Grant Thornton

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MS TopCo ApS

Kongevejen 418, 2840 Holte

Company reg. no. 37 55 37 78

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 29 May 2019.

Benjamin Kramarz
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 MS TopCo ApS for the financial year 1 January to 31 December 2018.

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 at 31 December 2018, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 January to 31 December 2018.

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.

Holte, 29 May 2019

Managing Director

Thomas Elling

Board of directors

Benjamin Kramarz   Johnnie Helge Bloch Jensen   Olaf Fritjof Lind

Independent auditor's report

To the shareholders of MS TopCo ApS

Opinion

We have audited the consolidated annual accounts and the annual accounts of MS TopCo ApS for the financial year 1 January to 31 December 2018, 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 31 December 2018 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 January to 31 December 2018 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 or 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 and 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, 29 May 2019

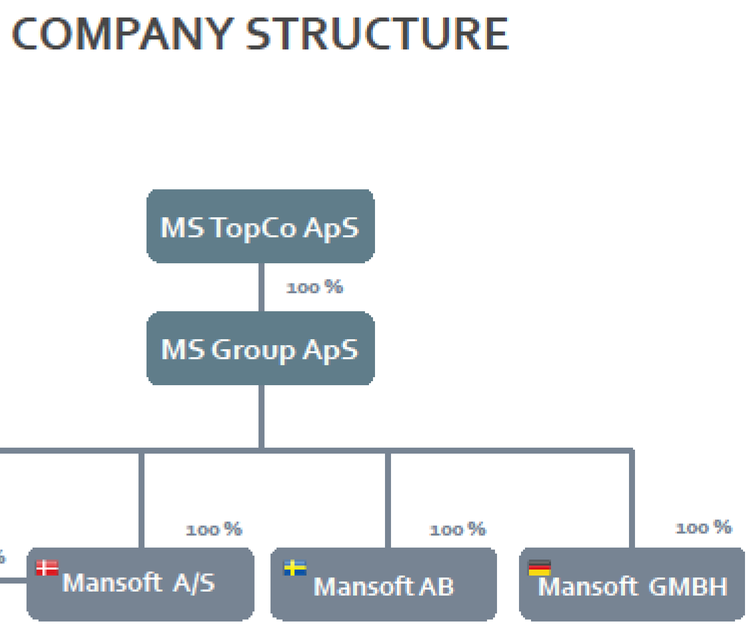
Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Brian Rasmussen State Authorised Public Accountant mne30153	Kasper Sone Randrup State Authorised Public Accountant mne36175

Company data

The company	MS TopCo ApS Kongevejen 418 2840 Holte
	Company reg. no. 37 55 37 78 Established: 21 March 2016 Domicile: Rudersdal Financial year: 1 January 2018 - 31 December 2018 3rd financial year
Board of directors	Benjamin Kramarz Johnnie Helge Bloch Jensen Olaf Fritjof Lind
Managing Director	Thomas Elling
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Subsidiaries	MS Group ApS, Rudersdal Mansoft A/S, Rudersdal SoftwareCentral A/S, Rudersdal Mansoft AB, Mölndal, Sverige Mansoft GmbH, Hamburg, Tyskland

Group enterprises



Consolidated financial highlights

DKK in thousands.	2018	2017	2016
Profit and loss account:			
Gross profit	141.593	97.922	50.199
Results from operating activities	33.677	23.079	6.564
Net financials	-8.481	-2.439	-1.670
Results for the year	16.285	14.046	2.012
Balance sheet:			
Balance sheet sum	181.915	169.884	169.206
Investments in tangible fixed assets represent	0	78	0
Equity	62.932	51.293	40.012
Cash flow:			
Operating activities	15.802	31.797	-3.068
Investment activities	-117	-193	-122.956
Financing activities	-16.427	-23.847	141.697
Cash flow in total	-741	7.757	15.673
Employees:			
Average number of full time employees	171	121	101
Key figures in %:			
Acid test ratio	110,6	100,6	-
Solvency ratio	34,6	30,2	23,6
Return on equity	28,5	30,8	10,1

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

The financial highlights for 2016 only comprise the period 21 March 2016 - 31 December 2016.

