

Lebara ApS
Bådehavns­gade 2C
2450 Kø­ben­havn SV

CVR nr. 28 14 86 31

Annual Report 2015

Adopted at the Annual General Meeting of shareholders

Copenhagen, 13 May 2016



ADK

Chairman of the meeting

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Please note that Danish decimal and digit grouping symbols have been used in the financial statements.

Statement of the board of executives on the annual report

The Board of Executives has today presented the Annual Report of Lebara ApS for the financial year 1 January - 31 December 2015.

The Annual Report was presented in accordance with the Danish Financial Statements Act. We consider the accounting policies applied appropriate for the financial statements to provide a true and fair view of the company's assets, equity, liabilities, financial position and result.

In our opinion, Management's review includes a fair review of the matters described in Management's review.

We recommend that the Annual Report be adopted at the Annual General Meeting

Copenhagen, 13 May 2016

Board of Executives


Kristian Myrup
Yoganathan Ratheesan
Rasiah Ranjith Leon

Independent auditor's reports

To the Shareholders of Lebara ApS

Report on the financial statements

We have audited the financial statements of Lebara ApS for the financial year 1 January to 31 December 2015, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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. Further, management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We have conducted our audit in accordance with international standards on auditing and additional requirements according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion the financial statements give a true and fair view of the company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management's review

In accordance with the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the financial statements.

Copenhagen, 13 May 2016

KPMG

Statsautoriseret revisionspartnerselskab
CVR no. 25 57 81 98



Jacob Lehman

State authorised public accountant

Information about the company

Company name	Lebara ApS Bådehavnsgade 2C 2450 København SV
	CVR-nr. 28 14 86 31
	Municipality: Copenhagen
Executive Board	Kristian Myrup Yoganathan Ratheesan Rasiah Ranjit Leon
Auditor	KPMG Statsautoriseret revisionspartnerselskab Dampfærgevej 28 2100 København Ø
Bank	Danske Bank A/S Holmens Kanal 2 - 12 1092 København K

Management's review

Main activity

The main activity of the company has been to carry out commercial business trading and selling items for telecommunication and related business at the management's discretion.

Operating profit is based upon a support service agreement with Lebara Limited.

Development in activities and finances

The Company provides support services for Lebara Limited, and thus revenue consists of service fees or transfer price adjustments.

The company has created a profit since 2008 and is likewise expected to create a profit in 2016. The result for 2015 is consistent with our expectation.

Future expectations

We expect to maintain current revenue levels compared to 2015 while with achieving a slightly higher net result.

Knowledge Base

Lebara ApS does not foresee any major impact of revenue due to our knowledge base.

Special risks

Lebara ApS does not foresee any major risk within our business area outside normal business risk within the industry, such as business related and financial risks of which the company can be affected by.

Environmental issues

Lebara ApS does not foresee any external environmental exposure to our business nor any measures in preventing, reducing or remedying damage to the environment.

Research and development activities

Lebara ApS has no research facilities or development activities planned.

Events after the balance sheet date

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

Accounting policies

The Annual Report of Lebara ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards to reporting class B enterprises.

The accounting policies are consistent with those of last year.

Recognition and measurement

Income is recognised in the income statement as earned. All costs and depreciation are recognised in the income statement.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company's revenue is not stated. Gross profit comprises revenue and other external expenses.

Revenue

Revenue consists of service fees and are measured at fair value, excluding VAT. Revenue is recognized when earned.

Other external expenses

Other external expenses comprise costs of distribution, sale, marketing, administration, premises, bad debts, etc.

Financial income and costs

Financial income and costs are recognised in the income statement as the amounts relating to the financial year. Financial income and costs include interest receivable and payable, realised and unrealised gains and losses on debt and transactions denominated in foreign currencies as well as surcharges and refunds of tax in the prepaid tax scheme.

Tax for the year

Tax for the year consists of the actual tax for the year and change in deferred tax and is included in the income statement with the portion relating to the profit/loss of the year and directly in equity with the portion relating to direct entries in equity.

Balance sheet

Tangible fixed assets

Plant and machinery, fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

The basis for depreciation is cost less the estimated residual value after the end of the useful life.

Cost includes purchase price and costs directly relating to the purchase until the time, when the asset is ready for use.

Straight-line depreciation is made based on the following assessment of the useful life of the assets:

Operating equipment and office equipment: 3 - 8 years

Accounting policies

Gains or losses relating to sale of tangible fixed assets are calculated as the difference between sales price less selling costs and the book value at the time of the sale. Gains or losses are recognised in the income statement as other external costs.

Financial fixed assets

Deposits are measured at current value.

Inventories

Inventories are measured at cost in accordance with the FIFO method. In case of net realisation value being less than cost, inventories are written down to the lower value of net realisable value and cost.

