AX IV Con ApS

Kirkebjerg Parkvej 9, 2., DK-2605 Brøndby

Annual Report for 1 October 2017 - 30 September 2018

CVR No 36 90 00 24

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 26/02 2019

Søren Bech Justesen
Chairman of the General Meeting

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of AX IV Con ApS for the financial year 1 October 2017 - 30 September 2018.

The Annual Report is prepared in accordance with 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 30 September 2018 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2017/18.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Brøndby, 26 February 2019

Executive Board

Jesper Frydensberg Rasmussen
CEO

Board of Directors

Nikolaj Vejlsgaard | Christian Bamberger Bro | Peter Nyegaard

Independent Auditor's Report

To the Shareholder of AX IV Con ApS

Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 30 September 2018 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 October 2017 - 30 September 2018 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of AX IV Con ApS for the financial year 1 October 2017 - 30 September 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the 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 Group 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 Financials 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 Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

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 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 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 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 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 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, 26 February 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Rasmus Friis Jørgensen
statsautoriseret revisor
mne28705

Thomas Baunkjær Andersen
statsautoriseret revisor
mne35483

Company Information

The Company	AX IV Con ApS Kirkebjerg Parkvej 9, 2. DK-2605 Brøndby CVR No: 36 90 00 24 Financial period: 1 October - 30 September Financial year: 3rd financial year Municipality of reg. office: Danmark
Board of Directors	Nikolaj Vejlsgaard Christian Bamberger Bro Peter Nyegaard
Executive Board	Jesper Frydensberg Rasmussen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

	Group		
	2017/18	2016/17	2015/16
	TDKK	TDKK	TDKK
Key figures			
Profit/loss			
Revenue	1,545,200	1,056,821	979,372
Gross profit/loss	461,268	294,096	247,582
EBITDA	179,415	118,730	102,464
EBITDA normalized*	185,352	118,989	104,975
EBITA	174,228	114,972	103,099
Profit/loss before financial income and expenses	101,523	70,615	58,287
Net financials	-48,280	-17,621	-17,083
Net profit/loss for the year	21,851	33,539	22,973
Balance sheet			
Balance sheet total	1,789,239	1,740,270	848,058
Equity	399,148	368,916	332,017
Cash flows			
Cash flows from:			
- operating activities	112,364	54,024	86,797
- investing activities	-15,334	-739,725	-714,820
including investment in property, plant and equipment	-4,457	-2,166	-4,150
- financing activities	-57,874	681,386	630,690
Change in cash and cash equivalents for the year	39,156	-4,315	2,667
Number of employees	343	201	120

Financial Highlights

	Group		
	2017/18	2016/17	2015/16
	TDKK	TDKK	TDKK
Ratios			
Gross margin	29.9%	27.8%	25.3%
Profit margin	6.6%	6.7%	6.0%
Return on assets	5.7%	4.1%	6.9%
Solvency ratio	22.3%	21.2%	39.2%
Return on equity	5.7%	9.6%	13.8%
EBITDA ratio	11.6%	11.2%	10.5%
EBITDA normalized ratio	12.0%	11.3%	10.7%
EBITA ratio	11.3%	10.9%	10.5%

For definitions, see under accounting policies.

* Normalized EBITDA is adjusted for external costs related to acquisitions, legal restructuring and internal restructuring.

Management's Review

The significant 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 Conscia Holding A/S 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 2017/2018, Conscia had four overall objectives:

• Exploit group scale in selected key areas
• Engage in technical knowledge sharing
• Recognize teamwork and cross-unit cooperation
• Each business unit will organize individually but learn from each other about what gives the best market impact

To support the strategy, Conscia initiated the implementation of the following initiatives in 2018:

a) Established a cross country Technical forum, which was kicked off on an annual All-Hand Technical meeting in May. As governance for technical best practice sharing, several Virtual Teams were created and have been developed over the year.

b) Initiated an annual 'Managers Meeting', which was kicked-off early in the year, to further enable the integration and people retention process.

c) A strong effort on driving digitalization and optimizing the internal IT platform; as a result of which an IT digitalization roadmap has been developed and is being executed on.

d) To strengthen the focus on continuous international growth and to support synergies across the group, the board decided to onboard Claus Thorsgaard as new group CEO and Janni Bilenberg as group CMO.

