

Be Informed Holding B.V.

Apeldoorn

Annual report April 2016 - March 2017

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

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Financial statements for the period April 2016 - March 2017

of

Be Informed Holding B.V., Apeldoorn

Registered office

Apeldoorn

Address:

Laan van Westenenk 150
7336 AV Apeldoorn

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Consolidated Balance sheet as at March 31, 2017
(before appropriation of result)

Assets

	<u>March 31, 2017</u>		<u>March 31, 2016</u>	
	€	€	€	€
Fixed assets				
Intangible fixed assets (1)	1.588.568		2.152.866	
Tangible fixed assets (2)	<u>28.600</u>		<u>45.410</u>	
		1.617.168		2.198.276
Current assets				
Receivables (3)	111.469		568.699	
Work in progress (4)	87.752		21.831	
Cash at bank and in hand (5)	<u>1.776.911</u>		<u>2.017</u>	
		1.976.132		592.547
Total Assets		<u>3.593.300</u>		<u>2.790.823</u>

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Shareholders' equity and liabilities

	March 31, 2017	March 31, 2016
	€	€
Group equity (6)	14.949	-1.169.194
Long term liabilities (7)	1.184.391	530.000
Current liabilities (8)	2.393.960	3.430.017
Total equity and liabilities	3.593.300	2.790.823

Consolidated Profit and Loss account for April 2016 - March 2017

	April 2016 - March 2017		January 2015 - March 2016	
	€	€	€	€
Net turnover (9)		3.362.342		5.072.261
Costs of subcontracted work and other external charges	396.368		942.458	
Staff costs (10)	3.006.620		3.170.622	
Depreciation of intangible fixed assets	564.300		542.448	
Depreciation of tangible fixed assets	16.211		22.494	
Other operating expenses (11)	513.217		897.801	
Total operating expenses		<u>4.496.716</u>		<u>5.575.823</u>
Operating profit / (loss)		-1.134.374		-503.562
Exchange rate differences	-8.396		-168.618	
Interest expense and similar charges	143.902		52.219	
Total exchange rate differences, interest expense and similar charges		<u>135.506</u>		<u>-116.399</u>
Profit / (loss) before taxation		-1.269.880		-387.163
Income taxes (12)		-		-
Net profit / (loss) after taxation		<u>-1.269.880</u>		<u>-387.163</u>

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Consolidated cash flow statement for April 2016 - March 2017

The cash flow statement has been prepared using the indirect method

	<u>April 2016 - March 2017</u>		<u>January 2015 - March 2016</u>	
	€	€	€	€
Cash flow from operating activities				
Operating profit / (loss)		-1.134.374		-503.562
Adjustments for:				
Depreciation and amortization		580.511		564.942
Unrealized foreign exchange differences		-36.989		71.160
Changes in working capital:				
Movements in amounts receivable	457.230		376.182	
Movements in work in progress	-65.921		-391.518	
Movements in current liabilities	-1.036.057		944.198	
		-644.748		928.862
Interest received		-		-
Interest paid		-143.902		-52.219
Cash flow from operating activities		-1.379.947		1.009.182
Cash flow from investing activities				
Additions to intangible fixed assets		-		-1.479.430
		-		-1.479.430
Cash flow from financing activities				
Capital contributions		2.500.000		-
Proceeds from subordinated loan		605.000		200.000
Proceeds from shareholders' loan		49.391		255.000
Cash flow from financing activities		3.154.391		455.000
Movements in cash on hand		1.774.894		-15.248
Cash on hand at the beginning of year		2.017		17.265
Cash on hand at the end of year		1.776.911		2.017
Movement		1.774.894		-15.248

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Accounting policies used for the consolidated financial statements

General

The activities of Be Informed Holding B.V. (hereinafter referred to as 'BIH' or the 'Company'), with Chamber of Commerce number 02090147, and its group companies (collectively referred to as the 'Group') are the development and sale of software products. The Company also provides professional services to its customers.

Basis of preparation

Both the consolidated and company only financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. During 2015 the Company changed its statutory financial year-end to March 31, 2016. For this reason the statutory financial year 2015 contains 15 months.

Cash flow statement

The cash flow statement has been drawn up using the indirect method. The cash and cash equivalents in the cash flow statement consist of cash at bank and in hand. Cash flows denominated in foreign currencies are translated at estimated average exchange rates. Cash exchange differences are included in the operating profit. Interest received and paid, dividends received and profits tax are included in cash flow from operating activities. Dividend distributions are included under cash flow from financing activities. Transactions for which no cash or cash equivalents are exchanged, including finance leases, are not included in the cash flow statement. Lease payments under finance lease contracts are considered to be cash outflows from financing activities to the extent that they relate to repayment instalments and as cash outflows from operating activities to the extent that they relate to interest payments.

