ZITCOM GROUP APS

Danmarksvej 26
8660 Skanderborg
Central Business Registration
No: 37273058

Annual report 2016

The Annual General Meeting adopted the annual report on 23.05.2017

Chairman of the General Meeting

Name Claus Brandstrup

Contents

Entity details

Zitcom Group ApS
Danmarksvej 26
8660 Skanderborg

Central Business Registration No: 37273058
Registered in: Skanderborg
Financial year: 02.12.2015 - 31.12.2016

Executive Board

Ole Pallesen Jensen
Stefan Rosenlund
Claus Brandstrup

Board of Directors

Henrik Dyring Bronee, chairman
Philip Stewart Male
Jonas Niklas Samlin
Nicholas David Lloyd Jordan
Stefan Rosenlund
Ole Pallesen Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Zitcom Group ApS for the financial year 02.12.2015 - 31.12.2016.

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 31.12.2016 and of the results of its operations and cash flows for the financial year 02.12.2015 - 31.12.2016.

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.

Skanderborg, 23.05.2017

Executive Board

Stefan Rosenlund

Claus Brandstrup

Ole Pallesen Jensen

Board of Directors

Henrik Dyring Bronee, chairman

Philip Stewart Male

Jonas Niklas Samlin

Nicholas David Lloyd Jordan

Stefan Rosenlund

Ole Pallesen Jensen

Independent auditor's report

To the shareholders of Zitcom Group ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Zitcom Group ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2016, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2016 - 31.12.2016 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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 requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

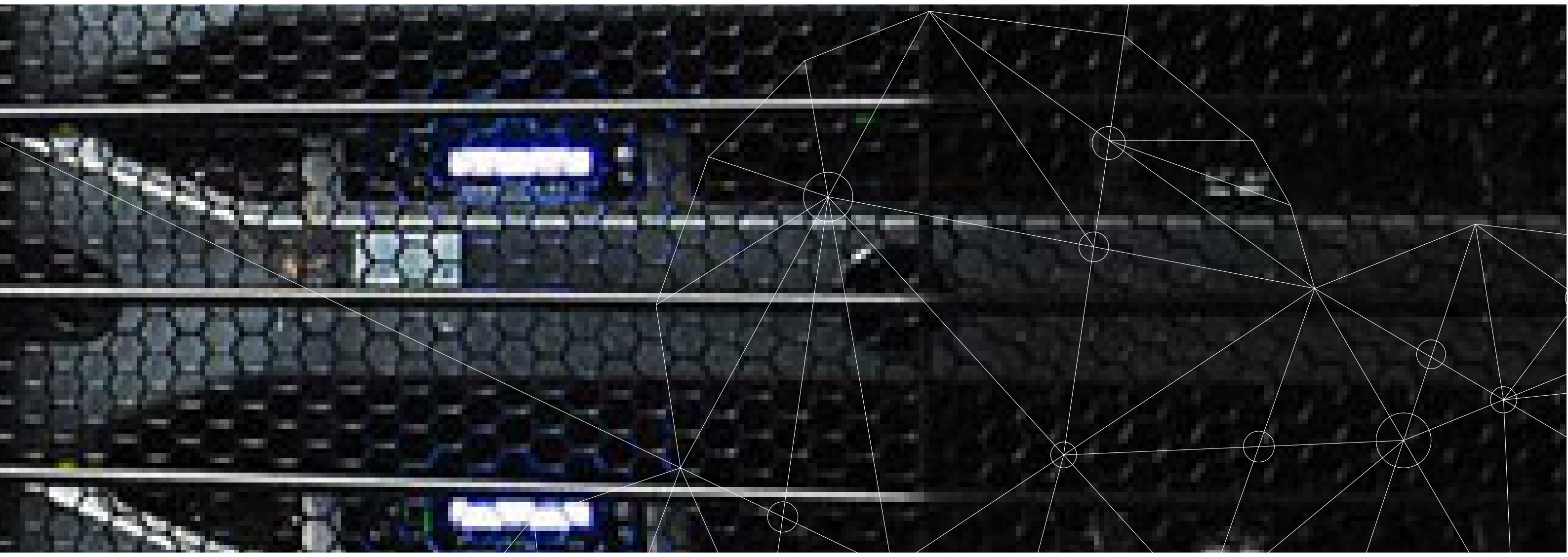
Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 these consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and the Parent's internal control.