Management’s Review

Our strong performance was recognized by Cisco, who gave us several awards; e.g. EMEAR Service Partner of the Year and North Enterprise Partner of the Year, plus multiple country awards. Furthermore, Conscia received a Master Enterprise Networks certification as the second partner worldwide and became the first Lifecycle Advisor partner in Europe, which shows Conscia’s fast mover and innovative approach when it comes to Cisco’s transformation to software and recurring revenue.

In the financial year 2017/2018 Conscia’s revenue reached DKK 1,545 million which is an increase of DKK 488 million (46%) compared to 2016/2017 and the normalized EBITDA for 2017/2018 reached DKK 185 million, which is an increase of 66 million compared to last year, equaling an increase of 56%. The financial performance in 2017/2018 is influenced by significant organic growth in existing business areas – especially within Sweden, Norway and the Netherlands, but is also affected by full-year effect of the acquisitions of Level8 ApS, CloudPartners A/S and Vosko B.V in 2016/2017. The organic revenue growth in 2017/2018 was 12%.

Management considers the results for the year satisfactory and according to expectations.

EBITDA for the parent company (AX IV CON ApS) for 2017/2018 shows a loss of DKK 1 million, which is accordance with expectations. Management considers the results satisfactory.

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 (please see below for a more detailed description of the board and executive management). 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.

The board of directors and executive management incl. other managerial positions

Chairman of the Board, Mogens Munkholm Elsberg is also co-owner of Domo ApS and Chairman at the Board in Upodi ApS, Globeteam A/S, eMailPlatform ApS and ForNAV ApS.

Management's Review

Deputy Chairman, Christian Bamberger Bro member is Partner and board member in Axcel Management A/S, and Deputy Chairman in EG Holding A/S, Loopia Group AB and Ax IV CON II ApS. In addition, Christian Bamberger Bro is Chairman or board member of several other companies related to Axcel and is owner and member of the management board in FOCKS Holding ApS.

Board member, Nikolaj Vejlsgaard is Partner and board member in Axcel Managent A/S, board member in ERA A/S and subsidiaries, IP Gruppen Holding A/S and subsidiaries, Piste Invest ApS and subsidiaries, AXIII MP Holding ApS, IsaDora AB, Fondsmæglerselskabet Investering & Tryghed A/S, Mountain Top Holding III and subsidiaries, AX IV CON II ApS and other companies related to Axcel. Moreover, Nikolaj Vejlsgaard is member of the management board and owner of UIM Holding ApS and subsidiaries.

Board member, Jens Albert Harsaae is member of the executive management in Rakaas ApS, Chairman of the Board in LanguageWire Holding A/S and subsidiaries, Peter Justesen Company A/S, Brandhouse Gruppen A/S and subsidiaries, C. Holdco A/S, Plus Pack A/S and board member in Co-Ro Holding A/S and subsidiaries, CO-RO Foundation, Abacus Medicine, Jep Petersen Spedition A/S, Hypefactors A/S, Collektive ApS and AX IV CON II ApS.

Board member, Jakob Nordenhof Jønck is founder and owner of Feast Kitchen ApS, member of the executive board and owner of JNJ Invest ApS, member of the board in Lakrids by Johan Bülow A/S, and member of the board at Unisport A/S and AX IV CON II ApS.

CEO Claus Thorsgaard is Chairman of the Board in Targit A/S and holds board positions within the associated Conscia companies.

Board member Søren Linde holds no other managerial positions, and member of the executive management CFO Søren Bech Justesen holds no other positions than board positions within the associated Conscia companies.

Social responsibility

Conscia bases its business development on combining financial performance with socially responsible behaviour 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 of the business.