Management's review

The principal activities of the group

The Group's main activity is to operate IT consultancy, primarily Microsoft infrastructure and closely related businesses.

Development in activities and financial matters

The gross loss for the parent company for the year is DKK -122.821 against DKK -98.666 last year. The gross profit for the group for the year is DKK 141.593.152 against DKK 97.922.483 last year. The results from ordinary activities after tax are DKK 16.285.270 against DKK 14.045.802 last year.

MS Topco ApS has had a reasonable growth in the underlying operating companies in the fiscal year 2018:

The development in the subsidiary, Mansoft A/S, in the fiscal year 2018, has been characterized by a high growth spread across all business areas. The high growth has also resulted in an increased number of employees in the administration and management, thus establishing the foundation for continued growth going forward. Investments have been made in a new regional office in Aarhus, in order to support and expand the company’s presence in Jutland.

Mansoft AB (Sweden) has grown considerably during the fiscal year 2018, both in terms of turnover, onboarding of new customers and in the number of employees. Recruitment was initially done externally, but at the end of the year an internal function in regard to this, has been established to secure the growth going forward.

Mansoft Gmbh (Germany) was established in Q2 and therefore still in the initial phase. That taken into consideration, the fiscal year 2018 has been satisfactory.

During the fiscal year 2018, the Group’s software business, Softwarecentral A/S, has experienced a reasonable growth in customer intake and revenue. Additional sales staff has been hired and a major graphic and technical update of the products have been initiated. In addition, investments have been made in new partnerships in the Nordic countries and Germany.

Management's review

Corporate Governance

VIA equity fond II K/S is a minority owner (approx. 47%) of MS TopCo ApS. (for additional information regarding VIA equity go to www.viaequity.com). VIA equity fond II K/S is thus an indirect co-owner of Mansoft A/S.

Some management members and board members, are also shareholders (approx. 53%) of MS TopCo ApS.

The board consists of:

Benjamin Kramarz (chairman); partner in VIA equity A/S; board member in:
- MS TopCo ApS (chairman)
- MS Group ApS (chairman)
- SoftwareCentral A/S (chairman)
- Mansoft A/S (chairman)
- Continia TopCo ApS (chairman)
- Continia Software A/S (chairman)
- Continia MidCo ApS (chairman)
- Mæglerservice af 17/7 – 2010 A/S (chairman)
- C&B TopCo ApS (chairman)
- C&B MidCo ApS (chairman)
- C & B Systemer A/S (chairman)
- C & B Solutions A/S (chairman)
- Advania AB
- Profit Software Oy (chairman)
- Profit Holding Oy (chairman)

Benjamin Kramarz is also the managing director and 100% owner of Kramarz Holding ApS, as well as the managing director of VIA VPF GP ApS.

Johnnie Helge Bloch Jensen; board member in:
- A/S Jensen Consulting
- Corporate Services A/S
- Dansk Virksomhedshandel A/S
- Business Angels Fond – London I A/S
- Match-Online A/S
- SoftwareCentral A/S
- MS TopCo ApS
- MS Group ApS
- Mansoft A/S

Management's review

Johnnie Helge Bloch Jensen is also the managing director of:

- A/S Jensen Consulting
- Jensen Estate ApS
- Corporate Capital
- 1-Consult ApS
- Corporate Services A/S
- Dansk Virksomhedshandel A/S
- Match Online A/S
- E-CVR.dk ApS
- Hangar 2 ApS
- Flyvestation Værløse Hangar 1 ApS
- Copenhagen Technologies ApS
- i-demokrati ApS
- Nordic Wing ApS

Olaf Fritjof Lind; managing director of Reset Works; board member in:

- Mjølner Informatics A/S
- Mjølner Holding I A/S
- SoftwareCentral A/S
- MS TopCo ApS
- MS Group ApS
- Mansoft A/S

Benjamin Kramarz has been appointed to the board by VIA Equity Fond II K/S. Johnnie Helge Bloch Jensen and Olaf Fritjof Lind have been appointed to the board by the General Assembly.