Basis of consolidation

The consolidated financial statements include the financial data of the Company and its group companies at March 31 of the period under review. Group companies are legal entities and companies over which the company exercises control.

Group companies are fully consolidated as from the date on which control is obtained and until the date that control no longer exists. The items in the consolidated financial statements are determined in accordance with consistent accounting policies.

The consolidated financial statements include the financial data of Be Informed Holding B.V. and its 100% participations Be Informed B.V., Be Informed IP B.V. all in Apeldoorn, and Be Informed USA Inc. in Wilmington (USA).

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Foreign currency translation

The financial statements are prepared in euros, the functional and presentation currency of the group.

Transactions denominated in foreign currencies are initially carried at the functional exchange rates ruling at the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates ruling at the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling at the date of transaction. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling at the date of valuation.

Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the profit and loss account, with the exception of exchange differences resulting from net investments in foreign activities, or from loans taken out to finance or effectively hedge net investments in foreign activities. These exchange differences are taken directly to the foreign currency translation reserve. The foreign currency translation reserve is included under the legal reserves.

Exchange differences arising on the translation of non-monetary balance sheet items denominated in foreign currencies that are carried at current value are taken directly to the revaluation reserve, provided the changes in value of the non-monetary items are likewise taken directly to reserves.

Change in estimates

For the financial year 2016/17 the company changed its policy of revenue recognition of licence fees for new contracts. License revenue is recognized directly if the following conditions are met:

- the contract is irrevocable and the transfer is unconditional;
- the licensee is free to exercise his rights unconditionally;
- the licensor has no further obligations.

In previous years this fee was recognized pro rata per month over the term of the contract. The impact of this change was approximately € 400k positive on the results for the years 2016/2017.

Intangible fixed assets

An intangible fixed asset is recognized in the balance sheet if:

- It is probable that the future economic benefits that are attributable to the asset will accrue to the group; and
- The cost of the asset can be reliably measured

Costs relating to intangible fixed assets not meeting the criteria for capitalization for example, cost of research, internally developed brands, logos, trademark rights and client databases are taken directly to the profit and loss account. The company maintains a legal reserve for software development expenses capitalized. Intangibles are amortized over 5 years (20%).

Tangible fixed assets

Tangible fixed assets in use by the company

Tangible fixed assets in use by the company are carried at the cost of acquisition or production (less any investment grants) net of accumulated depreciation and accumulated impairment losses. Costs of major maintenance are recognized under cost when incurred and if the recognition criteria are met. The carrying amount of the components to be replaced will be regarded as a disposal and taken directly to the profit and loss account. All other repair and maintenance costs are taken directly to the profit and loss account. Tangible fixed assets carried at cost do not include capitalized interest charges.

Depreciation is calculated on a straight-line basis over their expected useful lives, taking into account their residual value. Changes in the expected depreciation method, useful life and/or residual value over time are treated as changes in accounting estimates.

The costs of dismantling, removing and restoring after the use of an asset are recognized as part of carrying amount of the asset, with a provision being formed for an equal amount at the same time.

Depreciation

	%
Building improvements	20
Equipment	20 - 33,33

Cash at bank and in hand

Cash at bank and in hand are measured at face value. Cash at bank and in hand not expected to be at the group's free disposal for more than 12 months is classified as financial fixed assets.

Taxes

A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences and carry-forward losses, to the extent that it is probable that future taxable profit will be available for set-off.

The Company together with its Dutch group companies constitutes a fiscal unity. Taxes are settled within this fiscal unity as if each company were an independent taxable entity.

Classification of equity and liabilities

A financial instrument or its separate components are classified in the consolidated financial statements as liability or as equity in accordance with the substance of the contractual agreement underlying the financial instrument. In the company financial statements, a financial instrument is classified in accordance with the legal reality. Interest, dividends, gains and losses relating to a financial instrument, or part of a financial instrument, are included in the financial statements in accordance with the classification of the financial instrument as liability or equity.

Financial assets and liabilities

When financial assets and liabilities are recognized initially, they are measured at fair value, plus, in case the financial assets and liabilities are not classified at fair value through profit or loss, directly attributable transaction costs.

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Under Dutch Accounting Standard 290, on initial recognition, the group classifies the financial assets and liabilities on a portfolio basis in the (sub)categories listed below.

