

**Astep ApS**  
**Central Business Registration No**  
**36053097**  
**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**

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Name: Alessandro Sarfatti

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## **Entity details**

### **Entity**

Astep ApS  
Vermundsgade 40 B  
2100 København Ø

Central Business Registration No: 36053097

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 Astep 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 Astep ApS**

#### **Report on the financial statements**

We have audited the financial statements of Astep 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 operates with industrial design and product design and other related activities.

### **Development in activities and finances**

The result for 2015 shows a loss of DKK 971 k. Management does not consider the loss for the year satisfactory but as expected as the Company is in a start-up phase.

The Company has lost its share capital. Management expects to recover its share capital by generating profits in future years or through capital injections from the shareholder and external investors.

### **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 to 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**

#### **Gross profit or loss**

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

#### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the in-



## Accounting policies

come statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

### 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.

### 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 Parent. 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

### 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.

## **Accounting policies**

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises bank deposits.

### **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'000</u>
<b>Gross loss</b>		<b>(849.865)</b>	<b>(380)</b>
Other financial expenses		<u>(34.764)</u>	<u>(2)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>(884.629)</b>	<b>(382)</b>
Tax on profit/loss from ordinary activities		<u>(86.582)</u>	<u>87</u>
<b>Profit/loss for the year</b>		<b><u>(971.211)</u></b>	<b><u>(295)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(971.211)</u>	<u>(295)</u>
		<b><u>(971.211)</u></b>	<b><u>(295)</u></b>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Deposits		121.350	23
<b>Fixed asset investments</b>		<u>121.350</u>	<u>23</u>
<b>Fixed assets</b>		<u>121.350</u>	<u>23</u>
Deferred tax assets		0	87
Other short-term receivables		56.551	63
Prepayments		0	9
<b>Receivables</b>		<u>56.551</u>	<u>159</u>
<b>Cash</b>		<u>662</u>	<u>29</u>
<b>Current assets</b>		<u>57.213</u>	<u>188</u>
<b>Assets</b>		<u>178.563</u>	<u>211</u>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital	2	50.000	50
Retained earnings		<u>(1.265.927)</u>	<u>(295)</u>
<b>Equity</b>		<b><u>(1.215.927)</u></b>	<b><u>(245)</u></b>
Payables to shareholders and management		<u>1.260.715</u>	<u>101</u>
<b>Non-current liabilities other than provisions</b>		<b><u>1.260.715</u></b>	<b><u>101</u></b>
Trade payables		14.390	232
Payables to shareholders and management		104.385	107
Other payables		<u>15.000</u>	<u>16</u>
<b>Current liabilities other than provisions</b>		<b><u>133.775</u></b>	<b><u>355</u></b>
<b>Liabilities other than provisions</b>		<b><u>1.394.490</u></b>	<b><u>456</u></b>
<b>Equity and liabilities</b>		<b><u><u>178.563</u></u></b>	<b><u><u>211</u></u></b>
Going concern	1		
Unrecognised rental and lease commitments	3		
Contingent liabilities	4		

**Statement of changes in equity for 2015**

	<b>Contributed capital DKK</b>	<b>Retained ear- nings DKK</b>	<b>Total DKK</b>
Equity beginning of year	50.000	(294.716)	(244.716)
Profit/loss for the year	0	(971.211)	(971.211)
<b>Equity end of year</b>	<b>50.000</b>	<b>(1.265.927)</b>	<b>(1.215.927)</b>

## Notes

### 1. Going concern

At 31 December 2015, the Company has lost more than 50% of its share capital. In connection with the preparation of the annual report for 2015 Management has received a letter of support from its ultimate Parent; Sarfatti ApS. In this letter of support the Parent confirms that it is willing and able to provide continuous financial support to the Company to enable it to operate as a going concern and to meet its obligations for at least up to and until 31. december 2016.

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
<b>2. Contributed capital</b>			
Shares	50.000	1,00	50.000
	<b>50.000</b>		<b>50.000</b>
		<u>2015 DKK</u>	<u>2014 DKK'000</u>
<b>3. Unrecognised rental and lease commitments</b>			
Commitments under rental agreements or leases until expiry		<u>49.695</u>	<u>125</u>

### 4. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Sarfatti ApS serves as the administration company. 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 dividend for the jointly taxed companies.