Cost prices of commodities consist, of purchase price with the addition of purchase costs.

Net realisable value of inventories is calculated as sales price less costs defrayed to bring the sale into effect, and is determined according to marketability, unsaleability and development in expected sales price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. The value is reduced by write-offs for bad debts.

Prepayments

Prepayments recognised under Assets comprise prepaid expenses relating to subsequent financial years.

Income taxes

Current tax liabilities and tax receivables are recognised in the balance sheet as the estimated tax in respect of the taxable income for the year, adjusted for tax on previous years' taxable income and prepaid tax.

The calculation of deferred tax is based on temporary differences between book values and tax values of assets and liabilities. In cases, e.g. relating shares, when tax value might be calculated according to alternative tax rules, deferred tax is calculated on the basis of the planned use of the asset or settling of the liability respectively.

Deferred tax assets (including the tax value of losses entitled to be carried forward) are recognised at the value at which the assets are expected to be utilised either through elimination against tax on future earnings or a set-off against deferred tax liabilities within the same legal tax entity. Possible deferred net tax assets are recognised at net realisation value.

Deferred tax is measured according to tax regulations and tax rates, applicable when the deferred tax is expected to be transformed to actual tax in accordance with applicable law at the balance sheet day. Changes in deferred tax due to changes in tax rates are recognised in the income statement.

The current tax liability is calculated based on a tax rate of 23,5%, and deferred tax is calculated based on a tax rate of 22% according to applicable tax laws and the expected tax rate.

Debt Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other debt is recognised to amortised cost, which usually corresponds to nominal value.

Accounting policies

Other financial liabilities

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

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If currency positions are classified as hedging of future cash flows, then the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items denominated in foreign currencies that are not settled at the balance sheet date are measured at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognised in the income statement as financial income or financial expenses.

Fixed assets purchased in foreign currencies are measured at the exchange rate at the transaction date.

Income Statement for the year ended 31 December 2015

	Note	2015 kr.	2014 kr.
Gross profit		15.039.399	18.000.315
Staff related costs	1	-13.189.175	-15.745.749
Depreciation & write-downs on tangible fixed assets	6	<u>-147.246</u>	<u>-288.706</u>
Operating profit/loss		1.702.978	1.965.861
Financial income	2	1.698.257	1.989.149
Financial costs	3	<u>-66.503</u>	<u>-33.507</u>
Profit/loss before tax		3.334.732	3.921.502
Tax for the year	4	<u>-782.005</u>	<u>-987.569</u>
Net profit/loss for the year		<u>2.552.727</u>	<u>2.933.933</u>
Proposed distribution of the net profit/loss			
Retained earnings		<u>2.552.727</u>	<u>2.933.933</u>
Total appropriation		<u>2.552.727</u>	<u>2.933.933</u>

Balance sheet at 31 December 2015

	Note	2015 kr.	2014 kr.
ASSETS			
FIXED ASSETS			
Tangible fixed assets			
Fixtures and fittings, tools and equipment	5	205.174	332.770
		<u>205.174</u>	<u>332.770</u>
Investments			
Deposits		509.153	502.826
		<u>509.153</u>	<u>502.826</u>
Total fixed assets		<u>714.327</u>	<u>835.595</u>
CURRENT ASSETS			
Receivables			
Trade receivables		151.746	174.466
Receivables from group companies		82.832.038	85.674.396
Deferred tax assets		62.374	94.146
Tax receivable		79.767	852.701
Other receivables		1.255.292	791.686
Prepayments		267.935	185.332
		<u>84.649.152</u>	<u>87.772.726</u>
Cash and cash equivalents		<u>4.493.640</u>	<u>4.694.543</u>
Total current assets		<u>89.142.791</u>	<u>92.467.269</u>
TOTAL ASSETS		<u>89.857.119</u>	<u>93.302.865</u>

Balance sheet at 31 December 2015

	Note	2015 kr.	2014 kr.
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital		125.000	125.000
Retained earnings		<u>22.766.199</u>	<u>20.213.472</u>
Total shareholders' equity		<u>22.891.199</u>	<u>20.338.472</u>
LIABILITIES OTHER THAN PROVISIONS			
Short-term liabilities other than provisions			
Trade payables		1.402.610	1.503.110
Payables to group companies		61.869.786	66.604.741
Other payables		<u>3.693.523</u>	<u>4.856.542</u>
Total liabilities		<u>66.965.919</u>	<u>72.964.394</u>
TOTAL EQUITY AND LIABILITIES		<u>89.857.119</u>	<u>93.302.865</u>
Contractual obligations	7		
Related parties	8		

Statement of changes in equity 2015

	Share capital	Retained earnings	Total equity
Equity 1 January 2015	125.000	20.213.472	20.338.472
Retained earnings	<u>0</u>	<u>2.552.727</u>	<u>2.552.727</u>
Equity 31 December 2015	<u>125.000</u>	<u>22.766.199</u>	<u>22.891.199</u>

The last 5 years changes in share capital is specified as such:

	2015 kr.	2014 kr.	2013 kr.	2012 kr.	2011 kr.
Balance 1 January	125.000	125.000	125.000	125.000	125.000
	<u>125.000</u>	<u>125.000</u>	<u>125.000</u>	<u>125.000</u>	<u>125.000</u>

The share capital comprises of 125.000 shares of DKK 1 each.

