

Team Siri ApS Annual Report 2016

CVR 37 00 50 45
Lautrupbjerg 6
2750 Ballerup

The Annual Report was presented and
approved at the General Meeting on
27th of March 2017



Peter Tvermoes Meier
Chairman of the meeting

Peter

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Management's statement on the Annual Report

The Board of Directors and the management have today considered and approved the annual report for 2016 for Team Siri ApS. The annual report has been prepared in accordance with the Danish Financial Statements Act.

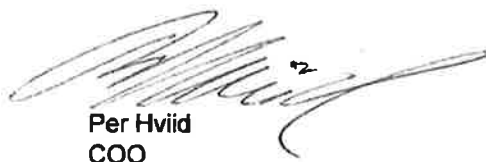
In our opinion the financial statements give a true and fair view of the company's assets and liabilities, the financial position at 31. December 2016 and the result of the activities of the company. Further it is our opinion that the Management report gives a true and fair view of developments in the activities included in the Management report.

We recommend that the annual report be adopted by the shareholders at the annual general

Ballerup 24th of March 2017

Management Board


Mogens Munkholm Elsberg
CEO


Per Hviid
COO

Board of Directors


Shawn Allister McMorran
Chairman


Jan-Olivier Fillols

Independent auditor's report

To the shareholder of Team Siri ApS

Opinion

We have audited the financial statements of Bluegarden A/S for the financial year 1. January - 31. December 2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31. December 2016 and of the results of its operations for the financial year 1. January - 31. December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

Independent auditor's report

- Continued

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen 24th of March 2017

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56


Kim Gerner

State-Authorised Public Accountant

Company information

The company

Team Siri ApS
Lautrupbjerg 6
2750 Ballerup

Phone: +45 72 27 90 00

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CVR: 37 00 50 45

Accounting period: 1. January - 31. December 2016

Location: Ballerup

Management

Mogens Munkholm Elsberg
Per Hviid

Board of Directors

Shawn Allister McMorran
Jan-Olivier Fillols

Audit company

Deloitte
Statsautoriseret Revisionspartnerselskab

Group Annual Report

The company is included in the Group Annual Report for
Team Siri Holding ApS

The group annual report for Team Siri Holding ApS can be
requisitioned at the following address:

Lautrupbjerg 6, 2750 Ballerup

Management report

Primary activities

The company's main activity is to hold shares in the Bluegarden Group as well as providing management services to the group companies.

Development in activities and finances in 2016

The company realised operating result of -130 TDKK. The result from subsidiaries was positive with 59.864 TDKK (2015: -36.380 TDKK). All three operating subsidiaries have a positive result in 2016.

Profit before tax stands at 50.487 TDKK (2015: -40.016 TDKK). The income tax for the period is positive with 2.561 TDKK. The tax calculated concerns the Danish companies in the joint taxation.

Profit of the year was 53.048 TDKK and the dividend is proposed to be 8 MDKK

Uncertainty relating to recognition and measurement

At 31. December 2016, goodwill from the acquisitions of the Bluegarden Group in 2015 amounted to DKK 111m, and it was tested for impairment at this date. Due to the nature of business activities, expected cash flows need to be estimated many years ahead. Local management, Group Management and the Board of Directors have approved the budget for 2017. They include the effect of plans intended to ensure growth and efficiency improvement in the years ahead.

Customer relationships and trademarks were assets identified as part of the purchase price allocation when Team Siri Aps acquired the Bluegarden Group in 2015. As the important assumptions and key figures all have improved since the calculation in 2015 no impairment test have been prepared.

The main local payroll and frontend systems are significant intangible assets that have been tested for impairment at 31. December 2016. The impairment tests included expected selling prices, volumes and maintenance costs, which are estimated to be realised over the systems' useful lives, including major growth and efficiency improvement in the years ahead, and expected costs of completion for non-completed development areas.

Obviously, the budgets and forecasts forming the basis of the discounted cash flow calculations applied in the impairment tests are subject to uncertainty. A discount rate of 9.1% (2015: 9.1%) has been used in the calculations.

The impairment test of the assets mentioned did not give rise to any write-downs.

Outlook for 2017

A cautious assessment has been made of market conditions for 2017. The Bluegarden Group expects to realise growth above 5% in 2017 primarily attributable to customer businesses' demand for business process outsourcing services and process-supporting tools.

