Piaster Revisorerne
vi giver bedre råd

Assima A/S

CVR-no. 54 47 71 12

Strandvejen 125
2900 Hellerup

Annual Report 2018

(Financial year 1 January 2018 - 31 December 2018)

The Annual Report is presented and adopted at the Annual General Meeting of shareholders on the 3 July 2019

Peter Aarø-Hansen
Chairman of the meeting

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Management's Statement

The Board of Directors and the Executive Board have today considered and approved the Annual Report of 1 January 2018 - 31 December 2018 for Assima A/S.

The Annual Report has been 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 assets and liabilities, financial position and results of operations for the financial year ended 31 December 2018.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Hellerup, 3 July 2019

Executive Board:

Peter Aarø-Hansen
Director

Board of Directors:

Karl William Gilbank	Jonathan Dionne	Peter Aarø-Hansen

Independent Auditor's Reports

To the Shareholders of Assima A/S

Opinion

We have audited the Financial Statements of Assima A/S for the financial year 1 January 2018 - 31 December 2018, which comprise the income statement, balance sheet, notes and 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 2018 and of the results of the operations for the financial year 1 January 2018 - 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 (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 are independent of the Company 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty concerning going concern

We draw the attention to note 9 in the Financial Statement. In this note management has provided information regarding uncertainties relating to going concern due to negative equity, future operations, and letter of support from group companies. Our conclusion is not modified regarding this matter.

Emphasis of matter

We draw the attentioen to note 8 regarding the uncertainty connected with recognition or measurement regarding the valuation of long term other receivables due to limited information.

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.

Independent Auditor’s Reports (-continued)

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 about 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

- 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.

Independent Auditor’s Reports (-continued)

- 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Financial Statements. 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 internal control that we identify during our audit.

Statement on Management’s Review
Management is responsible for Management’s Review.

Our opinion on the Financial Statements does not cover 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 Management’s Review and, in doing so, consider whether 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 Management’s Review provides the information required under the Danish Financial Statements Act.

Independent Auditor’s Reports (-continued)

Based on the work we have performed, we conclude that Management’s Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management’s Review.

Report on Other legal and Regulatory Reguirements

Non-compliant with the Danish Companies Act, missing Rules of Procedures
The company has not complied with the Danish Companies Act since no Rules of Procedures has been prepared and signed by the new board. Management can be liable in this regard.

Allerød, 3 July 2019
Piaster Revisorerne,
statsautoriseret revisionsaktieselskab
CVR. no.: 25 16 00 37

Niels Kristian Tordrup Nielsen
State Authorized Public Accountant
mne35462

Company details

Company details	Assima A/S Strandvejen 125 2900 Hellerup	
	Phone:	51 28 00 00
	E-Mail:	info@assima.dk
	Website:	www.assima.dk
	CVR no.:	54 47 71 12
	Founded:	31 October 1975
	Registered office:	Hellerup
	Financial year:	1 January - 31 December
Executive Board	Peter Aarø-Hansen	
Board of Directors	Karl William Gilbank Jonathan Dionne Peter Aarø-Hansen	
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Engholm Parkvej 8 3450 Allerød	

Management’s Review

Primary activities of the Company
Assima is the worldwide leader in productivity software for training, In-App support, and translation of enterprise software applications.

Assima's unique patented simulation cloning technology and the integration of powerful artificial intelligence reduces costs, reduces errors and maximizes end-user performance for the world's largest organizations. With a proven 20-year track record of success and offices in over 10 countries, Assima is the world's only software solution that spans across the entire digital adoption lifecycle: from initial training, to live assistance, to enterprise-wide collaboration.

January 25th 2019 Partner One Capital completed the acquisition of Assima. Under the terms of the agreement, Partner One Capital acquired all of the global assets of Assima as well as its 12 divisions worldwide.

Partner One Capital is a private investment firm which owns some of the fastest growing enterprise software companies in the world. In business for over 23 years, Partner One Capital focuses on the acquisition of enterprise software solutions that cater to the needs of major corporations and governments. Over 1000 of the world's largest organizations rely on Partner One software for their most critical operations and to safeguard their most valuable data.