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 is focused on health and job satisfaction across the company and ensures that a healthy and safe working environment in accordance with current legislation is provided.

Management's Review

Conscia does not generate higher levels of direct pollution or emissions than the norm in the IT consultancy business. In 2018 Conscia has continued its effort to minimize the environmental implications of transportation between our offices by using telephone and video conference equipment to the extent possible.

Conscia supports all human rights within national laws as well as international laws. We strive to make the world a better place, and we acknowledge the importance of supporting the local community as well as helping in a larger perspective.

Conscia contributes to "Børnenes IT Fond", "Save the Children Denmark" and "Red Cross".
On top of supporting national and international organizations, Conscia also cooperates with several other businesses in strengthening the local society on an educational and environmental level. Moreover, Conscia is engaging with the IGU program ("Integrationsuddannelsen" in Danish). As of 30 September, Conscia has one employee from the program engaged.

In order to support the data protection for individuals within the European Union, Conscia has implemented the required IT measures internally to meet the EU GDPR standards, which was a requirement by EU May 25, 2018.

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 whistle-blower 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

Conscia's employees and their high focus on competencies and skills creates the foundation of the company. Conscia has an ongoing dialogue with the employees to always understand how the working environment can be improved. The performance is tracked through an employee satisfaction survey, where Conscia in 2018 reached an average employee Net Promoter Score (eNPS) of 60, which is considered very high in the industry.

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.

Management's Review

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

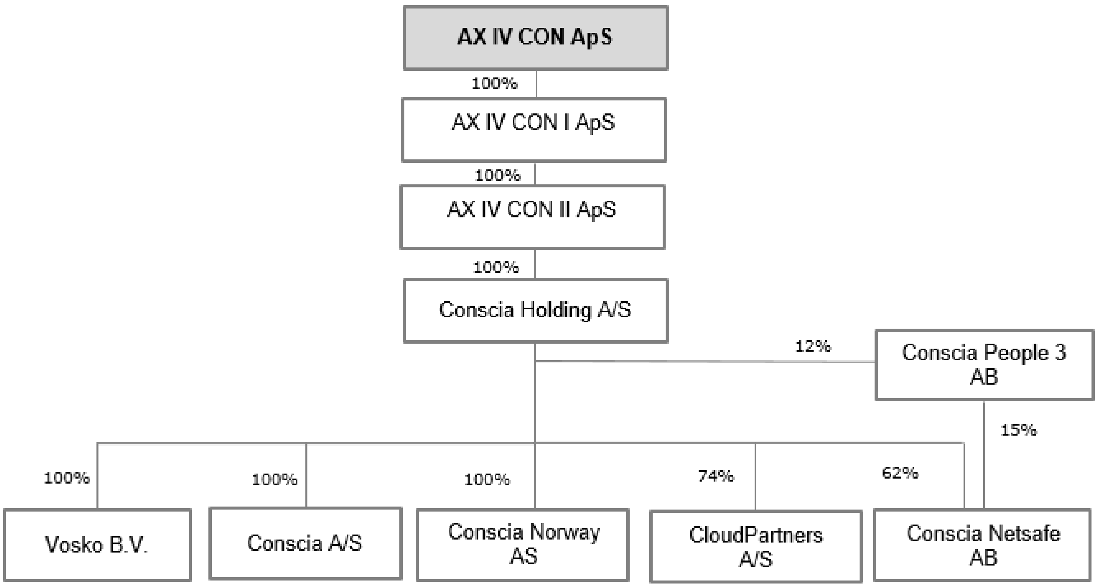
Top management

The board consists of 3 people that are all men. It is Conscia's aim that at least one member must be from the under-represented gender in 2020. As a consequence of business conditions, the target is not yet fulfilled.

Other leading positions

It is the management's aim to increase the number of female leaders in Conscia through interviews, development programs, training etc. As of 30 September, the Leadership team in Conscia consist of one member from the under-represented gender (13%), which is one more than last year. Onwards, Conscia will continue to work dedicated on having both male and female candidates in the recruiting process for management positions.