Independent auditor’s report

- 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 consolidated financial statements and the parent 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 Group’s and the Parent’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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 23.05.2017

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Michael Bach
State-Authorised Public Accountant

Management commentary

FINANCIAL HIGHLIGHTS

T.DKK	2015/16*
CONSOLIDATED INCOME STATEMENT	
Revenue	179.108
Gross profit/loss	92.564
Operating profit/loss	-12.568
Net financials	-19.353
Profit/loss for the year	-32.091

T.DKK	2015/16*
CONSOLIDATED BALANCE SHEET	
Total assets	500.072
Investments in property, plant and equipment	17.580
Equity	102.717
Invested capital incl. goodwill	428.466
Interest bearing debt, net	271.054

T.DKK	2015/16*
CONSOLIDATED CASH FLOW	
Operating activities	43.265
Investing activities	-427.395
Financing activities	402.481

	2015/16*
RATIOS**	
Gross margin (%)	51,7
Net margin (%)	-17,9
Solvency ratio (%)	20,5
Revenue per employee	2.267
Employees in average	79

* Establishment year of the group

** Ratios with average figures are not calculated on a consolidated basis

Management commentary

FINANCIAL HIGHLIGHTS

Financial highlights are defined and calculated as follows:

RATIOS	CALCULATION FORMULA	RATIOS
Gross margin (%)	Gross profit x 100 / Revenue	The entity's operating gearing
Net margin (%)	Profit/loss for the year x 100 / Revenue	The entity's operating profitability
Solvency ratio (%)	Equity x 100 / Total assets	The financial strength of the entity
Revenue per employee	Revenue / Avr. number of employees	The entity's productivity

Management commentary

PRIMARY ACTIVITIES

The Group's primary business area is to offer and deliver hosting and highly standardized solutions to SMEs. Sale and delivery are made either through direct customer relationships or through the partner channel.

DEVELOPMENT IN ACTIVITIES AND FINANCES

Management considers the financial development in 2016 as acceptable and within expectations. The combined revenue of the group was t.dkk 179.108 and the result was negative with t.dkk 32.091.

2016 was the first financial year in the combined group and has been impacted by more special items.

1. Sale of a property in Kolding
2. Merger of Zitcom A/S and ScanNet A/S
3. Amortisation of Goodwill
4. Purchase of MeeBox ApS

ScanNet has been merged into Zitcom A/S with effective date of January 1st 2016 and during the process of merging the companies from a financial and tax related perspective, the process of merging the physical locations was initiated, which led to a sale of the property on Birkemose allé in Kolding.

The migration of ScanNet A/S into Zitcom A/S has required focus and a lot of the company's resources has been used for this purpose over the course of the year. The migration of the companies has happened faster than anticipated and management consider the migration a success and expects the last part of the physical migration to be finalized medio 2017 in which all activities related to the merged entity, Zitcom A/S operates out of Skanderborg.

Management has decided to amortise the Goodwill over a 10-year period, which has impacted the result negatively with t.dkk 45.979.

MeeBox ApS was acquired in December 2016, to further expand and grow the existing portfolio, but also to gain presence in a part of the market where other brands were not as strong.

Management is satisfied with the underlying financial performance for 2016, which marks the first year as a combined entity.

OUTLOOK

Management expects an increase in both revenue and profit in 2017 and is planning to further expand the presence in the Danish hosting market via further growth. Management expects profit to be positive in 2017.

Management commentary

PARTICULAR RISKS

Management is not aware of anything of particular risk to the company's presence is the Danish SME hosting market and also no risk that impacts the growth plans for the coming years.

EVENT 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.

Consolidated income statement

02. december 2015 - 31. december 2016

Note	DKK	**2015/16**
	Revenue	179.108.368
	Cost of sales	-58.159.180
	Other external expenses	-28.385.451
	Gross profit/loss	**92.563.737**
1	Staff costs	-44.469.522
2	Depreciation, amortisation and impairment losses	-60.662.201
	Operating profit/loss	**-12.567.985**
	Income from investments in associates	2.278.436
3	Other financial income	386.911
4	Other financial expenses	-19.739.643
	Profit/loss before tax	**-29.642.282**
5	Tax on profit/loss for the year	-2.448.897
	Profit/loss for the year	**-32.091.179**

