

Alencastre.net ApS

Frederiksborggade 15, 2., 1360 København

Company reg. no. 35 64 34 94

Annual report

1 January - 31 December 2017

The annual report have been submitted and approved by the general meeting on the **20 June 2018**



Ricardo João Farinha de Alencastre
Chairman of the meeting

Notes to users of the English version of this document:

- 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 %.

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Management's report

The managing director has today presented the annual report of Alencastre.net ApS for the financial year 1 January to 31 December 2017.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

The managing director considers the requirements of omission of audit of the annual accounts for 2017 as met.

I am 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, 20 June 2018

Managing Director

Ricardo João Farinha de Alencastre



Auditor's report on compilation of the annual accounts

To the management of Alencastre.net ApS

We have compiled the annual accounts of Alencastre.net ApS for the period 1 January to 31 December 2017 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since 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 to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 20 June 2018

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Michael Beuchert

State Authorised Public Accountant
MNE-nr. 32794

Company data

The company

Alencastre.net ApS
Frederiksborggade 15, 2.
1360 København

Company reg. no. 35 64 34 94
Established: 6 January 2014
Financial year: 1 January - 31 December

Managing Director

Ricardo João Farinha de Alencastre

Bankers

Danske Bank

Management's review

The principal activities of the company

The Company's purpose is to operate within design, IT development, resell and distribution of software, publishing and marketing services and other hereby related activities.

Unusual matters

No unusual events have occurred during the fiscal year.

Uncertainties as to recognition or measurement

There have been no uncertainties regarding recognition and measurement during the fiscal year.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 48.617 against DKK 14.000 last year. The management consider the results unsatisfactory.

We note that the company have suffered a significant loss of capital. The management expects the capital to be restored through future positive cash flows.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which could change the Company's financial position.

The annual report for Alencastre.net 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 the last year, and the annual accounts are presented in Danish kroner (DKK).

Accounting policies used

The annual report for Alencastre.net 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 profit

The gross profit comprises the net turnover, cost of sales 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.

Cost of sales includes costs relating to achieving net turnover.

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

Accounting policies used

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.

Dividend from equity investment in group enterprise is recognised in the financial year where the dividend is declared.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

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 investment in group enterprise

Equity investment in group enterprise is measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

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.

Work in progress for the account of others

Contract work in progress is measured at the selling price of the work performed, however with deduction of invoicing on account and expected losses.

The selling price is measured on the basis of the stage of completion on the balance sheet date and the total expected income from the individual contracts. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual contract.

When the sales value of a contract can not be determined reliably, the selling price is measured solely at the costs incurred, or at the net realisable value, if this is lower.

Contracts are recognised as trade debtors if the selling price of the work performed exceeds invoicing on account and expected losses. Contracts are recognised as liabilities if invoicing on account and expected losses exceed the selling price.

Accounting policies used

Costs in connection with sales work and the achievement of contracts are recognised in the profit and loss account when incurred.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

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.

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

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	529.694	405
1 Staff costs	-496.017	-460
Operating profit	33.677	-55
Other financial income	7.845	22
Other financial costs	-25.351	-18
Results before tax	16.171	-51
2 Tax on ordinary results	-70.442	65
Results for the year	-54.271	14
 Proposed distribution of the results:		
Allocated to results brought forward	0	14
Allocated from results brought forward	-54.271	0
Distribution in total	-54.271	14

Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Assets		
Fixed assets		
3 Equity investment in group enterprise	174.912	175
Deposits	76.480	83
Financial fixed assets in total	<u>251.392</u>	<u>258</u>
Fixed assets in total	<u>251.392</u>	<u>258</u>
Current assets		
Trade debtors	828.587	620
4 Work in progress for the account of others	332.115	257
Deferred tax assets	0	65
Receivable corporate tax	5.558	2
Other debtors	23.038	22
Accrued income and deferred expenses	27.933	0
Debtors in total	<u>1.217.231</u>	<u>966</u>
Available funds	<u>31.856</u>	<u>76</u>
Current assets in total	<u>1.249.087</u>	<u>1.042</u>
Assets in total	<u>1.500.479</u>	<u>1.300</u>

Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Equity and liabilities		
Equity		
Contributed capital	50.000	50
Results brought forward	24.731	79
Equity in total	74.731	129
Liabilities		
Mortgage debt	11.984	0
Long-term liabilities in total	11.984	0
Trade creditors	1.379.765	1.141
Corporate tax	5.654	0
Other debts	28.345	30
Short-term liabilities in total	1.413.764	1.171
Liabilities in total	1.425.748	1.171
Equity and liabilities in total	1.500.479	1.300

Statement of changes in equity

DKK in thousands.

	Contributed capital	Results brought forward	In total
Equity 1 January 2017	50	79	129
Profit or loss for the year brought forward	0	-54	-54
	50	25	75

Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	<u>2017</u>	<u>2016</u>
1. Staff costs		
Salaries and wages	458.790	401
Other costs for social security	4.102	3
Other staff costs	33.125	56
	<u>496.017</u>	<u>460</u>
Average number of employees	<u>2</u>	<u>2</u>
2. Tax on ordinary results		
Tax of the results for the year, parent company	5.654	0
Adjustment for the year of deferred tax	64.788	0
Adjustment of tax for previous years	0	-65
	<u>70.442</u>	<u>-65</u>
3. Equity investment in group enterprise		
Acquisition sum, opening balance 1 January 2017	<u>174.912</u>	<u>175</u>
Cost 31 December 2017	<u>174.912</u>	<u>175</u>
Book value 31 December 2017	<u>174.912</u>	<u>175</u>
4. Work in progress for the account of others		
Sales value of the production of the period	<u>332.115</u>	<u>257</u>
Work in progress for the account of others, net	<u>332.115</u>	<u>257</u>
The following is recognised:		
Work in progress for the account of others (Current assets)	<u>332.115</u>	<u>257</u>
	<u>332.115</u>	<u>257</u>