

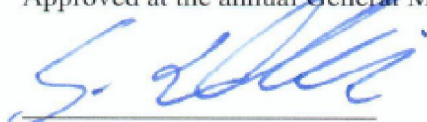
S-Connect ApS  
Voldbjergvej 12 A, st.  
8240 Risskov

CVR-no: 30 82 50 20

ANNUAL REPORT  
1. juli 2016 - 30. juni 2017  
(10. accounting year)

Approved at the annual General Meeting of the Company on

24/11/2017



Chairman of the meeting



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S-Connect ApS

MANAGEMENT'S STATEMENT

Today the Executive Board has discussed and approved the Annual Report of S-Connect ApS for the period 1. juli 2016 - 30. juni 2017.

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 my opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 30. juni 2017 and of its financial performance for the period 1. juli 2016 - 30. juni 2017.

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

Risskov, 14 September 2017

**Management**

Sascha Klink



S-Connect ApS

AUDITORS' COMPILATION REPORT ON FINANCIAL STATEMENTS

**To Management of S-Connect ApS**

We have compiled these financial statements of S-Connect ApS for the period 1. juli 2016 - 30. juni 2017 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, 14 September 2017

Revision 2 A/S  
registrerede revisorer  
CVR-nr. 16968137



Uffe S. Veigert  
Registered public accountant



S-Connect ApS

COMPANY INFORMATION

**The Company**

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

Phone: 86 99 79 96  
 E-mail: charles@s-connect.dk

CVR-no.: 30 82 50 20  
 Founded: 13. september 2007  
 Financial year: 1. juli - 30. juni

**Executive board**

Sascha Klink

**Bank**

Nordea

**Accountant**

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



S-Connect ApS

## ACCOUNTING POLICIES

### GENERAL INFORMATION

The financial statements of S-Connect ApS for the financial year 2016/17 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

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.

### 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

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end. Revenue is recognised





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## ACCOUNTING POLICIES

exclusive of VAT and net of sales discounts.

### Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

### Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

### 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, realised and unrealised capital gains and losses on transactions in foreign currencies, and surcharges and allowances under the tax prepayment scheme.

### 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.

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.

## BALANCE SHEET

### Property, plant and equipment

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

	<u>User time</u>	<u>Residual value</u>
Tools and equipment	2 year	0 %

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

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

### Impairment losses relating to non-current assets

The carrying amounts of intangible assets and property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are



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## ACCOUNTING POLICIES

lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Inventories are measured at cost according to the FIFO method. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The cost of goods for resale, raw materials and consumables is the landed cost.

### **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.

### **Corporate income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

### **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.





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INCOME STATEMENT  
1. JULI 2016 - 30. JUNI 2017

	2016/17	2015/16
<b>GROSS PROFIT</b> .....	<b>1.748.815</b>	<b>1.157.844</b>
2 Staff costs.....	(1.226.214)	(1.355.614)
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment.....	(18.520)	(42.841)
<b>OPERATING PROFIT OR LOSS</b> .....	<b>504.081</b>	<b>(240.611)</b>
Other financial expenses.....	(32.411)	(31.419)
<b>PROFIT OR LOSS BEFORE TAX</b> .....	<b>471.670</b>	<b>(272.030)</b>
Tax on net profit for the year.....	0	(22.100)
<b>PROFIT OR LOSS FOR THE YEAR</b> .....	<b>471.670</b>	<b>(294.130)</b>
 <b>PROPOSED DISTRIBUTION OF NET PROFIT</b>		
Proposed dividends for the year.....	471.000	0
Retained earnings.....	670	(294.130)
<b>SETTLEMENT OF DISTRIBUTION TOTAL</b> .....	<b>471.670</b>	<b>(294.130)</b>



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BALANCE SHEET AT 30. JUNI 2017  
ASSETS

	2017	2016
Other plant, fixtures and operating equipment .....	0	18.521
<b>Property, plant and equipment</b> .....	<b>0</b>	<b>18.521</b>
Deposits .....	24.438	24.438
<b>Investments</b> .....	<b>24.438</b>	<b>24.438</b>
<b>NON-CURRENT ASSETS</b> .....	<b>24.438</b>	<b>42.959</b>
Finished goods and goods for resale .....	388.934	297.706
<b>Inventories</b> .....	<b>388.934</b>	<b>297.706</b>
Trade receivables .....	1.011.573	632.082
Other receivables.....	50.090	50.090
Accruals .....	11.224	52.250
<b>Receivables</b> .....	<b>1.072.887</b>	<b>734.422</b>
<b>Cash</b> .....	<b>1.894.057</b>	<b>762.579</b>
<b>CURRENT ASSETS</b> .....	<b>3.355.878</b>	<b>1.794.707</b>
<b>ASSETS</b> .....	<b>3.380.316</b>	<b>1.837.666</b>



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BALANCE SHEET AT 30. JUNI 2017  
EQUITY AND LIABILITIES

	2017	2016
Contributed capital.....	125.000	125.000
Retained earnings.....	409.244	408.573
Proposed dividends for the year.....	471.000	0
<b>3 EQUITY .....</b>	<b>1.005.244</b>	<b>533.573</b>
Trade creditors.....	989.624	362.798
Amounts owed to group enterprises.....	19.142	29.767
Other accounts payable.....	1.245.482	789.989
Payables to owners and management.....	120.824	121.539
<b>Short-term payables .....</b>	<b>2.375.072</b>	<b>1.304.093</b>
<b>PAYABLES .....</b>	<b>2.375.072</b>	<b>1.304.093</b>
<b>EQUITY AND LIABILITIES .....</b>	<b>3.380.316</b>	<b>1.837.666</b>
4 Contractual obligations and contingent items, etc.		
5 Charges and securities		



NOTES

	2016/17	2015/16	
<b>1 Principal activity of the Company</b>			
The activities of the company is selling electronic equipment and related activities.			
<b>2 Staff costs</b>			
Number of people employed .....	4	4	
Wages and salaries .....	1.150.648	1.297.453	
Pensions .....	42.062	32.700	
Other social security costs.....	33.504	25.461	
	<hr/>	<hr/>	
<b>Staff costs total</b> .....	<b>1.226.214</b>	<b>1.355.614</b>	
	<hr/>	<hr/>	
	Opening balance	Proposed distribution of net profit	Closing balance
<b>3 Equity</b>			
Contributed capital.....	125.000	0	125.000
Retained earnings.....	408.574	670	409.244
Proposed dividends for the year.....	0	471.000	471.000
	<hr/>	<hr/>	<hr/>
	<b>533.574</b>	<b>471.670</b>	<b>1.005.244</b>
	<hr/>	<hr/>	<hr/>
<b>4 Contractual obligations and contingent items, etc.</b>			
The Company is assessed for tax purposes jointly with other domestic enterprises of the S-Connect Group. As a wholly-owned subsidiary, 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.			
<b>5 Charges and securities</b>			
None.			