Proposed distribution of profit/loss

Retained earnings	-32.091.179
	-32.091.179

Consolidated balance sheet - assets

Note	DKK	31.12.16
	Intangible assets	
	Acquired intangible assets	830.181
	Goodwill	406.972.056
6	**Total intangible assets**	**407.802.236**
	Property, plant and equipment	
	Land and buildings	-
	Other fixtures and fittings, tools and equipment	21.795.613
	Leasehold improvements	140.242
7	**Total property, plant and equipment**	**21.935.855**
	Fixed asset investments	
	Deposit	176.675
8	**Total fixed asset investments**	**176.675**
	Total fixed assets	**429.914.766**
	Receivables	
	Trade receivables	13.370.389
9	Deferred tax assets	3.107.248
	Other short-term receivables	1.739.927
10	Prepayments	13.571.399
	Total receivables	**31.788.963**
	Cash	**38.368.734**
	Total current assets	**70.157.698**
	Total assets	**500.072.463**

Consolidated balance sheet - equity and liabilities

Note	DKK	31.12.16
	Equity	
	Contributed capital	53.000
	Retained earnings	102.664.147
	Total Equity	**102.717.147**
	Non-current liabilities other than provision	
	Bank loans	271.240.555
	Finance lease liabilities	7.973.254
11	**Total non-current liabilities other than provision**	**279.213.808**
	Current liabilities other than provision	
11	Current portion of long-term liabilities other than provisions	24.456.439
	Bank loans	544.331
	Trade payables	2.525.329
	Payables from group enterprises	28.383.340
	Income tax payable	5.208.469
12	Other payables	11.906.703
	Accrued expenses	3.426.720
13	Deferred income	41.690.176
	Total current liabilities other than provision	**118.141.507**
	Liabilities other than provisions	**397.355.316**
	Total equity and liabilities	**500.072.463**

14 Unrecognised rental and lease commitments
15 Contingent liabilities
16 Assets charged and collateral
17 Related parties with control
18 Consolidation

Consolidated statement of changes in equity for 2016

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity 02.12.2015	50.000	-	-	50.000
Increase of capital	3.000	134.158.567	-	134.161.567
Transfered to retained earnings	-	-134.158.567	134.158.567	-
Fair value adjustment of hedgning instruments	-	-	-240.143	-240.143
Other adjustments	-	-	836.902	836.902
Profit/loss for the year	-	-	-32.091.179	-32.091.179
Equity end of year	**53.000**	**-**	**102.664.147**	**102.717.147**

Consolidated cash flow statement for 2015/16

Note	DKK	31.12.16
	Operating profit/loss	-12.567.985
	Amortisation, depreciation and impairment losses	60.662.201
19	Working capital changes*	18.682.879
	Cash flow from ordinary operating activities	**66.777.094**
	Financial income received	386.911
	Financial income paid	-19.739.643
	Income taxes refunded/(paid)	-4.159.374
	Cash flows from operating activities	**43.264.988**
	Acquisition etc of intangible assets	-298.501
	Acquisition etc of property, plant and equipment	-17.579.650
	Sale etc of property, plant and equipment	23.646.924
	Acquisition of fixed asset investments	-436.463.727
	Sale of fixed asset investments	3.300.000
	Cash flows from investing activities	**-427.394.954**
	Loans raised	288.407.222
	Instalments on loans etc	-25.409.128
	Incurrence of lease obligations	12.464.113
	Reductions of lease commitments	-7.193.250
	Establishment of company	50.000
	Capital increase	134.161.567
	Cash flows from financing activities	**402.480.524**
	Increase/decrease in cash and cash equivalents	**18.350.557**
	Cash and cash equivalents beginning of year**	19.473.847
	Cash and cash equivalents end of year	**37.824.404**
	Cash and cash equivalents at year-end are composed of:	
	Cash	38.368.734
	Short-term debt to banks	-544.331
	Cash and cash equivalents end of year	**37.824.404**

* The movement in working capital is calculated as movements from the time of acquisition to 31.12.2016

** Cash and cash equivalents beginning of year is cash in group enterprises at the time of acquisition

Notes

1. Staff costs

DKK	2015/16
Wages and salaries	39.689.492
Pension costs	3.422.039
Other social security costs	546.106
Other staff costs	811.885
	44.469.522

Average number of employees	**79**

	Remuneration of management DKK 2015/16
Executive board	3.470.210
Board of directors	989.008
	4.459.217

2. Depreciation, amortisation and impairment losses

DKK	2015/16
Amortisation of intangible assets	45.978.973
Depreciation of property, plant and equipment	12.844.414
Profit/loss from sale of intangible assets and property, plant and equipment	1.838.814
	60.662.201

