

MB IT Consulting A/S

Adelgade 61
8660 Skanderborg
Business Registration No
27230199

Annual report 2018

The Annual General Meeting adopted the annual report on 12.04.2019

Chairman of the General Meeting

Name: Morten Bjerregaard

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Entity details

Entity

MB IT Consulting A/S
Adelgade 61
8660 Skanderborg

Central Business Registration No (CVR): 27230199

Registered in: Skanderborg

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Henrik Puggaard
Morten Bjerregaard
Mikkel Winther Løgsted

Executive Board

Morten Bjerregaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of MB IT Consulting A/S for the financial year 01.01.2018 - 31.12.2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Skanderborg, 12.04.2019

Executive Board

Morten Bjerregaard

Board of Directors

Henrik Puggaard

Morten Bjerregaard

Mikkel Winther Løgsted

Independent auditor's extended review report

To the shareholders of MB IT Consulting A/S

Conclusion

We have performed an extended review of the financial statements of MB IT Consulting A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 12.04.2019

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Klaus Tvede-Jensen

State Authorised Public Accountant

Identification No (MNE) mne23304

Management commentary

Primary activities

MB IT Consulting A/S' primary activity is to offer advice and consultancy within the IT- and software industry.

Development in activities and finances

Net income showed Dkk (372) thousand, which is not considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit/loss		(383.114)	2.012.567
Depreciation, amortisation and impairment losses		<u>0</u>	<u>42.502</u>
Operating profit/loss		(383.114)	2.055.069
Other financial income	1	41.494	156.780
Other financial expenses	2	<u>(30.537)</u>	<u>(111.692)</u>
Profit/loss before tax		(372.157)	2.100.157
Tax on profit/loss for the year	3	<u>0</u>	<u>(509.500)</u>
Profit/loss for the year		(372.157)	1.590.657
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		0	250.992
Retained earnings		<u>(372.157)</u>	<u>1.339.665</u>
		(372.157)	1.590.657

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Trade receivables		272.132	524.243
Receivables from group enterprises		703.676	1.207.221
Other receivables		<u>16.247</u>	<u>2.144.652</u>
Receivables		<u>992.055</u>	<u>3.876.116</u>
Current assets		<u>992.055</u>	<u>3.876.116</u>
Assets		<u>992.055</u>	<u>3.876.116</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Contributed capital		695.000	695.000
Retained earnings		(227.285)	144.872
Proposed dividend		<u>0</u>	<u>250.992</u>
Equity		<u>467.715</u>	<u>1.090.864</u>
Bank loans		277.484	2.339.389
Trade payables		62.000	62.000
Payables to shareholders and management		180.779	114.363
Income tax payable		4.077	0
Joint taxation contribution payable		<u>0</u>	<u>269.500</u>
Current liabilities other than provisions		<u>524.340</u>	<u>2.785.252</u>
Liabilities other than provisions		<u>524.340</u>	<u>2.785.252</u>
Equity and liabilities		<u>992.055</u>	<u>3.876.116</u>
Contingent liabilities	4		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	695.000	144.872	250.992	1.090.864
Ordinary dividend paid	0	0	(250.992)	(250.992)
Profit/loss for the year	0	(372.157)	0	(372.157)
Equity end of year	695.000	(227.285)	0	467.715

Notes

	2018	2017
	DKK	DKK
1. Other financial income		
Financial income arising from group enterprises	41.494	43.117
Other financial income	0	113.663
	41.494	156.780
	2018	2017
	DKK	DKK
2. Other financial expenses		
Other interest expenses	30.537	83.976
Other financial expenses	0	27.716
	30.537	111.692
	2018	2017
	DKK	DKK
3. Tax on profit/loss for the year		
Current tax	0	269.500
Change in deferred tax	0	240.000
	0	509.500

4. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where M. Bjerregaard Holding serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, as well as secondarily liable from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year, with a few classifications though.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

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.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, exchange gains on payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, exchange losses on payables and transactions in foreign currencies etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the parent company and all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

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

Accounting policies

Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.