BEIERHOLM
VI SKABER BALANCE

Presidents Institute ApS

Olof Palmes Gade 8, 2100 København Ø

Company reg. no. 29 18 37 16

Annual report

2015

The annual report have been submitted and approved by the general meeting on the 9 June 2016.

____

Christian Engelsen
Chairman of the meeting

Notes:

- *To ensure the greatest possible applicability of this document, British English terminology has been used.*
- *Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.*

Contents

Management's report

The board of directors and the managing director have today presented the annual report of Presidents Institute ApS for the financial year 1 January to 31 December 2015.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 9 June 2016

Managing Director

Christian Engelsen

Board of directors

Anthonie van Rossum	Lars Fløe Nielsen	Thomas Kirk Albert

The independent auditor's reports

To the shareholders of Presidents Institute ApS

Report on the annual accounts

We have audited the annual accounts of Presidents Institute ApS for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

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

Statement on the management's review

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

Copenhagen, 9 June 2016

Beierholm Statsautoriseret Revisionspartnerselskab

Company reg. no. 32 89 54 68

Anders Ladegaard
State Authorised Public Accountant

Company data

The company	Presidents Institute ApS Olof Palmes Gade 8 2100 København Ø	
	Company reg. no.	29 18 37 16
	Financial year:	*1 January - 31 December*
Board of directors	Anthonie van Rossum Lars Fløe Nielsen Thomas Kirk Albert	
Managing Director	Christian Engelsen	
Auditors	Beierholm Statsautoriseret Revisionspartnerselskab Nørre Farimagsgade 11 1364 København K	
Subsidiaries	Presidents Institute GmbH, Germany Presidents Institute Benelux B.V, Nederlands Pres Inst Sweden AB, Sweden Presinst Ltd, UK	

The principal activities of the company
Presidents Institute ApS is engaged in providing training and professional development at the executive leve.

Development in activities and financial matters
The company operates in networking and education for managing directors and board members in Denmark, Norway, Sweden, Finland, Holland, Belgium and Germany.

The financial statements reflects a significant investment in internationalisation and cost concerning establishment of activities abroad.

In the next years, the company intends to consolidate its current activities and continue the company's internationalisation on a secondary basis.

Fundamental error
A fundamental error from 2014, concerning the recognition of the net turnover, was ascertained during the financial year of 2015. The error amounts to DKK 23.245.453 before tax. The error occurred because the company did not accrue the part of the net turnover in 2014, which due to the date of member meetings and submits, concerned the subsequent period.

The correction of the error from 2014 reduces the company's equity by DKK 18.966.592 as of 1 January 2015.

As a result, the company has lost more than half of its share capital. The management expects the share capital to be restored during 2017, partly from the capital increase carried out in April of 2016 and partly from operating profits in 2016 and 2017.

Events subsequent to the financial year
Subsequently to the end of the financial year, a capital increase has contributed DKK 10 million to the company's share capital. The capital increase ensures that the company has sufficient liquidity in 2016.

Additionally, the future operations are supported by a pledged subordinate loan of DKK 10 million.

No further events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Presidents Institute ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

The accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Presidents Institute ApS and its group enterprises are included in the consolidated annual accounts for CECO Holding ApS, Copenhagen, CVR nr. 29183147.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of CECO Holding ApS.

Fundamental errors in previous years

We have ascertained a fundamental error in the annual report of 2014. The error occurred due to incorrect recognition of the net turnover. In accordance with The Danish Financial Statements Act, this fundamental error is adjusted against the equity. The comparative figures of the profit and loss statement and the balance sheet of 2014 have been restated in the financial report for 2015.

The equity of 31 December 2014 has been deducted by a net amount of DKK 18,966,592, corresponding to the ascertained error in the net turnover of DKK 17.765.643 before tax and DKK 13.486.928 after tax as well as the ascertained error in the net turnover in a subsidiary / results of a subsidiary of DKK 5.479.664.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

In case the foreign group enterprises and associated enterprises meet the criteria for being independent units, the profit and loss accounts are translated by using an average exchange rate for the period in question, and the balance sheet items are translated by using the closing rate. Differences arising in connection with the translation of the equity of foreign group enterprises at the beginning of the year to the closing rate are recognised directly in the equity. The same goes for differences arising in connection with translation of the profit and loss accounts from average exchange rate to the closing rate.

At recognition of foreign group enterprises which are integrated units, the monetary items are translated by using the closing rate. Non monetary items are translated by using the exchange rate prevailing at the time of acquisition or at the time of the following depreciation or writedown of the asset. The items of the profit and loss account are translated by using the exchange rate prevailing at the date of the transaction. However, items in the profit and loss account deriving from non monetary items are translated by using historical prices.