3. Other financial income

DKK	2015/16
Interest income	32.872
Other financial income	354.040
	386.911

Notes

4. Other financial expenses

DKK	2015/16
Financial expenses arising from group enterprises	9.882.777
Interest expenses	7.413.855
Other financial expenses	2.443.010
	19.739.643

5. Tax on profit/loss for the year

DKK	2015/16
Current tax	2.066.042
Change in deferred tax for the year	382.855
	2.448.897

6. Intangible assets

	Acquired intangible assets DKK	Goodwill DKK
Additions from acquisitions etc.	7.729.635	9.519.803
Additions	298.501	448.232.770
Cost end of year	**8.028.136**	**457.752.573**
Amortisation and impairment losses from acquisitions	-6.433.783	-5.565.716
Amortisation for the year	-764.172	-45.214.801
Amortisation and impairment losses end of year	**-7.197.955**	**-50.780.517**
Carrying amount end of year	**830.181**	**406.972.056**

Notes

		Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
7.	**Property, plant and equipment**			
	Additions from acquisitions etc.	57.122.654	80.409.082	227.025
	Disposals	-57.636.750	-38.158.475	-
	Additions	514.096	17.065.554	-
	Cost end of year	**-**	**59.316.160**	**227.025**
	Depreciation from acquisitions etc.	-3.213.445	-62.532.116	-39.939
	Depreciation for the year	-412.060	-12.371.653	-46.845
	Reversal regarding disposals	3.625.505	37.383.221	-
	Depreciation end of year	**-**	**-37.520.548**	**-86.783**
	Carrying amount end of year	**-**	**21.795.613**	**140.242**
	Recognised assets not owned by entity	-	14.608.114	-

		Deposit DKK
8.	**Fixed asset investments**	
	Additions from acquisitions etc.	176.675
	Cost end of year	**176.675**
	Carrying amount end of year	**176.675**

Notes

9. Deferred tax assets

DKK	31.12.16
Intangible assets	431.403
Property, plant and equipment	2.285.713
Leasehold improvements	7.059
Tax losses carried forward	740.089
Receivables	-551.013
Other deductible temporary differences	193.997
	3.107.248

10. Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.
Prepayments are measured at cost.

11. Long-term liabilities other than provision

	Instalments within 12 months 2015 DKK	Instalments within 12 months 2016 DKK	Instalments beyond 12 months 2016 DKK	Oustanding after 5 years 2016 DKK
Finance lease liabilities	3.463.709	7.289.772	7.973.254	-
Bank loans	-	17.166.667	271.240.554	210.166.667
	3.463.709	**24.456.439**	**279.213.808**	**210.166.667**

12. Other payables

DKK	31.12.16
VAT and duties	3.303.118
Wages, salaries, personal income taxes, social security costs, etc.	5.620.153
Other costs payable	2.983.432
	11.906.703

In other costs payable a negative market value of 240 t.dkk is recognised regarding hedging of bank loan. A part of the bank loan (197.432 t.dkk.) is included in the hedging and has been entered into in order to cap the interest rate on the floating-rate bank loan.

Notes

13. Deferred income

Deferred income comprise received income for recognition in subsequent financial years. Deferred income is measured at cost.

14. Unrecognised rental and lease commitments

DKK	2015/16
Commitmens under rental or leases until expiry	**7.684.005**

15. Contingent liabilities

The Group participates in a Danish joint taxation arrangement with Zitcom HoldCo ApS as the administration company. According to the joint taxation provisions of the Danish Corpotation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

16. Assets charged and collateral

The Group companies has issued an indebted guarantee (cross guarantee) related to the engagement with Danske Bank.

The shares in the subsidiaries Zitcom A/S, UnoEuro Danmark A/S and Zitcom Group ApS have been provided as collateral for the Group's debt to Danske Bank.

Certain assets (current and non-current) has been pledges (negative pledge) as security for debt to Danske Bank.

17. Related parties with control

Related parties with a controlling interest:

Zitcom MidCo ApS, Danmarksvej 26, 8660 Skanderborg

Spot TopCo Limited, One Silk Street, London, UK

Notes

18. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Zitcom HoldCo ApS, Tuborg Boulevard 1, 2900 Hellerup

19. Change in working capital

DKK	2015/16
Increase/decrease in inventories	119.565
Increase/decrease in receivables	5.058.076
Increase/decrease in trade payables etc.	13.505.238
	18.682.879

