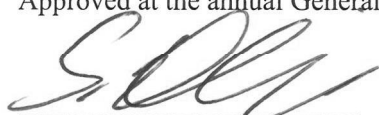


*S-Connect Holding ApS
Voldbjergvej 12 A, st.
8240 Risskov*

CVR-no: 29 39 92 04

*ANNUAL REPORT
1. July 2017 - 30. June 2018
(12. accounting year)*

Approved at the annual General Meeting of the Company on 18/102018



Chairman of the meeting



S-Connect Holding ApS

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S-Connect Holding ApS

MANAGEMENT'S STATEMENT

Today the Executive Board has discussed and approved the Annual Report of S-Connect Holding ApS for the period 1. July 2017 - 30. June 2018.

The Annual Report has been prepared in conformity with the Financial Statements Act.

The unaudited Annual Report has been prepared in conformity with the Financial Statements Act. The Executive Board considers the conditions for not performing an audit to have been met.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 30. June 2018 and of its financial performance for the period 1. July 2017 - 30. June 2018.

In my opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 30. June 2018 and of its financial performance for the period 1. July 2017 - 30. June 2018.

In my opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual Report be approved by the Annual General Meeting.

Risskov, 13 September 2018

Management



Sascha Klink



S-Connect Holding ApS

AUDITORS' COMPILATION REPORT ON FINANCIAL STATEMENTS

To Management of S-Connect Holding ApS

We have compiled these financial statements of S-Connect Holding ApS for the period 1. July 2017 - 30. June 2018 based on the bookkeeping records of the Company and other information provided by you.

The financial statements include accounting policies, income statement, balance sheet and notes.

We have performed the compilation in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in preparing and presenting the financial statements in conformity with the Danish Financial Statements Act. We have observed the relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors, including the principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us for use in the compilation of these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements have been prepared in conformity with the Danish Financial Statements Act.

Viby J, 13 September 2018

Revision 2 A/S

registrerede revisorer

CVR-nr.: 16968137


Uffe S. Veigert

Registered public accountant
mne16532



S-Connect Holding ApS

COMPANY INFORMATION

The Company

S-Connect Holding ApS
Voldbjergvej 12 A, st.
8240 Risskov

CVR-no.: 29 39 92 04
Founded: 22. februar 2006
Home: Aarhus
Financial year: 1. July - 30. June

Executive board

Sascha Klink

Bank

Nordea Bank A/S
Skt. Clemens Torv 2-6
8000 Aarhus C

Accountant

Revision 2 A/S
registrerede revisorer
Vestre Kongevej 4 E
8260 Viby J



S-Connect Holding ApS

MANAGEMENT COMMENTARY

Main activities of the Company

As in previous years, the main activities of the Company were to import and sell electronic equipment and related activities.

Uncertainty connected with recognition or measurement

The Company has lost more than half of the share capital, but expects to restore its capital through earnings.

Material events after the reporting date

No events have occurred after the reporting date that may materially affect the financial position of the company.



S-Connect Holding ApS

ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of S-Connect Holding ApS for the financial year 2017/18 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

With reference to section 110 of the Financial Statements Act, no consolidated financial statements have been prepared because the Group enterprises do not exceed the amount limits.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

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

Certain financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate is recognised over the life of the individual asset or liability. Amortised cost is determined as original cost less any repayments and with the addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

The functional currency used is Danish kroner. All other currencies are considered foreign currencies.

Consolidation policies

The consolidated financial statements include the results of S-Connect Holding ApS, the parent, and all Group enterprises in which the parent holds the majority of the voting rights, whether directly or indirectly, or has a controlling interest in shares or otherwise controls the enterprise. Enterprises in which the Group holds between 20 and 50 per cent of the voting rights and has considerable influence, but does not exercise control, are considered associates.

In the consolidation process, uniform items are combined. Intercompany income and expenses, investments, dividends, intercompany accounts, and realised and unrealised gains and losses from transactions between the consolidated enterprises are eliminated.



S-Connect Holding ApS

ACCOUNTING POLICIES

At the acquisition of subsidiaries, the difference between cost and the equity value of the enterprise acquired is determined at the date of acquisition after adjustment of the individual assets and liabilities to fair value (the purchase method). Positive balances are recognised in the balance sheet as goodwill and disclosed under intangible assets and are amortised to the income statement on a straight-line basis over their estimated useful lives not exceeding 10 years. Remaining negative balances are recognised in the income statement.

Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external costs'.

Revenue

Income from equity investments

The primary activity of the Company is to hold investments in Group enterprises and associates. Income from equity investments is recognised as revenue in the income statement in conformity with the Financial Statements Act.

Income or loss from investments in subsidiaries and associates

The proportionate share of post-tax profit or loss of the individual subsidiaries and associates is recognised in the income statement.