Organizational structure



As of 30th September 2018, Conscia has 357 employees, which is an increase of 7% (24 employees) since September 2017. 223 employees (62%) are located outside Denmark.

Management's Review

Share based remuneration

In order to encourage common goals between key employees and the company's strategy, an investment program for management, external board members and a number of employees was established in 2016. Please see note two for further information.

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 acknowledge that the 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.

Currency risks

Conscia is exposed to currency fluctuations in the countries where it has its main activities. The risk relates primarily to the rise/fall in USD, as almost all hardware and software are purchased in USD. It is a 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 currency exchange risk is 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.

Management's Review

IT risks

Conscia uses IT to a significant extent and is vulnerable to interruptions of operation and breaches of the established security. Conscia has a large number of IT security specialists that assist our clients, but also supports the improvement of own IT security to ensure that a high level of security is always maintained. Additionally, an internal IT Information Security Policy secures the employees are knowledgeable with best possible way of minimizing the risk of exposing or loosing data, in case of accidents, theft, intentional and unintentional data leaks or direct attacks.

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 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 2018/2019

In 2018/2019, Conscia expects growth in revenue, EBITDA and in number of employees.

Events subsequently to the financial year

No events have occurred subsequently 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.

Income Statement 1 October - 30 September

	Note	Group		Parent company	
		2017/18	2016/17	2017/18	2016/17
		TDKK	TDKK	TDKK	TDKK
Revenue	1	**1,545,200**	**1,056,821**	**0**	**0**
Other operating income		15	0	0	0
Expenses for raw materials and comsumables		-1,020,163	-726,581	0	0
Other external expenses		-63,784	-36,144	-959	-384
Gross profit/loss		**461,268**	**294,096**	**-959**	**-384**
Staff expenses	2	-280,837	-175,107	0	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-77,892	-48,115	0	0
Other operating expenses		-1,016	-259	0	0
Profit/loss before financial income and expenses		**101,523**	**70,615**	**-959**	**-384**
Financial income		3,614	2,922	735	749
Financial expenses		-51,894	-20,543	-7,092	-253
Profit/loss before tax		**53,243**	**52,994**	**-7,316**	**112**
Tax on profit/loss for the year	3	-31,392	-19,455	1,626	-53
Net profit/loss for the year		**21,851**	**33,539**	**-5,690**	**59**

Balance Sheet 30 September

Assets

	Note	Group 2017/18 TDKK	Group 2016/17 TDKK	Parent company 2017/18 TDKK	Parent company 2016/17 TDKK
Acquired other similar rights		6,815	2,212	0	0
Goodwill		1,278,960	1,346,200	0	0
Intangible assets	4	**1,285,775**	**1,348,412**	**0**	**0**
Other fixtures and fittings, tools and equipment		13,026	14,838	0	0
Property, plant and equipment	5	**13,026**	**14,838**	**0**	**0**
Investments in subsidiaries	6	0	0	398,972	306,237
Deposits	7	2,412	2,753	0	0
Fixed asset investments		**2,412**	**2,753**	**398,972**	**306,237**
Fixed assets		**1,301,213**	**1,366,003**	**398,972**	**306,237**
Inventories	8	**73,115**	**86,744**	**0**	**0**
Trade receivables		281,110	186,423	0	0
Contract work in progress	9	2,795	18,357	0	0
Receivables from group enterprises		0	0	3,307	95,307
Other reveivables	15	41,460	18,992	0	0
Deferred tax provision	12	2,064	2,416	25	0
Corporation tax receivable from group enterprises		0	0	16,708	0
Prepayments	10	1,765	14,774	0	0
Receivables		**329,194**	**240,962**	**20,040**	**95,307**
Cash at bank and in hand		**85,717**	**46,561**	**5,852**	**0**
Currents assets		**488,026**	**374,267**	**25,892**	**95,307**
Assets		**1,789,239**	**1,740,270**	**424,864**	**401,544**