The actual number of employees is 0.

Risk Assessment and Risk Management

The Board of Directors and the Executive Board determine and approve overall policies, procedures and controls of important areas in the day-to-day operation of the company. The foundation for this is a clear organizational structure, clear guidelines, authorization and certification procedures and separation of persons.

The Board of Directors and the Executive Board regularly (at least annually) assess significant risks and internal controls in connection with the company's activities. On this basis, ongoing actions are evaluated and adopted to eliminate and/or reduce risks, including business and financial risks.

As part of the risk assessment, the Board of Directors and the Executive Board annually assess the risk of fraud and the measures taken to reduce and/or eliminate these risks.

Management's review

Business and Financial Risks

The most important business risks include the ability to be strongly positioned in the markets the company operates in. It is important for the company to be at the forefront of technological development to maintain the company's market shares.

MS Topco ApS is exposed to several financial risks, including market risks (currency and interest rate risks) as well as liquidity and financing risks.

MS Topco ApS has a fiscal policy that sets the overall framework for financial risk management. It is the company's policy not to engage in speculation of financial risks. The company's financial policy focuses only on the management and reduction of the financial risks that are a direct consequence of the company's operations, investments and financing.

MS TopCo ApS is financed with a combination of equity and bank debt, and the management believes that the debt at group level is appropriate in relation to maintaining a reasonable financial flexibility. Thus, MS TopCo ApS, like previous years, has not been in breach of covenants or otherwise been in breach of terms of loan during the year. The management believes that the company has sufficient liquidity resources to meet its obligations as they occur.

Accounting policies used

The annual report for MS TopCo ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

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

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.

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.

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.

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.

Accounting policies used

At recognition of foreign group enterprises which are integrated units, the monetary items are translated by using the closing rate. Non monetary items are translated by using the exchange rate prevailing at the time of acquisition or at the time of the following depreciation or writedown of the asset. The items of the profit and loss account are translated by using the exchange rate prevailing at the date of the transaction. However, items in the profit and loss account deriving from non monetary items are translated by using historical prices.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company MS TopCo ApS and those group enterprises of which MS TopCo ApS directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest. As it appears from the group chart, enterprises of which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not controlling interest are considered associated enterprises.

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.

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.

Accounting policies used

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.

In case of business combinations such as acquisition and sale of equity investments, mergers, demergers, addition of assets and exchange of shares etc. with participation of enterprises under the control of the parent company, the merger method is applied, in which case the merger is considered implemented on the first day of the financial year, and restatement of comparative figures is made.

The profit and loss account

Gross profit
The gross profit comprises the net turnover, other operating income, and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts.

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, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Accounting policies used

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.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

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).

The balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The amortisation period is determined on the basis of an expected payback period, being the longer for strategical acquirees with a strong market position and an expected long-term earnings profile.

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.

Accounting policies used

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.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

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

	Useful life
Other plants, operating assets, fixtures and furniture	*3-5 years*

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 loss is recognised in the profit and loss account under depreciation.

Leasing contracts

Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The group's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Accounting policies used

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, 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 recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

Accounting policies used

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

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.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Share premium

Share premium comprises amounts paid as premium in connection with the issue of shares. Costs in connection with a carried through issue are deducted in the premium. The premium reserve may be utilised as dividend, issue of bonus shares, and for payment of losses.

Accounting policies used

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

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 (the time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax 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 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.

MS TopCo 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, MS TopCo 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.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or “Payable corporate tax".

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

Deferred tax assets, including the tax value of tax losses eligible for carryover, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

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.

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.