Loans and receivables

After initial measurement, loans and receivables are carried at amortized cost using the effective interest method. Gains or losses are recognized in the profit and loss account when the assets are derecognized, as well as through the amortization process.

Other financial liabilities

After initial measurement, other financial liabilities are carried at amortized cost using the effective interest method. Gains or losses are recognized in the profit and loss account when the liabilities are derecognized, as well as through the amortization process.

Work in progress

Fixed price projects are carried out at the instruction of a third party for the construction of an asset or combination of assets whose performance generally extends over several reporting periods. Fixed price projects are carried at realized contract costs plus attributable profit - provided this can be reliably measured - and less a provision for expected losses and instalments invoiced.

If the outcome of a fixed price project can be reliably estimated, contract revenue and contract costs from the contract are taken to the profit and loss account pro rata to the extent of the work performed at the balance sheet date (percentage of completion method). The percentage of completion is determined on the basis of the contract costs incurred in proportion to the estimated total contract costs. If the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that are probable to be recoverable, and contract costs are recognized as an expense in the period in which they are incurred (percentage of completion with zero profit method). If it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

The net amount for the contracts recognized as a current asset or a current liability where the balance of the construction contracts is positive or negative, respectively.

Fixed price project revenue realized in the financial year is recognized as net turnover in the profit and loss account. Contract costs are included under costs of subcontracted work and other external charges and staff costs.

Income

General

Gross margin represents net turnover, change in work in progress and other operating income. Net turnover represents the proceeds from the supply of goods and services, net of VAT, discounts, et cetera.

Sale of licenses

License revenue is recognized directly if the following conditions are met:

- the contract is irrevocable and the transfer is unconditional;
- the licensee is free to exercise his rights unconditionally;
- the licensor has no further obligations.

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If there are any further significant obligations related to the license fee, or the license term is not perpetual, the revenue related to that license is recognized pro rata to the services performed. If contracts are hybrid, an allocation is made between licenses and other revenue.

Services

If the result of a transaction relating to a service can be reliably estimated and the income is probable to be received, the income relating to that service is recognized in proportion to the service delivered. revenue related to fixed price contracts are recorded based on the percentage of completion (see above).

Intercompany transactions

Results on transactions with and between group companies are eliminated in full. Results on transactions with and between participating interests carried at net asset value are recognized proportionally. Results on transactions with and between participating interests carried at cost are recognized in full, unless they have not been realized in substance.

Expenses

General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts, are treated as annual interest charges so that the effective interest rate together with the interest payable on the loan, is recognized in the profit and loss account, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

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Notes to the consolidated Balance sheet

Intangible fixed assets (1)

	Paid intellectual property April 2016- March 2017 €	Developed Intellectual property April 2016- March 2017 €	Total €	Total January 2015- March 2016 €
Net book value at beginning of year	57.500	2.095.366	2.152.866	1.215.884
Additions	-	-	-	-
Amortization	-20.000	-544.298	-564.298	-542.448
Net book value at end of year	37.500	1.551.068	1.588.568	2.152.866
Costs	100.000	2.721.495	2.821.495	2.821.495
Accumulated amortization and Impairments	-62.500	-1.170.427	-1.232.927	-668.629
Net book value at end of year	37.500	1.551.068	1.588.568	2.152.866

A restart, an amount of € 100.000 was paid to the liquidator for Intellectual Property. This amount is capitalized and amortization starts in 2014. The amortization period is 5 years.

In 2014, 2015 and the first quarter of 2016 the staff costs on Product Development are capitalized. This concerns the development of new Be Informed software for an amount of € 2,7 million.

In the opinion of the Management software development qualifies for capitalization for each of the following reasons:

- a) it concerns a new version that is separately marketed;
- b) the customer can choose between an old and a new version;
- c) revenue on software generated with the existing (old version) will decrease, revenue generated with the new version will increase.

The amortization period is 5 years.

As the financial statements have been drawn up under the assumption that the company can continue to operate as a going concern and there is a very significant pipeline of revenue, no impairment of intangible fixed assets has been identified and accounted for.

