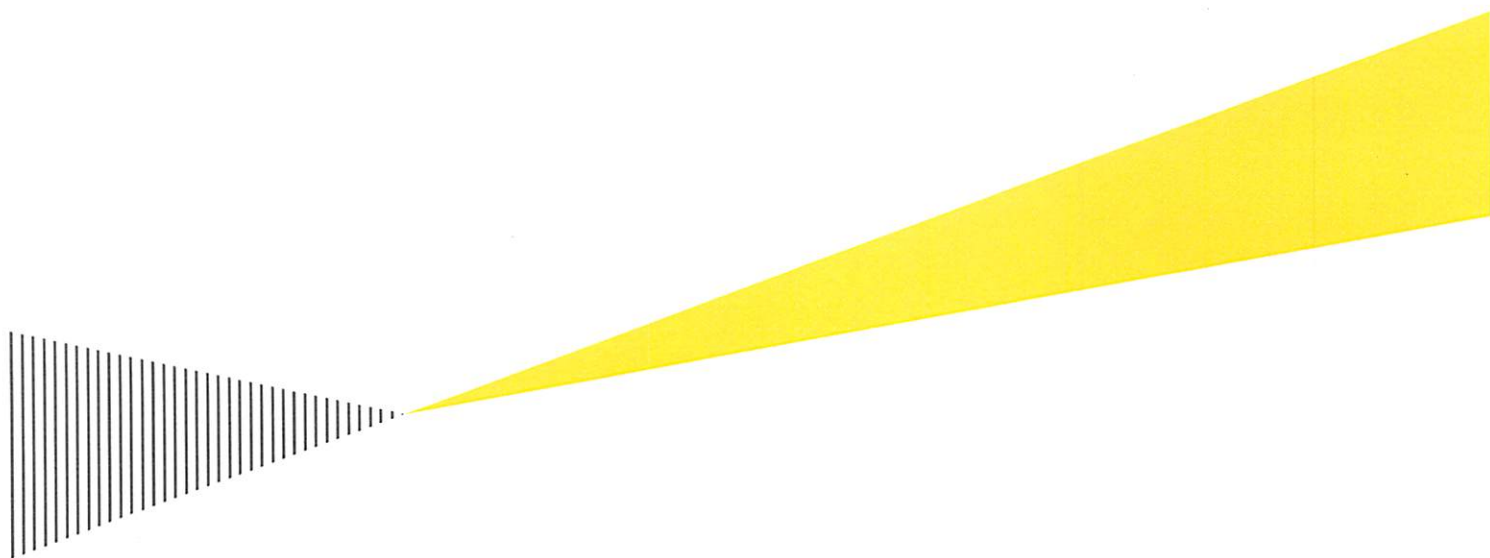


Debitoor ApS

Debitoor International ApS
Ewaldsgade 3, 1. sal, 2200 København N

CVR no. 36 73 00 99



Annual report 2016

Approved at the annual general meeting of shareholders on 13 June 2017

Chairman:


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Building a better
working world



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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Debitoor ApS for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 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, 13 June 2017
Executive Board:

A handwritten signature in blue ink, appearing to read 'Alessandro Justesen Leoni', written over a horizontal dotted line.

Alessandro Justesen Leoni

A handwritten signature in blue ink, appearing to read 'Karen Slatford', written over a horizontal dotted line.

Karen Slatford

Independent auditor's report

To the shareholders of Debitoor ApS

Opinion

We have audited the financial statements of Debitoor ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 rules and 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 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.

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 the 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 skepticism throughout the audit. We also:

- ▶ 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ 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 Company'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 conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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 Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 13 June 2017

Ernst & Young

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Søren Smedegaard Hvid
State Authorised Public Accountant



Management's review

Company details

Name
Address, Postal code, City

Debitoor ApS
Debitoor International ApS
Ewaldsgade 3, 1. sal, 2200 København N

CVR no.
Registered office
Financial year

36 73 00 99
Copenhagen
1 January - 31 December

Executive Board

Alessandro Justesen Leoni
Karen Slatford

Auditors

Ernst & Young Godkendt Revisionspartnerselskab
Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark

Management's review

Management commentary

Business review

The Company's principal activities consist of an easy-to-use online accounting and invoicing programme specifically developed for small enterprises.

Financial review

The income statement for 2016 shows a profit of DKK 22,748 thousand against a loss of DKK -9,621 thousand last year, and the balance sheet at 31 December 2016 shows equity of DKK 22,069 thousand.