Exchange rate adjustments of current accounts with foreign group enterprises, which are considered an addition or a deduction in the equity of independent group enterprises, are recognised directly in the equity. Likewise, capital profits and losses on loans and derived financial instruments for hedging independent foreign group enterprises are recognised in the equity.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, costs incurred to its primary operations, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost incured to its primary operation includes meeting premises, catering and speakers..

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains and losses on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Intangible fixed assets

Development projects, patents, and licences

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. The amortisation period is 5 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 *years*

Assets with a cost of less than DKK 50.000 per unit are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

In connection with the take over of new group enterprises and associated enterprises, the acquisition method is applied, by which the taken over companies' assets and liabilities are measured at fair value at the time of take over. Provisions are made for covering costs in connection with decided restructuring projects in the taken over enterprise in connection with the take-over. The tax effect of the revaluation carried out is taken into consideration, cf. the below description of goodwill.

Positive differences (goodwill) between the acquisition value and the fair value of the assets and liabilities taken over, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over the estimated financial life. The financial life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategically taken over companies with a strong market position and a long range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Presidents Institute ApS is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Liabilities

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

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account 1 January - 31 December

All amounts in DKK.

Note		2015	2014
	Gross profit	**27.685.392**	**40.942.703**
1	*Staff costs*	-32.319.256	-43.168.041
	Depreciation and amortisation of tangible and intangible fixed assets	0	-2.489.345
	Operating profit	**-4.633.864**	**-4.714.683**
	Results from equity investments in group enterprises	-3.385.993	-9.233.049
	Other financial income from group enterprises	0	108.989
	Other financial income	198.992	29.720
	Other financial costs	-212.513	-819.562
	Results before tax	**-8.033.378**	**-14.628.585**
	Tax on ordinary results	159.960	1.182.153
	Results for the year	**-7.873.418**	**-13.446.432**
	Proposed distribution of the results:		
	Reserves for net revaluation as per the equity method	0	-1.557.508
	Allocated from results brought forward	-7.873.418	-11.888.924
	Distribution in total	**-7.873.418**	**-13.446.432**

Balance sheet 31 December

All amounts in DKK.

Note	***Assets***	2015	2014
	Fixed assets		
2	*Development projects*	5.375.719	0
	Intangible fixed assets in total	5.375.719	0
3	*Other plants, operating assets, and fixtures and furniture*	0	0
	Tangible fixed assets in total	0	0
	Deposits	1.033.663	1.025.265
	Financial fixed assets in total	1.033.663	1.025.265
	Fixed assets in total	**6.409.382**	**1.025.265**
	Current assets		
	Trade debtors	4.668.350	10.658.969
	Amounts owed by group enterprises	0	1.901.726
	Deferred tax assets	836.892	676.917
	Receivable corporate tax	4.247.770	356.000
	Other debtors	123.985	158.575
	Accrued income and deferred expenses	321.251	1.924.097
	Debtors in total	10.198.248	15.676.284
	Cash funds	41.924	7.946.756
	Current assets in total	**10.240.172**	**23.623.040**
	Assets in total	**16.649.554**	**24.648.305**

Balance sheet 31 December

All amounts in DKK.

Note	***Equity and liabilities***	2015	2014
	Equity		
5	*Contributed capital*	125.000	125.000
6	*Results brought forward*	-16.883.147	-8.901.888
	Equity in total	**-16.758.147**	**-8.776.888**
	Provisions		
7	*Other provisions*	2.964.453	8.200.000
	Provisions in total	**2.964.453**	**8.200.000**
	Liabilities		
	Bank debts	9.906.305	0
	Trade creditors	1.680.532	0
	Debt to group enterprises	242.215	0
	Other debts	5.489.627	7.459.550
	Accrued expenses and deferred income	13.124.569	17.765.643
	Short-term liabilities in total	30.443.248	25.225.193
	Liabilities in total	**30.443.248**	**25.225.193**
	Equity and liabilities in total	**16.649.554**	**24.648.305**

8 ***Mortgage and securities***

9 ***Contingencies***

Notes

All amounts in DKK.

