

Sarfatti ApS
Central Business Registration No
36053038
Vermundsgade 40 B
2100 København Ø

Annual report 2015

The Annual General Meeting adopted the annual report on 31.05.2016

Chairman of the General Meeting

Name: Alessandro Sarfatti

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	6
Income statement for 2015	8
Balance sheet at 31.12.2015	9
Statement of changes in equity for 2015	11
Notes	12

Entity details

Entity

Sarfatti ApS
Vermundsgade 40 B
2100 København Ø

Central Business Registration No: 36053038

Registered in: Copenhagen, Denmark

Financial year: 01.01.2015 - 31.12.2015

Executive Board

Alessandro Sarfatti, CEO

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 Sarfatti 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 my 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.

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.

Copenhagen, 31.05.2016

Executive Board

Alessandro Sarfatti
CEO

Independent auditor's reports

To the owner of Sarfatti ApS

Report on the financial statements

We have audited the financial statements of Sarfatti 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.

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, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Bjørn Winkler Jakobsen
State Authorised Public Accountant

Ferass Hamade
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Company's main activity is to own shares in Astep ApS and other related services.

Development in activities and finances

The result for 2015 shows a loss of DKK 9 K, which is considered satisfactory.

Events after the balance sheet date

No further 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.

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

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.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies 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 its 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

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

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

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.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Other external expenses		(7.500)	(5.000)
Operating profit/loss		(7.500)	(5.000)
Other financial expenses		(822)	0
Profit/loss from ordinary activities before tax		(8.322)	(5.000)
Tax on profit/loss from ordinary activities	1	(1.175)	1.175
Profit/loss for the year		(9.497)	(3.825)
Proposed distribution of profit/loss			
Retained earnings		(9.497)	(3.825)
		(9.497)	(3.825)

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Investments in group enterprises		47.500	47.500
Fixed asset investments		<u>47.500</u>	<u>47.500</u>
Fixed assets		<u>47.500</u>	<u>47.500</u>
Receivables from group enterprises		1.260.715	100.750
Deferred tax assets		0	1.175
Receivables		<u>1.260.715</u>	<u>101.925</u>
Current assets		<u>1.260.715</u>	<u>101.925</u>
Assets		<u>1.308.215</u>	<u>149.425</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital	2	50.000	50.000
Retained earnings		<u>(13.322)</u>	<u>(3.825)</u>
Equity		<u>36.678</u>	<u>46.175</u>
Payables to shareholders and management		<u>1.264.465</u>	<u>98.250</u>
Non-current liabilities other than provisions		<u>1.264.465</u>	<u>98.250</u>
Bank loans		822	0
Other payables		<u>6.250</u>	<u>5.000</u>
Current liabilities other than provisions		<u>7.072</u>	<u>5.000</u>
Liabilities other than provisions		<u>1.271.537</u>	<u>103.250</u>
Equity and liabilities		<u>1.308.215</u>	<u>149.425</u>
Contingent liabilities	3		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	50.000	(3.825)	46.175
Profit/loss for the year	0	(9.497)	(9.497)
Equity end of year	50.000	(13.322)	36.678

Notes

	<u>2015 DKK</u>	<u>2014 DKK</u>
1. Tax on ordinary profit/loss for the year		
Change in deferred tax for the year	1.175	(1.175)
	<u>1.175</u>	<u>(1.175)</u>

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
2. Contributed capital			
Shares	50.000	1,00	50.000
	<u>50.000</u>		<u>50.000</u>

3. Contingent liabilities

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2014 for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

Sarfatti ApS has issued a letter of support to its subsidiary Astep ApS. The letter of support runs until the end of the financial year 2016.