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Tangible fixed assets (2)

	March 31, 2017 €	March 31, 2016 €
Building improvements	1.100	1.700
Equipment	27.500	43.710
	<u>28.600</u>	<u>45.410</u>

	Building improvements April 2016- March 2017 €	Equipment April 2016- March 2017 €	Total €	Total January 2015- March 2016 €
Net book value at beginning of year	1.700	43.710	45.410	67.904
Additions	-	-	-	-
Depreciation	-600	-16.210	-16.810	-22.494
Net book value at end of year	<u>1.100</u>	<u>27.500</u>	<u>28.600</u>	<u>45.410</u>
Costs	3.000	80.829	83.829	83.829
Accumulated depreciation and Impairments	-1.900	-53.329	-55.229	-38.419
Net book value at end of year	<u>1.100</u>	<u>27.500</u>	<u>28.600</u>	<u>45.410</u>

No tangible fixed assets were carried at a value higher than fair value and consequently no impairment has arisen.

Receivables (3)

	March 31, 2017 €	March 31, 2016 €
Trade receivables	58.015	313.225
Amounts receivable from related parties	-	5.445
Other amounts receivable, prepayments and accrued income	53.454	250.029
	<u>111.469</u>	<u>568.699</u>

Trade receivables

The trade receivables are presented net of an allowance account, which amounts to nil as at March 31, 2017 (March 31, 2016: nil). In February 2017 the pledge of trade receivables was cancelled due to the change of bank. Rabobank was at that moment replaced by ING.

Other amounts receivable, prepayments and accrued income

Included are amounts to be invoiced in connection with licenses and services delivered for an amount of € 1.445 (March 31, 2016: € 212.010).

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Work in progress (4)

Work in progress relates to services still to be rendered, generally under fixed price agreements. The work in progress includes projects with a debit balance € 93 thousand (March 31, 2016: € 47 thousand) and a credit balance € 6 thousand (March 31, 2016: € 25 thousand).

	March 31, 2017 €	March 31, 2016 €
Total costs	93.341	103.713
Amounts invoiced	5.589	81.882
	<u>87.752</u>	<u>21.831</u>

Note total costs is hours charged against a fixed rate plus expenses.

Cash at bank and in hand (5)

	March 31, 2017 €	March 31, 2016 €
ING (Savings)	1.750.000	-
Bank of America, Rabobank	26.869	2.006
Cash in hand	42	11
	<u>1.776.911</u>	<u>2.017</u>

The bank balances are pledged with all credit amounts and joint liable between the group companies.

Group equity (6)***Movement schedule consolidated shareholders' equity***

See the movement schedules as specified at Be Informed Holding B.V.

Long term liabilities (7)***Shareholders and participants loans***

The loans due to shareholders and participants are debts to Mr H.R. Hoogenberg (€ 189.681), Mensink Beheer B.V. (€ 93.329), Mr G.H. Mensink (€ 95.731) and by an employee (€ 200.000). All money is received at March 31, 2016. The debts carry an interest rate of 2,75%. The loan from an employee carries no interest. All loans can only be repaid by borrower when certain conditions are met. They cannot be repaid on request of the lender. All loans are subordinated.

Loan NPEX (contracted amount of € 605.000)

Be Informed entered into an agreement with crowd funding platform NPEX. This results in an 8,5% loan (bond loan) which can be repaid upon request. It is a subordinated loan, via NPEX the loan parts (each € 1.000) can be traded. Loan can be repaid after 2 years, the loan must be fully repaid before 28 July 2021.

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Current liabilities (8)

	March 31, 2017	March 31, 2016
	€	€
Rabobank (2016), ING Bank (2017)	213.700	450.090
Accrual for holiday payments and annual leave	211.254	223.693
Trade creditors/suppliers	99.307	549.107
Deferred license and maintenance income	1.127.700	1.355.922
Taxes and social security contributions	415.320	531.975
Other liabilities	326.679	319.230
	<u>2.393.960</u>	<u>3.430.017</u>

ING Bank

All amounts due to the ING Bank are joint liable between the group companies and all credit balances at the ING are pledged to the ING.

Trade creditors/suppliers

The aging of the trade creditors/ suppliers can be specified as follows:

	March 31, 2017	March 31, 2016
	€	€
Trade creditors open for less than thirty days	99.307	191.842
Trade creditors open for more than thirty days	-	357.265
	<u>99.307</u>	<u>549.107</u>

Deferred license and maintenance income

License and maintenance income is recognized pro rata to the services performed. The deferred license and maintenance income relate to the unrecognized part hereof.

Taxes and social security

The taxes and social security comprise the following taxes:

	March 31, 2017	March 31, 2016
	€	€
Wage taxes and social security payable Netherlands	174.043	326.528
Wage taxes and social security payable UK	155.548	116.908
VAT payable Netherlands	85.729	88.539
	<u>415.320</u>	<u>531.975</u>

The Dutch wage taxes and social security payable and the VAT payable includes overdue payables for an amount of respectively € 104.086 and € 0 March 31, 2016. These overdue amounts were paid by the company in 2017.

