

Armorlogic ApS
Central Business Registration No
28331975
Agern Allé 3
2970 Hørsholm

Annual report 2015

The Annual General Meeting adopted the annual report on 24.06.2016

Chairman of the General Meeting

Name: Robert Grayson Hall

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Entity details

Entity

Armorlogic ApS
Agern Allé 3
2970 Hørsholm

Central Business Registration No: 28331975

Registered in: Hørsholm

Financial year: 01.01.2015 - 31.12.2015

Executive Board

Robert Grayson Hall

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Armorlogic 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 my 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.

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

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2015 - 31.12.2015 as complied with. I also recommend to the Annual General Meeting that the financial statements for the next financial year not be audited.

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

Hørsholm, 24.06.2016

Executive Board

Robert Grayson Hall

Independent auditor's reports

To the owners of Armorlogic ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of Armorlogic ApS for the financial year 1 January to 31 December 2015. The financial statements, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity Armorlogic ApS and notes, 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, 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements. 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.

This requires that we comply with the Danish Public Accountants Act and the ethical rules of FSR – Danish Auditors and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

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

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.

The extended review has not resulted in any qualification.

Independent auditor's reports

Opinion

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 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.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the extended review of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

København, 24.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Torben Skov
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The entity's purpose is sales and development of IT.

Development in activities and finances

The net income amounted to a loss of DKK 54k compared to a profit of DKK 99k in 2014.

Management considers dissolving the Company during 2016.

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.

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.

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. Property, plant and equipment, intangible assets, inventories and 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 received royalties, other operating income, cost of raw materials and consumables and external expenses.

Accounting policies

Revenue

Revenue from royalties is recognised in the income statement in the period that the royalty is earned. 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. This item also includes write-downs of receivables recognised in current assets.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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 tax receivable or payable

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

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Gross loss		(96.659)	97
Other financial income	1	49.213	34
Other financial expenses	2	<u>(5.284)</u>	<u>0</u>
Profit/loss from ordinary activities before tax		(52.730)	131
Tax on profit/loss from ordinary activities	3	<u>(793)</u>	<u>(32)</u>
Profit/loss for the year		<u>(53.523)</u>	<u>99</u>
 Proposed distribution of profit/loss			
Retained earnings		<u>(53.523)</u>	<u>99</u>
		<u>(53.523)</u>	<u>99</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Receivables from group enterprises		494.092	531
Receivables		<u>494.092</u>	<u>531</u>
Cash		<u>25.692</u>	<u>37</u>
Current assets		<u>519.784</u>	<u>568</u>
Assets		<u><u>519.784</u></u>	<u><u>568</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital		187.500	188
Retained earnings		266.648	320
Equity		<u>454.148</u>	<u>508</u>
Income tax payable		33.237	32
Other payables		32.399	28
Current liabilities other than provisions		<u>65.636</u>	<u>60</u>
Liabilities other than provisions		<u>65.636</u>	<u>60</u>
Equity and liabilities		<u><u>519.784</u></u>	<u><u>568</u></u>

Consolidation

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Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	187.500	320.171	507.671
Profit/loss for the year	0	(53.523)	(53.523)
Equity end of year	187.500	266.648	454.148

Notes

	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK'000</u>
1. Other financial income		
Financial income arising from group enterprises	49.213	34
	<u>49.213</u>	<u>34</u>
	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK'000</u>
2. Other financial expenses		
Interest expenses	5.284	0
	<u>5.284</u>	<u>0</u>
	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK'000</u>
3. Tax on ordinary profit/loss for the year		
Current tax	0	32
Adjustment relating to previous years	793	0
	<u>793</u>	<u>32</u>

4. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Alert Logic Inc., 1776 Yorktown, 7th Floor, Houston, TX 77056, USA