

Althea Danmark ApS

c/o Accountor Denmark A/S
Herlev Hovedgade 195 C, 2.
2730 Herlev

CVR No. 39384531

Annual Report 2018

*From the Company's formation 23 February -
31 December 2018*

1. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 3 June 2019

Luigi Cuorvo
Chairman

Althea Danmark ApS

Contents

Management's Statement	3
Independent Auditor's Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	10
Balance Sheet	11
Notes	13

Althea Danmark ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Althea Danmark ApS for the financial year 23 February 2018 - 31 December 2018.

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 assets, liabilities and financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 23 February 2018 - 31 December 2018.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The Annual General Meeting of the Company decides that the Financial Statements for next year are not to be audited. The conditions for not conducting an audit of the Financial Statements have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 3 June 2019

Executive Board

Luigi Cuorvo
Director

Independent Auditor's Report

To the shareholders of Althea Danmark ApS

Opinion

We have audited the financial statements of Althea Danmark ApS for the financial year 23 February 2018 - 31 December 2018, which comprise accounting policies, income statement, balance sheet and notes. 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 financial position at 31 December 2018 and of the results of its operations for the financial year 23 February 2018 - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, and we have fulfilled our other ethical responsibilities in accordance with these 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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

Independent Auditor's Report

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Frederiksberg, 3 June 2019

Ernst & Young Godkendt Revisionspartnerselskab

CVR-no. 30700228

Kim Thomsen
State Authorised Public Accountant
mne26736

Althea Danmark ApS

Company details

Company	Althea Danmark ApS c/o Accountor Denmark A/S Herlev Hovedgade 195 C, 2. 2730 Herlev
CVR No.	39384531
Date of formation	23 February 2018
Financial year	23 February 2018 - 31 December 2018
Executive Board	Luigi Cuorvo, Director
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths vej 4 2000 Frederiksberg CVR-no.: 30700228

Management's Review

The Company's principal activities

The Company's principal activities consist in consultancy regarding information technology. The purpose is to operate trade and industri as well as all business related thereto.

Development in activities and financial matters

The Company's Income Statement of the financial year 23 February 2018 - 31 December 2018 shows a result of DKK -1.250.827 and the Balance Sheet at 31 December 2018 a balance sheet total of DKK 775.684 and an equity of DKK -1.200.827.

Restoration of share capital

At the general meeting, a decision will be made on restoring the company's share capital through operations. The management expects that the share capital will be restored within the next 1-2 years.

Capital resources

The company has a negative equity due to realized accounting losses in its first business year. In order to secure that the company's capital resources are sound at any time and that sufficient liquidity is available to meet the Company's current and future liabilities as they fall due, the parent company has issued a letter of support.

The parent company Althea Group S.p.A, a company registered in Italy with registration no. MI-2121062, declares to provide sufficient business and financial support to finance current plans and budgets for Althea Danmark ApS for a minimum of 12 months from the balance date at 31 December 2018, up to the amount of DKK 1.600.000.

This commitment has been provided to the executive board of Althea Danmark ApS in order to ensure Althea Danmark ApS can meet its obligations as they all due. This commitment terminates at 22 May 2020.

This letter of financial support is irrevocable and enforced by the executive board of Althea Danmark ApS without any terms or conditions.

Based on this, the annual report has been prepared on the assumption of going concern.

Expectations for the future

The Company expects its operations to develop positively next year.

Althea Danmark ApS

Accounting Policies

Reporting Class

The Annual Report of Althea Danmark ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 2018 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, cost of consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the byer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Accounting Policies

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding transactions in foreign currencies, surcharges and allowances under the tax prepayment scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Althea Danmark ApS

Income Statement

	Note	2018 kr.
Gross profit		-778.267
Employee benefits expense	2	-359.189
Profit from ordinary operating activities		-1.137.456
Finance expences		-113.371
Profit from ordinary activities before tax		-1.250.827
Profit		-1.250.827
 Proposed distribution of results		
Retained earnings		-1.250.827
Distribution of profit		-1.250.827

Althea Danmark ApS

Balance Sheet as of 31 December

	Note	2018 kr.
Assets		
Short-term trade receivables		36.959
Other short-term receivables		41.543
Receivables		<u>78.502</u>
Cash and cash equivalents		<u>697.182</u>
Current assets		<u>775.684</u>
Assets		<u>775.684</u>

Althea Danmark ApS

Balance Sheet as of 31 December

	Note	2018 kr.
Liabilities and equity		
Contributed capital		50.000
Retained earnings		-1.250.827
Equity		<u>-1.200.827</u>
Trade payables		98.225
Payables to group enterprises		1.404.942
Payables to associates		324.862
Other payables		148.482
Short-term liabilities other than provisions		<u>1.976.511</u>
Liabilities other than provisions within the business		<u>1.976.511</u>
Liabilities and equity		<u>775.684</u>
Contingent liabilities	3	
Related parties	4	

Notes

1. Capital resources

The company has a negative equity due to realized accounting losses in its first business year. In order to secure that the company's capital resources are sound at any time and that sufficient liquidity is available to meet the Company's current and future liabilities as they fall due, the parent company has issued a letter of support.

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2. Employee benefits expense

	2018
Wages and salaries	317.170
Social security contributions	25.711
Other employee expense	16.308
	<hr/> 359.189 <hr/>
Average number of employees	<hr/> 1 <hr/>

3. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

4. Related parties

The Company is included in the consolidated financial statement of: Althea Group S.p.A, Italy

The consolidated financial statements of Althea Group S.p.A may be obtained from the Company.