

HINDENBURG SYSTEMS ApS

Brobyvej 58
2650 Hvidovre

Annual report
1 January 2017 - 31 December 2017

**The annual report has been presented and
approved on the company's general meeting the**

13/06/2018

**Christian Linnemann Mottes
Chairman of general meeting**

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Company information

Reporting company	HINDENBURG SYSTEMS ApS Brobyvej 58 2650 Hvidovre CVR-nr: 32359337 Reporting period: 01/01/2017 - 31/12/2017
Main financial institution	Fælleskassen
Auditor	JVBM Revision ApS Godkendte revisorer Lyskær 8, st tv 2730 Herlev CVR-nr: 36972912 P-number: 1020599592

Statement by Management

The Management of the company have today considered and approved the annual report of Hindenburg ApS for the financial year 1 January to 31 December 2017.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

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

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

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

Hvidovre, the 25/05/2018

Management

Nick Dunkerley

Preben Friis Simonsen

Christian Linnemann Mottes

Independent Auditor's Reports

To the shareholders of HINDENBURG SYSTEMS ApS

Auditor's report on extended review

We have performed an extended review of the accompanying financial statements of HINDENBURG SYSTEMS ApS for the financial year 1. January 2017 - 31. December 2017. The accompanying financial statements, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, are prepared in accordance with the Danish Financial Statements Act.

Responsibilities of management 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 the financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small entities and FSR – danske revisorer's standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. This requires us to comply with the Danish Act on Approved Auditors and Audit Firms and FSR – danske revisorer's Code of Ethics and perform procedures in order to obtain limited assurance for our conclusion on these Financial Statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion. An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained. The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements. The extended review has not resulted in any qualifications.

Opinion

Based on the work performed it is our opinion that these financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31. December 2017 and of its financial performance for the financial year 1. January 2017 - 31. December 2017, in accordance with the Danish Financial Statements Act.

Herlev, 25/05/2018

Bent Madsen , mne784
registered accountant
JVBM Revision ApS Godkendte revisorer
CVR: 36972912

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B. The accounting policies applied for this annual report are consistent with those applied last year.

The financial statements are presented in Danish kroner.

Recognition and measurement:

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation and write-downs, are also recognised in the income statement.

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 Company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Company 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 Company, and the value of the liabilities 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.

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.

Gross profit:

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'.

Revenue:

Sales of services are recognized as revenue when the service is delivered. Revenue is recognized after the discount and VAT.

Cost of raw materials and consumables:

Cost of raw materials and consumables and foreign work consumed at the time of sale.

Other external costs:

Other external expenses comprise selling, advertising, local and administration costs as well as costs of premises, bad debts and operating leases.

Staff costs:

Staff cost consist of wages, salaries, and social security costs for the company's employees.

Financial income and expenses:

These items comprise interest income and expenses and realised and unrealised capital gains and losses on transactions in foreign currencies.

Income taxes:

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for year. The current tax rate is 22 % for this year.

Balance sheet:**Investments:**

Other receivables comprise deposits, which are valued at amortised cost

Receivables:

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Prepayments:

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash:

Cash consist of bank deposits and cash at bank and in hand.

Dividends:

The proposed dividends for the financial year are disclosed as a separate item in equity.

Current and deferred taxes:

Current tax payable and receivable is recognized in the balance sheet as calculated tax on the taxable income for the year, adjusted for taxes paid on account.

Deferred tax is recognized on all temporary differences between the carrying amount and tax base value of assets and liabilities. Deferred tax assets are not recognized in financial statements.

Deferred tax is recognized on the basis of the tax rules and at tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallize as current tax. The current tax rate for deferred tax is 22 %.

Liabilities:

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

Prepayments received from customers

Prepayments received from customers comprise amount received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

Income statement 1 Jan 2017 - 31 Dec 2017

	Disclosure	2017 kr.	2016 kr.
Gross profit (loss)		2,896,025	1,796,978
Employee expense	1	-2,529,179	-1,786,925
Profit (loss) from ordinary operating activities		366,846	10,053
Other finance expenses		-37,871	-8,771
Profit (loss) from ordinary activities before tax		328,975	1,282
Tax expense		-72,378	-283
Profit (loss)		256,597	999
Proposed distribution of results			
Retained earnings		256,597	999
Proposed distribution of profit (loss)		256,597	999

Balance sheet 31 December 2017

Assets

	Disclosure	2017 kr.	2016 kr.
Other investments		2,000	2,000
Investments		2,000	2,000
Total non-current assets		2,000	2,000
Trade receivables		840,452	422,165
Receivables from associates		171	171
Current deferred tax assets		53,132	125,509
Tax receivables		0	11,790
Other receivables		22,097	22,097
Deferred income assets		0	19,624
Receivables		915,852	601,356
Cash and cash equivalents		885,309	832,289
Current assets		1,801,161	1,433,645
Total assets		1,803,161	1,435,645

Balance sheet 31 December 2017

Liabilities and equity

	Disclosure	2017 kr.	2016 kr.
Contributed capital		166,667	166,667
Retained earnings		13,262	-243,335
Total equity		179,929	-76,668
Trade payables		19,450	43,489
Other payables, including tax payables, liabilities other than provisions		412,809	157,129
Payables to shareholders and management		81,308	40,826
Deferred income		1,109,665	1,270,869
Short-term liabilities other than provisions, gross		1,623,232	1,512,313
Liabilities other than provisions, gross		1,623,232	1,512,313
Liabilities and equity, gross		1,803,161	1,435,645

Disclosures

1. Employee expense

	2017	2016
	kr.	kr.
Wages and salaries	-2.239.761	-1.578.097
Pensions	-255.094	-180.975
Other social security expenses	-16.629	-16.928
Other staff costs	-17.695	-10.925
	<u>-2.529.179</u>	<u>-1.786.925</u>

2. Main activities and accounting and financial matters

The Companys main activity is to develop and sell radio editing software and related products.

The management considers the net profit for the year to be satisfactory.

3. Disclosure of mortgages and collaterals

None.

4. Information on average number of employees

	2017	2016
Average number of employees	5	4