Balance Sheet 30 September

Liabilities and equity

	Note	Group 2017/18 TDKK	Group 2016/17 TDKK	Parent company 2017/18 TDKK	Parent company 2016/17 TDKK
Share capital		3,197	3,154	3,197	3,154
Share premium account		8,565	314,231	8,565	314,231
Retained earnings		377,116	46,378	301,967	-2,514
Equity attributable to shareholders of the Parent Company		**388,878**	**363,763**	**313,729**	**314,871**
Minority interests		10,270	5,153	0	0
Equity		**399,148**	**368,916**	**313,729**	**314,871**
Provision for deferred tax	12	623	632	0	0
Corporate tax	13	2,308	0	0	0
Provisions		**2,931**	**632**	**0**	**0**
Credit institutions		891,546	841,794	95,780	0
Corporation tax		2,147	0	2,147	0
Other payables		5,040	846	0	0
Long-term debt	14	**898,733**	**842,640**	**97,927**	**0**

Balance Sheet 30 September *(continued)*

Liabilities and equity

		Group		Parent company	
	Note	2017/18	2016/17	2017/18	2016/17
		TDKK	TDKK	TDKK	TDKK
Credit institutions	14	52,296	166,969	0	86,589
Prepayments received from customers		55,697	38,471	0	0
Trade payables		249,604	166,947	0	0
Contract work in progress, liabilities	9	271	39,016	0	0
Payables to group enterprises		0	0	4,675	0
Corporation tax	14	39,429	20,004	53	53
Payables to group enterprises relating to corporation tax		0	0	8,443	0
Other payables	14,15	91,130	96,675	37	31
Short-term debt		**488,427**	**528,082**	**13,208**	**86,673**
Debt		**1,387,160**	**1,370,722**	**111,135**	**86,673**
Liabilities and equity		**1,789,239**	**1,740,270**	**424,864**	**401,544**

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Statement of Changes in Equity

Group

	Share capital	Share premium account	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 October	3,154	314,231	46,378	363,763	5,153	368,916
Exchange adjustments	0	0	-578	-578	-203	-781
Cash capital increase	43	8,565	0	8,608	1,058	9,666
Net by/sale of treasury shares	0	0	-4,060	-4,060	0	-4,060
Fair value adjustment of hedging instruments, beginning of year	0	0	5,598	5,598	0	5,598
Fair value adjustment of hedging instruments, end of year	0	0	-2,042	-2,042	0	-2,042
Net profit/loss for the year	0	0	17,589	17,589	4,262	21,851
Transfer from share premium account	0	-314,231	314,231	0	0	0
Equity at 30 September	**3,197**	**8,565**	**377,116**	**388,878**	**10,270**	**399,148**

Parent company

	Share capital	Share premium account	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 October	3,154	314,231	-2,514	314,871	0	314,871
Cash capital increase	43	8,565	0	8,608	0	8,608
Net by/sale of treasury shares	0	0	-4,060	-4,060	0	-4,060
Net profit/loss for the year	0	0	-5,690	-5,690	0	-5,690
Transfer from share premium account	0	-314,231	314,231	0	0	0
Equity at 30 September	**3,197**	**8,565**	**301,967**	**313,729**	**0**	**313,729**

Cash Flow Statement 1 October - 30 September

	Note	Group 2017/18	Group 2016/17
		TDKK	TDKK
Net profit/loss for the year		21,851	33,539
Adjustments	17	156,784	85,192
Change in working capital	18	-9,294	-21,056
Cash flows from operating activities before financial income and expenses		**169,341**	**97,675**
Financial income		3,614	2,922
Financial expenses		-51,113	-20,533
Cash flows from ordinary activities		**121,842**	**80,064**
Corporation tax paid		-9,478	-26,040
Cash flows from operating activities		**112,364**	**54,024**
Purchase of intangible assets		-11,218	-1,699
Purchase of property, plant and equipment		-4,457	-2,166
Fixed asset investments made etc		0	671
Purchace of enterprises		0	-736,531
Sale of fixed asset investments etc		341	0
Cash flows from investing activities		**-15,334**	**-739,725**
Repayment of long term debt		0	-24,216
Repayment of loans from credit institutions		-153,481	0
Raising of long term debt		90,000	584,173
Raising of short term debt		0	116,527
Purchase of treasury shares		-4,059	-1,000
Sale of treasury shares		0	500
Cash capital increase		9,666	5,750
Dividend paid to minority interests		0	-348
Cash flows from financing activities		**-57,874**	**681,386**