Parent income statement

02. december 2015 - 31. december 2016

Note	DKK	2015/16
	Revenue	2.250.164
	Other external expenses	-13.659.849
	Gross profit/loss	**-11.409.685**
1	Staff costs	-3.671.212
	Operating profit/loss	**-15.080.897**
	Income from investments in group enterprises	-3.634.982
2	Other financial income	734.148
3	Other financial expenses	-18.392.608
	Profit/loss before tax	**-36.374.338**
4	Tax on profit/loss for the year	5.120.061
	Profit/loss for the year	**-31.254.277**
	Proposed distribution of profit/loss	
	Retained earnings	-31.254.277
		-31.254.277

Parent balance sheet - assets

Note	DKK	31.12.16
	Fixed asset investments	
	Investments in group enterprises	416.392.540
5	**Total fixed asset investments**	**416.392.540**
	Total fixed assets	**416.392.540**
	Receivables	
	Receivables from group enterprises	879.108
	Income tax receivable	4.926.064
6	Deferred tax assets	193.997
	Other short-term receivables	276.233
	Total receivables	**6.275.402**
	Cash	**1.137.101**
	Total current assets	**7.412.504**
	Total assets	**423.805.043**

Parent balance sheet - equity and liabilities

Note	DKK	31.12.16
	Equity	
7	Contributed capital	53.000
	Retained earnings	102.664.147
	Total Equity	**102.717.147**
	Non-current liabilities other than provision	
	Bank loans	271.240.555
8	**Total non-current liabilities other than provision**	**271.240.555**
	Current liabilities other than provision	
8	Current portion of long-term liabilities other than provisions	17.166.667
	Payables from group enterprises	31.112.365
9	Other payables	1.568.310
	Total current liabilities other than provision	**49.847.341**
	Liabilities other than provisions	**321.087.896**
	Total equity and liabilities	**423.805.043**

10	Contingent liabilities
11	Assets charged and collateral
12	Related parties with control
13	Ownership
14	Consolidation
15	Transactions with related parties

Parent statement of changes in equity for 2016

		Contributed	Share	Retained
	capital	premium	earnings	Total
	DKK	DKK	DKK	DKK
Equity 02.12.2015	50.000	-	-	50.000
Increase of capital	3.000	134.158.567	-	134.161.567
Transfered to retained earnings	-	-134.158.567	134.158.567	-
Fair value adjustment of hedgning instruments	-	-	-240.143	-240.143
Profit/loss for the year	-	-	-31.254.277	-31.254.277
Equity end of year	**53.000**	**-**	**102.664.147**	**102.717.147**

Parent notes

1. Staff costs

DKK	2015/16
Wages and salaries	3.290.741
Pension costs	318.540
Other social security costs	10.929
Other staff costs	51.002
	3.671.212

Average number of employees	**3**

	Remuneration of management 2015/16 DKK
Executive board	3.470.210
Board of directors	989.008
	4.459.217

2. Other financial income

DKK	2015/16
Financial income arising from group enterprises	701.276
Interest income	32.872
	734.148

3. Other financial expenses

DKK	2015/16
Financial expenses arising from group enterprises	9.977.183
Interest expenses	7.322.963
Other financial expenses	1.092.462
	18.392.608

Parent notes

4. Tax on profit/loss for the year

DKK	2015/16
Current tax	-4.926.064
Change in deferred tax for the year	-193.997
	-5.120.061

5. Fixed asset investments

	Investment in group enterprises DKK
Additions	436.463.727
Cost end of year	**436.463.727**
Amortisation of goodwill	-43.453.266
Profit/loss for the year	39.818.284
Dividend	-46.944.490
Other adjustments	30.508.284
Revaluations end of year	**-20.071.187**
Carrying amount end of year	**416.392.540**

Goodwill included in carrying amount, T.DKK 404.780

Subsidiaries	**Registered in**	**Corporate form**	**Equity interst %**
Zitcom A/S	Skanderborg	A/S	100,0
UnoEuro Danmark A/S	Skanderborg	A/S	100,0
KR 1480 ApS in liquidation	Aarhus	ApS	100,0
MeeBox ApS	Copenhagen	ApS	100,0

Parent notes

6. Deferred tax assets

DKK	31.12.16
Other deductible temporary differences	193.997
	193.997

	Number	Par value DKK	value DKK
7. Contributed capital			
Ordinary shares	53.000	1,00	53.000
	53.000		**53.000**

Changes in contributed capital	2015/16
Contributed capital beginning of year	50.000
Increase in capital	3.000
Contributed capital end of year	**53.000**

	Instalments within 12 months 2016 DKK	Instalments beyond 12 months 2016 DKK	Oustanding after 5 years 2016 DKK
8. Long-term liabilities other than provision			
Bank loans	17.166.667	271.240.555	210.166.667
	17.166.667	**271.240.555**	**210.166.667**

Parent notes

9. Other payables

DKK	31.12.16
Wages, salaries, personal income taxes, social security costs, etc.	644.434
Other costs payable	923.876
	1.568.310

In other costs payable a negative market value of 240 t.dkk is recognised regarding hedging of bank loan. A part of the bank loan (197.432 t.dkk.) is included in the hedging and has been entered into in order to cap the interest rate on the floating-rate bank loan.

10. Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Zitcom HoldCo ApS as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

11. Assets charged and collateral

The shares in the subsidiaries Zitcom A/S, UnoEuro Danmark A/S and the Company itself have been provided as collateral for the Group's debt to Danske Bank.

Certain assets (current and non-current) has been pledges (negative pledge) as security for debt to Danske Bank.

The Company's bank deposit has been provided as security for Mastercard. The carrying amount of the charged bank account amounts to T.DKK 250.

12. Related parties with control

Related parties with a controlling interest:

Zitcom MidCo ApS, Danmarksvej 26, 8660 Skanderborg
Spot TopCo Limited, One Silk Street, London, UK

13. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Zitcom HoldCo ApS, Tuborg Boulevard 1, 2900 Hellerup

Parent notes

14. Transactions with related parties

Informations about transactions with related parties are only listed in the annual report if these transactions have not been carried out on a market term basis. There have not been conducted suchs transactions in the financial year.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises.

2015/16 is the first Financial year.

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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Zitcom Group ApS and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

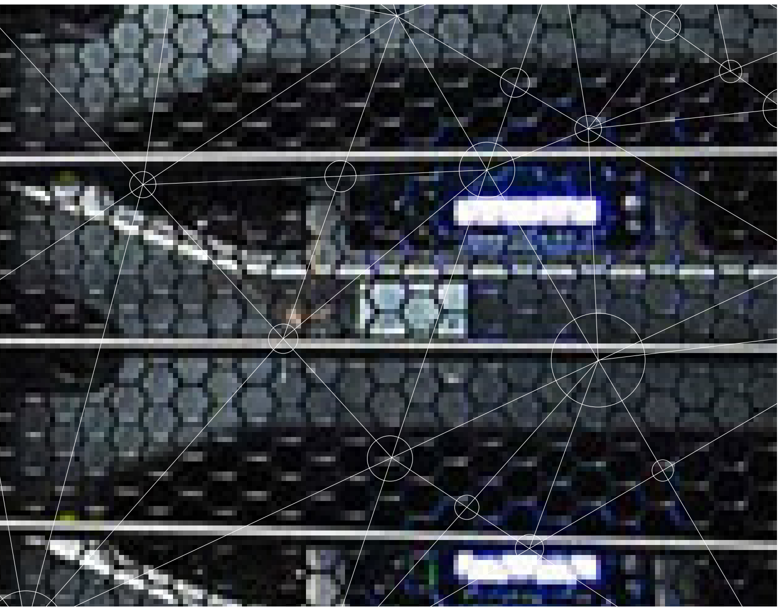
Accounting policies

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.



Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years.

Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

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.

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

INCOME STATEMENT

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Costs of raw materials and consumables comprise domains, internet access, software, etc. as well as costs directly attributable to realisation of revenue for the year. Costs of sales also include writedown for bad debt recognised under current assets.

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.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Income from investments in associates

Income from associates comprises the pro rata share of the individual associates profit/loss after elimination of internal profit or losses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation and depreciation for the financial year, calculated on the basis of the useful lives of the individual assets as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, etc.

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 all 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).

Accounting policies

BALANCE SHEET

Goodwill

Goodwill is amortised over its estimated useful life which is fixed based on the experience gained by Management for each business area. Goodwill is amortised straight-line over the amortization period, which is 5-10 years.

The amortization period is fixed based on expected repayment-period and is longest for strategically acquired enterprises with a strong market position and a long-term earnings profile.

Acquired intangible assets

Acquired rights are measured at cost less accumulated amortisation. Rights are amortised on a straight-line basis over the estimated useful life of 3 years.

Acquired intangible assets is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land, buildings and installations are measured at cost and less depreciation and impairment losses regarding buidlings.

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings (expected residual value 50%)	50 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Accounting policies

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life which is normally 5 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Investments in group enterprises 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.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Finance lease commitments

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.