Uncertainties relating to going concern
The company's going concern depends on the parent company's guarantee for supporting the company. The parent company has signed a letter of support to the company's going concern through the fiscal year 2019, and that the company expects to restore the company's negative equity through the company's future activities. The financial statements have therefore been prepared as subject to continued operations.

Development in activities and financial affairs
Due to a costly de-merger, effective May 1st 2018 and the write down of loan granted 1 mio. DKK, in connection with the de-merger, the Company reported a loss after tax of DKK. 3.302 thousand, which is not satisfactory.

Management’s Review (-continued)

Expected development
Relying on a promising pipeline and backlog, the Company expects to report positive results for 2019. June 29th 2018 Assima signed one of the largest EMEA deals from within the Danish market.

Significant events occurred after the end of the financial year
No events materially affecting the financial position of the company have occurred after the end of the financial year.

Income Statement 1 January - 31 December

DKK	Notes	2018	2017
Gross profit		**672.914**	**3.230.560**
Staff costs	1	-1.024.590	-3.429.354
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-26.100	-74.064
Writedowns of current assets, that exceed normal writedowns		-1.000.000	0
Other operating expenses		-159.206	0
Operating profit		**-1.536.982**	**-272.858**
Financial income		1.105	60
Financial expenses	3	-113.722	-133.213
Profit before tax		**-1.649.599**	**-406.011**
Tax expense	4	0	0
Profit (loss) from continuing operations		**-1.649.599**	**-406.011**
Profit (loss) from discontinued operations		-1.652.133	0
Profit for the year		**-3.301.732**	**-406.011**
Proposed distribution of results			
Retained earnings		-3.301.732	-406.011
Proposed dividend recognised in equity		0	0
Total distribution		**-3.301.732**	**-406.011**

Balance Sheet at 31 December

Assets

	Notes	2.018	2017
Non-current assets			
Property, plant and equipment			
Fixtures, fittings, tools and equipment	5	0	163.300
Other receivables	6	0	0
Prepayments	7	1.443.438	0
Non-current assets		**1.443.438**	**163.300**
Current assets			
Trade receivables		1.514.526	2.093.151
Work in progress		110.000	1.224.375
Other receivables		118.000	483.293
Cash at bank and in hand		381.342	668.391
Prepayments		1.119.703	276.657
Total current assets		**3.243.571**	**4.745.867**
Assets		**4.687.009**	**4.909.167**

Balance Sheet at 31 December

Equity and Liabilities

	Notes	2.018	2017
Equity			
Share capital		906.200	906.200
Retained earnings		-4.581.524	-1.279.792
Equity	8	**-3.675.324**	**-373.592**
Non-current liabilities			
Lease commitments		0	97.146
Non-current liabilities		**0**	**97.146**
Current liabilities			
Short-term lease commitments		0	41.541
Debt to banks		0	51.604
Trade payables		164.162	542.719
Payables to group enterprises		5.744.620	2.329.863
Contract work in progress		0	425.544
Other payables		1.656.675	1.370.527
Deferred income		796.876	423.815
Current liabilities		**8.362.333**	**5.185.613**
Total liabilities		**8.362.333**	**5.282.759**
Equity and liabilities		**4.687.009**	**4.909.167**
Uncertainties relating to going concern	9		
Significant events occurring after end of reporting period	10		
Contingent liabilities	11		
Special items	12		

Notes

		2018	2017
1	**Staff costs**		
	Wages and salaries	2.075.769	3.146.996
	Post-employment benefit expense	12.549	24.189
	Social security contributions	108.327	258.169
		2.196.645	**3.429.354**
	Average number of full time employees	3	5
	Staff cost is allocated as follows:		
	Profit for the year from continuing operations	1.024.590	3.429.354
	Profit for the year from discontinued operations	1.172.055	0
		2.196.645	**3.429.354**
2	**Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss**		
	Depreciation, fixtures, fittings, tools and equipment	48.019	74.064
		48.019	**74.064**
	Depreciations is allocated as follows:		
	Profit for the year from continuing operations	26.100	0
	Profit for the year from discontinued operations	21.919	0
		48.019	**0**
3	**Financial expenses**		
	Finance expenses arising from group enterprises	98.379	112.490
	Other financial expenses	15.343	20.723
		113.722	**133.213**
4	**Tax expense**		
	Tax expense on ordinary activities	0	0
	Adjustment of deferred tax	0	0
		0	**0**

