



Profundo B.V.

Located Amsterdam

ANNUAL REPORT 2014

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To the Board of Directors of
Profundo B.V.
For the attention of
Naritaweg 10
1043 BX Amsterdam

Limmen, 4 May 2015

Dear management,

We hereby offer you the report concerning the annual report 2014 for Profundo B.V., Amsterdam.

COMPILATION REPORT

Introduction

In accordance with your instructions we have compiled the financial statements 2014 of Profundo B.V., Amsterdam, which comprise the balance sheet as at 31 December 2014, the profit and loss account for the year then ended and the notes.

Management's responsibility

The distinctive feature of a compilation engagement is that we compile financial information based on information provided by management of the entity. Management is responsible for the accuracy and completeness of the information provided and the financial statements based thereon.

Accountant's responsibility

Our responsibility as accountant is to perform our engagement in accordance with Dutch Law, including the professional and ethical requirements applying to accountants.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. Furthermore we have evaluated the appropriateness of the accounting policies which are used to compile the financial statements, based on the information provided by management. The nature of our procedures does not enable us to express any assurance on the true and fair view of the financial statements.

Confirmation

Based on the information provided to us, we have compiled the financial statements using the accounting policies as included in Part 9 of Book 2 of the Dutch Civil Code.

RESULT

Analysis of the result

	2014		2013	
	€	%	€	%
Net Turnover	654.772	100,0	556.413	100,0
Personnel costs	489.648	74,8	399.241	71,8
Depreciation of intangible fixed assets	500	0,1	500	0,1
Depreciation of tangible fixed assets	3.010	0,5	5.105	0,9
Other staff costs	21.315	3,3	3.431	0,6
Housing costs	19.462	3,0	18.369	3,3
Selling costs	4.289	0,7	21.877	3,9
Office costs	15.160	2,3	15.789	2,8
General costs	87.246	13,3	82.330	14,8
Total operating expenses	640.630	98,0	546.642	98,2
Operating result	14.142	2,0	9.771	1,8
Financial income and expense	-1.870	-0,3	-1.686	-0,3
Result from operational activities before taxation	12.272	1,7	8.085	1,5
Corporate income tax	-2.604	-0,4	-1.617	-0,3
Net result after taxation	9.668	1,3	6.468	1,2

Analysis of the results

	<u>2014</u>
	€
Increase in result	
Higher gross margin	98.359
Lower depreciation of tangible fixed assets	2.095
Lower selling costs	17.588
Lower office costs	<u>629</u>
	118.671
Decrease in result	
Higher personnel costs	90.407
Higher other staff costs	17.884
Higher housing costs	1.093
Higher general costs	4.916
Lower financial income and expense	184
Higher corporate income tax	<u>987</u>
	<u>115.471</u>
Improvement of the net result	<u><u>3.200</u></u>

FINANCIAL POSITION

To provide insight in the development of the financial position of the Company we provide you with the following statements. These are based on the information from the annual report. Hereafter we provide you with the balance sheet as at 31 December 2014 in an abridged form.

Financial structure

	31-12-2014		31-12-2013	
	€	%	€	%
Assets				
Intangible fixed assets	3.500	1,1	4.000	2,0
Tangible fixed assets	8.678	2,8	10.341	5,2
Receivables	88.326	28,3	155.200	77,4
Cash at bank and in hand	212.067	67,8	30.774	15,4
	<u>312.571</u>	<u>100,0</u>	<u>200.315</u>	<u>100,0</u>
Liabilities				
Shareholders' equity	55.053	17,6	45.385	22,7
Provisions	58.166	18,6	36.585	18,3
Short-term liabilities	199.352	63,8	118.345	59,0
	<u>312.571</u>	<u>100,0</u>	<u>200.315</u>	<u>100,0</u>

Analysis of the financial position

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Available on short term		
Receivables	88.326	155.200
Cash at bank and in hand	<u>212.067</u>	<u>30.774</u>
	300.393	185.974
Short-term liabilities	<u>-199.352</u>	<u>-118.345</u>
Liquidity surplus = working capital	<u>101.041</u>	<u>67.629</u>
Established for the long term		
Intangible fixed assets	3.500	4.000
Tangible fixed assets	<u>8.678</u>	<u>10.341</u>
	<u>12.178</u>	<u>14.341</u>
Financed with on the long term available assets	<u>113.219</u>	<u>81.970</u>
Financing		
Shareholders' equity	55.053	45.385
Provisions	<u>58.166</u>	<u>36.585</u>
	<u>113.219</u>	<u>81.970</u>

FISCAL POSITION

Calculation taxable amount

The taxable amount for the current financial year has been calculated as follows:

				<u>2014</u>
				€
Result from ordinary activities before taxation				12.272
Partially deductible amounts	Base amount	%	€	
Representation expenses	852	26,50	225	
Food and drinks	1.917	26,50	508	
Excursions, seminars and conferences	66	26,50	17	
			750	
Taxable amount				<u>13.022</u>
Rounding				2
Rounded taxable amount				<u><u>13.020</u></u>

Calculation corporate tax

		<u>2014</u>
		€
20,0% of € 13.020		<u><u>2.604</u></u>

Situation at balance sheet date

The corporate income tax liability / asset as at 31 December 2014 can be specified as follows:

Year	Liability / Receivable at 01-01-2014	corporate tax (income/expe ses) in 2014	Payments / receipts during 2014	Adjustments in 2014	Liability / Receivable at 31-12-2014
	€	€	€	€	€
2013	-4.383	-	-	-	-4.383
2014	-	2.604	-6.921	-	-4.317
	<u>-4.383</u>	<u>2.604</u>	<u>-6.921</u>	<u>-</u>	<u>-8.700</u>

Please do not hesitate to raise any queries you may have.

