

SpenglerFox ApS

Hammerensgade 1, 2., 1267 København K

Company reg. no. 33 94 75 93

Annual report

1 April 2015 - 31 March 2016

The annual report have been submitted and approved by the general meeting on the 21 September 2016.

Jens Peter Friedrich
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
The independent auditor's reports	2
Management's review	
Company data	4
Management's review	5
Annual accounts 1 April 2015 - 31 March 2016	
Profit and loss account	6
Balance sheet	7
Notes	8
Accounting policies used	10

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The executive board has today presented the annual report of SpenglerFox ApS for the financial year 1 April 2015 to 31 March 2016.

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 as on 31 March 2016 and of the company's results of its activities in the financial year 1 April 2015 to 31 March 2016.

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.

København K, 21 September 2016

Executive board

Jens Peter Friedrich

Mark Andrew Hamill

The independent auditor's reports

To the shareholders of SpenglerFox ApS

Report on the annual accounts

We have audited the annual accounts of SpenglerFox ApS for the financial year 1 April 2015 to 31 March 2016, 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.

The management's responsibility 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. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts 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 annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 March 2016 and of the results of the company's operations for the financial year 1 April 2015 to 31 March 2016 in accordance with the Danish Financial Statements Act.

Reports on other legal and regulatory requirements

Emphasis of matter paragraph on other matters

The management did not ensure the holding of a general meeting no later than 6 months after recognising that half the company's capital had been lost. This non-compliance with section 119 of the Danish Companies Act may incur the legal liability of the company management.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the performed audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Roskilde, 21 September 2016

RIR REVISION

Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 78 05 24

Mogens Olsen
Registered Public Accountant

Palle Thaisen
State Authorised Public Accountant

Company data

The company

SpenglerFox ApS
Hammerensgade 1, 2.
1267 København K

Company reg. no. 33 94 75 93
Domicile: Copenhagen
Financial year: 1 April 2015 - 31 March 2016

Executive board

Jens Peter Friedrich
Mark Andrew Hamill

Auditors

RIR REVISION Statsautoriseret Revisionspartnerselskab

Parent company

SpenglerFox Holdings Limited

Management's review

The principal activities of the company

The purpose of the company is to run a business offering executive services, HR consultative services and related activities.

Development in activities and financial matters

SpenglerFox ApS is a subsidiary 100 % owned by the parent company SpenglerFox Holdings Limited.

SpenglerFox Holdings Limited is fully committed in respect of the future profitability and viability of the subsidiary SpenglerFox ApS and is currently conducting a comprehensive review of its activities in the region with the central objective of revitalising the company by means of a much more profitable and cost-effective operation of the overall business. until then, SpenglerFox ApS guarantees that all external creditors shall be paid.

If SpenglerFox Holdings Limited demands an increased working capital as part of the restructuring of SpenglerFox ApS, such as an increase in funding, then this will be available as part of an overall package for streamlining the company and ensuring profitability over the coming months.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Profit and loss account 1 April - 31 March

Amounts concerning 2015/16: DKK.

Amounts concerning 2014/15: DKK in thousands.

<u>Note</u>	<u>2015/16</u>	<u>2014/15</u>
Gross loss	-304.561	1.272
4 Staff costs	-759.612	-3.097
Operating profit	-1.064.173	-1.825
Other financial costs	-131.314	-69
Results before tax	-1.195.487	-1.894
Tax on ordinary results	0	0
Results for the year	-1.195.487	-1.894
Proposed distribution of the results:		
Allocated from results brought forward	-1.195.487	-1.894
Distribution in total	-1.195.487	-1.894

Balance sheet 31 March

Amounts concerning 2016: DKK.

Amounts concerning 2015: DKK in thousands.

<u>Note</u>	<u>2016</u>	<u>2015</u>
Assets		
Current assets		
Trade debtors	3.722	285
Amounts owed by group enterprises	217.654	121
Receivable corporate tax	6.000	14
Other debtors	0	52
Debtors in total	<u>227.376</u>	<u>472</u>
Cash funds	<u>45.837</u>	<u>90</u>
Current assets in total	<u>273.213</u>	<u>562</u>
Assets in total	<u>273.213</u>	<u>562</u>
Equity and liabilities		
Equity		
5 Contributed capital	80.000	80
6 Results brought forward	<u>-3.275.300</u>	<u>-2.079</u>
Equity in total	<u>-3.195.300</u>	<u>-1.999</u>
Liabilities		
Trade creditors	30.000	122
Debt to group enterprises	3.107.855	2.114
Other debts	<u>330.658</u>	<u>325</u>
Short-term liabilities in total	<u>3.468.513</u>	<u>2.561</u>
Liabilities in total	<u>3.468.513</u>	<u>2.561</u>
Equity and liabilities in total	<u>273.213</u>	<u>562</u>

Notes

Amounts concerning 2015/16: DKK.

Amounts concerning 2014/15: DKK in thousands.

1. The principal activities of the company

The purpose of the company is to run a business offering executive services, HR consultative services and related activities.

2. Uncertainties concerning the enterprise's ability to continue as a going concern

SpenglerFox ApS is a subsidiary 100 % owned by the parent company SpenglerFox Holdings Limited.

SpenglerFox Holdings Limited is fully committed in respect of the future profitability and viability of the subsidiary SpenglerFox ApS and is currently conducting a comprehensive review of its activities in the region with the central objective of revitalising the company by means of a much more profitable and cost-effective operation of the overall business. until then, SpenglerFox ApS guarantees that all external creditors shall be paid.

If SpenglerFox Holdings Limited demands an increased working capital as part of the restructuring of SpenglerFox ApS, such as an increase in funding, then this will be available as part of an overall package for streamlining the company and ensuring profitability over the coming months.

3. Loss of share capital

As per 31 March 2016 the company has lost the entire share capital. The company's management will provide the company with funds from other group companies to enable the company to meet its liabilities as they fall due and to carry on its normal business without any significant curtailment to operations.

	<u>2015/16</u>	<u>2014/15</u>
4. Staff costs		
Salaries and wages	714.186	2.650
Pension costs	61.960	244
Other costs for social security	<u>-16.534</u>	<u>203</u>
	<u>759.612</u>	<u>3.097</u>
5. Contributed capital		
Contributed capital opening balance	<u>80.000</u>	<u>80</u>
	<u>80.000</u>	<u>80</u>

Notes

Amounts concerning 2016: DKK.

Amounts concerning 2015: DKK in thousands.

	<u>31/3 2016</u>	<u>31/3 2015</u>
6. Results brought forward		
Results brought forward opening balance	-2.079.813	-185
Profit or loss for the year brought forward	<u>-1.195.487</u>	<u>-1.894</u>
	<u>-3.275.300</u>	<u>-2.079</u>

Accounting policies used

The annual report for SpenglerFox ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B 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.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

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.

Accounting policies used

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.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

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

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.

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.

Accounting policies used

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. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

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

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.