

Miinto Host ApS
Central Business Registration No
33365322
Prags Boulevard 49
DK-2300 Copenhagen S

Annual report 2015

The Annual General Meeting adopted the annual report on 16.06.2016

Chairman of the General Meeting

Name: Konrad Artur Kierklo

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Entity details

Entity

Miinto Host ApS
Prags Boulevard 49
2300 Copenhagen S

Central Business Registration No: 33365322

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Konrad Artur Kierklo, Chairman

Martin Dahl Carstensen

Executive Board

Konrad Artur Kierklo

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Miinto Host ApS for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management 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.

Copenhagen, 16.06.2016

Executive Board

Konrad Artur Kierklo

Board of Directors

Konrad Artur Kierklo
Chairman

Martin Dahl Carstensen

Independent auditor's reports

To the owner of Miinto Host ApS

Report on the financial statements

We have audited the financial statements of Miinto Host ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Emphasis of matter affecting the financial statements

Without qualifying our opinion, we refer to note 1 on going concern in which Management describes the uncertainty related to the Company's ability to continue its operations. According to Management, the Group will realise positive cash flows sufficient to fund the Company's cash requirements up to and at least until the end of 2016. On this basis, the financial statements have been presented based on the assumption of going concern.

Report on other legal and regulatory requirements

Emphasis of matter regarding other issues

In contravention of the provisions of the Danish Withholding Tax Act, the Company has omitted to withhold tax on remuneration to the Board of Directors of the Company. As such, in our view, Management may be held liable.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 16.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Bjørn Winkler Jakobsen
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Company's main activity is to act as a hosting entity for the Miinto Group.

Development in activities and finances

The income statement for 2015 shows a loss of DKK 2,984k against a loss of DKK 5,784k last year, and the balance sheet at 31 December 2015 shows positive equity of DKK 4,612k. Equity has increased due to a group contribution from the Company's Parent, Miinto Holding ApS, of DKK 35,000k.

The Company has applied for a payment of DKK 1,904k for the financial year 2015 through the tax relief scheme for expenses held for development and research. The amount has been recognised as income in the income statement under "Tax on profit/loss for the year" and thus affects profit/loss for the year positively.

Description of material changes in activities and finances

The loss for the year relates to the Company's additional investments in the Group's IT platform as well as other administrative systems. The Company's earnings are based on re-invoicing of such expenses. However, the Company has as planned only covered a limited part of the expenses held by the other group companies.

According to Management, the Group will generate positive operating results for 2016. Based on the expected operating profit, Management has prepared a cash flow budget for the Group, which shows positive cash flows for 2016 and according to Management this is sufficient to fund the Group's cash requirements at least until the end of 2016. The Company has also received a letter of comfort from its Parent, Miinto Holding ApS, with a guarantee to contribute the additional capital required up to and until 31 December 2016 and thereby enabling the Company to settle its obligations as they fall due.

On this basis, Management assesses that the Company's capital resources are sufficient to continue operations at least the next 12 months and thus, the financial statements are presented under the assumption of going concern.

Outlook

Management expects improved results for 2016 compared to the loss generated in 2015.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

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 Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity 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 Entity, and the value of the liability 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.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise of interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects in progress with related intellectual property rights.

Accounting policies

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and consultancy fees that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirect attributable staff costs used in the development process are recognised in cost based on time spent on each project.

Development projects are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Other financial liabilities

