customers (prepayments received)	-39.016	-541
		38.080	**2.821**

		Group 30/9 2017	30/9 2016
11.	**Deferred tax assets**		
	Deferred tax of the results for the year	2.416	0
		2.416	**0**
	The following items are subject to deferred tax:		
	Losses carried forward	2.416	0
		2.416	**0**

The Group's tax asset is taxable losses carried forward, which is expected to be used within the foreseeable future.

12. Deferred expenses

Deferred expenses include prepaid costs.

Notes

DKK in thousands.

		Group		Parent company	
		30/9 2017	30/9 2016	30/9 2017	30/9 2016
13.	**Contributed capital**				
	Contributed capital opening balance	3.116	50	3.116	50
	Cash capital increase	38	3.066	38	3.066
		3.154	**3.116**	**3.154**	**3.116**

The share capital consists of 3.154.193.880 shares, each with a nominal value of DKK 0,001. The shares are divided into A, B, C, and D classes.

Within the latest 5 years, the following changes in the share capital have taken place:

2015: Incorporation by tDKK 50 and capital increase tDKK 2.770
2016: Capital increase tDKK 296
2017: Capital increase tDKK 38

On the balance sheet day, the company owned own shares for a nominal value of 5.000 corresponding to 0,16% of the contributed capital.

In the financial year, own shares has been purchased, nominally 10.000 for tDKK 1.000, and sold own shares, nominal 5.000 for tDKK 500.

The net acquisition has been made for a resale purpose.

		Group		Parent company	
		30/9 2017	30/9 2016	30/9 2017	30/9 2016
14.	**Share premium account**				
	Share premium account opening balance	308.519	0	308.519	0
	Share premium account for the year	5.712	308.519	5.712	308.519
		314.231	**308.519**	**314.231**	**308.519**

Notes

DKK in thousands.

		Group		Parent company	
		30/9 2017	30/9 2016	30/9 2017	30/9 2016
15.	**Results brought forward**				
	Results brought forward opening balance	19.721	0	-2.073	0
	Profit or loss for the year brought forward	29.801	23.627	59	-2.073
	Sale of own shares	-1.000	0	-1.000	0
	Purchase of own shares	500	0	500	0
	Currency adjustment	-448	-901	0	0
	Adjustment of financial instruments at fair value	-2.196	-3.005	0	0
		46.378	**19.721**	**-2.514**	**-2.073**

		Group	
		30/9 2017	30/9 2016
16.	**Minority interests**		
	Minority interests opening balance	661	1.542
	Share of the results for the year	3.738	-654
	Dividend paid	-348	-190
	Addition during the year	1.110	0
	Currency adjustment	-8	-37
		5.153	**661**

Notes

DKK in thousands.

		Group 30/9 2017	Group 30/9 2016
17.	**Provisions for deferred tax**		
	Provisions for deferred tax opening balance	1.462	0
	Deferred tax of the results for the year	507	1.462
	Addition by merger	-1.337	0
		632	**1.462**
	The following items are subject to deferred tax:		
	Intangible fixed assets	486	344
	Tangible fixed assets	399	403
	Work in progress for the account of customers	582	584
	Debts	-1.748	-289
	Income for later taxation	739	420
	Defered expenses	174	0
		632	**1.462**

		Group 30/9 2017	Group 30/9 2016
18.	**Bank debts**		
	Bank debts in total	891.354	319.295
	Share of amount due within 1 year	-49.560	-13.500
		841.794	**305.795**
	Share of liabilities due after 5 years	620.000	205.000

		Group 30/9 2017	Group 30/9 2016
19.	**Other debts**		
	Other debts in total	1.728	0
	Share of amount due within 1 year	-882	0
	Other debts in total	**846**	**0**

Notes

DKK in thousands.

	1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
	Group	
20. Fee, auditor		
Total fee for Grant Thornton	1.493	568
Fee concerning compulsory audit	647	343
Tax consultancy	73	30
Assurance engagements	65	40
Other services	708	155
	1.493	**568**

21. Mortgage and securities

Group

As security for payment of rent and deposit a bank guarantee of tDKK 253 has been provided.

A company pledge with an accounting value as at 30 September of mDKK 3,4 has been provided security for a loan of tDKK 1.282.

A company pledge with an accounting value as at 30 September of mDKK 81,1 has been provided security for credit facilities of a maximum of tDKK 462.

22. Contingencies

Contingent liabilities

Leasehold- and leasing commitments

The group has entered into operating leases at a lease payment of 11.558 tDKK within 1 year and at tDKK 15.552 between 1-5 years.

Notes

DKK in thousands.

. **Contingencies (continued)**

Contingent liabilities (continued)

Leasehold commitments:
The group has entered leases with at a lease payment of 7.847 tDKK within 1 year and at tDKK 22.975 between 1-5 years and at tDKK 39.447 after 5 years.

Contingent liabilities
The group's sales of goods and services are covered by the normal warranty provisions, which means that the group may be required to make improvements in case of defects and deficiencies. An estimated 62 % of guarantees are hedged by the hardware manufacturers while an estimated 38 % of guarantees are reimbursed by the group.

The group has met demands of payment re. rights to an undeveloped software. The demand amounts to tDKK 160.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The liability relating to obligations in connection with corporation tax represents an estimated maximum of tDKK 15.137. The liability relating to obligations in connection with withholding taxes represents an estimated maximum of tDKK 0.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Notes

DKK in thousands.

23. Financial risks

Exchange rate risks

The groups's outstanding accounts in foreign currency and the related hedging transactions as per 30 September 2017 are as follows (DKK in thousands):

Currency	Payment/expiry	Hedging transaction	Net position
USD	0-12 months	77.465	77.465
			77.465

For currency hedging of the future purchase of goods in USD, the group has entered into forward exchange contracts and swap contracts of a total tDKK 77.465. Compared to the forward price and the swap price at the balance sheet date, the contracts have a negative value of approximately tDKK 2.341. The capital loss is recognised in the equity.

Interest risks

It is group policy to limit interest rate risks in relation to material, long-term loans. This policy is complied with either by obtaining fixed-rate loans or by hedging the interest rate risk related to loans with a floating interest rate by using an interest rate swap converting the floating interest rate to a fixed interest rate.

The group has entered an interest rate swap agreement in order to limit the interest rate risk in relation to a bank loan with a floating interest rate, representing an outstanding debt of mDKK 760. Changes in the market value of the interest rate swap are recognised directly in equity. The below specification shows the hedging transactions concerning interest rate swap agreements recognised directly in equity.

	Hedging transaction, gross	Tax	Hedging transaction, net
Balance opening balance	3.344	-735	2.609
Changes of the year	-87	19	-68
Balance closing balance	**3.257**	**-716**	**2.541**

Notes

DKK in thousands.

		Group 1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
24.	**Adjustments**		
	Depreciation and amortisation	48.115	44.177
	Other financial income	-2.922	-1.192
	Other financial costs	20.543	19.752
	Tax on ordinary results	19.456	18.231
		85.192	**80.968**

		Group 1/10 2016 - 30/9 2017	21/5 2015 - 30/9 2016
25.	**Change in working capital**		
	Change in inventories	-2.020	-5.867
	Change in debtors	-61.994	23.580
	Change in trade creditors and other liabilities	42.958	-830
		-21.056	**16.883**