

Mogambo Holding ApS

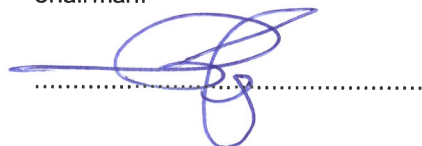
Kokholm 3A, 6000 Kolding

CVR no. 30 58 33 96

Annual report 2017

Approved at the Company's annual general meeting on 6 April 2018

Chairman:





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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Mogambo Holding ApS for the financial year 1 January - 31 December 2017.

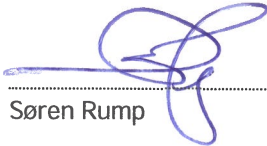

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Kolding, 6 April 2018
Executive Board:


.....
Søren Rump
.....
Morten Bugge

Independent auditor's report

To the shareholders of Mogambo Holding ApS

Opinion

We have audited the financial statements of Mogambo Holding ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- ▶ Obtain an understanding of internal control relevant to the audit 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.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

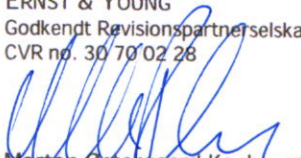
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 6 April 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Morten Østergaard Koch
State Authorised Public Accountant
MNE no.: mne35420



Management's review

Company details

Name Mogambo Holding ApS
Address, Postal code, City Kokholm 3A, 6000 Kolding

CVR no. 30 58 33 96
Established 1 May 2007
Registered office Kolding
Financial year 1 January - 31 December

Executive Board Søren Rump
Morten Bugge

Auditors Ernst & Young Godkendt Revisionspartnerselskab
Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg,
Denmark

Management's review

Financial review

The income statement for 2017 shows a profit of DKK 37,433,667 against a profit of DKK 6,120,404 last year, and the balance sheet at 31 December 2017 shows equity of DKK 53,296,376. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2017	2016
	Gross margin	-19,126	-14,000
	Income from investments in group entities	37,418,342	6,132,591
	Financial income	34,714	4,282
	Financial expenses	-263	-2,469
	Profit before tax	37,433,667	6,120,404
2	Tax for the year	0	0
	Profit for the year	<u>37,433,667</u>	<u>6,120,404</u>
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	28,934,000	0
	Extraordinary dividend distributed in the year	21,583,922	1,810,000
	Retained earnings/accumulated loss	-13,084,255	4,310,404
		<u>37,433,667</u>	<u>6,120,404</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2017</u>	<u>2016</u>
	ASSETS		
	Fixed assets		
3	Investments		
	Investments in group entities, net asset value	38,274,989	34,961,533
		<u>38,274,989</u>	<u>34,961,533</u>
	Total fixed assets	<u>38,274,989</u>	<u>34,961,533</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	199,481	187,766
	Other receivables	13,772,878	2,282,135
		<u>13,972,359</u>	<u>2,469,901</u>
	Cash	1,056,117	32,805
	Total non-fixed assets	<u>15,028,476</u>	<u>2,502,706</u>
	TOTAL ASSETS	<u><u>53,303,465</u></u>	<u><u>37,464,239</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2017</u>	<u>2016</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	125,022	125,022
	Retained earnings	24,237,354	37,321,609
	Dividend proposed for the year	28,934,000	0
	Total equity	<u>53,296,376</u>	<u>37,446,631</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	0	10,520
	Other payables	7,089	7,088
		<u>7,089</u>	<u>17,608</u>
	Total liabilities other than provisions	<u>7,089</u>	<u>17,608</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>53,303,465</u></u>	<u><u>37,464,239</u></u>

- 1 Accounting policies
- 4 Contractual obligations and contingencies, etc.

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2017	125,022	37,321,609	37,446,631
Transfer through appropriation of profit	0	8,499,667	37,433,667
Extraordinary dividend distributed	0	-21,583,922	-21,583,922
Equity at 31 December 2017	125,022	24,237,354	53,296,376

The share capital on EUR 16,755 is divided in dominations of EUR 0.5

Besides the removal of share classes, there has been no changes in the last 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Mogambo Holding ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross margin

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Income from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership, including profit from sales of equity holdings in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Equity

Proposed dividends

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

New line

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. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Tax for the year

Profit of the year does not cause any tax payables. The company has deffered tax asset on approximately DKK 60 thousand, with a carrying amount of DKK 0.

3 Investments

DKK	Investments in group entities, net asset value
Cost at 1 January 2017	34,961,533
Additions in the year	7,200,000
Disposals in the year	-3,886,544
Cost at 31 December 2017	<u>38,274,989</u>
Carrying amount at 31 December 2017	<u>38,274,989</u>

Name	Domicile	Interest
Subsidiaries		
Tiananmen Holding ApS	Kolding	66.76%
Global Evolution Holding A/S	Kolding	1.88%

4 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.