

Lynx Equity Scandinavia ApS

Amaliegade 15, st., 1256

CVR no. 39 06 71 45

Annual report 2017/18

(As of the establishment of the Company 6 November 2017 - 31 July 2018)

Approved at the Company's annual general meeting on 14 January 2019

Chairman:

.....
Joanna Dianne Lipfeld





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Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of Lynx Equity Scandinavia ApS for the financial year as of the establishment of the Company 6 November 2017 - 31 July 2018.

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 July 2018 and of the results of the Company's operations for the financial year as of the establishment of the Company 6 November 2017 - 31 July 2018.

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, 14 January 2019
Executive Board:

.....
Bradley H. Nathan

.....
Joanna Dianne Lipfeld

Independent auditor's report

To the shareholders of Lynx Equity Scandinavia ApS

Opinion

We have audited the financial statements of Lynx Equity Scandinavia ApS for the financial year as of the establishment of the Company 6 November 2017 - 31 July 2018, which comprise 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 July 2018 and of the results of the Company's operations for the financial year as of the establishment of the company 6 November 2017 - 31 July 2018 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 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 scepticism 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.

Independent auditor's report

- ▶ 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 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 the 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 the work we have performed, 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.

Copenhagen, 14 January 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Anders Flymer-Dindler
State Authorised Public Accountant
mne35423

Management's review

Company details

Name	Lynx Equity Scandinavia ApS
Address, Postal code, City	Amaliegade 15, st., 1256
CVR no.	39 06 71 45
Established	6 November 2017
Registered office	Copenhagen
Financial year	6 November 2017 - 31 July 2018
Executive Board	Bradley H. Nathan Joanna Dianne Lipfeld
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The Company's activities comprise ownership of the shares in Parterservice Hver Gang ApS and related activities.

Financial review

The income statement for 2017/18 shows a loss of DKK 404 thousand, and the balance sheet at 31 July 2018 shows a negative equity of DKK 354 thousand.

At 31 July 2018 the Company has lost more than 50% of the share capital and are subject to the rules on capital loss in the Danish Companies Act. Management expects the share capital to be restored through future earnings or alternatively through capital injection.

The company has received a letter of support from its parent company which confirms that the parent company will provide all the support that may be needed in order for the company to pay all liabilities as they fall due until 31 July 2019. Based on this it is management's opinion that the financial statements can be prepared on a going concern assumption.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements for the period 6 November 2017 - 31 July 2018

Income statement

Note	DKK'000	2017/18 9 months
	Other external expenses	-507
	Gross margin	-507
	Financial income	100
	Profit/loss before tax	-407
4	Tax for the year	3
	Profit/loss for the year	-404
	Recommended appropriation of profit/loss	
	Retained earnings/accumulated loss	-404
		-404

Financial statements for the period 6 November 2017 - 31 July 2018

Balance sheet

Note	DKK'000	2017/18
	ASSETS	
	Fixed assets	
5	Investments	
	Investments in group enterprises	60,161
		<u>60,161</u>
	Total fixed assets	<u>60,161</u>
	Non-fixed assets	
6	Receivables	
	Joint taxation contribution receivable	1,239
		<u>1,239</u>
	Cash	50
	Total non-fixed assets	<u>1,289</u>
	TOTAL ASSETS	<u>61,450</u>
	EQUITY AND LIABILITIES	
	Equity	
7	Share capital	50
	Retained earnings	-404
	Total equity	<u>-354</u>
	Provisions	
8	Other provisions	34,612
	Total provisions	<u>34,612</u>
	Liabilities other than provisions	
	Non-current liabilities other than provisions	
	Payables to group entities	8,414
	Corporate income tax payable	1,236
		<u>9,650</u>
	Current liabilities other than provisions	
	Trade payables	15
9	Other payables	17,527
		<u>17,542</u>
	Total liabilities other than provisions	<u>27,192</u>
	TOTAL EQUITY AND LIABILITIES	<u>61,450</u>

- 1 Accounting policies
- 2 Letter of support
- 3 Staff costs
- 10 Contractual obligations and contingencies, etc.
- 11 Collateral
- 12 Related parties

Financial statements for the period 6 November 2017 - 31 July 2018**Statement of changes in equity**

DKK'000	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50	0	50
Transfer through appropriation of loss	0	-404	-404
Equity at 31 July 2018	50	-404	-354

At 31 July 2018 the Company has lost more than 50% of the share capital and are subject to the rules on capital loss in the Danish Companies Act. Management expects the share capital to be restored through future earnings or alternatively through capital injection.

Financial statements for the period 6 November 2017 - 31 July 2018

Notes to the financial statements

1 Accounting policies

The annual report of Lynx Equity Scandinavia ApS for 2017/18 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.

Reporting currency

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

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration, audit fees etc.

Profit from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

Financial income

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

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, 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.

Financial statements for the period 6 November 2017 - 31 July 2018

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted 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).

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.

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.

Cash

Cash comprise cash on the company's lawyer's trust account.

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.

Financial statements for the period 6 November 2017 - 31 July 2018

Notes to the financial statements

1 Accounting policies (continued)

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.

Liabilities

Other liabilities are measured at net realisable value, which typically equals nominal value.

2 Letter of support

The company has received a letter of support from its parent company which confirms that the parent company will provide all the support that may be needed in order for the company to pay all liabilities as the fall due until 31 July 2019. Based on this it is management's opinion that the financial statements can be prepared on a going concern assumption.

3 Staff costs

The Company has no employees.

4 Tax for the year

Refund in joint taxation	-3
	<u>-3</u>

5 Investments

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries					
Partnerservice Hver Gang	ApS	Copenhagen	100.00%	7,448	3,891

Financial statements for the period 6 November 2017 - 31 July 2018

Notes to the financial statements

6 Receivables

Out of the Company's total receivables, joint taxation contribution of DKK 1,239 fall due for payment after more than one year after the balance sheet date.

7 Share capital

The Company's share capital has remained DKK 50 thousand since the establishment.

8 Other provisions

The provisions are expected to be payable in:

> 1 year	34,612
	<u>34,612</u>

Other provisions relates to the purchase price of the subsidiary Partnerservice Hver Gang ApS. The final purchase price is based on the financial performance of the subsidiary in the coming years.

9 Other payables

Earn out payable	17,527
	<u>17,527</u>

10 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year 2018 onwards as well as withholding taxes on interest, royalties and dividends.

11 Collateral

The Company has not provided any security or other collateral in assets at 31 July 2018.

12 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Lynx Equity Limited	Toronto, Canada	By contact to the Company

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
Lynx Equity (U.K.) Limited	London, England