		2015	2014
1.	***Staff costs***		
	Salaries and wages	31.626.318	42.701.040
	Other costs for social security	692.938	467.001
		32.319.256	**43.168.041**
2.	***Development projects***		
	Cost 1 January 2015	779.310	779.310
	Additions during the year	5.375.719	0
	Cost 31 December 2015	**6.155.029**	**779.310**
	Amortisation and writedown 1 January 2015	-779.310	-633.430
	Amortisation for the year	0	-145.880
	Amortisation and writedown 31 December 2015	**-779.310**	**-779.310**
	Book value 31 December 2015	**5.375.719**	**0**
3.	***Other plants, operating assets, and fixtures and furniture***		
	Cost 1 January 2015	4.339.010	6.540.010
	Disposals during the year	-40.000	-2.201.000
	Cost 31 December 2015	**4.299.010**	**4.339.010**
	Depreciation and writedown 1 January 2015	-4.339.010	-3.660.065
	Depreciation for the year	0	-2.343.465
	Writedown for the year	0	1.664.520
	Depreciation, amortisation and writedown for the year, assets disposed of	40.000	0
	Depreciation and writedown 31 December 2015	**-4.299.010**	**-4.339.010**
	Book value 31 December 2015	**0**	**0**

Notes

All amounts in DKK.

		31/12 2015	31/12 2014
4.	***Equity investments in group enterprises***		
	Acquisition sum, opening balance 1 January 2015	139.590	10.871.000
	Additions during the year	41.356	139.590
	Disposals during the year	0	-10.871.000
	Cost 31 December 2015	**180.946**	**139.590**
	Revaluations, opening balance 1 January 2015	-8.297.237	1.822.306
	Adjustment of the exchange rate	-107.972	0
	Results for the year before goodwill amortisation	-3.385.993	-9.233.049
	Reversal of prior revaluations	0	-849.276
	Other movements in capital 1	0	-37.218
	Revaluation 31 December 2015	**-11.791.202**	**-8.297.237**
	Amortisation of goodwill, opening balance 1 January 2015	0	-264.798
	Amortisation of goodwill for the year	0	-66.200
	Reversal of amortisation of goodwill concerning disposals	0	330.998
	Depreciation on goodwill 31 December 2015	**0**	**0**
	Offsetting against debtors	8.645.803	8.157.647
	Transferred to provisions	2.964.453	0
	Set off against debtors and provisions for liabilities	**11.610.256**	**8.157.647**
	Book value 31 December 2015	**0**	**0**

Group enterprises:

	Domicile	Share of ownership
Presidents Institute GmbH	Germany	75 %
Presidents Institute Benelux B.V	Nederlands	100 %
Pres Inst Sweden AB	Sweden	100 %
Presinst Ltd	UK	100 %

		31/12 2015	31/12 2014
5.	***Contributed capital***		
	Contributed capital 1 January 2015	125.000	125.000
		125.000	**125.000**

All amounts in DKK.

		31/12 2015	31/12 2014
6.	***Results brought forward***		
	Results brought forward 1 January 2015	-8.901.888	4.581.762
	Profit or loss for the year brought forward	-7.873.418	-13.446.432
	Adjustment exchange rate	-107.841	-37.218
		-16.883.147	**-8.901.888**

Going concern

In April of 2016, DKK 10 million were contributed to the company as a capital increase. This ensures that the company has sufficient liquidity in 2016. Additionally, the future operations are supported by a pledged subordinate loan of DKK 10 million.

		31/12 2015	31/12 2014
7.	***Other provisions***		
	Provisions for group enterprises	2.964.453	0
	Other provisions	0	8.200.000
		2.964.453	**8.200.000**
	0-1 year	2.964.453	4.900.000
	1-5 year	0	3.300.000
		2.964.453	**8.200.000**

8. Mortgage and securities

For bank debts the company has provided security in company assets representing a nominal value of DKK 5.000.000. This security comprises the below assets, stating the book values:

Receivable from sales and services — *DKK 4.668.350*

9. Contingencies

Contingent liabilities

The company has provided guarantee of payment of bank debts of the group enterprise, Pesidents Institute Germeny GmbH. On 31 December 2015 the total bank debts of the group enterprise were DKK 365.366.

All amounts in DKK.

9. Contingencies (continued)

Operational leasing

The company has entered rental contract on facilities with tenure respectively 30 September 2017 and 31 December 2025. The rental obligation amounts to DKK 20.655.056 of which DKK 2.846.616 will fall due in 2016.

The company has entered leaase contract on equipment with tenure at 30 September 2020. The lease obligation amount to DKK 151.139 of which DKK 31.939 will fall due in 2016.

Joint taxation

CECO Holding ApS, company reg. no 29183147 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The liability relating to obligations in connection with corporation tax and leablitity relating to obligations in connection with withholding taxes is shown in the annual report for 2015 for the administration company CECO Holding ApS.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.