

**SK Global Software Denmark  
ApS**

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

**CVR no. 37 99 62 46**

**Annual report for 2018**

Adopted at the annual general meeting  
on 20 May 2019



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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 1 January - 31 December 2018.

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 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

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 2019 are not to be audited. Management considers the criteria for not auditing the financial statements to be met.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 20 May 2019

### Executive board

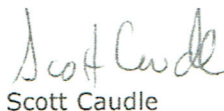


Scott Caudle  
Director


### Supervisory board



Tim Kahne



Scott Caudle



Jonas Andersen

## 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: 1 January - 31 December 2018

Domicile: Copenhagen

### Supervisory board

Tim Kahne  
Scott Caudle  
Jonas Andersen

### Executive board

Scott Caudle

### 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 2018 and the results of its operations for the financial year ended 31 December 2018 are not affected by any unusual matters.

### **Business review**

The company's income statement for the year ended 31 December shows a profit of DKK 942.700, and the balance sheet at 31 December 2018 shows negative equity of DKK 617.608.

### **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 1 January 2018 - 31 December 2018

	Note	2018 DKK	2017 DKK
<b>Gross profit</b>		<b>3.991.969</b>	<b>837.966</b>
Staff expenses	1	-2.974.222	-2.449.280
<b>Profit/loss before net financials</b>		<b>1.017.747</b>	<b>-1.611.314</b>
Financial income		3.449	1.006
Financial expenses		-78.496	0
<b>Profit/loss before tax</b>		<b>942.700</b>	<b>-1.610.308</b>
Tax on profit/loss for the year		0	0
<b>Profit/loss for the year</b>		<b>942.700</b>	<b>-1.610.308</b>
 <b>Distribution of profit</b>			
Retained earnings		942.700	-1.610.308
		<b>942.700</b>	<b>-1.610.308</b>

## Balance sheet 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
<b>Assets</b>			
Trade receivables		931.137	1.529.770
<b>Receivables</b>		<u>931.137</u>	<u>1.529.770</u>
<b>Cash at bank and in hand</b>		<u>1.537.891</u>	<u>822.120</u>
<b>Total current assets</b>		<u>2.469.028</u>	<u>2.351.890</u>
<b>Total assets</b>		<u>2.469.028</u>	<u>2.351.890</u>

## Balance sheet 31 December

	Note	2018 DKK	2017 DKK
<b>Equity and liabilities</b>			
Share capital		50.000	50.000
Retained earnings		-667.608	-1.610.308
<b>Equity</b>	2	<b>-617.608</b>	<b>-1.560.308</b>
Trade payables		141.930	56.820
Payables to group companies		2.734.857	3.522.647
Other payables		209.849	332.731
<b>Total current liabilities</b>		<b>3.086.636</b>	<b>3.912.198</b>
<b>Total liabilities</b>		<b>3.086.636</b>	<b>3.912.198</b>
<b>Total equity and liabilities</b>		<b>2.469.028</b>	<b>2.351.890</b>
Uncertainty about the continued operation (going concern)	3		



## Notes

	<u>2018</u>	<u>2017</u>
	DKK	DKK
<b>1 Staff expenses</b>		
Wages and salaries	2.766.629	2.253.250
Pensions	191.881	133.868
Other social security costs	<u>15.712</u>	<u>62.162</u>
	<b><u>2.974.222</u></b>	<b><u>2.449.280</u></b>
Average number of employees	<u>3</u>	<u>3</u>

## Notes

### 2 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2018	50.000	-1.610.308	-1.560.308
Net profit/loss for the year	0	942.700	942.700
<b>Equity at 31 December 2018</b>	<b><u>50.000</u></b>	<b><u>-667.608</u></b>	<b><u>-617.608</u></b>

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 company's shareholder 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 2019

## **Accounting policies**

The annual report of SK Global Software Denmark ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in DKK

### **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 costs of 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, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity 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 losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off 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.