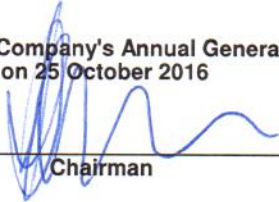


EIG Denmark ApS
CVR no. 36541164
Copenhagen, Denmark

Annual report
for the period ended 31 May 2016

Adopted at the Company's Annual General Meeting
on 25 October 2016



Chairman

Contents	Page
Company details	3
Management's review	4
Statement by the Management on the annual report	5
Financial statements:	
Accounting policies	6-8
Income statement	9
Balance sheet	10
Notes to the financial statements	11-13

EIG Denmark ApS
CVR no. 36541164
Annual report 2016

Company details

Company:	EIG Denmark ApS
CVR no:	36541164
Registered address:	c/o TMF Denmark A/S, Bredgade 6, 1. sal 1260 Copenhagen K Denmark
Telephone:	+45 58 59 59 18
Website:	-
Financial year:	2nd financial year
Directors:	Mandira Khaitan

Management's review

Principal Activities of the Company

The Company's activities are provision of sale support, service and other related activities.

Development in the Company's activities and financial matters

The Company provides services under service agreement concluded with its parent company, Emerisque Italia Group S.p.A. The services include products related support, sales assistance, communication assistance, market research, information gathering, technical assistance and consultation services. The overall business objective of the Company is to support the business of Emerisque Italia Group S.p.A. on the territory of Denmark.

Significant events after the balance sheet date

No significant events have occurred after the balance sheet date which would influence the evaluation of the Company's financial position as at the balance sheet date.

EIG Denmark ApS
CVR no. 36541164
Annual report 2016

Statement by the Management on the annual report

The Directors have today discussed and approved the annual report of EIG Denmark ApS (the Company) for the financial period 1 January 2016 – 31 May 2016.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 May 2016 and of the results of the Company's operations for the financial period 1 January 2016 – 31 May 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 25 October 2016

Directors:



Mandira Khaitan

Accounting policies

The annual report has been prepared in accordance with Danish financial statements legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the reporting requirements of the Danish Financial Statements Act of class B entities.

Recognition and Measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Further to this, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Furthermore, all costs incurred to earn the profit or loss for year have been recognised in the income statement, including amortisation, depreciation, write-down and provisions as well as reversals as a consequence of changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow into 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 out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

Certain financial assets and liabilities are measured at amortised cost, by which a constant redemption yield is recognised over the term. Amortised cost is calculated as original cost less instalments and addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. Thereby, capital and exchange losses or gains are allocated over the term.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

Foreign Currency Translations

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Income Statement

Gross profit/loss

The Company has aggregated the items "revenue", "other operating income" as well as external expenses.

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Accounting policies

Other operating income

Other operating income includes financial statement items of a secondary nature in relation to the primary activity of the enterprise, including profit on sale of fixed assets.

External expenses

External expenses comprise selling costs, facility costs and administrative expenses.

Other operating expenses

Other operating expenses include financial statement items of a secondary nature in relation to the primary activity of the enterprise, including profit from sale of fixed assets.

Other financial income and other financial expenses

Financial income and expenses comprise interest, realised and unrealised exchange gains and losses as well as interest surcharge and interest reimbursements under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Balance Sheet

The balance sheet has been presented in account form.

Assets

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate amortisation and depreciation. The basis of amortisation and depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives.

Profit/loss on sale or retirement has been included in the income statement under other operating income and other operating expenses.

Impairment of property, plant and equipment

The carrying amount of property plant and equipment is reviewed annually for indication of impairment for loss, apart from what is expressed by usual amortisation and depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount.

As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the anticipated cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Fixed asset investments

Other receivables recognised under fixed assets comprise loans and rental deposits measured at amortised cost, which usually corresponds to nominal amount. In events when the carrying amount exceeds the recoverable amount, impairment for loss is made

Accounting policies

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

Work in progress

Work in progress is measured at cost price. Where the cost price exceeds the net realisable value, work in progress is written down to this lower value.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity and Liabilities

Equity

Management's proposed dividends for the financial year is disclosed as a separate item in equity.

Provision for deferred tax

Deferred tax is measured according to the liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Other liabilities other than provisions

Other liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

Deferred income

Deferred income comprises income received relating to subsequent years.

Income statement

	Notes	Period ended	
		31/05/2016 DKK	31/12/2015 DKK
Gross profit	2	253,051	500,153
Gross profit		253,051	500,153
External costs	3	(247,737)	(695,540)
Depreciation, amortisation and impairment losses		-	-
Staff costs	4	(493,201)	(1,062,221)
Other operating expenses	5	(22,978)	(105,825)
Profit/loss before financial income and expenses		(510,865)	(1,363,433)
Financial income	7	1,697	1,900
Financial expenses	6	(25,536)	(25,700)
Profit/loss before tax		(534,704)	(1,387,233)
Tax on profit/loss for the year	11	-	-
Profit/loss for the year		(534,704)	(1,387,233)
Proposed profit/loss distribution			
Retained earnings		(534,704)	(1,387,233)
Proposed dividends for the financial year		-	-
Profit/loss for the year		(534,704)	(1,387,233)