Notes

		2018	2017
5	**Property, plant and equipment**		
	Cost at 1 January	388.521	914.604
	Disposals	-388.521	-526.083
	Cost at 31 December	0	388.521
	Amortisations at 1 January	225.221	677.240
	Amortisation on disposed assets	-273.240	-526.083
	Amortisation for the year	48.019	74.064
	Amortisations at 31 December	0	225.221
	Carrying amount at 31 December	**0**	**163.300**
6	**Other receivables**		
	Cost at 1. januar	0	0
	Addition	1.000.000	0
	Cost at 31. december	1.000.000	0
	Revaluations at 1. januar	0	0
	Writedown for the year	-1.000.000	0
	Revaluations at 31. december	-1.000.000	0
	Carrying amount at 31. december	**0**	**0**
7	**Prepayments**		
	Balance at 1. januar	0	0
	Addition	1.443.438	0
	Balance at 31. december	1.443.438	0
	Revaluations at 1. januar	0	0
	Revaluations at 31. december	0	0
	Carrying amount at 31. december	**1.443.438**	**0**

Notes

		2018	2017
8	**Equity**		
	Share capital at 1 January	906.200	906.200
	Share capital at 31 December	906.200	906.200
	Treasury share reserve at 1 January	0	-301.000
	Change in accounting principle	0	301.000
	Treasury share reserve at 31 December	0	0
	Retained earnings at 1 January	-1.279.792	-5.107.039
	Change in accounting principle	0	-301.000
	Group grant	0	4.534.258
	Proposed distribution of results this year	-3.301.732	-406.011
	Retained earnings at 31 December	-4.581.524	-1.279.792
	Proposed dividend recognised in equity at 1 January	0	0
	Dividend paid	0	0
	Proposed distribution of results	0	0
	Proposed dividend recognised in equity at 31 December	0	0
	Equity 31 December	**-3.675.324**	**-373.592**

9 Uncertainties relating to going concern

The company's going concern depends on the parent company's guarantee for supporting the company. The parent company has signed a letter of support to the company's going concern through the fiscal year 2019, and that the company expects to restore the company's negative equity through the company's future activities. The financial statements have therefore been prepared as subject to continued operations.

Notes

10 Significant events occurring after end of reporting period

No events have occurred after 31 December 2018 that would change the presentation and evaluation of the 2018 annual report.

11 Contingent liabilities

The Company's projects have certain warranty commitments attached to them at implementation and following operation. Historically, the extent of following warranty works has been very low. Based on that and expectations to projects with remaining warranty periods no warranty commitments have been incorporated in the balance sheet.

12 Special items

The company has during the year sold a significant of the their operation to companies owned by a former Director of the company and the operation in 2019 until the transaction has been presented as discontinued operations, but are also considered as special items.

In connection with the sale of activitiy a loan of 1 mio. DKK was granted. Management has has made a write down on the 1 mio. DKK in the Income Statement under write downs of current assets exceeding normal write down.

No other special items has been accounted for.

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

Changes in accounting policies
The accounting policies have been changed from IFRS to Danish Financial Statements Act (Årsregnskabsloven).

Management has chosen to early adopt the following IFRS-standards according to Danish Financial Statements Act, regarding recognition and measurement as of 1 January 2018 :

- IFRS 9 - Financial Instruments
- IFRS 15 - Revenue recognition

The early adoption of these standards does not require management to provide IFRS-disclosures.

Management has chosen to use the IFRS balance sheet in the presentation.

The change in accounting policies does not lead to any change on net income, total assets or equity for current year and the comparative figures. The change in accounting policies only has effect on the presentation of the Financial Statements due to the limited nature of the business.

The change has affected presentation and comparativ figurres has been reclassified in order to comply with the required schedules in the Danish Financial Statements Act.

