

**SK Global Software Denmark
ApS**

**c/o DAHL, Hammerensgade 6, 3., DK-1267
Copenhagen**

CVR no. 37 99 62 46

Annual report for 2016/17

Adopted at the annual general meeting
on 31 May 2018



Scott Caudle
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of SK Global Software Denmark ApS for the financial year 8 September 2016 - 31 December 2017.

The annual report is 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 financial position at 31 December 2017 and of the results of the company's operations for the financial year 8 September 2016 - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends to the company in general meeting that the financial statements for 2017/18 should not be audited. Management considers the criteria for omission of audit to be met.

The financial statements have not been audited. Management declares that the criteria for omission of audit are met.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 31 May 2018

Executive board



Scott Caudle
Director

Supervisory board



Tim Kahne



Scott Caudle



Jonas Andersen

31 May 2018

The general meeting of shareholders have resolved that the financial statements for the coming financial year are not to be audited.

Company details

The company

SK Global Software Denmark ApS
c/o DAHL
Hammerensgade 6, 3.
DK-1267 Copenhagen

CVR no.: 37 99 62 46

Reporting period: 8 September 2016 - 31 December 2017

Domicile: Copenhagen

Supervisory board

Tim Kahne
Scott Caudle
Jonas Andersen

Executive board

Scott Caudle, director

Consolidated financial statements

The company is included in the consolidated financial statements for SK Global Software LLC.

Consolidated financial statements can be obtained on the address:

940 Gemini St
Suite 200
Houston
TX 77573
United States

Management's review

Business activities

SK Global provides banking automation software services for Microsoft Dynamics 365 / Dynamics AX. The services empower finance and treasury teams around the world to operate more efficiently, using solutions that offer added security and automation.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31 December 2017 and the results of its operations for the financial year ended 31 December 2017 are not affected by any unusual matters.

Business review

The company's income statement for the year ended 31 December shows a loss of DKK 1.610.308, and the balance sheet at 31 December 2017 shows negative equity of DKK 1.560.308.

Financial review

Management considers the company's financial performance in the year dissatisfactory. The performance is consistent with the management's expectations.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 8 September 2016 - 31 December 2017

	Note	2016/17 DKK
Gross profit		837.966
Staff expenses	1	-2.449.280
Profit/loss before financial income and expenses		-1.611.314
Financial income		1.006
Profit/loss before tax		-1.610.308
Tax on profit/loss for the year		0
Net profit/loss for the year		-1.610.308
Distribution of profit		
Retained earnings		-1.610.308
		-1.610.308

Balance sheet 31 December

	<u>Note</u>	<u>2016/17</u> DKK
Assets		
Trade receivables		<u>1.529.770</u>
Receivables		<u>1.529.770</u>
Cash at bank and in hand		<u>822.120</u>
Current assets total		<u>2.351.890</u>
Assets total		<u><u>2.351.890</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2016/17</u> DKK
Liabilities and equity		
Share capital		50.000
Retained earnings		<u>-1.610.308</u>
Equity	2	<u>-1.560.308</u>
Trade payables		56.820
Payables to group companies		3.522.647
Other payables		<u>332.731</u>
Short-term debt		<u>3.912.198</u>
Debt total		<u>3.912.198</u>
Liabilities and equity total		<u><u>2.351.890</u></u>
Uncertainty about the continued operation (going concern)	3	

Notes

	<u>2016/17</u> DKK
1 Staff expenses	
Wages and salaries	<u>2.449.280</u>
	<u>2.449.280</u>
Average number of employees	<u>3</u>

Notes

2 Equity

	Share capital	Retained earnings	Total
Equity at 8 September 2016	50.000	0	50.000
Net profit/loss for the year	0	-1.610.308	-1.610.308
Equity at 31 December 2017	50.000	-1.610.308	-1.560.308

The share capital consists of 500 shares of a nominal value of DKK 100. No shares carry any special rights.

3 Uncertainty about the continued operation (going concern)

The company needs financing maintenance to continue its operations. The parent company has issued a letter of financial support to ensure the going concern, where the parent company declares that they will guarantee the company's liabilities as they are due until December 2018.

Accounting policies

The annual report of SK Global Software Denmark ApS for 2016/17 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2016/17 is presented in DKK.

As 2016/17 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable 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 it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Other liabilities, which include trade payables, payables to group companies and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.