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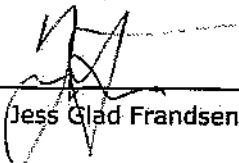
PLM Group 3D Printing ApS

Langebjergrvænget 4
4000 Roskilde
Business Registration No
35830065

Annual report 2017

The Annual General Meeting adopted the annual report on 18.05.2018.

Chairman of the General Meeting



Name: Jess Glad Frandsen

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Entity details

Entity

PLM Group 3D Printing ApS
Langebjergvænget 4
4000 Roskilde

Central Business Registration No (CVR): 35830065

Founded: 11.04.2014

Registered in: Roskilde

Financial year: 01.01.2017 - 31.12.2017

Executive Board

Jan Olov Lundström, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of PLM Group 3D Printing ApS for the financial year 01.01.2017 - 31.12.2017.

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


In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

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

Roskilde, 18.05.2018

Executive Board


Jan Olov Lundström
Chief Executive Officer

Independent auditor's report

To the shareholder of PLM Group 3D Printing ApS

Opinion

We have audited the financial statements of PLM Group 3D Printing ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 financial statements 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.


Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 18.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556



Henrik Hjort Kjelgaard

State Authorised Public Accountant
Identification No (MNE) mne29484

Management commentary

Primary activities

PLM Group 3D Printing ApS is a reseller of 3D printers from HP, 3D Systems and MarkForged operating in all Baltic and Nordic countries.

Development in activities and finances

The result for the year is a loss of DKK 1,611k and is below expectations stated in the annual report 2016. In 2018 the sales as well as the profit is expected to grow.

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.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Gross profit/loss		9.124	(34)
Staff costs	1	(1.310.323)	(1.267)
Depreciation, amortisation and impairment losses	2	(558.190)	0
Operating profit/loss		(1.859.389)	(1.301)
Other financial income	3	38	0
Other financial expenses	4	(324.643)	(132)
Profit/loss before tax		(2.183.994)	(1.433)
Tax on profit/loss for the year	5	572.485	417
Profit/loss for the year		(1.611.509)	(1.016)
Proposed distribution of profit/loss			
Retained earnings		(1.611.509)	(1.016)
		(1.611.509)	(1.016)

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Plant and machinery		1.887.641	0
Property, plant and equipment	6	1.887.641	0
Deposits		12.500	0
Fixed asset investments	7	12.500	0
Fixed assets		1.900.141	0
Manufactured goods and goods for resale		1.996.824	3.938
Inventories	8	1.996.824	3.938
Trade receivables		6.054.721	1.931
Receivables from group enterprises		825.450	202
Other receivables		1.627	0
Income tax receivable		492.192	215
Prepayments		36.438	25
Receivables		7.410.428	2.373
Cash		1.557.971	102
Current assets		10.965.223	6.413
Assets		12.865.364	6.413

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK</u>	<u>2016</u> <u>DKK'000</u>
Contributed capital		50.000	50
Retained earnings		<u>(4.617.167)</u>	<u>(3.005)</u>
Equity		<u>(4.567.167)</u>	<u>(2.955)</u>
Deferred tax		<u>11.719</u>	<u>0</u>
Provisions		<u>11.719</u>	<u>0</u>
Trade payables		4.103.964	2.398
Payables to group enterprises		11.742.117	6.400
Other payables		1.198.593	371
Deferred income		<u>376.138</u>	<u>199</u>
Current liabilities other than provisions		<u>17.420.812</u>	<u>9.368</u>
Liabilities other than provisions		<u>17.420.812</u>	<u>9.368</u>
Equity and liabilities		<u>12.865.364</u>	<u>6.413</u>
Contingent liabilities	9		
Group relations	10		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50.000	(3.005.658)	(2.955.658)
Profit/loss for the year	<u>0</u>	<u>(1.611.509)</u>	<u>(1.611.509)</u>
Equity end of year	<u>50.000</u>	<u>(4.617.167)</u>	<u>(4.567.167)</u>

At 31 December 2017, the Company has lost more than half of its share capital. However, the share capital is expected to be reestablished when the Company starts to be profitable in the coming years.

Notes

	2017	2016
	DKK	DKK'000
1. Staff costs		
Wages and salaries	1.206.605	1.174
Pension costs	87.733	81
Other social security costs	15.985	12
	1.310.323	1.267
Average number of employees	2	2
	2017	2016
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	185.639	0
Impairment losses on property, plant and equipment	145.000	0
Profit/loss from sale of intangible assets and property, plant and equipment	227.551	0
	558.190	0
	2017	2016
	DKK	DKK'000
3. Other financial income		
Financial income arising from group enterprises	29	0
Exchange rate adjustments	9	0
	38	0
	2017	2016
	DKK	DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	160.935	92
Other interest expenses	157	2
Exchange rate adjustments	163.551	38
	324.643	132

Notes

	2017	2016
	DKK	DKK'000
5. Tax on profit/loss for the year		
Current tax	(492.192)	(215)
Change in deferred tax	11.719	0
Adjustment concerning previous years	(92.012)	(202)
	<u>(572.485)</u>	<u>(417)</u>
		Plant and machinery
		DKK
6. Property, plant and equipment		
Additions		2.702.217
Disposals		(588.469)
Cost end of year		<u>2.113.748</u>
Impairment losses for the year		(145.000)
Depreciation for the year		(185.639)
Reversal regarding disposals		104.532
Depreciation and impairment losses end of year		<u>(226.107)</u>
Carrying amount end of year		<u>1.887.641</u>
		Deposits
		DKK
7. Fixed asset investments		
Additions		12.500
Cost end of year		<u>12.500</u>
Carrying amount end of year		<u>12.500</u>
8. Inventories		
The inventory consists of 3D printers available for resale.		

Notes

9. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which MST Finance & Consult ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is, therefore, liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

The company has given guarantee of payment to PLM Group ApS for which reason 3D Printing ApS and PLM Group ApS will be equally liable to PLM Group ApS' bankers.

10. Group relations

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

PLM Holding ApS, Roskilde.

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.

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

With reference to section 32 in the Danish Financial Statement Act, the gross profit or loss contains revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of printers and thereto related services is recognised in the income statement when payment is received and risk has passed 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, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, travel expenses, audit expenses etc.

Staff costs

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

Depreciation, amortisation 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.

Other financial income

Other financial income comprises of interest income.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and transaction foreign currencies.

Tax on profit/loss for the year

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 or loss for the year.

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

Property, plant and equipment

Plant and machinery 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:

Plant and machinery

5-10 years

Accounting policies

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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.

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.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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

Deferred income

Deferred income comprises received income related to support agreements for recognition in subsequent financial years. Deferred income is measured at cost.