Accounting policies used

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

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 as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

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.

Available funds

Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Profit and loss account 1 January - 31 December

All amounts in DKK.

		Group		Parent company	
Note		2018	2017	2018	2017
	Gross profit	**141.593.152**	**97.922.483**	**-122.821**	**-98.666**
1	Staff costs	-101.262.010	-68.208.981	0	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-6.654.174	-6.634.756	0	0
	Operating profit	**33.676.968**	**23.078.746**	**-122.821**	**-98.666**
	Income from equity investments in group enterprises	0	0	24.249.826	15.945.469
	Other financial income	12.480	40.067	1.910	0
	Other financial costs	-8.493.929	-2.479.427	-8.336.960	-2.336.965
	Results before tax	**25.195.519**	**20.639.386**	**15.791.955**	**13.509.838**
3	Tax on ordinary results	-8.910.249	-6.593.584	493.315	535.964
2	**Results for the year**	**16.285.270**	**14.045.802**	**16.285.270**	**14.045.802**

Balance sheet 31 December

All amounts in DKK.

Assets

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Fixed assets				
4	Goodwill	111.490.800	118.049.082	0	0
	Intangible fixed assets in total	111.490.800	118.049.082	0	0
5	Other plants, operating assets, and fixtures and furniture	126.972	222.864	0	0
	Tangible fixed assets in total	126.972	222.864	0	0
6	Equity investments in group enterprises	0	0	134.674.449	135.226.068
7	Deposits	479.528	362.908	0	0
	Financial fixed assets in total	479.528	362.908	134.674.449	135.226.068
	Fixed assets in total	**112.097.300**	**118.634.854**	**134.674.449**	**135.226.068**
	Current assets				
	Trade debtors	46.005.309	25.079.336	0	0
	Amounts owed by group enterprises	0	0	0	5.373.170
8	Deferred tax assets	55.381	29.186	8.800	12.100
	Receivable corporate tax	63.556	1.893.504	63.556	1.893.504
	Tax receivables from group enterprises	0	0	9.433.059	7.130.079
	Other debtors	218.632	87.211	0	0
9	Accrued income and deferred expenses	626.426	690.967	0	0
	Debtors in total	46.969.304	27.780.204	9.505.415	14.408.853
	Available funds	22.848.725	23.468.467	1.755.378	784.629
	Current assets in total	**69.818.029**	**51.248.671**	**11.260.793**	**15.193.482**
	Assets in total	**181.915.329**	**169.883.525**	**145.935.242**	**150.419.550**

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Equity				
10	Contributed capital	2.046.406	2.026.849	2.046.406	2.026.849
	Exchange rate adjustments	28.167	34.089	28.167	34.089
11	Share premium account	0	0	0	0
12	Reserves for net revaluation as per the equity method	0	0	0	0
13	Results brought forward	52.185.780	49.231.982	52.185.780	49.231.982
14	Proposed dividend for the financial year	8.671.852	0	8.671.852	0
	Equity in total	**62.932.205**	**51.292.920**	**62.932.205**	**51.292.920**
	Liabilities				
15	Convertible and profit-sharing debt instruments	30.862.532	27.649.206	30.862.532	27.649.206
	Bank debts	25.000.000	40.000.000	25.000.000	40.000.000
	Long-term liabilities in total	55.862.532	67.649.206	55.862.532	67.649.206

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

		Group		Parent company	
Note		2018	2017	2018	2017
16	Short-term part of long-term liabilities	15.000.000	15.000.000	15.000.000	15.000.000
	Bank debts	299.844	147.971	0	0
	Trade creditors	4.338.195	2.399.157	65.000	51.350
	Debt to group enterprises	0	0	12.075.505	16.426.074
	Other debts	22.544.585	15.767.015	0	0
17	Accrued expenses and deferred income	20.937.968	17.627.256	0	0
	Short-term liabilities in total	63.120.592	50.941.399	27.140.505	31.477.424
	Liabilities in total	**118.983.124**	**118.590.605**	**83.003.037**	**99.126.630**
	Equity and liabilities in total	**181.915.329**	**169.883.525**	**145.935.242**	**150.419.550**

