



Sapiens Software Solutions Denmark ApS

Himmelev Bygade 70, 4000 Roskilde

Company reg. no. 38 02 90 88

Annual report

2018

The annual report was submitted and approved by the general meeting on the 30 May 2019

Patrick Slattery
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The executive board has today presented the annual report of Sapiens Software Solutions Denmark 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 annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

The executive board considers the requirements of omission of audit of the annual accounts for 2018 as met.

The annual report is recommended for approval by the general meeting.

Roskilde, 8 May 2019

Executive board

Roni Giladi

Ron Al Dor

Auditor's report on compilation of the annual accounts

To the shareholders of Sapiens Software Solutions Denmark ApS

We have compiled the annual accounts of Sapiens Software Solutions Denmark ApS for the period 1 January to 31 December 2018 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Roskilde, 8 May 2019

RIR REVISION

Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 78 05 24

Birgit Sode

State Authorised Public Accountant
mne28909

Company data

The company

Sapiens Software Solutions Denmark ApS
Himmelev Bygade 70
4000 Roskilde

Company reg. no. 38 02 90 88
Established: 22 September 2016
Domicile: Copenhagen
Financial year: 1 January - 31 December
2nd financial year

Executive board

Roni Giladi
Ron Al Dor

Auditors

RIR REVISION Statsautoriseret Revisionspartnerselskab

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/1 2018 - 31/12 2018	22/9 2016 - 31/12 2017
Gross profit	2.760.160	2.449.648
2 Staff costs	-2.651.179	-2.272.698
Operating profit	108.981	176.950
Other financial income	4.272	0
Other financial costs	-87	-41.051
Results before tax	113.166	135.899
3 Tax on ordinary results	-24.904	-30.140
Results for the year	88.262	105.759
Proposed distribution of the results:		
Allocated to results brought forward	88.262	105.759
Distribution in total	88.262	105.759

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Assets		
Fixed assets		
Deposits	31.433	0
Financial fixed assets in total	<u>31.433</u>	<u>0</u>
Fixed assets in total	<u>31.433</u>	<u>0</u>
Current assets		
Amounts owed by group enterprises	364.157	203.745
Receivable corporate tax	0	2.860
Other debtors	62.433	12.144
Accrued income and deferred expenses	16.389	673
Debtors in total	<u>442.979</u>	<u>219.422</u>
Available funds	<u>123.720</u>	<u>163.408</u>
Current assets in total	<u>566.699</u>	<u>382.830</u>
Assets in total	<u>598.132</u>	<u>382.830</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Equity			
4	Contributed capital	50.000	50.000
5	Results brought forward	194.021	105.759
	Equity in total	<u>244.021</u>	<u>155.759</u>
Liabilities			
	Trade creditors	42.518	66.062
	Corporate tax	24.904	0
	Other debts	286.689	161.009
	Short-term liabilities in total	<u>354.111</u>	<u>227.071</u>
	Liabilities in total	<u>354.111</u>	<u>227.071</u>
	Equity and liabilities in total	<u>598.132</u>	<u>382.830</u>

1 The significant activities of the enterprise

Notes

All amounts in DKK.

1. The significant activities of the enterprise

The company is part of Sapiens International Corporation which is a leading global provider of software solutions for the insurance industry, with a growing presence in the financial services sector.

	1/1 2018 - 31/12 2018	22/9 2016 - 31/12 2017
2. Staff costs		
Salaries and wages	2.459.882	2.116.642
Pension costs	180.545	137.531
Other costs for social security	8.094	7.571
Other staff costs	2.658	10.954
	2.651.179	2.272.698
Average number of employees	1	1
3. Tax on ordinary results		
Tax of the results for the year	24.904	30.140
	24.904	30.140
	31/12 2018	31/12 2017
4. Contributed capital		
Contributed capital opening balance	50.000	50.000
	50.000	50.000
5. Results brought forward		
Results brought forward opening balance	105.759	0
Profit or loss for the year brought forward	88.262	105.759
	194.021	105.759

Accounting policies used

The annual report for Sapiens Software Solutions Denmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

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

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.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

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.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning 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.

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.

Accounting policies used

The balance sheet

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.

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.

Liabilities

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