

Combilent Holding ApS

Gydevang 21D

3450 Allerød

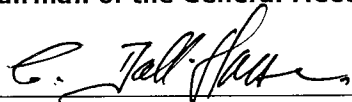
Central Business Registration No

31759749

Annual report 2017

The Annual General Meeting adopted the annual report on 27.02.2018

Chairman of the General Meeting

A handwritten signature in black ink, appearing to read 'C. Dall-Hansen', is written over a horizontal line.

Name: Claus Dall-Hansen

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	7
Balance sheet at 31.12.2017	8
Statement of changes in equity for 2017	10
Notes	11
Accounting policies	13

Entity details

Entity

Combilent Holding ApS
Gydevang 21D
3450 Allerød

Central Business Registration No: 31759749
Registered in: Allerød
Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Tomas Patrik Stolpe, Chairman
Gustav Ruda

Executive Board

Claus Dall-Hansen, Chief Executive Officer
Jesper Trier

Entity auditors

PriceWaterHouseCoopers Statsautoriseret Revisionspartnerselskab
Milnersvej 43
3400 Hillerød

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Combilent Holding ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Allerød, 27.02.2018

Executive Board



Claus Dall-Hansen
Chief Executive Officer

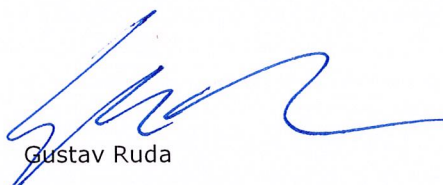


Jesper Trier

Board of Directors



Tomas Patrik Stolpe
Chairman



Gustav Ruda

Independent auditor's report

To the shareholders of Combilent Holding ApS

Opinion

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial statements Act.

We have audited the financial statements of Combilent Holding ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity 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 financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity'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 financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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:

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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.

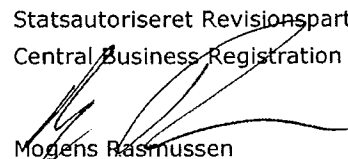
Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the 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.

Hillerød, 27.02.2018

PriceWaterHouseCoopers

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33771231



Mogens Rasmussen
State Authorised Public Accountant
Identification number (MNE) 33240

Management commentary

Primary activities

The Entity is a holding company which invests in enterprises. The Entity is part of the Indutrade Group.

Development in activities and finances

Results for the year are as expected.

Events 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.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Other external expenses		(26.375)	(11.192)
Operating profit/loss		(26.375)	(11.192)
Income from investments in group enterprises		2.000.000	0
Other financial income	1	22.354	20.953
Other financial expenses		(873)	(1)
Profit/loss before tax		1.995.106	9.760
Tax on profit/loss for the year	2	1.077	(2.005)
Profit/loss for the year		1.996.183	7.755
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		7.900.000	0
Extraordinary dividend distributed in the financial year		3.000.000	0
Retained earnings		(8.903.817)	7.755
		1.996.183	7.755

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Investments in group enterprises		80.300.000	81.300.000
Fixed asset investments	3	80.300.000	81.300.000
Fixed assets		80.300.000	81.300.000
Receivables from group enterprises		1.520.021	1.402.914
Income tax receivable		1.077	0
Receivables		1.521.098	1.402.914
Cash		740	112.261
Current assets		1.521.838	1.515.175
Assets		81.821.838	82.815.175

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital	4	1.000.000	1.000.000
Retained earnings		72.894.837	81.798.654
Proposed dividend		7.900.000	0
Equity		<u>81.794.837</u>	<u>82.798.654</u>
Income tax payable		0	2.147
Other payables		27.001	14.374
Current liabilities other than provisions		<u>27.001</u>	<u>16.521</u>
Liabilities other than provisions		<u>27.001</u>	<u>16.521</u>
Equity and liabilities		<u>81.821.838</u>	<u>82.815.175</u>
Contingent liabilities	5		
Group relations	6		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend DKK
Equity beginning of year	1.000.000	81.798.654	0	0
Extraordinary dividend paid	0	0	(3.000.000)	0
Profit/loss for the year	0	(8.903.817)	3.000.000	7.900.000
Equity end of year	1.000.000	72.894.837	0	7.900.000
				Total DKK
Equity beginning of year				82.798.654
Extraordinary dividend paid				(3.000.000)
Profit/loss for the year				1.996.183
Equity end of year				81.794.837

Notes

	2017	2016
	DKK	DKK
1. Other financial income		
Financial income arising from group enterprises	22.325	20.905
Interest income	29	48
	22.354	20.953
	2017	2016
	DKK	DKK
2. Tax on profit/loss for the year		
Tax on current year taxable income	(1.077)	2.147
Adjustment concerning previous years	0	(142)
	(1.077)	2.005
		Investments in group enterprises DKK
3. Fixed asset investments		
Cost beginning of year		95.949.532
Cost end of year		95.949.532
Impairment losses beginning of year		(14.649.532)
Dividend		(1.000.000)
Impairment losses end of year		(15.649.532)
Carrying amount end of year		80.300.000

Notes

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Investments in group enterprises comprise:					
Combilent A/S, CVR-nr. 19 62 37 42	Allerød	A/S	100,0	20.354.172	7.430.999
JC Investment ApS, CVR-nr. 31 42 73 55	Allerød	ApS	100,0	6.489.964	4.630.587
Beijing Combilent Telecom Technology Co. Ltd. Reg. nr. 110000450077822	Beijing	Ltd.	80,0	4.401.183	1.879.488

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
4. Contributed capital			
Ordinary shares	1.000.000	1	1.000.000
	1.000.000		1.000.000

5. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Indutrade A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed entities and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

6. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Indutrade AB, Stockholm, Sverige

Accounting policies

Reporting class

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

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

Accounting policies

Tax on profit/loss for the year

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 subsidiaries and affiliated companies. 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).

Balance sheet

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

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

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

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