18 Mortgage and securities

19 Contingencies

20 Related parties

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Exchange-rate adjustment	Share premium account	Results brought forward	Proposed dividend for the financial year	In total
Equity 1 January 2018	2.026.849	0	0	49.231.982	0	51.258.831
Cash capital increase	19.557	0	980.443	0	0	1.000.000
Profit or loss for the year brought forward	0	0	0	1.973.355	8.671.852	10.645.207
Extraordinary dividend adopted during the financial year	0	0	0	5.640.063	0	5.640.063
Distributed extraordinary dividend adopted during the financial year.	0	0	0	-5.640.063	0	-5.640.063
Exchange rate adjustments	0	28.167	0	0	0	28.167
Transferred to results brought forward	0	0	-980.443	980.443	0	0
	2.046.406	**28.167**	**0**	**52.185.780**	**8.671.852**	**62.932.205**

Statement of changes in equity of the parent company

All amounts in DKK.

	Contributed capital	Exchange-rate adjustment	Share premium account	Results brought forward	Proposed dividend for the financial year	In total
Equity 1 January 2018	2.026.849	0	0	49.231.982	0	51.258.831
Cash capital increase	19.557	0	980.443	0	0	1.000.000
Profit or loss for the year brought forward	0	0	0	1.973.355	8.671.852	10.645.207
Extraordinary dividend adopted during the financial year	0	0	0	5.640.063	0	5.640.063
Distributed extraordinary dividend adopted during the financial year.	0	0	0	-5.640.063	0	-5.640.063
Exchange rate adjustments	0	28.167	0	0	0	28.167
Transferred to results brought forward	0	0	-980.443	980.443	0	0
	2.046.406	**28.167**	**0**	**52.185.780**	**8.671.852**	**62.932.205**

Cash flow statement 1 January - 31 December

All amounts in DKK.

Note		Group 2018	2017
	Results for the year	16.285.270	14.045.802
21	Adjustments	24.023.290	15.718.202
22	Change in working capital	-8.965.532	12.232.899
	Cash flow from operating activities before net financials	31.343.028	41.996.903
	Interest received and similar amounts	1.909	2.141
	Interest paid and similar amounts	-8.452.723	-2.479.427
	Cash flow from ordinary activities	22.892.214	39.519.617
	Corporate tax paid	-7.089.836	-7.722.281
	Cash flow from operating activities	**15.802.378**	**31.797.336**
	Purchase of tangible fixed assets	0	-77.670
	Purchase of financial fixed assets	-116.620	-115.525
	Cash flow from investment activities	**-116.620**	**-193.195**
	Repayments of long-term debt	-11.786.674	-21.048.200
	Cash capital increase	1.000.000	0
	Dividends distributed	-5.640.063	-2.798.766
	Cash flow from financing activities	**-16.426.737**	**-23.846.966**
	Changes in available funds	**-740.979**	**7.757.175**
	Available funds 1 January 2018	23.320.496	15.525.395
	Exchange rate adjustments (available funds)	-30.636	37.926
	Available funds 31 December 2018	**22.548.881**	**23.320.496**
	Available funds		
	Available funds	22.848.725	23.468.467
	Short-term bank debts	-299.844	-147.971
	Available funds 31 December 2018	**22.548.881**	**23.320.496**

Notes

All amounts in DKK.