Cash Flow Statement 1 October - 30 September

	Note	2017/18	2016/17
		TDKK	TDKK
Change in cash and cash equivalents		**39,156**	**-4,315**
Cash and cash equivalents at 1 October		46,561	50,876
Cash and cash equivalents at 30 September		**85,717**	**46,561**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		85,717	46,561
Cash and cash equivalents at 30 September		**85,717**	**46,561**

Notes to the Financial Statements

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK

1 Revenue

All sales are primarily on the Northern European Market

Hardware, sorftware and service	1,334,540	894,501	0	0
Own services and consultant service	210,660	162,320	0	0
	1,545,200	**1,056,821**	**0**	**0**

2 Staff expenses

Wages and salaries	218,235	121,330	0	0
Pensions	19,932	16,468	0	0
Other social security expenses	17,706	20,460	0	0
Other staff expenses	24,964	16,849	0	0
	280,837	**175,107**	**0**	**0**
Including remuneration to the Executive Board of:				
Executive Board	4,259	4,021		
	4,259	**4,021**		
Average number of employees	**343**	**201**	**0**	**0**

Notes to the Financial Statements

2 Staff expenses (continued)

Share based remuneration – share option program

In order to encourage common goals between key employees and the company's strategy, an investment program ("MIP") for management, external board members and a number of employees was established in 2016. The share capital in AX IV CON ApS is nominally DKK 3,197,148, divided into shares of DKK 0.001 each, which is further divided into four share classes (A, B, C and D) cf. the Article of Association. As of 30 September 2018, Conscia owns nominally DKK 27,854 own shares (0.9%) and nominally DKK 779,294 (24.4%) are held by MIP participants. Please see the table below for developments in investments for 2017/2018.

Further to the shareholdings, as of 30 September 2018 the MIP participants hold 31,132,977 warrants in AX IV Con ApS. Each such warrant entitles the holder to subscribe for one B-share of nominally DKK 0.001.

Purchase price of the shares is fair market value cf. general accepted valuation principles. Hence, the share option program is treated as an equity-based program.

Shares	**A Shares**	**B Shares**	**C shares**	**D Shares**
As of 1 October 2017	728,773	78,439	236,610	2,390
Granted during the year	38,658	4,295	-	-
Terminations	-11,250	-3,785	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
As of 30 September 2018	701,365	77,929	236,610	2,390

3 Tax on profit/loss for the year

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	31,733	21,334	-1,626	53
Adjustment of tax concerning current years	-341	-1,879	0	0
	31,392	**19,455**	**-1,626**	**53**

Notes to the Financial Statements

4 Intangible assets

Group

	Acquired other similar rights	Goodwill
	TDKK	TDKK
Cost at 1 October	5,502	1,432,635
Exchange adjustment	0	-863
Additions for the year	5,898	5,320
Cost at 30 September	11,400	1,437,092
Impairment losses and amortisation at 1 October	3,290	86,435
Amortisation for the year	1,295	71,697
Impairment losses and amortisation at 30 September	4,585	158,132
Carrying amount at 30 September	**6,815**	**1,278,960**

5 Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 October	35,612
Additions for the year	4,457
Disposals for the year	-4,931
Cost at 30 September	35,138
Impairment losses and depreciation at 1 October	21,825
Depreciation for the year	5,187
Impairment and depreciation of sold assets for the year	-4,900
Impairment losses and depreciation at 30 September	22,112
Carrying amount at 30 September	**13,026**

