IFLY COPENHAGEN ApS under tvangsopløsning

c/o Bird & Bird, 2100 København Ø

Sundkrogsgade 21, 1.

Central Business Registration no. 38 78 81 08

Annual Report for for the period 10 July to 31 December 2017

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 15/11 2018

Bo Lauritzen
Chairman of the Meeting

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of IFLY COPENHAGEN ApS under tvangsopløsning for the financial year 10 July - 31 December 2017.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 10 July - 31 December 2017.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Manangement considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

The undersigned was appointed as liquidator on September 24, 2018. My knowledge of the company prior to this date is based on information from the previous management.

Copenhagen, 15 November 2018

Executive board

Bo Lauritzen
Liquidator

Auditor's report on compilation of the financial statements

To the shareholder of IFLY COPENHAGEN ApS under tvangsopløsning

We have compiled the financial statements of IFLY COPENHAGEN ApS under tvangsopløsning for the financial year 10 July - 31 December 2017 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR - Danish Auditors' Code of Ethics for Professional Accountants, including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise´s responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 15 November 2018

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
state authorised public accountant
MNE no. mne34482

Peter Aagesen
state authorised public accountant
MNE no. mne41287

Company details

The company	IFLY COPENHAGEN ApS under tvangsopløsning c/o Bird & Bird Sundkrogsgade 21, 1. 2100 København Ø	
	CVR no.:	38 78 81 08
	Reporting period: Incorporated:	10 July - 31 December 2017 10. July 2017
	Domicile:	Copenhagen
Executive board	Bo Lauritzen	
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby	

Management's review

Business activities

The company's purpose is to operate the consumer entertainment business as well related business.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 94.869, and the balance sheet at 31 December 2017 shows equity of DKK 144.869.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 10 July - 31 December

	Note	2017 DKK
Gross profit		**-77.500**
Financial income		237.113
Financial costs	1	-37.992
Profit/loss before tax		**121.621**
Tax on profit/loss for the year	2	-26.752
Profit/loss for the year		**94.869**

Distribution of profit

Retained earnings	94.869
	94.869

Balance sheet 31 December

	Note	2017
		DKK
Assets		
Property, plant and equipment in progress		5.227.017
Tangible assets	3	**5.227.017**
Total fixed assets		**5.227.017**
Other receivables		36.076
Receivables		**36.076**
Current assets total		**36.076**
Assets total		**5.263.093**

Balance sheet 31 December

	Note	2017
		DKK
Equity and liabilities		
Share capital		50.000
Retained earnings		94.869
Total equity		**144.869**
Trade payables		801.734
Payables to related parties		4.289.738
Corporation tax		26.752
Total current liabilities		**5.118.224**
Debt total		**5.118.224**
Liabilities and equity total		**5.263.093**

Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 10 July	50.000	0	50.000
Net profit/loss for the year	0	94.869	94.869
Equity at 31 December	**50.000**	**94.869**	**144.869**

Notes to the Annual Report

		2017
		DKK
1	**Financial costs**	
	Interest paid to related parties	37.992
		37.992
2	**Tax on profit/loss for the year**	
	Current tax for the year	26.752
		26.752

3 Tangible assets

	Property, plant and equipment in progress
	DKK
Additions for the year	5.227.017
Cost at 31 December	5.227.017
Impairment losses and depreciation at 10 July	0
Carrying amount at 31 December	**5.227.017**

Accounting policies

The annual report of IFLY COPENHAGEN ApS under tvangsopløsning for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Other external costs

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

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

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, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Accounting policies

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.