Dividends from equity investments are recognised as income in the financial year in which the dividends are declared.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

Any change in deferred tax as a result of changes in the tax rate, the share attributable to the profit is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.



S-Connect Holding ApS

ACCOUNTING POLICIES

The Company is assessed for Danish tax purposes jointly with domestic Group enterprises. Foreign subsidiaries are not covered by the joint taxation scheme.

The Company is the administration company of the joint taxation scheme. All Danish taxes on the taxable income of subsidiaries are paid by the Company.

Taxes

The tax effect of joint taxation scheme is allocated to both profit and loss of the enterprises in proportion to their taxable income.

The Company and the other jointly taxed entities of the Group are jointly and severally liable for the payment of corporate income taxes and withholding taxes.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its estimated economic life of 5 years.

Gains or losses arising from the disposal of goodwill are determined as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Investments

Investments in subsidiaries and associates

Investments in subsidiaries are recognised in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parent's accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at DKK 0, and any amounts receivable from those enterprises are written down by the parent's share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Impairment of accounts receivable past due is established on individual assessment of receivables.

Equity

Dividends

Proposed dividends for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

Payables

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.



S-Connect Holding ApS

INCOME STATEMENT
1. JULY 2017 - 30. JUNE 2018

| | 2017/18 | 2016/17 |
|--|-----------------|----------------|
| Income from equity investments..... | (21.910) | 471.671 |
| Other external costs | 18.417 | (10.625) |
| Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment..... | (87.817) | (87.817) |
| OPERATING PROFIT OR LOSS..... | (91.310) | 373.229 |
| Other financial expenses | (460) | (2.033) |
| PROFIT OR LOSS FROM ORDINARY ACTIVATES BEFORE TAX | (91.770) | 371.196 |
| PROFIT OR LOSS FOR THE YEAR | (91.770) | 371.196 |
| PROPOSED DISTRIBUTION OF NET PROFIT | | |
| Net revaluation under the equity method | (23.910) | 471.670 |
| Retained earnings | (67.860) | (100.474) |
| SETTLEMENT OF DISTRIBUTION TOTAL..... | (91.770) | 371.196 |



S-Connect Holding ApS

BALANCE SHEET AT 30. JUNE 2018
ASSETS

| | 2018 | 2017 |
|---|----------------|------------------|
| Goodwill..... | 0 | 87.817 |
| Intangible assets | 0 | 87.817 |
| Equity investments in group enterprises | 512.334 | 1.005.244 |
| Investments | 512.334 | 1.005.244 |
| NON-CURRENT ASSETS | 512.334 | 1.093.060 |
| Receivables from group enterprises..... | 429.427 | 19.142 |
| Receivables | 429.427 | 19.142 |
| Cash | 16.628 | 3.394 |
| CURRENT ASSETS | 446.055 | 22.536 |
| ASSETS | 958.389 | 1.115.596 |



S-Connect Holding ApS

BALANCE SHEET AT 30. JUNE 2018
EQUITY AND LIABILITIES

| | 2018 | 2017 |
|--|------------------|------------------|
| Contributed capital..... | 125.000 | 125.000 |
| Net revaluation reserve according to the equity method | 303.510 | 327.420 |
| Retained earnings | (659.324) | (591.465) |
| 1 EQUITY | (230.814) | (139.045) |
| Trade creditors | 4.375 | 4.375 |
| Amounts owed to group enterprises..... | 1.184.052 | 1.184.052 |
| Other accounts payable..... | 776 | 66.214 |
| Short-term payables..... | 1.189.203 | 1.254.641 |
| PAYABLES | 1.189.203 | 1.254.641 |
| EQUITY AND LIABILITIES..... | 958.389 | 1.115.596 |
| 2 Contractual obligations and contingent items, etc. | | |
| 3 Charges and securities | | |



S-Connect Holding ApS

NOTES

| | Opening balance | Proposed distribution of net profit | Closing balance |
|--|------------------|---|------------------|
| 1 Equity | | | |
| Contributed capital..... | 125.000 | 0 | 125.000 |
| Net revaluation reserve according to the equity method..... | 327.420 | (23.910) | 303.510 |
| Retained earnings | (591.464) | (67.860) | (659.324) |
| | <u>(139.044)</u> | <u>(91.770)</u> | <u>(230.814)</u> |

2 Contractual obligations and contingent items, etc.

The Company is assessed for tax purposes jointly with other domestic enterprises of the S-Connect Group. As an administration company, the Company and the other companies participating in joint taxation are fully, jointly and severally liable for Danish corporate income taxes and withholding taxes on dividends, interests and royalties payable by the jointly taxed companies.

3 Charges and securities

None.