The wage taxes and social security payable UK include overdue payables for an amount of € 147.791. There is a payment agreement with the UK tax authorities, all amounts should be paid back before the 1st of March, 2018.

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Other liabilities

Included in the Other liabilities are payment agreements with trade creditor/ supplier for an amount of € 215.489 as at March 31, 2017. The Group will settle these balances as soon as possible.

Assets and liabilities not recognised in balance sheet**Fiscal unity**

The Dutch entities in the Group form a fiscal unity for Dutch corporate income tax and VAT returns, except for Be Informed B.V. which is not part of the VAT fiscal unity. Be Informed Holding B.V. is the parent of both fiscal unities. Each entity in the fiscal unity is jointly and severally liable for the tax liabilities of the fiscal unit.

Company car operating leases

The Company is lessee to company car lease contracts. The contracts are classified as operational leases. The face value of the future minimum lease payments is € 541.088 (31 March, 2016: € 668.590), split as follows:

	March 31, 2017
	€
Payments within one year	205.506
Payments between one and five years	335.583
Payments over five years	-
	<u>541.088</u>

Tax losses available for future compensation

Per year-end 2013, the Company had tax losses available for future compensation of approximately € 26 million. In connection with the restart of the Company an agreement was made with the Dutch tax authorities. In this deal these tax losses were surrendered in return for a settlement of various tax payables and for the right to amortize for tax purposes in 5 years IP rights for € 15 million in total, starting February 2014. As of per March 31, 2017, the Company has tax losses available for future compensation of € 6.777.291 (March 31, 2016: € 2.206.884). A loss on Goodwill of € 3.750.000 resulted from the bankruptcy is part of this compensable losses. Despite the positive outlook on the long term, currently it is insufficiently certain that the company will generate sufficient fiscal gains to timely utilize all tax losses. As a result no deferred tax asset has been recorded.

Rental office building

The rental contract related to the office building located at the Wapenrustlaan in Apeldoorn was terminated due to the bankruptcy.

A new rental contract at the Laan van Westenenk was concluded on March 1, 2014.

The face value of the future minimum lease payments of this new contract is € 910.000, (March 31, 2016: € 1.030.000) split as follows:

	March 31, 2017
	€
Payments due within one year	120.000
Payments due between one and five years	480.000
Payments due over five years	320.000
	<u>910.000</u>

Contingent liability

The official receivers have not closed the files of the bankruptcy yet.

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Financial instruments

General

The information included in the notes for financial instruments is useful in estimating the extent of risks relating to both on-balance sheet and off-balance sheet financial instruments.

The Group's primary financial instruments, not being derivatives, serve to finance the Group's operating activities or directly arise from these activities. The group's policy is not to trade in financial instruments. The Group does not have any derivatives.

The principal risks arising from the Group's financial instruments are credit risks, liquidity risks and market risk, which comprise foreign exchange and interest rate risks. The Group's policy to mitigate these risks is set out below.

Foreign exchange risk

As a result of the activities in the UK and USA the Group's balance sheet, may be influenced by the change of the British Pound and US Dollar to Euro exchange rates. The Group's policy is not to hedge these risks.

The Group is also exposed to foreign exchange risks arising from purchase and sales transactions denominated in a currency (British Pound and US Dollars) other than the Group's presentation currency.

Interest rate risk

The interest rate risk the Company is exposed to a fixed interest of 8,5% on the loans from its shareholders (€579 thousand), the NPEX Group (€605 thousand) and variable interest to the ING credit facilities.

Credit risk

The Group trades only with creditworthy parties and has implemented procedures to check the creditworthiness of parties. The Group has also drawn up guidelines for limiting the credit risk associated with each party. Furthermore, the Group applies strict credit control and reminder procedures. The Group's credit risk is minimal due to the above measures. In addition, there are no significant concentrations of credit risk within the Group.

Liquidity risk

Liquidity risk encompasses the risk that the Company runs out of sufficient cash funds. The Company is currently in a fragile position where the restart after the bankruptcy. The Group monitors its risks of shortages of funds with cash flow forecasts. Further reference is made to the accounting policies in which the going concern considerations are described.

Notes to the consolidated Profit and Loss account**Net turnover (9)**

Turnover 2016/2017 (12 months) decreased by 34% compared with 2015/2016 (15 months).