Notes to the Financial Statements

	Parent company	
	2017/18	2016/17
	TDKK	TDKK
6 Investments in subsidiaries		
Cost at 1 October	306,237	306,237
Additions for the year	92,735	0
Disposals for the year	0	0
Carrying amount at 30 September	**398,972**	**306,237**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
AX IV Con I ApS	Denmark, Brøndby	100%	398,222	-15
AX IV Con II ApS	Denmark, Brøndby	100%	386,061	-14,203
Conscia Holding A/S	Denmark, Brøndby	100%	360,197	43,208
Conscia A/S	Denmark, Brøndby	100%	128,358	58,719
Cloudpartners ApS	Denmark, Viby	74%	2,660	-1,565
Conscia Norge AS	Norway, Oslo	100%	4,795	1,579
Conscia People 3 AB	Sweden, Stockholm	12%	136	366
Netsafe International AB	Sweden, Stockholm	62%	17,975	1,579
Vosko B.V.	Nederland, Gouda	100%	304,903	16,813

7 Other fixed asset investments

	Group
	Deposits
	TDKK
Cost at 1 October	2,753
Disposals for the year	-341
Cost at 30 September	2,412
Carrying amount at 30 September	**2,412**

Notes to the Financial Statements

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK

8 Inventories

Consumables	15,273	14,985	0	0
Finished goods and goods for resale	57,842	71,544	0	0
Prepayments for goods	0	215	0	0
	73,115	**86,744**	**0**	**0**

9 Contract work in progress

Selling price of work in progress	20,427	130,833	0	0
Payments received on account	-17,903	-151,492	0	0
	2,524	**-20,659**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	2,795	18,357	0	0
Prepayments received recognised in debt	-271	-39,016	0	0
	2,524	**-20,659**	**0**	**0**

10 Prepayments

Prepayments consist of prepaied expences concerning rent, insurance premiums, subscriptions and interest.

11 Distribution of profit

Minority interests	4,262	3,738	0	0
Retained earnings	17,589	29,801	-5,690	59
	21,851	**33,539**	**-5,690**	**59**

Notes to the Financial Statements

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK

12 Deferred tax provision

	2017/18	2016/17	2017/18	2016/17
Intangible assets	1,499	486	0	0
Tangible assets	81	399	0	0
Contract work in progress	394	582	0	0
Borrowing costs	-1,548	-1,748	0	0
Defered expenses	197	174	0	0
Income for later taxation	0	739	0	0
Tax loss carry-forward	-2,064	-2,416	-25	0
Transferred to deferred tax asset	2,064	2,416	25	0
	623	**632**	**0**	**0**

Deferred tax has been provided at 22% corresponding to the current tax rate.

Deferred tax asset

	2017/18	2016/17	2017/18	2016/17
Calculated tax asset	2,064	2,416	25	0
Carrying amount	**2,064**	**2,416**	**25**	**0**

The deferred tax asset is expected to be realized through expected profits within the next 3 years.

13 Corporate tax

The company has a tax provision

	2017/18	2016/17	2017/18	2016/17
Other provisions	2,308	0	0	0
	2,308	**0**	**0**	**0**

Notes to the Financial Statements

14 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK
Credit institutions				
After 5 years	681,804	620,000	0	0
Between 1 and 5 years	209,742	221,794	95,780	0
Long-term part	891,546	841,794	95,780	0
Within 1 year	34,133	35,357	0	0
Other short-term debt to credit institutions	18,163	131,612	0	86,589
Short-term part	52,296	166,969	0	86,589
	943,842	**1,008,763**	**95,780**	**86,589**
Corporation tax				
Between 1 and 5 years	2,147	0	2,147	0
Long-term part	2,147	0	2,147	0
Within 1 year	39,429	20,004	53	53
	41,576	**20,004**	**2,200**	**53**
Other payables				
Between 1 and 5 years	5,040	846	0	0
Long-term part	5,040	846	0	0
Within 1 year	3,801	-882	0	0
Other short-term payables	87,329	97,557	37	31
Short-term part	91,130	96,675	37	31
	96,170	**97,521**	**37**	**31**

Notes to the Financial Statements

15 Derivative financial instruments

Derivative financial instruments contracts in the form of forward exchange contracts and interest rate swaps have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK
Assets	1,061	0	0	0
Liabilities	3,103	5,598	0	0

For currency hedging of the future purchase of goods in USD, the company has entered into forward exchange contracts of total TDKK 81,288. Compared to forward prices at the balancesheet date, the contracts have a fair value of TDKK -2,042. The capital gain is recognized in the equity.