An improved pre-tax profit margin (1% - 2%) in the Bluegarden Group is expected for 2017. Expectations are that the generation of earnings will improve because of continued focus on improving efficiency in 2017. The assumed revenue growth will also contribute positively.

Negative market developments compared to the expected scenario or failure to realise revenue growth or reductions in costs will have an adverse impact on expected growth and earnings performance.

Subsequent events

On 15 March 2017, Visma Danmark Holding A/S signed an agreement to acquire all shares in Team Siri Holding ApS, who owns the Bluegarden Group. The transaction will be closed when the Competition Authorities have approved it.

Besides the above, no other events have occurred since the balance sheet date that would materially influence the evaluation of this annual report.

Income statement 1. January - 31. December 2016

	Note	2016	2015
		TDKK	TDKK
Revenue	1	11.364	852
Cost of sales	2	<u>-11.031</u>	<u>-798</u>
Gross profit		333	54
Research and development costs	2	0	0
Administrative expenses	2	<u>-463</u>	<u>-330</u>
Profit (loss) from operations		-130	-276
Share of profit after tax in subsidiaries	4	59.864	-36.380
Financial income	5	45	17
Financial expenses	6	<u>-9.292</u>	<u>3.377</u>
Profit (loss) before tax		50.487	-40.016
Tax on the profit	7	<u>2.561</u>	<u>706</u>
Profit (loss) for the year		<u>53.048</u>	<u>-39.310</u>

Distribution

Proposed distribution of loss

Dividend	8.000	9.000
Reserve for equity method in subsidiaries	23.325	-
Transferred to retained earnings	<u>21.723</u>	<u>-48.310</u>
	<u>53.048</u>	<u>-39.310</u>

Balance sheet 31. December 2016

Assets	Note	2016	2015
		TDKK	TDKK
Investment in subsidiaries	8	343.684	283.218
Financial assets		343.684	283.218
Total fixed assets		343.684	283.218
Receivables at affiliated companies		1.587	417
Other receivables		0	925
Receivables joint taxation		3.267	706
Prepayments		6.821	12.525
Receivables		11.675	14.573
Cash		6.107	40.900
Total current assets		17.782	55.473
Total assets		361.467	338.691

Balance sheet 31. December 2016

Liabilities	Note	2016	2015
		TDKK	TDKK
Share capital		500	500
Dividend		8.000	9.000
Reserve for equity method in subsidiaries		23.325	0
Retained earnings		171.947	150.441
Equity		203.772	159.941
Trade payables		-	-
Credit institutions		129.380	150.951
Long term liabilities	9	129.380	150.951
Credit institutions	9	21.525	21.478
Trade payables		2.252	5.984
Other payables		4.538	337
Short term liabilities		28.315	27.799
Liabilities other than provisions		157.695	178.750
Total equity, liabilities and provisions		361.467	338.691
Contingent liabilities and other financial obligations	10		
Related parties and ownership	11		

Statement of changes in equity

TDKK	Share capital	Reserve for equity method in subsidiaries	Retained earnings	Proposed dividend	Total
Equity 24. August 2015	50				50
Capital contribution - premium transferred to Retained earnings	450		200.531		200.981
Foreign exchange adjustment			(1.121)		(1.121)
Dividend paid					-
Adjustment of hedge instruments at fair value			(659)		(659)
Profit for the year			-48.310	9.000	(39.310)
Equity 1. January 2016	500	-	150.441	9.000	159.941
Dividend paid				(9.000)	(9.000)
Foreign exchange adjustment			650		650
Adjustment of hedge instruments at fair value			(867)		(867)
Profit for the year		23.325	21.723	8.000	53.048
Equity 31. December 2016	500	23.325	171.947	8.000	203.772

The share capital of TDKK 500 is split on shares of DKK 1 or multiples thereof.
No shares are awarded special rights.