		Group 2018	Group 2017	Parent company 2018	Parent company 2017
1.	**Staff costs**				
	Salaries and wages	90.763.551	62.790.424	0	0
	Pension costs	4.581.969	986.074	0	0
	Other costs for social security	1.199.488	802.533	0	0
	Other staff costs	4.717.002	3.629.950	0	0
		101.262.010	**68.208.981**	**0**	**0**
	Average number of employees	171	121	0	0

		Parent company 2018	Parent company 2017
2.	**Proposed distribution of the results**		
	Extraordinary dividend adopted during the financial year	5.640.063	2.798.766
	Reserves for net revaluation as per the equity method	0	-4.107.435
	Dividend for the financial year	8.671.852	0
	Allocated to results brought forward	1.973.355	15.354.471
	Allocated from results brought forward	0	0
	Distribution in total	**16.285.270**	**14.045.802**

		Group 2018	Group 2017	Parent company 2018	Parent company 2017
3.	**Tax on ordinary results**				
	Tax of the results for the year, parent company	8.936.444	6.589.829	-496.615	-540.243
	Adjustment for the year of deferred tax	-26.195	3.876	3.300	4.400
	Adjustment of tax for previous years	0	-121	0	-121
		8.910.249	**6.593.584**	**-493.315**	**-535.964**

Notes

All amounts in DKK.

		Group		Parent company	
		31/12 2018	31/12 2017	31/12 2018	31/12 2017
4.	**Goodwill**				
	Cost 1 January 2018	131.165.648	131.165.648	0	0
	Cost 31 December 2018	**131.165.648**	**131.165.648**	**0**	**0**
	Amortisation and writedown 1 January 2018	-13.116.566	-6.558.282	0	0
	Amortisation for the year	-6.558.282	-6.558.284	0	0
	Amortisation and writedown 31 December 2018	**-19.674.848**	**-13.116.566**	**0**	**0**
	Book value 31 December 2018	**111.490.800**	**118.049.082**	**0**	**0**
5.	**Other plants, operating assets, and fixtures and furniture**				
	Cost 1 January 2018	427.670	350.000	0	0
	Additions during the year	0	77.670	0	0
	Cost 31 December 2018	**427.670**	**427.670**	**0**	**0**
	Depreciation and writedown 1 January 2018	-204.806	-128.333	0	0
	Depreciation for the year	-95.892	-76.473	0	0
	Depreciation and writedown 31 December 2018	**-300.698**	**-204.806**	**0**	**0**
	Book value 31 December 2018	**126.972**	**222.864**	**0**	**0**

Notes

All amounts in DKK.

	Group 31/12 2018	Group 31/12 2017	Parent company 31/12 2018	Parent company 31/12 2017
6. Equity investments in group enterprises				
Acquisition sum, opening balance 1 January 2018	0	0	140.000.000	140.000.000
Cost 31 December 2018	**0**	**0**	**140.000.000**	**140.000.000**
Revaluations, opening balance 1 January 2018	0	0	-4.773.932	4.107.435
Translation by use of the exchange rate valid on b	0	0	-5.922	34.089
Results for the year before goodwill amortisation	0	0	24.249.826	15.945.469
Dividend	0	0	-24.795.523	-24.860.925
Revaluation 31 December 2018	**0**	**0**	**-5.325.551**	**-4.773.932**
Book value 31 December 2018	**0**	**0**	**134.674.449**	**135.226.068**

Group enterprises:

	Domicile	**Share of ownership**
MS Group ApS	Rudersdal	100 %
Mansoft A/S	Rudersdal	*
SoftwareCentral A/S	Rudersdal	*
Mansoft AB	Mölndal, Sverige	*
Mansoft GmbH	Hamburg, Tyskland	*

* via MS Group ApS

Notes

All amounts in DKK.

		Group		Parent company	
		31/12 2018	31/12 2017	31/12 2018	31/12 2017
7.	**Deposits**				
	Cost 1 January 2018	362.908	247.383	0	0
	Additions during the year	116.620	115.525	0	0
	Cost 31 December 2018	**479.528**	**362.908**	**0**	**0**
	Book value 31 December 2018	**479.528**	**362.908**	**0**	**0**

8. Deferred tax assets

Deferred tax assets relate to tangible fixed assets and prepaid expenses.

