

**Vektor Capital Investment ApS**  
**Fruebjergvej 3, 2100 København Ø**

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**Annual report**

**2018**

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**Company reg. no. 32 79 00 54**

The annual report was submitted and approved by the general meeting on the 17 June 2019.

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**David Owen**  
Chairman of the meeting

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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 %.

## **Management's report**

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The executive board has today presented the annual report of Vektor Capital Investment ApS for the financial year 1 January to 31 December 2018.

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 at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

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, 15 June 2019

### **Executive board**

David Owen

Carsten Pedersen Rise

## **Independent auditor's report**

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### **To the shareholders of Vektor Capital Investment ApS**

#### **Opinion**

We have audited the annual accounts of Vektor Capital Investment ApS for the financial year 1 January to 31 December 2018, 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.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities 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. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

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

## **Independent auditor's report**

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As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

## **Independent auditor's report**

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In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 15 June 2019

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant  
mne25346

## Company data

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### The company

Vektor Capital Investment ApS  
Fruebjergvej 3  
2100 København Ø

Company reg. no. 32 79 00 54  
Established: 18 March 2010  
Domicile: Copenhagen  
Financial year: 1 January - 31 December  
9th financial year

### Executive board

David Owen  
Carsten Pedersen Rise

### Auditors

Martinsen  
Statsautoriseret Revisionspartnerselskab  
Øster Allé 42  
2100 København Ø

### Parent company

SJO Enterprises Limited

### Associated enterprise

VEKTOR KAPITAL Holding A/S, Copenhagen

## **Management's review**

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### **The principal activities of the company**

Like previous years, the principal activities are finance and investment in debt certificates.

### **Development in activities and financial matters**

The results from ordinary activities after tax are DKK 20.813.766 against DKK 33.644.787 last year. The management consider the results satisfactory.



## **Accounting policies used**

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The annual report for Vektor Capital Investment ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

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

### **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.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## **The profit and loss account**

### **Gross loss**

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, 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.

Other external costs comprise costs for administration.

## **Accounting policies used**

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### **Net financials**

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### **Results from equity investments in associated enterprises**

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual associated enterprises are recognised in the profit and loss account at a proportional share of the associated 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 balance sheet**

### **Financial fixed assets**

#### **Equity investments in associated enterprises**

Equity investments in associated 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.

To the extent the equity exceeds the cost, the net revaluation of equity investments in associated enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. The reserves are adjusted by other equity movements in associated enterprises.

Profit or loss in connection with the sale of associated enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

#### **Other securities and equity investments**

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at fair value. The measurement is made on the basis of relevant accounting records.

## **Accounting policies used**

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### **Deposits**

Deposits are measured at amortised cost and represent rent deposits, etc.

### **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.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Equity**

#### **Reserves for net revaluation as per the equity method**

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

#### **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.

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.

### **Liabilities**

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

## Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
<b>Gross loss</b>	<b>-160.230</b>	<b>-110.917</b>
Income from equity investments in associated enterprises	17.949.319	33.339.800
Other financial income from group enterprises	519.772	0
Other financial income	3.419.827	899.189
1 Other financial costs	-954.922	-392.766
<b>Results before tax</b>	<b>20.773.766</b>	<b>33.735.306</b>
2 Tax on ordinary results	40.000	-90.519
<b>Results for the year</b>	<b>20.813.766</b>	<b>33.644.787</b>
 <b>Proposed distribution of the results:</b>		
Extraordinary dividend adopted during the financial year	78.000.000	0
Reserves for net revaluation as per the equity method	17.949.319	22.732.141
Allocated to results brought forward	0	10.912.646
Allocated from results brought forward	-75.135.553	0
<b>Distribution in total</b>	<b>20.813.766</b>	<b>33.644.787</b>

**Balance sheet 31 December**

All amounts in DKK.

<b>Assets</b>	<u>2018</u>	<u>2017</u>
Note		
<b>Fixed assets</b>		
3 Equity investments in associated enterprises	108.238.169	100.288.850
4 Other securities and equity investments	<u>14.971.319</u>	<u>2.513.803</u>
Financial fixed assets in total	<u>123.209.488</u>	<u>102.802.653</u>
<b>Fixed assets in total</b>	<b><u>123.209.488</u></b>	<b><u>102.802.653</u></b>
<b>Current assets</b>		
Amounts owed by group enterprises	0	11.494.931
Amounts owed by associated enterprises	10.270.658	12.507.659
Deferred tax assets	<u>140.000</u>	<u>100.000</u>
Debtors in total	<u>10.410.658</u>	<u>24.102.590</u>
Available funds	<u>946.721</u>	<u>1.391.503</u>
<b>Current assets in total</b>	<b><u>11.357.379</u></b>	<b><u>25.494.093</u></b>
<b>Assets in total</b>	<b><u>134.566.867</u></b>	<b><u>128.296.746</u></b>

