

123 Advisory ApS under frivillig likvidation

Vedbæk Strandvej 328
2950 Vedbæk

CVR no. 35 83 16 81

Annual report for 2018/19

(5th Financial year)

Adopted at the annual general meeting
on 13 March 2020

Scott Campbell Macaw
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of 123 Advisory ApS under frivillig likvidation for the financial year 1 October 2018 - 30 September 2019.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 30 September 2019 and of the results of the company's operations for the financial year 1 October 2018 - 30 September 2019.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Vedbæk, 13 March 2020

Executive board

Scott Campbell Macaw

Independent auditor's report on extended review

To the shareholder of 123 Advisory ApS under frivillig likvidation

Adverse Opinion

We have performed extended review of the financial statements of 123 Advisory ApS under frivillig likvidation for the financial year 1 October 2018 - 30 September 2019, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on our procedures, we believe, because of the significance of the matter described in the "Basis for Adverse Opinion" paragraph, that the financial statements do not give a true and fair view of the company's financial position at 30 September 2019 or of the results of the company's operations for the financial year 1 October 2018 - 30 September 2019 in accordance with the Danish Financial Statements Act.

Basis for Adverse Opinion

Management has prepared the financial statements on a going concern basis. As mentioned in note 1 in the financial statements, the Company's ability to remain a going concern depends on the outcome of a dispute with the tax authorities. Although Management is confident, that the outcome of the dispute will fall in favour of the company and solve the going concern issue, we disagree in Management's decision to present the financial statements on a going concern basis. In our opinion, the financial statements should be presented based on the realisation principle, which would require a different approach to the handling of this. The figures would however not change.

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 evidence we have obtained is sufficient and appropriate to provide a basis for our adverse 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report on extended review

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Statement on management's review

Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that management's review 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 management's review.

Hellerup, 13 March 2020

CVR no. 33 25 68 76



Søren Jonassen
Statsautoriseret revisor
MNE no. mne18488

Company details

The company

123 Advisory ApS under frivillig likvidation
Vedbæk Strandvej 328
2950 Vedbæk

CVR no.: 35 83 16 81

Reporting period: 1 October 2018 - 30 September 2019

Incorporated: 15. April 2014

Domicile: Rudersdal

Executive board

Scott Campbell Macaw

Auditors

Crowe
Statsautoriseret Revisionsinteressentskab v.m.b.a.
Rygårds Allé 104
2900 Hellerup

Management's review

Business review

The company's activity consists of operating holding company and financial investments.

Recognition and measurement uncertainties

Payable corporate tax has been booked in the accounts, even though it is expected, that the usage of joint tax losses previous years will eliminate this. The filed joint tax for 2016/17 did not include one subsidiary, and management are negotiating with the authorities to reopen this. At the same time the tax authorities have disputed the tax loss in the subsidiary.

Management are confident, that the tax dispute will fall out in favor of the company, but finds it more prudent, to disclose the tax payable until this issue has been finally settled.

Financial review

The company's income statement for the year ended 30 September 2019 shows a loss of DKK 2.893.136, and the balance sheet at 30 September 2019 shows negative equity of DKK 3.542.510.

The company has entered into voluntary liquidation after having discontinued with its investments.

Prior to this the company transferred the 60% participation in Wacam Investments ApS on 19 April 2019. The call option to re-acquire the shares expired on 30 June 2019.

The company has lost its entire share capital. Apart from corporate tax payable, which management expects to be eliminated as mentioned under "Recognition and measurement uncertainties", there are only Group related payables, which can be settled via debt conversion or other transfers throughout the group.

Management have therefore prepared the financial statement on basis of going concern.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of 123 Advisory ApS under frivillig likvidation for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2018/19 is presented in DKK

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of other external expenses.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss from investments in subsidiaries and associates

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries and associates

Investment in subsidiaries and associates are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Income statement
1 October 2018 - 30 September 2019

	<u>Note</u>	<u>2018/19</u> DKK	<u>2017/18</u> TDKK
Gross profit		-35.249	-20
Profit/loss before net financials		-35.249	-20
Loss from investments in subsidiaries		-2.835.266	0
Financial income		0	281
Financial costs		-22.621	-958
Profit/loss before tax		-2.893.136	-697
Tax on profit/loss for the year	2	0	215
Profit/loss for the year		-2.893.136	-482
 Recommended appropriation of profit/loss			
Retained earnings		-2.893.136	-482
		-2.893.136	-482

Balance sheet at 30 September 2019

	<u>Note</u>	<u>2018/19</u> DKK	<u>2017/18</u> TDKK
Assets			
Investments in subsidiaries		<u>0</u>	<u>5.320</u>
Fixed asset investments		<u>0</u>	<u>5.320</u>
Total non-current assets		<u>0</u>	<u>5.320</u>
Joint taxation contributions receivable		<u>0</u>	<u>515</u>
Receivables		<u>0</u>	<u>515</u>
Total current assets		<u>0</u>	<u>515</u>
Total assets		<u><u>0</u></u>	<u><u>5.835</u></u>

Balance sheet at 30 September 2019

	<u>Note</u>	<u>2018/19</u> DKK	<u>2017/18</u> TDKK
Equity and liabilities			
Share capital		50.000	50
Retained earnings		-3.592.510	-700
Equity	3	<u>-3.542.510</u>	<u>-650</u>
Other payables		0	2.554
Total non-current liabilities		<u>0</u>	<u>2.554</u>
Trade payables		47.750	13
Payables to subsidiaries		0	1.053
Payables to shareholders and management		23.306	0
Corporation tax		1.118.347	1.263
Joint taxation contributions payable		0	537
Other payables		2.353.107	1.065
Total current liabilities		<u>3.542.510</u>	<u>3.931</u>
Total liabilities		<u>3.542.510</u>	<u>6.485</u>
Total equity and liabilities		<u><u>0</u></u>	<u><u>5.835</u></u>
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	4		

Notes

1 Uncertainty about the continued operation (going concern)

Payable corporate tax has been booked in the accounts, even though it is expected, that the usage of joint tax losses previous years will eliminate this. The filed joint tax for 2016/17 did not include one subsidiary, and management are negotiating with the authorities to reopen this. At the same time the tax authorities have disputed the tax loss in the subsidiary. Management are confident, that the tax dispute will fall out in favor of the company, but finds it more prudent, to disclose the tax payable until this issue has been finally settled.

The company has entered into voluntary liquidation after having discontinued with its investments.

Prior to this the company transferred the 60% participation in Wacam Investments ApS on 19 April 2019. The call option to re-acquire the shares expired on 30 June 2019.

The company has lost its entire share capital. Apart from corporate tax payable, which management expects to be eliminated as mentioned above, there are only Group related payables, which can be settled via debt conversion or other transfers throughout the group.

Management have therefore prepared the financial statement on basis of going concern.

	2018/19	2017/18
	DKK	TDKK
2 Tax on profit/loss for the year		
Current tax for the year	0	-15
Adjustment of tax concerning previous years	0	-200
	<u>0</u>	<u>-215</u>

3 Equity

	Share capital	Retained earnings	Total
Equity at 1 October 2018	50.000	-699.374	-649.374
Net profit/loss for the year	0	-2.893.136	-2.893.136
Equity at 30 September 2019	<u>50.000</u>	<u>-3.592.510</u>	<u>-3.542.510</u>

4 Contingent liabilities

Joint taxation

As former management company, the company was jointly taxed with other Danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2012 onwards as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment on or after 1 July 2012.