Notes to the Annual Report

	<u>2016</u>	<u>2015</u>
	TDKK	TDKK
1. Revenue		
Consultancy services in Denmark	11.364	852
	<u>11.364</u>	<u>852</u>
2. Staff costs		
Wages and salaries	10.388	751
Pensions	634	46
Social security costs	12	1
	<u>11.034</u>	<u>798</u>
This includes cost invoiced from group company of:		
Fee to Management and Board of Directors	8.265	798
Wages, salaries, pension and social security costs are expensed as:		
Costs of sales	-	-
Research and development costs	3.657	-
Sales and distribution costs	-	-
Administration costs	7.378	798
Capitalised own hours	-	-
	<u>11.034</u>	<u>798</u>

3. Significant accounting estimates and judgements

When preparing the annual report, management may be required to make estimates as many financial statement items cannot be measured with certainty. Such estimates comprise assessments based on the latest information available at the time of financial reporting. It may be necessary to change previous estimates because of changes in the factors underlying the estimate. Also, the value of assets and liabilities often depends on future events that are subject to some uncertainty. When making the determination, Management's assessment of the most likely outcome is used as a basis, however, such outcome is inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur. Furthermore, the Company is exposed to normal business risks and uncertainties that may cause actual results to vary from those estimates.

Consequently, the budgets and forecasts forming the basis of the discounted cash flow calculations applied in the impairment tests of goodwill and development projects are subject to uncertainty. Changes in a downward direction in the assumptions underlying the impairment tests may lead to an indication of impairment of goodwill or proprietary software at a later point in time.

Goodwill

A review for impairment of recognised consolidated goodwill amounts requires a calculation of the values in use of the cash-generating units to which the goodwill amounts relate. The determination of the value in use requires an estimate of the expected future cash flows as well as determination of a fair discount rate. Due to the nature of the business, estimates are made of cash flows for many years ahead, which inherently results in some uncertainty. The budget for 2017 and the forecast for 2018 have been approved by local management bodies and Group management. They include the effect of plans intended to ensure growth and efficiency improvement in the years ahead. The principal parameters used to determine the value of the Norwegian and Swedish subsidiaries are a discount rate of 9.1% (2015: 9.1%) and a long-term growth rate of 2% (2015: 2%).

The calculations made did not give rise to write-down of the carrying amount of goodwill.

Notes to the Annual Report

	2016	2015
	TDKK	TDKK
4. Income from investment in subsidiaries		
Share of profit after tax in subsidiaries	76.116	-30.963
Amortisation of goodwill	-16.252	-5.417
	59.864	-36.380
5. Financial income		
Financial income from affiliated company	0	10
Other financial income	45	7
	45	17
6. Financial expenses		
Other financial expenses	9.292	3.377
	9.292	3.377
7. Tax on profit for the year		
Tax on profit for the year	-2.311	-706
Prior year adjustment	-250	
Tax on profit for the year	-2.561	-706
8. Investment in subsidiaries		
Cost 1. January	320.407	-
Addition	-47	320.407
Cost 31. December	320.360	320.407
Value adjustment 1. January	-37.189	-
Foreign exchange adjustment	650	-1.121
Adjustment of hedge instruments at fair value	-	312
Result of the year	76.116	-30.963
Amortisation of goodwill	-16.252	-5.417
Value adjustment 31. December	23.325	-37.189
Carrying amount at 31. December	343.684	283.218

The remaining goodwill value is 111 MDKK yet to be amortized.

The company's subsidiaries at 31. December 2016

Name	Registered office	Share capital	Ownership interest	Currency	Equity	Result for the year
Bluegarden Holding A/S	Ballerup,	19,5 MDKK	100%	TDKK	135,8	83,8
Bluegarden A/S	Ballerup,	10,0 MDKK	100%	TDKK	124,8	79,7
Bluegarden AS	Oslo, Norway	13,9 MNOK	100%	TNOK	130,0	32,6
Bluegarden AB	Stockholm,	0,4 MSEK	100%	TSEK	85,5	3,6
- Medvind informationsteknik AB	Stockholm,	0,3 MSEK	100%	TSEK	3,7	0,0

Notes to the Annual Report

9. Long term liabilities

	<u>2016</u>	<u>2015</u>
	TDKK	TDKK
Trade payables and Credit institutions		
After 5 years	35.875	57.631
Falling due within 2 to 5 years	93.505	93.320
Long term liabilities	<u>129.380</u>	<u>150.951</u>
Falling due within 1 year	21.525	21.478
Short term liabilities	<u>21.525</u>	<u>21.478</u>
	<u>150.905</u>	<u>172.429</u>

10. Contingent liabilities and other financial obligations

As part of the group loan agreement with the banks the shares in Team Siri ApS and all the subsidiaries have been pledged.