9. Accrued income and deferred expenses

Accrued income and deferred expenses consists of prepaid expenses.

		Group		Parent company	
		31/12 2018	31/12 2017	31/12 2018	31/12 2017
10.	**Contributed capital**				
	Contributed capital 1 January 2018	2.026.849	2.026.849	2.026.849	2.026.849
	Cash capital increase	19.557	0	19.557	0
		2.046.406	**2.026.849**	**2.046.406**	**2.026.849**

The share capital consists of 970.852 A shares and 1.075.554 B shares, each with a nominal value of DKK 1.

		Group		Parent company	
		31/12 2018	31/12 2017	31/12 2018	31/12 2017
11.	**Share premium account**				
	Share premium account for the year	980.443	0	980.443	0
	Transferred to results brought forward	-980.443	0	-980.443	0
		0	**0**	**0**	**0**

Notes

All amounts in DKK.

	Group		Parent company	
	31/12 2018	31/12 2017	31/12 2018	31/12 2017
12. Reserves for net revaluation as per the equity method				
Reserves for net revaluation 1 January 2018	0	0	0	4.107.435
Share of results	0	0	0	-4.107.435
	0	**0**	**0**	**0**
13. Results brought forward				
Results brought forward 1 January 2018	49.231.982	37.984.946	49.231.982	33.877.511
Profit or loss for the year brought forward	1.973.355	11.247.036	1.973.355	15.354.471
Extraordinary dividend adopted during the financial year	5.640.063	2.798.766	5.640.063	2.798.766
Distributed extraordinary dividend adopted during the financial year.	-5.640.063	-2.798.766	-5.640.063	-2.798.766
Transferred from share premium	980.443	0	980.443	0
	52.185.780	**49.231.982**	**52.185.780**	**49.231.982**
14. Proposed dividend for the financial year				
Dividend for the financial year	8.671.852	0	8.671.852	0
	8.671.852	**0**	**8.671.852**	**0**

15. Convertible and profit-sharing debt instruments

Upon conversion, the loan entitles the holder to receive nominally 1.493.333 A shares of DKK 1. The loan is due for payment on December 31, 2025.

The loan is ranked as subordinated loan capital and stands behind other creditors in the company.

Notes

All amounts in DKK.

16. Liabilities

Group and parent company

	Instalments first year	Outstanding debt after 5 years	Debt in total 31 Dec 2018	Debt in total 31 Dec 2017
Convertible and profit-sharing debt instruments	0	30.862.532	30.862.532	27.649.206
Bank debts	15.000.000	0	40.000.000	55.000.000
	15.000.000	**30.862.532**	**70.862.532**	**82.649.206**

17. Accrued expenses and deferred income

Prepayments under liabilities consist of payments received from customers, which can be recognized in subsequent financial years.

18. Mortgage and securities

For bank debts, tDKK 40.000, the company has provided security in equity investments in group enterprises representing a book value of tDKK 134.674 at 31 December 2018.

19. Contingencies

Contingent liabilities

	DKK in thousands
Leasing liabilities	1.487
Contingent liabilities in total	**1.487**

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.

Notes

All amounts in DKK.

19. Contingencies (continued)

Joint taxation (continued)

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

20. Related parties

Other related parties

MS Group ApS	Associated enterprise
Mansoft A/S	Associated enterprise
Mansoft AB	Associated enterprise
SoftwareCentral A/S	Associated enterprise
Mansoft GmbH	Associated enterprise

	Group	
	2018	2017
21. Adjustments		
Depreciation and amortisation	6.654.174	6.634.757
Other financial income	-12.480	-40.067
Other financial costs	8.493.929	2.479.427
Tax on ordinary results	8.910.249	6.593.584
Other adjustments	-22.582	50.501
	24.023.290	**15.718.202**
22. Change in working capital		
Change in debtors	-20.992.853	1.788.185
Change in trade creditors and other liabilities	12.027.321	10.444.714
	-8.965.532	**12.232.899**