EIG Denmark ApS
CVR no. 36541164
Annual report 2016

Balance sheet

	Notes	As at	
		31/05/2016 DKK	31/12/2015 DKK
Assets			
Current assets			
Inventories		72,182	-
Trade receivables		7,884	-
Other receivables	8	95,316	97,836
Accrued intercompany income	9	640,093	500,153
Prepayments	10	45,093	77,230
		860,568	675,219
Total current assets		860,568	675,219
Total Assets		860,568	675,219
Equity and liabilities			
Equity			
Share capital	11	50,000	50,000
Share premium		-	-
Retained earnings		(1,921,937)	(1,387,233)
Proposed dividends		-	-
Total equity		(1,871,937)	(1,337,233)
Liabilities			
Current liabilities			
Trade payables		107,754	187,665
Payables to group enterprises	12	2,464,811	1,668,902
Income tax payable		-	-
Other payables	13	159,940	155,885
Total current liabilities		2,732,505	2,012,452
Total liabilities		2,732,505	2,012,452
Total Equity and Liabilities		860,568	675,219

Notes to the financial statements

1 Going concern and financial risk

The Company's activities are not profitable for 2016 and per 31/05/2016 equity is negative with DKK 1.871.937. The Company's budget for the coming financial years shows a positive result and the management of the company expects that the losses will be covered by future profits.

For the time being, the company is financed by the parent company.

The annual report was on the basis of the above prepared in accordance with the assumption of going concern.

2 Gross profit

	31/05/2016 DKK	31/12/2015 DKK
Commissions	260,132	500,153
Other income	6,307	-
Costs of goods sold	(13,388)	-
	<u>253,051</u>	<u>500,153</u>

3 External costs

	31/05/2016 DKK	31/12/2015 DKK
Accounting and compliance services	(73,570)	(120,625)
Office rent	(134,882)	(442,215)
Marketing expenses	-	(16,861)
Administrative and office expenses	(37,740)	(108,825)
Insurances	(1,545)	(7,014)
	<u>(247,737)</u>	<u>(695,540)</u>

4 Staff costs

	31/05/2016 DKK	31/12/2015 DKK
Gross salaries	(433,522)	(850,000)
Holiday accrual	-	(115,043)
Employee benefits	(24,281)	(27,378)
Company pension contributions	(34,000)	(68,000)
Statutory pension and social contributions	(1,398)	(1,800)
	<u>(493,201)</u>	<u>(1,062,221)</u>

5 Other operating expenses

	31/05/2016 DKK	31/12/2015 DKK
Travel expenses	(22,978)	(105,815)
Other expenses	-	(10)
	<u>(22,978)</u>	<u>(105,825)</u>

6 Financial expenses

	31/05/2016 DKK	31/12/2015 DKK
Foreign exchange losses	(733)	284
Interest from loans from related parties	(24,803)	20,150
Other local taxes and duties	-	5,266
	<u>(25,536)</u>	<u>25,700</u>

7 Financial income

	31/05/2016 DKK	31/12/2015 DKK
Foreign exchange gains	1,697	1,900
	<u>1,697</u>	<u>1,900</u>

Notes to the financial statements

8 Other receivables

	31/05/2016 DKK	31/12/2015 DKK
VAT receivables	45,316	47,836
Receivables from paid share capital	50,000	50,000
	<u>95,316</u>	<u>97,836</u>

9 Accrued intercompany income

	31/05/2016 DKK	31/12/2015 DKK
Accrued intercompany commissions	640,093	500,153
	<u>640,093</u>	<u>500,153</u>

10 Prepayments

	31/05/2016 DKK	31/12/2015 DKK
Prepaid rent and insurances	45,093	77,230
	<u>45,093</u>	<u>77,230</u>

11 Equity

	31/05/2016 DKK	31/05/2016 DKK
Share capital at 31 May 2016	50,000	50,000
Retained earnings at 1 January 2016	(1,387,233)	-
Transfer from profit/loss for the year	(534,704)	(1,387,233)
Retained earnings at 31 May 2016	(1,921,937)	(1,387,233)
Equity at 31 May 2016	<u>(1,871,937)</u>	<u>(1,337,233)</u>

Notes to the financial statements

12 Payables to group enterprises

	31/05/2016 DKK	31/12/2015 DKK
Payables to Emerisque Italia Group S.p.A.	(2,464,811)	(1,668,902)
	<u>(2,464,811)</u>	<u>(1,668,902)</u>

13 Other payables

	31/05/2016 DKK	31/12/2015 DKK
Payroll related taxes and contributions	(43,186)	(39,673)
Pension contributions	(1,378)	(810)
Holiday accrual	(115,043)	(115,043)
Other tax liabilities	(333)	(359)
	<u>(159,940)</u>	<u>(155,885)</u>

14 Contingent assets

The Company has no contingent assets

15 Contractual obligations

The Company has no contractual obligations.

16 Ownership

The following shareholders are subject to section 55 of Danish Public Companies Act:

Emerisque Italia Group S.p.A.

* * *