	<u>April 2016- March 2017</u>	<u>January 2015- March 2016</u>
	€	€
Staff costs (10)		
Wages and salaries	2.137.890	3.260.987
Social security charges	257.777	425.717
Pension costs	84.461	127.141
Other staff costs	526.492	836.207
	<u>3.006.620</u>	<u>4.650.052</u>
Capitalized Product Development costs	-	-1.479.430
	<u>3.006.620</u>	<u>3.170.622</u>

Remuneration of members of the Board of Management

In accordance with article 2:396 the remuneration of the board of management is not disclosed.

Workforce

The average number of staff employed by the company in the period April 2016 - March 2017 was 32 (January 2015 - March 2016: 30).

	<u>April 2016- March 2017</u>	<u>January 2015- March 2016</u>
The headcount as at March 31, 2017 was 32, broken down by business sector as follows:		
Sales and marketing	5	2
Product support	11	7
Product development and product architecture	11	14
Executive management and administration	<u>5</u>	<u>7</u>
	<u>32</u>	<u>30</u>

At book year-end the Group employs 3 staff employee in the UK and 0 in the USA (2015/2016: 7 in UK and USA).

	<u>April 2016 - March 2017</u>	<u>January 2015- March 2016</u>
	€	€
Other operating expenses (11)		
Accommodation costs	176.889	190.591
Office expenses	81.280	41.087
Selling expenses	145.477	331.956
General expenses	109.571	334.167
	<u>513.217</u>	<u>897.801</u>

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

Ruimte voor paraaf

Company Balance sheet at March 31, 2017
(before appropriation of result)

Assets

	March 31, 2017		March 31, 2016	
	€	€	€	€
Fixed assets				
Financial fixed assets (12)		1.390.580		1.479.870
Current assets				
Receivables (13)	205.927		135.776	
Cash at bank and in hand	<u>1.750.000</u>		<u>-</u>	
		1.955.927		135.776
Total Assets		<u>3.346.507</u>		<u>1.615.646</u>

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

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Ruimte voor paraaf

Shareholders' equity and liabilities

	March 31, 2017		March 31, 2016	
	€	€	€	€
Shareholders' equity (14)				
Issued share capital	7.083.333		5.000.000	
Share premium account	10.642.809		10.226.139	
Other reserves	-16.001.002		-16.462.756	
Other legal reserves	1.323.700		1.913.973	
Undistributed result	-349.369		-82,543	
		2.699.468		594.813
Long term liabilities (15)		605.000		
Current liabilities (16)		42.039		1.020.833
Total equity and liabilities		<u>3.346.507</u>		<u>1.615.646</u>

Company Profit and Loss account for April 2016 - March 2017

	April 2016 - March 2017		January 2015 - March 2016	
	€	€	€	€
Net turnover		-		-
Wages, salaries and social security charges (17)	21.020		12.951	
Other operating expenses (18)	92.899		39.996	
Total operating expenses		113.919		52,947
Operating profit / (loss)		-113.919		-52,947
Changes in value of financial assets and securities	890.363		320.968	
Interest and similar expenses	-68.271		-28.111	
Financial income and expenses (19)		822.092		292,857
Profit / (loss) before taxation		708.173		239.910
Share in profit / (loss) of participating interest (20)		-1.057.543		-322.453
Income taxes		-		-
Net profit / (loss) after taxation		-349.370		-82.543

Voor waarmerkingsdoelinden
Boon Registeraccountants B.V.

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Accounting policies used for the company financial statement

Financial fixed assets

Participating interests with no control or significant influence

Participating interests with no control or significant influence are carried at cost net of accumulated impairment losses. Management no longer has control or significant influence participation over its participation in Neverland B.V. (including its subsidiaries Be Informed Benelux B.V. and Be Informed UK Ltd.), following its bankruptcy. The participation is considered fully impaired and valued at nil.

Participating interests in the company only financial statements

Participating interests over whose financial and operating policies the group exercises control are valued using the net asset value method. Under this method, participating interests are carried at the group's share in their net asset value plus its share in the results of the participating interests and its share of changes recognized directly in the equity of the participating interests as from the acquisition date, determined in accordance with the accounting policies disclosed in these financial statements, less its share in the dividend distributions from the participating interests. The group's share in the results of the participating interests is recognized in the profit and loss account. If and to the extent the distribution of profits is subject to restrictions, these are included in a legal reserve.

The company's share in direct equity increases and decreases of participating interests is also included in the legal reserve except for asset revaluations recognized in the revaluation reserve.

