

**Morinda Denmark ApS**  
**Central Business Registration No**  
**27560997**  
**Philip Heymans Alle 7**  
**DK-2900 Hellerup**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 20.05.2016

**Chairman of the General Meeting**

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Name: Per Erik Johan Lundell

## **Contents**

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
The independent auditor's review report on the financial statements	3
Accounting policies	5
Income statement for 2015	7
Balance sheet at 31.12.2015	8
Statement of changes in equity for 2015	10
Notes	11

## **Entity details**

### **Entity**

Morinda Denmark ApS  
Philip Heymans Alle 7  
DK-2900 Hellerup

Central Business Registration No: 27560997

Registered in: Gentofte

Financial year: 01.01.2015 - 31.12.2015

### **Board of Directors**

Kerry Orlo Asay  
Randall Ned Smith  
Richard Carlos Rife  
Stephen P. Story  
Kelvin Dee Olsen

### **Executive Board**

Per Erik Johan Lundell

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
Postboks 1600  
0900 København 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 Morinda Denmark ApS for the financial year 01.01.2015 - 31.12.2015.

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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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

Copenhagen, 20.05.2016

### **Executive Board**

Per Erik Johan Lundell

### **Board of Directors**

Kerry Orlo Asay

Randall Ned Smith

Richard Carlos Rife

Stephen P. Story

Kelvin Dee Olsen

## **The independent auditor's review report on the financial statements**

### **To the shareholder of Morinda Denmark ApS**

We have reviewed the financial statements of Morinda Denmark ApS for the financial year 01.01.2015 - 31.12.2015, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes.

### **Management's responsibility 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 the financial statements that are free from material misstatement whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Engagements to Review Historical Financial Statements and additional requirements under Danish audit regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard on Engagements to Review Historical Financial Statements is a limited assurance engagement. The auditor performs procedures primarily consisting of making inquiries of Management and others within the Entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

## **The independent auditor's review report on the financial statements**

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Copenhagen, 20.05.2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Christian Sanderhage  
State Authorised Public  
Accountant

CVR-nr. 33963556

## **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 for these financial statements are consistent with those applied last year.

### **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 one 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. Other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### **Income statement**

#### **Gross profit or loss**

Gross profit or loss comprises revenue and external expenses.

## Accounting policies

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### 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.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises as well as payables and transactions in foreign currencies.

### Income taxes

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.

## Balance sheet

### Receivables

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

### Cash

Cash comprises cash in hand and bank deposits.

### Other financial liabilities

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



**Income statement for 2014**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Gross loss		(30.670)	22.573
Other financial expenses		<u>(6.221)</u>	<u>(4.109)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>(36.891)</b>	<b>18.464</b>
Tax on profit/loss from ordinary activities		<u>0</u>	<u>0</u>
<b>Profit/loss for the year</b>		<b><u>(36.891)</u></b>	<b><u>18.464</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(36.891)</u>	<u>18.464</u>
		<b><u>(36.891)</u></b>	<b><u>18.464</u></b>

**Balance sheet at 31.12.2014**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Receivables from group enterprises		23.544	25.310
<b>Receivables</b>		<u>23.544</u>	<u>25.310</u>
<b>Cash</b>		<u>307.302</u>	<u>345.042</u>
<b>Current assets</b>		<u>330.846</u>	<u>370.352</u>
<b>Assets</b>		<u><u>330.846</u></u>	<u><u>370.352</u></u>

**Balance sheet at 31.12.2014**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital		125.000	125.000
Retained earnings		<u>25.729</u>	<u>62.620</u>
<b>Equity</b>		<b><u>150.729</u></b>	<b><u>187.620</u></b>
Other payables	1	<u>180.117</u>	<u>182.732</u>
<b>Current liabilities other than provisions</b>		<b><u>180.117</u></b>	<b><u>182.732</u></b>
<b>Liabilities other than provisions</b>		<b><u>180.117</u></b>	<b><u>182.732</u></b>
<b>Equity and liabilities</b>		<b><u><u>330.846</u></u></b>	<b><u><u>370.352</u></u></b>
Ownership	2		
Main activity	3		

**Statement of changes in equity for 2015**

	<b>Contributed capital DKK</b>	<b>Retained ear- nings DKK</b>	<b>Total DKK</b>
Equity beginning of year	125.000	62.620	187.620
Profit/loss for the year	0	(36.891)	(36.891)
<b>Equity end of year</b>	<b>125.000</b>	<b>25.729</b>	<b>150.729</b>

## Notes

	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK</u>
<b>1. Other short-term payables</b>		
VAT and duties	97.977	120.332
Other costs payable	82.140	62.400
	<u>180.117</u>	<u>182.732</u>

## 2. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Morinda Inc., Utah, USA

## 3. Main activity

The Entity's main activity is to function as a sales company. |