

Advania Holding Denmark A/S

Toldbodgade 18, 5. sal.
1253 København K

CVR no. 37 14 42 82

Annual report for the period 1 October 2015 – 31 December 2016

The annual report was presented and approved at the
Company's annual general meeting on

31 May 2017



chairman

Advania Holding Denmark A/S
Annual report 2015/2016
CVR no. 37 14 42 82

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Company details	6
Financial statements 1 October – 31 December	
Income statement	6
Balance sheet	7
Notes	8

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Advania Holding Denmark A/S for the financial period 1 October 2015 – 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial period 1 October 2015 – 31 December 2016.

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

Copenhagen, 31 May 2017
Executive Board:

Erik Mikael Karlsson
Noaksson

Board of Directors:

Gestur Gestsson
Chairman

Erik Mikael Karlsson
Noaksson

Jens Robert Schwartz



Independent auditor's report

To the shareholder of Advania Holding Denmark A/S

Opinion

We have audited the financial statements of Advania Holding Denmark A/S for the financial period 1 October 2015 – 31 December 2016 comprising income statement, balance sheet 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 Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial period 1 October 2015 – 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 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 that 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.



Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these 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 scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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.
- 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 conclusions are 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.



Independent auditor's report

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.

Copenhagen, 31 May 2017

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in blue ink, appearing to read 'H. Kynnaev', written over a horizontal line.

Henrik Kynnaev
State Authorised
Public Accountant

Financial statements 1 October – 31 December

Income statement

DKK	Note	2015/16
Gross loss		<u>-25,000</u>
Loss before financial expenses		<u>-25,000</u>
Financial costs		<u>-4,050</u>
Loss before tax		<u>-29,050</u>
Tax on loss for the year		<u>0</u>
Loss for the year		<u><u>-29,050</u></u>

Proposed distribution of loss

Retained earnings	<u>-29,050</u>
	<u><u>-29,050</u></u>

Financial statements 1 October – 31 December

Balance sheet

DKK	Note	2015/16
ASSETS		
Fixed assets		
Investments	2	
Equity investments in group entities		1,500,000
		<u>1,500,000</u>
Total fixed assets		<u>1,500,000</u>
Current assets		
Cash at bank and in hand		95,950
		<u>95,950</u>
Total current assets		<u>95,950</u>
TOTAL ASSETS		<u><u>1,595,950</u></u>
EQUITY AND LIABILITIES		
Equity	3	
Share capital		500,000
Retained earnings		<u>-29,050</u>
Total equity		<u>470,950</u>
Liabilities other than provisions		
Current liabilities other than provisions		
Payables to group entities		1,100,000
Other payables		<u>25,000</u>
		<u>1,125,000</u>
Total liabilities other than provisions		<u>1,125,000</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,595,950</u></u>
Related party disclosures	4	
Main activity	5	

Financial statements 1 October – 31 December

Notes

1 Accounting policies

The annual report of Advania Holding Denmark A/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with option from higher reporting classes.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015. This has entailed the following changes to recognition and measurement:

- Going forward, dividends from equity investments in subsidiaries recognised at cost are always recognised in the income statement. In case of indication of impairment, an impairment test is conducted. Indication of impairment exists if distributed dividend exceeds profit for the year or if the carrying amount of equity investments exceeds the consolidated carrying amounts of the net assets in the subsidiary. Previously, cost was reduced to the extent that distributed dividend exceeded accumulated earnings after the acquisition date.

The changes have no monetary effect on the income statement or the balance sheet for 2015/16.

Income statement

Gross profit/loss

The Company refers to the regulations of section 32 of the Danish Financial Statements Act which the Company's revenue is not stated.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Financial statements 1 October – 31 December

Notes

1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Equity investments in group entities

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 October – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

2 Investments

	Equity investments in subsidiaries
DKK	
Cost at 1 October	0
Additions	1,500,000
	<u>1,500,000</u>

3 Equity

	Share capital	Retained earnings	Total
DKK			
Equity at 1 October 2015	500,000	0	500,000
Net loss for the year	0	-29,050	-29,050
Equity at 31 December 2016	<u>500,000</u>	<u>-29,050</u>	<u>470,950</u>

Financial statements 1 October – 31 December

Notes

4 Related party disclosures

Advania Holding Denmark A/S' related parties comprise the following:

Control

Advania Norden hf, Guðrúnartún 10, 105 Reykjavík, Iceland

Advania Norden hf holds the majority of the share capital in the Company

Advania Holding Denmark A/S is part of the consolidated financial statements of Advania Norden hf, Guðrúnartún 10, 105 Reykjavík, Iceland, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Advania Norden hf can be obtained by contacting the Company.

5 Main activity

The purpose of the Company is to buy and sell investments in IT companies in the Nordic countries and related businesses.