

Mousquetaires Holding ApS

Park Allé 350 D, Brøndby

CVR no. 25 08 20 01

Annual report 2016

Approved at the annual general meeting of shareholders on 15 June 2017

Chairman:


.....

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Management commentary	6
Financial statements 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

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 Mousquetaires Holding ApS for the financial year 1 January - 31 December 2016.

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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

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.


Brøndby, 15 June 2017
Executive Board:

.....
Edward O. Macnair

Board of Directors:


.....
Edward O. Macnair
Chairman


.....
Lisa J. Davis


.....
Craig Probert

Independent auditor's report

To the shareholder of Mousquetaires Holding ApS

Opinion

We have audited the financial statements of Mousquetaires Holding ApS for the financial year 1 January - 31 December 2016, which comprise an 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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 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 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 report

- ▶ 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 conclusion is 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 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 our procedures, 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, 15 June 2017

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Henrik Barner Christiansen
State Authorised Public Accountant



Anders Flymer-Dindler
State Authorised Public Accountant

Management's review

Company details

Name	Mousquetaires Holding ApS
Address, Postal code, City	Park Allé 350 D, Brøndby
CVR no.	25 08 20 01
Established	27 June 1999
Registered office	Brøndby
Financial year	1 January - 31 December
Board of Directors	Edward O. Macnair, Chairman Lisa J. Davis Craig Probert
Executive Board	Edward O. Macnair
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Management commentary

Business review

The entity's primary activity is to own shares in CensorNet A/S.

Financial review

The income statement for 2016 shows a loss of DKK 28 thousand against DKK 5,767 thousand last year, and the balance sheet at 31 December 2016 shows a negative equity of DKK 558 thousand.

The development is primarily related to the development in the wholly-owned subsidiary CensorNet A/S.

The company's current liabilities exceed its current assets by DKK 558 thousand. We refer to note 2 to the financial statements "Going concern uncertainties", in which the basis for using the going concern assumption is described.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2016	2015
	Other external expenses	-24	-38
	Gross margin	-24	-38
	Result from investments in group enterprises	0	-5,647
3	Financial income	0	18
4	Financial expenses	-4	-100
	Profit/loss for the year	-28	-5,767
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-28	-5,767
		-28	-5,767

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group entities	0	0
		0	0
	Total fixed assets	0	0
	Non-fixed assets		
	Cash	0	2,177
	Total non-fixed assets	0	2,177
	TOTAL ASSETS	0	2,177
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	125	125
	Retained earnings	-683	-655
	Total equity	-558	-530
	Liabilities		
	Current liabilities		
	Bank debt	1	0
	Payables to group enterprises	548	1,410
	Payables to shareholders and Management	0	1,288
	Other payables	9	9
		558	2,707
	Total liabilities other than provisions	558	2,707
	TOTAL EQUITY AND LIABILITIES	0	2,177

- 1 Accounting policies
- 2 Going concern uncertainties
- 6 Contractual obligations and contingencies, etc.
- 7 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2016	125	-655	-530
Transfer, see "Appropriation of loss"	0	-28	-28
Equity at 31 December 2016	125	-683	-558

The Company's equity is negative, and the Company is subject to the provisions in section 119 of the Danish Companies Act regarding capital loss. It is Management's assessment that the Company will re-establish its capital through a combination of a cash injection and future earnings in the subsidiary.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Mousquetaires Holding ApS for 2016 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.

Income statement

Other external expenses

Operating expenses include expenses relating to the entity's ordinary activities, including insurance, audit fee and other external expenses.

Income from investments in group entities

The item includes the Company's proportionate share of the profit/loss for the year in subsidiaries after full elimination of internal profits or losses.

Financial income and expenses

Other financial income comprises interest income, including interest income on receivables from group entities, net capital gains on payables and transactions in foreign currencies, etc. Other financial expenses comprise interest expenses, including interest expenses on payables to group entities and net capital losses on payables and transactions in foreign currencies.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, 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.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

On initial recognition, investments in subsidiaries and associates are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies. Subsidiaries and associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

Liabilities

Other liabilities are measured at net realisable value.

2 Going concern uncertainties

The Company's current liabilities exceed its current assets by DKK 558 thousand. The Company's current liabilities include amounts owed to its wholly-owned subsidiary CensorNet A/S of DKK 548 thousand. The subsidiary has confirmed that it will not require the debt to CensorNet A/S to be repaid during 2017 if calling these liabilities causes financial strain on the Company.

Further, the parent company, CensorNet Limited, has committed to provide the funds necessary for the Company to meet its financial obligations as they become due.

On this basis, the financial statements have been prepared on a going concern basis.

DKK'000	2016	2015
3 Financial income		
Interest receivable, group entities	0	18
	0	18
4 Financial expenses		
Interest expenses, group entities and former owners	4	100
	4	100

Financial statements for the period 1 January - 31 December

Notes to the financial statements

5 Investments

DKK'000	<u>Investments in group entities</u>
Cost at 1 January 2016	535
Cost at 31 December 2016	535
Value adjustments at 1 January 2016	-535
Value adjustments at 31 December 2016	-535
Carrying amount at 31 December 2016	<u>0</u>

<u>Name</u>	<u>Legal form</u>	<u>Domicile</u>	<u>Interest</u>	<u>Equity DKK'000</u>	<u>Profit/loss DKK'000</u>
Subsidiaries					
CensorNet A/S	Corporation	Brøndby, Denmark	100.00 %	-26,117	-20,875

6 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company participates in a Danish joint taxation arrangement in which it serves as the management company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes, etc. for the jointly taxed entities and any other tax obligations relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

7 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
CensorNet Limited	Reading, UK