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

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Gross profit		2,177,525	2,550
Staff costs	2	(3,633,803)	(8,445)
Depreciation, amortisation and impairment losses		<u>(166,268)</u>	<u>(201)</u>
Operating profit/loss		(1,622,546)	(6,096)
Financial expenses from group enterprises		(2,295,575)	(1,938)
Other financial expenses	3	<u>(15,236)</u>	<u>(15)</u>
Profit/loss from ordinary activities before tax		(3,933,357)	(8,049)
Tax on profit/loss from ordinary activities	4	<u>949,553</u>	<u>2,265</u>
Profit/loss for the year		<u>(2,983,804)</u>	<u>(5,784)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(2,983,804)</u>	<u>(5,784)</u>
		<u>(2,983,804)</u>	<u>(5,784)</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Development projects in progress		4,285,765	0
Intangible assets	5	<u>4,285,765</u>	<u>0</u>
Other fixtures and fittings, tools and equipment		31,852	70
Leasehold improvements		64,570	159
Property, plant and equipment	6	<u>96,422</u>	<u>229</u>
Deposits		0	59
Fixed asset investments		<u>0</u>	<u>59</u>
Fixed assets		<u>4,382,187</u>	<u>288</u>
Trade receivables		227,164	0
Receivables from group enterprises		688,622	567
Other short-term receivables		276,427	119
Income tax receivable		1,892,421	0
Prepayments		59,757	464
Receivables		<u>3,144,391</u>	<u>1,150</u>
Cash		<u>7,663</u>	<u>358</u>
Current assets		<u>3,152,054</u>	<u>1,508</u>
Assets		<u>7,534,241</u>	<u>1,796</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital		80,000	80
Retained earnings		4,531,529	(27,485)
Equity		<u>4,611,529</u>	<u>(27,405)</u>
Provisions for deferred tax	7	942,868	0
Provisions		<u>942,868</u>	<u>0</u>
Trade payables		561,572	257
Debt to group enterprises		830,145	28,256
Other payables		588,127	688
Current liabilities other than provisions		<u>1,979,844</u>	<u>29,201</u>
Liabilities other than provisions		<u>1,979,844</u>	<u>29,201</u>
Equity and liabilities		<u><u>7,534,241</u></u>	<u><u>1,796</u></u>
Going concern	1		
Unrecognised rental and lease commitments	8		
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Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	80,000	(27,484,667)	(27,404,667)
Group contributions etc	0	35,000,000	35,000,000
Profit/loss for the year	0	(2,983,804)	(2,983,804)
Equity end of year	80,000	4,531,529	4,611,529

Notes

1. Going concern

According to Management, the Group will generate positive operating results for 2016. Based on the expected operating profit, Management has prepared a cash flow budget for the Group, which shows positive cash flows for 2016 and according to Management this is sufficient to fund the Group's cash requirements at least until the end of 2016. The Company has also received a letter of comfort from its Parent, Miinto Holding ApS, with a guarantee to contribute the additional capital required up to and until 31 December 2016 and thereby enabling the Company to settle its obligations as they fall due.

On this basis, Management assesses that the Company's capital resources are sufficient to continue operations at least the next 12 months and thus, the financial statements are presented under the assumption of going concern.

	2015	2014
	DKK	DKK'000
2. Staff costs		
Wages and salaries	3,193,021	7,890
Other social security costs	32,817	168
Other staff costs	407,965	387
	3,633,803	8,445
	2015	2014
	DKK	DKK'000
3. Other financial expenses		
Interest expenses	11,865	14
Exchange rate adjustments	3,371	1
	15,236	15
	2015	2014
	DKK	DKK'000
4. Tax on ordinary profit/loss for the year		
Current tax	(1,892,421)	(1,959)
Change in deferred tax for the year	942,868	0
Adjustment relating to previous years	0	(306)
	(949,553)	(2,265)

Notes

	Development projects in progress DKK	
	<u>DKK</u>	
5. Intangible assets		
Additions		4,285,765
Cost end of year		<u>4,285,765</u>
Carrying amount end of year		<u>4,285,765</u>
	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
	<u>DKK</u>	<u>DKK</u>
6. Property, plant and equipment		
Cost beginning of year	310,862	265,742
Additions	33,019	0
Cost end of year	<u>343,881</u>	<u>265,742</u>
Depreciation and impairment losses beginning of the year	(240,325)	(107,316)
Depreciation for the year	(71,704)	(93,856)
Depreciation and impairment losses end of the year	<u>(312,029)</u>	<u>(201,172)</u>
Carrying amount end of year	<u>31,852</u>	<u>64,570</u>
	2015 DKK	2014 DKK'000
	<u>DKK</u>	<u>DKK'000</u>
7. Deferred tax		
Intangible assets	942,868	0
	<u>942,868</u>	<u>0</u>
	2015 DKK	2014 DKK'000
	<u>DKK</u>	<u>DKK'000</u>
8. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	<u>0</u>	<u>70</u>

Notes

9. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Miinto Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

10. Related parties with control

Miinto Holding ApS, 2300 Copenhagen S, Denmark owns all shares in the company and therefore holds control of the Company.

11. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Miinto Holding ApS, 2300 Copenhagen S, Denmark

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Miinto Holding ApS, 2300 Copenhagen S, Denmark