Accounting policies

General

Reporting currency
The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring
Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On inital recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Currency retranslation
Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets aquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Accounting policies

Income statement

Gross profit
With reference to section 32 of the Danish Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

Revenue
Revenue recognition requires an agreement with the client which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected.

Revenue is recognized when the client has obtained control of the license or service and has the ability to use and obtain substantially all the benefits from the license or service.

Software license fees
Fixed term license agreements and subscrip¬tion agreements give the right to use the software for a determined period of time, which can be extended at the end of the initial term.

The revenue will be recognized over period because Assima controls the asset and are obliged to provide support, updates and modification of the software license.

Professional services fees
Professional services agreements can include multiple performance obligations. The main possible performance obligations are described below.

Implementation services relate to the implementation of new and existing contracts irrespective of the terms of the contract. Time and material implementation contracts are recognized based on work performed. Fixed fee agreements are recognized based on percentage of completion.

Client-driven development entails direct cooperation between Assima development team and the client towards a client-defined goal. Such agreements are individually evaluated to determine if revenue is recognized at a point in time or over time.

Contract work in progress
Contract work in progress is measured at the selling price of the work performed less progress billings and losses. The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract work.

Accounting policies

Cost of sales
Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating- and financial lease agreements etc.

Staff costs
Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Other operating income and expenses
Other operating income and expenses includes items of a secondary nature relative to the enterprise’s core business.

Discontinued operations
Discontinued operations comprise those activities that were disposed of during the period and represent a separate major line of business area that can be clearly distinguished for operational and financial reporting purposes.

Financial items
Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense
Tax on income for the year, consisting of the year’s current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Accounting policies

Balance sheet

Leases
Leases of fixed assets where the company has substantially all the risks and rewards of ownership (finance leases) are recognized in the balance sheet as assets. The assets are measured initially calculated cost equal to the fair value or (if lower) the present value of future lease payments. In calculating the present value the internal interest rate of the leases, discount rate or an approximated value is used. Finance leases are depreciated like other similar assets.

The capitalized remaining lease obligation is recognized in the balance sheet as a liability, lease payment interest is recognized over the term of the income statement. All other leases are classified as operating leases. Payments considered operating leases are recognized in the income statement over the lease term. The company's total liability relating to operating leases and lease liabilities is disclosed in the notes.

All other leases are operating leases. Payments related to operating leases and other leases are recognized in the income statement over the lease term. The company's total liability relating to operating leases and lease liabilities is disclosed in the notes.

Contract work in progress
Contract work in progress is recognized in the balance sheet net of progress billings. Contract work in progress gross is calculated at sales value of the work performed. The sales value is measured on the basis of completion at the balance sheet date and the total expected profit on the individual projects. (production principle)

Production principle entails that the expected profit on the individual projects is continually recognized in the income statement in regards to completion perrcentage.

When it is probable that the total contract costs will exceed the total contract revenue, the anticipated loss on the contract is recognized as an expense immediately.

When income and expenses on a construction contract cannot be determined reliably, the selling price is measured only at the expenses incurred that are likely to be recovered.

Individual contract work in progress is recognized in the balance sheet under either receivables or payables, depending on whether the net amount of the selling price less progress billings and prepayments is positive or negative.

Selling costs and costs incurred in securing contracts are recognized in the income statement when incurred.

Accounting policies

Receivables
A receivable is the companys unconditional right to consideration and is accounted for in accordance with IFRS 9. As the objective of the business model for realizing these assets is to collect contractual cash flows, they are initially recognized at fair value, and subsequently carried at amortized cost less expected loss allowance.

The company assesses possible increase in credit risk for financial assets measured at amortized cost at the end of each reporting period. For trade receivables from clients and accrued revenue, the simplified approach is used, and the loss allowance is measured at the estimate of the lifetime expected credit losses.

If there is no reasonable expectation of recovery, the gross carrying amount is written-off.

Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in repayment plan with the company, and a failure to make contractual payments.

Deferred income
Deferred income, recognized under liabilities, comprise income concerning subsequent financial years.

Cash and bank balances
Cash comprises cash balances and bank balances.

Current tax and current deferred tax
Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Defered tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measuered at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Accounting policies

Liabilities
Other liabilities are measured at amortized cost, corresponding to the nominal value.