It is group policy to limit interrest rate risk 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 interrest 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 715. Changes in the market value of the interest swap are recognised directly in equity. the above specification shows the hedging transactions concerning interest swap agreements recognized directly in equity.

Notes to the Financial Statements

16 Deferred income

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

17 Cash flow statement - adjustments

	Group	
	2017/18	2016/17
	TDKK	TDKK
Financial income	-3,614	-2,922
Financial expenses	51,894	20,543
Depreciation, amortisation and impairment losses, including losses and gains on sales	77,893	48,115
Tax on profit/loss for the year	31,392	19,456
Exchange adjustment	-781	0
	156,784	**85,192**

18 Cash flow statement - change in working capital

	2017/18	2016/17
Change in inventories	13,630	-2,020
Change in receivables	-88,582	-61,994
Change in other provisions	2,308	0
Change in trade payables, etc	59,794	42,958
Fair value adjustments of hedging instruments	3,556	0
	-9,294	**-21,056**

Notes to the Financial Statements

19 Contingent assets, liabilities and other financial obligations

Charges and security

Shares in the group companies AX IV Con I ApS, AX IV Con II ApS, Conscia Holding A/S, Conscia A/S and Vosko B.V. have been placed as security with loans to credit institutes.

Rental and lease obligations

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	16,569	19,405	0	0
Between 1 and 5 years	34,317	38,527	0	0
After 5 years	35,435	39,447	0	0
	86,321	**97,379**	**0**	**0**

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of AX IV CON ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

20 Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

21 Fee to auditors appointed at the general meeting

	Group		Parent company	
	2017/18	2016/17	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK
PricewaterhouseCoopers				
Audit fee	570	647	3	0
Other assurance engagements	100	65	0	0
Tax advisory services	100	73	18	0
Other services	0	708	15	0
	770	**1,493**	**36**	**0**

Notes to the Financial Statements

22 Accounting Policies

The Annual Report of AX IV CON A/S for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

With reference to a true and fair view, certain reclassifications have been made in the income statement, Balance sheet and notes for the company and group. Comparative figures are adjustet accordingly.

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2017/18 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, AX IV Con ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Notes to the Financial Statements

22 Accounting Policies (continued)

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Revenue

Information on business segments based on the Group´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Notes to the Financial Statements

22 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and comsumables

Expenses for raw materials and comsumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Notes to the Financial Statements

22 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses comprise are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

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

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 years.

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

Acquried other similer rights are mesured at the lower of cost less accumulated amortisation and recoverble amount. Patents are amortised over the remaining patent period, and are amortised over the licence periode; however not exeeding 3 years.

Notes to the Financial Statements

22 Accounting Policies (continued)

Property, plant and equipment

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

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

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

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

Other fixtures and fittings, tools and equipment	3-5	years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of rent deposits.

Notes to the Financial Statements

22 Accounting Policies (continued)

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

22 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Deferred income

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

Notes to the Financial Statements

22 Accounting Policies (continued)

Cash Flow Statement

The cash flow statement shows the Group´s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group´s cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated 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 losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

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

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”.

The cash flow statement cannot be immediately derived from the published financial records.

Notes to the Financial Statements

22 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$
EBITDA ratio	$\frac{\text{EBITDA x 100}}{\text{Revenue}}$
EBITDA normalized ratio	$\frac{\text{EBITDA normalized x 100}}{\text{Revenue}}$
EBITA ratio	$\frac{\text{EBITA x 100}}{\text{Revenue}}$