

Omada Digital Services A/S

Østerbrogade 135, 2100 Copenhagen Ø

CVR no. 38 79 56 86

Annual report 2017

Approved at the Company's annual general meeting on 1 May 2018

Chairman:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a dotted line.



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Omada Digital Services A/S for the financial year 1 January - 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 1 May 2018
Executive Board:


Marianne Koue Smith

Board of Directors:


Morten Boel Sigurdsson
Chairman
Marianne Koue Smith
Jacob Olsen



Independent auditor's report

To the shareholders of Omada Digital Services A/S

Opinion

We have audited the financial statements of Omada Digital Services A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for 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 rules and requirements.

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

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.

Independent auditor's report

- ▶ 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 Company'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 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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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's review

Management is responsible for the Management's review.

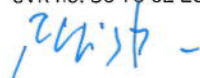
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 1 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Robert Christensen
State Authorised Public Accountant
MNE no.: mne16653



Management's review

Company details

Name	Omada Digital Services A/S
Address, Postal code, City	Østerbrogade 135, 2100 Copenhagen Ø
CVR no.	38 79 56 86
Registered office	Copenhagen municipality
Financial year	1 January - 31 December
Website	www.omada.net
Board of Directors	Morten Boel Sigurdsson, Chairman Marianne Koue Smith Jacob Olsen
Executive Board	Marianne Koue Smith
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmutsh. Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

Omada Digital Services A/S provides professional services within the areas of Digitalization, Application Management Support and SAP Services.

Financial review

The income statement for 2017 shows a profit of DKK 4,570 thousand against a profit of DKK 3,411 thousand last year, and the balance sheet at 31 December 2017 shows equity of DKK 12,062 thousand.

Events after the balance sheet date

Since the closing of the financial statements, no events have occurred which could change the Company's financial position.

Outlook

Management expects to further grow the Company in 2018 and to invest in increasing the Company's resource pool to support the growth and to take advantage of the Company's market opportunities.



Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2017	2016
	Gross margin	36,255	29,313
2	Staff costs	-30,475	-25,099
	Profit before net financials	5,780	4,214
3	Financial income	111	172
4	Financial expenses	-25	0
	Profit before tax	5,866	4,386
5	Tax for the year	-1,296	-975
	Profit for the year	4,570	3,411
	Recommended appropriation of profit		
	Retained earnings	4,570	3,411



Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2017	2016
	ASSETS		
	Fixed assets		
6	Investments		
	Investments in associates	0	0
		0	0
	Total fixed assets	0	0
	Non-fixed assets		
	Receivables		
	Trade receivables	23,939	0
	Receivables from group enterprises	8,139	21,470
		32,078	21,470
	Cash	1,253	0
	Total non-fixed assets	33,331	21,470
	TOTAL ASSETS	33,331	21,470
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	2,000	2,000
	Retained earnings	10,062	5,492
	Total equity	12,062	7,492
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	11,628	8,145
	Payables to group enterprises	97	0
	Corporation tax payable	1,296	975
	Other payables	8,248	4,858
		21,269	13,978
	Total liabilities other than provisions	21,269	13,978
	TOTAL EQUITY AND LIABILITIES	33,331	21,470

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral
- 9 Related parties



Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2017	2,000	5,492	7,492
Transfer through appropriation of profit	0	4,570	4,570
Equity at 31 December 2017	2,000	10,062	12,062



Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Omada Digital Services A/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, payments under operating leases, etc.



Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

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

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other subsidiaries. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investments in associates

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

DKK'000	2017	2016
2 Staff costs		
Wages/salaries	29,721	24,363
Pensions	556	571
Other social security costs	198	165
	<u>30,475</u>	<u>25,099</u>
 Average number of full-time employees	 <u>30</u>	 <u>27</u>
 3 Financial income		
Interest receivable, group entities	111	172
	<u>111</u>	<u>172</u>
 4 Financial expenses		
Other financial expenses	25	0
	<u>25</u>	<u>0</u>
 5 Tax for the year		
Estimated tax charge for the year	1,296	975
	<u>1,296</u>	<u>975</u>

Financial statements 1 January - 31 December

Notes to the financial statements

6 Investments

DKK'000	Investments in associates
Cost at 1 January 2017	0
Additions	25
Cost at 31 December 2017	25
Impairment losses	-25
Value adjustments at 31 December 2017	-25
Carrying amount at 31 December 2017	0

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Associates				
AMS Denmark Holding ApS	Ballerup	49.50%	-162	-210

7 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly registered for VAT with its parent company Omada A/S and related party, Omada Services A/S. The Company is thus jointly and severally liable for all VAT liabilities under the tax consolidation. Total consolidated VAT liability for the jointly registered companies totalled DKK 1,402 thousand at 31 December 2017.

The Company is jointly taxed with its parent, Omada A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for the payment of income taxes for the income year 2016 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2015.

8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2017.

9 Related parties

Omada Digital Services A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Omada A/S	Copenhagen Ø	Shareholder's agreement Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Omada A/S	Copenhagen Ø	Publicly available