During the year, the Company has sold parts of its activities. As a result liquidity and capital resources are fully reestablished

Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No significant events have occurred subsequent to the financial year-end.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2016 12 months	2015 8 months
	Gross margin	39,344	-3,370
3	Staff costs	-9,908	-9,666
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-14	-8
	Profit/loss before net financials	29,422	-13,044
	Financial income	3	579
4	Financial expenses	-220	-25
	Profit/loss before tax	29,205	-12,490
5	Tax for the year	-6,457	2,869
	Profit/loss for the year	22,748	-9,621
	 Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	22,748	-9,621
		22,748	-9,621

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	21	50
		<u>21</u>	<u>50</u>
7	Investments		
	Investments in group entities	39	206
		<u>39</u>	<u>206</u>
	Total fixed assets	<u>60</u>	<u>256</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	405	0
	Receivables from group entities	4,206	50
	Deferred tax assets	0	2,869
	Other receivables	683	654
	Prepayments	364	39
		<u>5,658</u>	<u>3,612</u>
	Cash	<u>22,671</u>	<u>2,982</u>
	Total non-fixed assets	<u>28,329</u>	<u>6,594</u>
	TOTAL ASSETS	<u>28,389</u>	<u>6,850</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	50	50
	Share premium account	7,447	7,447
	Retained earnings	14,572	-8,176
	Total equity	22,069	-679
	Liabilities		
	Current liabilities		
	Bank debt	191	3,725
	Trade payables	1,141	852
	Payables to group entities	16	843
	Income taxes payable	3,710	0
	Other payables	1,262	2,109
		6,320	7,529
	Total liabilities other than provisions	6,320	7,529
	TOTAL EQUITY AND LIABILITIES	28,389	6,850

- 1 Accounting policies
- 2 Special items
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2016	50	7,447	-8,176	-679
Transfer through appropriation of profit	0	0	22,748	22,748
Equity at 31 December 2016	50	7,447	14,572	22,069

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Debitoor ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment	3 years
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Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Gains or losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired, in which case the carrying amount is reduced to the net realisable value.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.



Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other payables

Other payables are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 Special items

DKK'000	2016 12 months	2015 8 months
Income		
Other operating income - sale of activity	39,950	0
	<u>39,950</u>	<u>0</u>
Special items are recognised in the below items of the financial statements		
Gross margin	39,950	0
Net profit on special items	<u>39,950</u>	<u>0</u>

3 Staff costs

Wages/salaries	8,309	8,486
Pensions	1,076	835
Other social security costs	160	51
Other staff costs	363	294
	<u>9,908</u>	<u>9,666</u>
Average number of full-time employees	<u>18</u>	<u>20</u>

4 Financial expenses

Interest expenses, group entities	94	7
Exchange losses	4	18
Interest surcharges and tax recognised under net financials	122	0
	<u>220</u>	<u>25</u>

5 Tax for the year

Estimated tax charge for the year	3,588	0
Deferred tax adjustments in the year	2,869	-2,869
	<u>6,457</u>	<u>-2,869</u>

6 Property, plant and equipment

DKK'000	Other fixtures and fittings, tools and equipment
Cost at 1 January 2016	58
Disposals in the year	-17
Cost at 31 December 2016	<u>41</u>
Impairment losses and depreciation at 1 January 2016	8
Amortisation/depreciation in the year	14
Reversal of amortisation/depreciation and impairment of disposals	-2
Impairment losses and depreciation at 31 December 2016	<u>20</u>
Carrying amount at 31 December 2016	<u>21</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	<u>Investments in group entities</u>
Cost at 1 January 2016	206
Additions in the year	39
Disposals on demerger and sale of other enterprise	-206
Cost at 31 December 2016	<u>39</u>
Carrying amount at 31 December 2016	<u>39</u>

<u>Name</u>	<u>Legal form</u>	<u>Domicile</u>	<u>Interest</u>
Subsidiaries			
e-economic UK Online Solutions Ltd	Ltd.	Reading	100.00 %
Debitoor GmbH	GmbH	Berlin	100.00 %
e-economic Online Solutions España S.L	S.L.	Madrid	100.00 %
e-economic Poland SP Z.O.O.	SP Z.O.O.	Warszawa	100.00 %
e-economic France S.A.S	S.A.S.	Paris	100.00 %

8 Share capital

Analysis of changes in the share capital over the past 2 years:

DKK'000	<u>2016</u>	<u>2015</u>
Opening balance	50	0
Capital increase	0	50
	<u>50</u>	<u>50</u>

9 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	<u>1,604,077</u>	<u>0</u>
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10 Collateral

As security for the Company's deposit leased premises, the Company has provided security or other collateral in its assets for at total amount of DKK 273 thousand . The total carrying amount of these assets is DKK 273 thousand.