If the value of the participating interest under the net asset value method has become negative, this method is no longer applied and the participating interest is valued at nil. If a group company has a receivable on such a participating interest, the receivable is written off against the value of the participating interest. A provision is formed if and to the extent the company stands surety for all or part of the debts of the participating interest or if it has a constructive obligation to enable the participating interest to repay its debts.

A subsequently acquired share of the profit of the participating interest is recognized only if and to the extent that the accumulated share of the previously unrecognized loss has been made good.

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

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Ruimte voor paraaf

Notes to the company Balance sheet

Financial fixed assets (12)

	March 31, 2017 €	March 31, 2016 €
Participations in group companies		
Be Informed IP B.V. at Apeldoorn (100% ownership)	1.390.580	1.479.870
Be Informed B.V. at Apeldoorn (100% ownership)	-	-
	<u>1.390.580</u>	<u>1.479.870</u>

Be Informed IP B.V.

Carrying amount as of April 1 / January 1	1.479.870	894.365
Adjustment related to receivables	792.880	-
	<u>2.272.750</u>	<u>894.365</u>
Share in result	-882.170	585.505
	<u>1.390.580</u>	<u>1.479.870</u>

Be Informed B.V.

Carrying amount as of April 1 / January 1	-3.254.205	-2.248.790
Exchange rate differences	-45.978	-97.457
Adjustments related to receivables	97.485	-
Share in result	-205.521	-907.958
	<u>3.408.219</u>	<u>-3.254.205</u>
Provisions and other deductions	-3.408.219	3.254.205
Carrying amount as of March 31	0	0

Receivables (13)

	March 31, 2017 €	March 31, 2016 €
Amounts receivable from participating interests and participants	197.858	134.573
Turnover taxes	7.719	1.203
Other amounts receivable, prepayments and accrued income	350	-
	<u>205.927</u>	<u>135.776</u>

Voor waarmerkingsdoeleinden
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Shareholders' equity (14)**Reconciliation consolidated and Company only result and shareholders' equity**

The participating interest Be Informed B.V. has, after the elimination of intercompany liabilities, a negative net asset value. This participating interest is valued at nil as the Company does not have an obligation to fund these losses. Be Informed IP B.V. and Be Informed B.V. are fully consolidated. This leads to the following difference between the consolidated and company equity and result.

Consolidated result (per March 2017)	(1.269.880)
Company result	(349.369)
Difference in result	920.511
Consolidated equity (per March 31, 2017)	14.949
Company equity	2.699.468
Difference in equity	2.684.569

Issued share capital

The Company can issue an unlimited number of new shares and certificates.

The Company holds per the end of March 31, 2016 49.940 treasury shares (2014: 49.940). Any considerations are deducted from the retained earnings (refer to note below).

At year-end 2013 the Company had 2,000 ordinary shares and 1,437,945 cumulative preference shares issued and fully paid-in. During 2014, a new shareholder was welcomed and the capital structure was revised. The preference shares have been converted into ordinary shares and a number of 939,865 shares were cancelled. Payments of € 15.000 to three former employees were made in connection to a purchase of shares. The remainder of the shares were cancelled without settlement as part of the capital restructuring. This was recorded against retained earnings.

At year-end 2015 and 2014 the Company has 500,000 ordinary shares issued and fully paid up.

Furthermore in 2014, the existing shareholders waived their rights to collect subordinated loans increased by accrued interest for € 8.1 million in total in exchange for a preferred return in case the Group will be sold. This increased the retained earnings for the same amount.

The Company deducts the consideration paid to acquire treasury shares from the retained earnings. Per the end of 2015 the total accumulated consideration paid for treasury shares amounted to € 15.000 (2014: € 15.000).

Reggeborgh Technoly B.V acquired 208.333 ordinary shares (shares 'A') a € 10 per share per February 2017. On this a share premium of € 416.670 is paid, resulting in a capital adjustment of € 2.500.000. This correspond with 29,41% of total shares.

Shareholders' equity

	March 31, 2017 €	March 31, 2016 €
Carrying amount as of April 1, 500.000 shares with a nominal value of € 10	5.000.000	5.000.000
Issued per February 2017, 208.333 shares with a nominal value of € 10	2.083.330	-
Carrying amount as per March 31	7.083.330	5.000.000

Voor waarmerkingsdoeleinden
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Share premium account

Carrying amount as of April 1	10.226.139	10.226.139
Issued per February 2017	416.670	-
Carrying amount as per March 31	<u>10.642.809</u>	<u>10.226.139</u>