Team Siri ApS is jointly liable for VAT and other public charges together with the common registered group companies. The company is liable for income tax for the companies within the joint taxation and for possible obligations to withhold tax on interest, royalties and dividend.

Team Siri ApS is jointly liable for the Group's loan and credit facilities together with the parent companies Team Siri Holding ApS and Bluegarden Holding A/S. The total debt as per 31 December 2016 amounted to 254 MDKK. The Group is subject to a number of covenants related to the loans from credit institutions.

Contractual obligations

The Company has not entered into lease obligations.

11. Related parties and ownership

Controlling interest and ownership

Team Siri Holding ApS, Lautrupbjerg 6, 2750 Ballerup owns the share capital of Team Siri ApS. The ultimate owner is Marlin Ultimate GP, LLC (USA)

Other related parties

The parent company Team Siri Holding ApS and Bluegarden Holding A/S including subsidiaries.

12. Subsequent events

On 15 March 2017, Visma Danmark Holding A/S signed an agreement to acquire all shares in Team Siri Holding ApS, who owns the Bluegarden Group. The transaction will be closed when the Competition Authorities have approved it.

Besides the above, no other events have occurred since the balance sheet date that would materially influence the evaluation of this annual report.

Accounting policies

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied are consistent with those applied last year. The income statement is presented according to the functional structure as in previous years, however research and development costs are now shown separately to improve transparency. Comparison figures have been adjusted.

Referring to section 112(1) of the Danish Financial Statement Act the Company has not prepared consolidated financial statements.

Cash flow statement is not included with reference to the Danish Financial Statement Act § 86, point 4. The cash flow statement for the Group is included in the Annual report for Team Siri Holding ApS.

Recognition and measurement

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered on recognition and measurement.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost, subsequently at fair value. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial statements classified as and complying with the requirements for hedging future transactions are taken directly to equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not qualify as hedging instruments, changes in fair market value are recognised currently in the income statement as financial income or financial expenses.

Accounting policies

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

Administrative expenses

Administrative expenses consist of expenses related to the company's administrative functions, including salaries, amortisation and depreciation and a share of indirect costs.

Financial income and expenses

These items comprise interest income and interest expenses, realised and unrealised gains and losses from foreign currency transactions as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to profit/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is part of the joint taxation arrangement with Team Siri Holding ApS as the administration company. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in subsidiaries

Investments in group enterprises are measured according to the equity method.

In the balance sheet, investments in group enterprises are measured at the proportionate share of the enterprises' equity value calculated applying the Parent's accounting policies less or plus unrealised intra-group profits/losses and non-amortised consolidated goodwill.

Group enterprises with a negative equity value are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity if it is deemed irrecoverable. If the negative equity value exceeds receivables, the remaining amount is recognised in provisions in so far as the Parent has a legal or constructive obligation to cover the negative balance of the enterprise.

Net revaluation of investments in group enterprises is taken to Reserve for net revaluation according to the equity method insofar as the carrying amount exceeds cost.

The purchase method is used in the acquisition of investments in subsidiaries.

Receivables

Receivables are measured at amortised cost, usually equalling the nominal amount. Write-down for bad and doubtful debts is made based on an assessment of the individual receivables.

Accounting policies

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax assets and liabilities

Deferred tax is recognised on all temporary differences between the carrying amount and the tax base of assets and liabilities, for which the tax base of assets is calculated based on the planned use of each asset.

Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect according to law at the balance sheet date when the deferred tax is estimated to crystallise as current tax. Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Current tax receivables and tax liabilities

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income that has been adjusted for prepaid tax.

Financial liabilities

Credit institutions, trade payables, payables to affiliated companies and other debt are measured at amortised cost, usually equalling the nominal amount.

Prepayments received

Prepayment received include payments received relating to income in subsequent financial years. Such items are measured at cost.

Financial highlights

The ratios and figures shown in the statement of financial highlights and key figures are calculated as follows:

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit/loss before financial income and expenses} \times 100}{\text{Revenue}}$
Return on	$\frac{\text{Profit/loss before financial income and expenses} \times 100}{\text{Total assets}}$
Equity ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total assets}}$
Return on	$\frac{\text{Profit/loss from ordinary activities} \times 100}{\text{Average equity}}$