**Balance sheet 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>	<u>2018</u>	<u>2017</u>
<u>Note</u>		
<b>Equity</b>		
5 Contributed capital	5.000.000	100.000.000
6 Reserves for net revaluation as per the equity method	52.211.168	34.261.849
7 Results brought forward	8.713.269	-11.151.178
<b>Equity in total</b>	<b><u>65.924.437</u></b>	<b><u>123.110.671</u></b>
 <b>Liabilities</b>		
Trade creditors	103.125	60.000
Debt to group enterprises	67.786.098	4.143.618
Other debts	753.207	982.457
Short-term liabilities in total	<u>68.642.430</u>	<u>5.186.075</u>
<b>Liabilities in total</b>	<b><u>68.642.430</u></b>	<b><u>5.186.075</u></b>
 <b>Equity and liabilities in total</b>	<b><u>134.566.867</u></b>	<b><u>128.296.746</u></b>

## Notes

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All amounts in DKK.

	<u>2018</u>	<u>2017</u>
<b>1. Other financial costs</b>		
Financial costs, group enterprises	611.542	237.558
Other financial costs	343.380	155.208
	<b><u>954.922</u></b>	<b><u>392.766</u></b>
<b>2. Tax on ordinary results</b>		
Adjustment for the year of deferred tax	-40.000	90.000
Adjustment of tax for previous years	0	519
	<b><u>-40.000</u></b>	<b><u>90.519</u></b>
<b>3. Equity investments in associated enterprises</b>		
Acquisition sum, opening balance 1 January 2018	27.001	2.827.001
Additions during the year	1	0
Disposals during the year	0	-2.800.000
<b>Cost 31 December 2018</b>	<b><u>27.002</u></b>	<b><u>27.001</u></b>
Revaluation, opening balance 1 January 2018	100.261.849	77.529.708
Adjustment of previous revaluations	-100.351	0
Results for the year before goodwill amortisation	18.049.669	33.307.444
Reversals for the year concerning disposals	0	32.356
Dividend	-10.000.000	-10.607.659
<b>31 December 2018</b>	<b><u>108.211.167</u></b>	<b><u>100.261.849</u></b>
<b>Book value 31 December 2018</b>	<b><u>108.238.169</u></b>	<b><u>100.288.850</u></b>
<b>Associated enterprises:</b>		
	<b>Domicile</b>	<b>Share of ownership</b>
VEKTOR KAPITAL Holding A/S	Copenhagen	33,33 %

## Notes

All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
<b>4. Other securities and equity investments</b>		
Cost 1 January 2018	1.541.663	2.513.803
Additions during the year	<u>10.437.001</u>	<u>0</u>
<b>Cost 31 December 2018</b>	<b><u>11.978.664</u></b>	<b><u>2.513.803</u></b>
Revaluations for the year	<u>2.992.655</u>	<u>0</u>
<b>Revaluation 31 December 2018</b>	<b><u>2.992.655</u></b>	<b><u>0</u></b>
<b>Book value 31 December 2018</b>	<b><u>14.971.319</u></b>	<b><u>2.513.803</u></b>
<b>5. Contributed capital</b>		
Contributed capital 1 January 2018	100.000.000	34.000.000
Transfer from reserves for net revaluation as per the equity method	0	66.000.000
Capital reduction	<u>-95.000.000</u>	<u>0</u>
	<b><u>5.000.000</u></b>	<b><u>100.000.000</u></b>
<b>6. Reserves for net revaluation as per the equity method</b>		
Reserves for net revaluation 1 January 2018	34.261.849	77.529.708
Share of results	17.949.319	22.732.141
Transferred to contribution capital	<u>0</u>	<u>-66.000.000</u>
	<b><u>52.211.168</u></b>	<b><u>34.261.849</u></b>
<b>7. Results brought forward</b>		
Results brought forward 1 January 2018	-11.151.178	-22.063.824
Profit or loss for the year brought forward	-75.135.553	10.912.646
Extraordinary dividend adopted during the financial year	78.000.000	0
Distributed extraordinary dividend adopted during the financial year.	<u>-78.000.000</u>	<u>0</u>
Capital reduction	<u>95.000.000</u>	<u>0</u>
	<b><u>8.713.269</u></b>	<b><u>-11.151.178</u></b>