Other legal reserves*Legal reserve on cost of development*

Carrying amount as of April 1 / January 1	2.095.366	-
Allocation legal and statutory reserves	-544.298	2.095.366
Carrying amount as of March 31	<u>1.551.068</u>	<u>2.095.366</u>

Legal reserve on exchange rate differences

Carrying amount as of April 1 / January 1	-181.983	-
Allocation legal and statutory reserves	-45.385	-181.983
Carrying amount as of March 31	<u>-227.368</u>	<u>-181.983</u>

Other reserves

Carrying amount as of April 1	-16.462.757	-15.058.052
Legal and statutory reservation	544.298	-1.913.973
Allocation of financial year net result	-82.543	509.268
Carrying amount as of March 31	<u>-16.001.002</u>	<u>-16.462.757</u>

Undistributed result

Carrying amount as of April 1 / January 1	-82.543	509.268
Allocation retained earnings	82.543	-509.268
Undistributed result current year	-349.369	-82.543
Carrying amount as of March 31	<u>-349.369</u>	<u>-82.543</u>

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Boon Registeraccountants B.V.

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Long term liabilities (15)*Loan NPEX (contracted amount of € 605.000)*

Be Informed entered into an agreement with crowd funding platform NPEX. This results in an 8,5% loan (bond loan) which can be repaid upon request. It is a subordinated loan, via NPEX the loan parts (each € 1.000) can be traded. Loan can be repaid after 2 years, the loan must be fully repaid before 28 July 2021.

Current liabilities (16)

	March 31, 2017	March 31, 2016
	€	€
Rabobank	-	840.000
Trade creditors/suppliers	15.789	4.235
Amounts payable to Be Informed USA inc	-	140.233
Other liabilities	26.250	-
	<u>42.039</u>	<u>984.468</u>

Assets and liabilities not recognised in balance sheet

Reference is made to the notes to the consolidated financial statements.

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

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Ruimte voor paraaf

Notes to the Company Profit and Loss account

Wages, salaries and social security charges (17)

	March 31, 2017	March 31, 2016
	€	€
Management fee	21.020	12.951

Staff

At the company 0 persons, calculated in full time equivalents, were employed during April 2016 - March 2017 (January 2015 - March 2016: nil).

Other operating expenses (18)

	March 31, 2017	March 31, 2016
	€	€
Office expenses	4.863	7.722
Sales and distribution expenses	-	-6
General expenses	88.036	32.280
	<u>92.899</u>	<u>39.996</u>
<i>Office expenses</i>		
Automation costs	<u>4.863</u>	<u>7.772</u>
<i>Selling and distribution expenses</i>		
Cash discount	<u>-</u>	<u>-6</u>
<i>General expenses</i>		
Consultancy fees	88.036	29.345
Other general expenses	-	2.935
	<u>88.036</u>	<u>32.280</u>

Financial income and expenses (19)

	April 2016 - March 2017	January 2015 - March 2016
	€	€
Value adjustment of receivables from Be Informed IP	792.878	320.968
Value adjustment of receivables from Be Informed (USA)	97.485	
	<u>890.363</u>	<u>320.968</u>

Changes in value of financial assets and securities

Interest	60.615	19.468
Differences in exchange rates	7.656	8.643
	<u>68.271</u>	<u>28.111</u>

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

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Share in profit / (loss) of participating interest (20)

	<u>April 2016 - March 2017</u>	<u>January 2015 - March 2016</u>
	€	€
Share in result of Be Informed IP B.V.	-882.170	585.505
Share in result of Be Informed B.V.	-175.373	-907.958
	<u>-1.057.543</u>	<u>-322.453</u>

Other information

Independent auditor's report (separately attached)

Apeldoorn, 30 November 2017

H.R. Hoogenberg
CEO Be Informed Holding B.V.

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

Ruimte voor paraaf

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Be Informed Holding B.V.

A. Report on the audit of the financial statements for the year ended 31 March 2017

Our opinion

We have audited the financial statements for the year ended 31 March 2017 of Be Informed Holding B.V., based in Apeldoorn.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Be Informed Holding B.V. as at 31 March 2017, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the consolidated and company balance sheet as at 31 March 2017;
2. the consolidated and company profit and loss account for the year then ended; and
3. the notes comprising a summary of significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Be Informed Holding B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

B. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

Ruimte voor paraaf

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Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, 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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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 findings in internal control that we identify during our audit.

Apeldoorn, December 1, 2017
Boon Registeraccountants B.V.
Signed by

G. Rotscheid RA CPA

Voor waarmerkingsdoeleinden
Boon Registeraccountants B.V.

01 DEC 2017

Ruimte voor paraaf