

Lunar Holding ApS
Central Business Registration No
36945745
Hack Kampmanns Plads 1, st. th.
8000 Aarhus C

Annual report 2015/16

The Annual General Meeting adopted the annual report on 24.11.2016

Chairman of the General Meeting

Name: Ken Villum Guldbrandt Klausen

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Entity details

Entity

Lunar Holding ApS
Hack Kampmanns Plads 1, st. th.
8000 Aarhus C

Central Business Registration No: 36945745

Registered in: Aarhus

Financial year: 29.06.2015 - 30.06.2016

Board of Directors

Henning Kruse Petersen, Chairman

Tuva Lo Palm

Ken Villum Guldbrandt Klausen

Niels Vejrup Carlsen

Mads Krarup Kjær

Executive Board

Ken Villum Guldbrandt Klausen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Værkmestergade 2

8000 Aarhus

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Lunar Holding ApS for the financial year 29.06.2015 - 30.06.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2016 and of the results of its operations for the financial year 29.06.2015 - 30.06.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 24.11.2016

Executive Board

Ken Villum Guldbrandt Klausen

Board of Directors

Henning Kruse Petersen
Chairman

Tuva Lo Palm

Ken Villum Guldbrandt Klausen

Niels Vejrup Carlsen

Mads Krarup Kjær

Independent auditor's reports

To the owners of Lunar Holding ApS

Report on the financial statements

We have audited the financial statements of Lunar Holding ApS for the financial year 29.06.2015 - 30.06.2016, 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 adverse opinion.

Qualification

Basis for adverse opinion

The financial statements are presented on a going concern basis. The Company's present shareholders are expected to support the operations and to carry out a new funding round in Q1 2017. It is a condition for the Company's continued operations that the above credit facilities can be obtained. The outcome thereof will not be available until after the time of financial reporting. We therefore qualify our audit opinion as the Company being a going concern.

It has not been possible to obtain sufficient audit evidence for the valuation of the Company's investments in group enterprises and receivables from group enterprises, which have been recognised at DKK 14,760k in the financial statements. We therefore qualify our opinion with respect to the valuation thereof.

Adverse opinion

In our opinion, due to the significance of the matter discussed in Basis for adverse opinion paragraph, the financial statements do not give a true and fair view of the Company's financial position at 30.06.2016 and of the results of its operations and cash flows for the financial year 29.06.2015 - 30.06.2016 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.

Aarhus, 24.11.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Jacob Nørmark
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The primary activity is to hold shares in Lunar Way A/S.

Development in activities and finances

Current years activities and finances is as expected.

The company will be funded by the current investors along with new investors.

Uncertainty relating to recognition and measurement

The valuation of the Company's receivables and investment in Lunar Way A/S recognised as investments in group enterprises and receivables from group enterprises, respectively, of a value of DKK 14,760k may be subject to doubt as the subsidiary's ability to continue as a going concern may be subject to uncertainty.

Management expects, however, that Lunar Way A/S will be able to continue its operations and has therefore not written down investments in group enterprises and receivables from group enterprises.

Events after the balance sheet date

No 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 with addition of certain provisions for reporting class C.

There are no comparative figures because it is the company's first accounting period.

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.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payable to group enterprises.

Accounting policies

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 the other Danish group enterprises. 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.

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 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>
Other external expenses		<u>(11.269)</u>
Operating profit/loss		(11.269)
Other financial expenses	3	<u>(34.840)</u>
Profit/loss from ordinary activities before tax		(46.109)
Tax on profit/loss from ordinary activities		<u>0</u>
Profit/loss for the year		<u><u>(46.109)</u></u>
Proposed distribution of profit/loss		
Retained earnings		<u>(46.109)</u>
		<u>(46.109)</u>

Balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>
Investments in group enterprises		<u>11.426.366</u>
Fixed asset investments	4	<u>11.426.366</u>
Fixed assets		<u>11.426.366</u>
Receivables from group enterprises		<u>3.437.166</u>
Receivables		<u>3.437.166</u>
Cash		<u>165.829</u>
Current assets		<u>3.602.995</u>
Assets		<u><u>15.029.361</u></u>

Balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>
Contributed capital	5	163.339
Retained earnings		<u>11.509.022</u>
Equity		<u>11.672.361</u>
Subordinate loan capital		3.333.333
Other payables		<u>23.667</u>
Current liabilities other than provisions		<u>3.357.000</u>
Liabilities other than provisions		<u>3.357.000</u>
Equity and liabilities		<u><u>15.029.361</u></u>
Going concern	1	
Uncertainty relating to recognition and measurement	2	
Contingent liabilities	6	

Statement of changes in equity for 2015/16

	Contributed capital DKK	Share pre- mium DKK	Retained earnings DKK	Total DKK
Contribution concerning formation of entity	125.000	0	0	125.000
Increase of capital	38.339	11.555.131	0	11.593.470
Transferred from share premium	0	(11.555.131)	11.555.131	0
Profit/loss for the year	0	0	(46.109)	(46.109)
Equity end of year	163.339	0	11.509.022	11.672.361

Notes

1. Going concern

The Company's Management expects that the Company will be supported by the present shareholders as well as new investors also in the coming financial year. In August 2016, a capital increase in the Company was performed by a new investor.

It is expected that the Company's present shareholders will support the Company until a new funding round in Q1 2017.

2. Uncertainty relating to recognition and measurement

The valuation of the Company's receivables and investment in Lunar Way A/S recognised as investments in group enterprises and receivables from group enterprises, respectively, of a value of DKK 14,760k may be subject to doubt as the subsidiary's ability to continue as a going concern may be subject to uncertainty.

Management expects, however, that Lunar Way A/S will be able to continue its operations and has therefore not written down investments in group enterprises and receivables from group enterprises.

	2015/16 DKK
3. Other financial expenses	
Financial expenses from group enterprises	21.167
Interest expenses	13.673
	34.840
	Investments in group enterprises DKK
4. Fixed asset investments	
Additions	11.426.366
Cost end of year	11.426.366
Carrying amount end of year	11.426.366

	Registered in	Corpo- rate form	Equity interest %	Equity DKK	Profit/loss DKK
Subsidiaries:					
Lunar Way A/S	Aarhus	A/S	100,00	4.893.736	(6.532.630)

Notes

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
5. Contributed capital			
A-share	125.000	1,00	125.000
B-share	38.339	1,00	38.339
	<u>163.339</u>		<u>163.339</u>
			<u>2015/16 DKK</u>
Changes in contributed capital			
Contributed capital beginning of year			125.000
Increase of capital			38.339
Contributed capital end of year			<u>163.339</u>

6. Contingent liabilities

The Company participates in a Danish joint taxation arrangement and serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 29.06.2015 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.