Notes

	2015 kr.	2014 kr.
Note 1 Staff costs		
Wages, salaries, remuneration and allowance	-11.195.596	-13.527.459
Pensions	-585.988	-577.512
Other social security costs	-139.823	-175.773
Other staff costs	<u>-1.267.767</u>	<u>-1.465.005</u>
	<u>-13.189.175</u>	<u>-15.745.749</u>
Board of executives	2.806.134	2.108.714
	<u>2.806.134</u>	<u>2.108.714</u>
Average full time employees	<u>20</u>	<u>22</u>

There are currently no incentive programs for the board of directors and management employees besides a bonus scheme.

Note 2 Financial income

Interest Intercompany	1.698.059	1.983.339
Other interest income	<u>198</u>	<u>5.810</u>
	<u>1.698.257</u>	<u>1.989.149</u>

Note 3 Financial costs

Other interest costs	<u>-66.503</u>	<u>-33.507</u>
	<u>-66.503</u>	<u>-33.507</u>

Notes

	2015 kr.	2014 kr.
Note 4 Tax for the year		
Current tax	-750.232	-995.299
Deferred tax for the year	-31.773	7.731
	<u>-782.005</u>	<u>-987.569</u>
Note 5 Tangible fixed assets		
	Fittings, tools and equipment	Fittings, tools and equipment
Cost at 1 January 2015	* 2.284.603	2.195.303
Additions 2015	* 33.574	89.300
Disposals 2015	<u>-525.401</u>	<u>0</u>
Cost at 31 December 2015	<u>1.792.776</u>	<u>2.284.603</u>
Assets depreciation and write-downs at 1 January 2015	* -1.951.833	-1.663.127
Depreciation 2015	* -147.246	-288.706
Depreciation on disposals	<u>511.478</u>	<u>0</u>
Assets depreciation and write-down at 31 December 2015	<u>-1.587.602</u>	<u>-1.951.833</u>
Carrying amount at 31 December 2015	<u>205.174</u>	<u>332.770</u>

- * The amounts for 2015 are described per asset on the next page.

Notes

Note 5 Tangible fixed assets (continued)

	kr. Leasehold improvements	kr. Office equipment	kr. IT Hard- & software	kr. Vehicles
Cost at 1 January 2015	397.288	497.334	503.494	886.487
Additions	0	0	33.574	0
Disposals	0	0	-12.551	-512.850
Cost at 31 December 2015	<u>397.288</u>	<u>497.334</u>	<u>524.517</u>	<u>373.637</u>
Depreciation & write-downs at 1 Jan 15	288.895	402.764	410.326	849.849
Depreciation	34.372	23.501	57.968	31.404
Depreciation, sold assets	0	0	-3.862	-507.616
Depreciation & write-downs at 31 Dec 15	<u>323.267</u>	<u>426.266</u>	<u>464.432</u>	<u>373.637</u>
Book value at 31.12.2015	<u>74.021</u>	<u>71.068</u>	<u>60.085</u>	<u>0</u>
Of which are financial leased assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
			2015 kr.	2014 kr.

Note 6 Tangible assets depreciation and write-downs

Other fixtures, fittings, tools and equipment	-147.246	-288.706
	<u>-147.246</u>	<u>-288.706</u>

Notes

Note 7 Contractual obligations

The company has entered a contract regarding renting of premises. The company has a possibility of terminating the contract with 6 months notice at the earliest April 1st, 2017. The obligation equals DKK 1.587.296 at the end of the year.

The company has moved away from owning vehicles to leasing them. The company is currently leasing 5 vehicles over a 3 year period. The obligation equals DKK 448.171 at the end of the year.

Note 8 Related parties

Lebara ApS's related parties are as follows:

Dominant influence

Lebara Ltd., 25 Copthall Avenue, London, EC2R 7BP, UK, has dominant influence over the company.

Ownership

The following shareholders are noted in the company's register of owners as owning minimum 5% of the votes or minimum 5% of the share capital:

Lebara Ltd.
25 Copthall Avenue
London
EC2R 7BP
UK

The consolidated accounts for Lebara Ltd. can be acquired by contacting the company or through the website www.lebara.com.