Yours sincerely,

Vanhier B.V.



D. van der Poel
Accountant-Administratieconsulent



Financial statements

**BALANCE SHEET AS AT 31 DECEMBER 2014***After proposal result appropriation*

		<u>31-12-2014</u>		<u>31-12-2013</u>	
		€	€	€	€
ASSETS					
Fixed assets					
<i>Intangible fixed assets</i>					
Goodwill	1		3.500		4.000
<i>Tangible fixed assets</i>					
Furniture, fixtures and fittings	2		8.678		10.341
Current assets					
<i>Receivables</i>					
Trade debtors	3	16.408		90.226	
Taxes and social security premiums	4	8.700		4.383	
Other receivables and accrued assets	5	<u>63.218</u>		<u>60.591</u>	
			88.326		155.200
<i>Cash at bank and in hand</i>	6		212.067		30.774
Total assets			<u><u>312.571</u></u>		<u><u>200.315</u></u>



		31-12-2014		31-12-2013	
		€	€	€	€
LIABILITIES					
Shareholders' equity	7				
Issued share capital	8	18.000		18.000	
General reserve		<u>37.053</u>		<u>27.385</u>	
			55.053		45.385
Provisions					
Self-administered pension scheme	9	20.849		-	
Annuity commitments		<u>37.317</u>		<u>36.585</u>	
			58.166		36.585
Short-term liabilities					
Trade creditors	10	3.816		5.424	
Taxes and social security premiums	11	58.869		32.006	
Other liabilities and accrued expenses	12	<u>136.667</u>		<u>80.915</u>	
			199.352		118.345
Total liabilities			<u><u>312.571</u></u>		<u><u>200.315</u></u>

**PROFIT AND LOSS ACCOUNT FOR THE YEAR 2014**

		2014		2013	
		€	€	€	€
Net Turnover	13		654.772		556.413
Personnel costs	14	489.648		399.241	
Depreciation of intangible fixed assets	15	500		500	
Depreciation of tangible fixed assets	16	3.010		5.105	
Other staff costs	17	21.315		3.431	
Housing costs	18	19.462		18.369	
Selling costs	19	4.289		21.877	
Office costs	20	15.160		15.789	
General costs	21	87.246		82.330	
Total operating expenses			<u>640.630</u>		<u>546.642</u>
Operating result			14.142		9.771
Other interest and similar income	22	88		66	
Interest and similar costs	23	-1.958		-1.752	
Financial income and expense			<u>-1.870</u>		<u>-1.686</u>
Result from operational activities before taxation			12.272		8.085
Corporate income tax	24		<u>-2.604</u>		<u>-1.617</u>
Net result after taxation			<u><u>9.668</u></u>		<u><u>6.468</u></u>



NOTES TO THE FINANCIAL STATEMENTS

Accounting policies in respect of the valuation of assets and liabilities

General

The financial statements have been prepared in accordance with the general provisions of Chapter 9, Book 2 of the Netherlands Civil Code. As allowed in article 2:396 paragraph 6 of the Netherlands Civil Code, the valuation of the assets and liabilities and the determination of the result is based on the principles for determination of the taxable profit, as meant in chapter II of the Corporate Income Tax Act 1969.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise.

Income and expenses are accounted for on accrual basis. Profits are only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Intangible fixed assets

Goodwill is valued at cost and amortized on a straight-line basis (for 10 years).

Tangible fixed assets

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, impairments. Depreciation is based on the estimated useful life, unless for tax purposes a statutory depreciation percentage capped at 20% is required. Depreciation is provided from the date an asset comes into use. Land is not depreciated. Buildings used by the company for its own operations are depreciated up to 50% of the WOZ value. The other buildings (i.e., held as portfolio investment) are depreciated up to the WOZ value.

Tangible fixed assets are capitalized if the economic ownership held by the company is governed by a financial lease agreement. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the result over the term of the financial lease agreement.

Accounts receivable

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Trade debtors

Upon initial recognition, the receivables are stated at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Other accounts receivable

Other receivables are stated at face value, after deduction of any provisions deemed necessary.

Cash at bank

Cash and cash equivalents are valued at face value. If cash is not freely available this is taken into account for the valuation.

Equity

Financial instruments are classified as equity, if they have the substance of equity instruments; the legal form is of no consequence.

Issued share capital

The issued share capital is completely paid up.

General reserve

Other reserves are all reserves, except the legal and statutory reserves. Other reserves can freely be distributed



to the shareholders.

Provisions

Provisions are formed in respect of concrete or specific risks and liabilities existing on the balance sheet date, which extent is uncertain, but can reasonably be estimated.

Employee benefits / pensions

A provision is formed for the self-administered pension entitlements the director/majority shareholder has accrued as at balance sheet date. This provision is calculated actuarially (GBM-V 2007-2012). Upon calculating the provision, future salary increases and future indexations have not been factored in. The discount rate applied is 4%.

Other provisions

The provision has been calculated with 2% interest. The actuarial interest rate applied equals the market interest for long-term liabilities at the time those obligations were entered into. Amounts paid for annuities and standing rights are deducted from this provision.

Current liabilities

Current liabilities recorded are stated at face value.

Accounting policies in respect of result determination

General

Revenues ensuing from the sale of goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognized in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

The profit to be allocated to the work in progress on construction contracts is determined on the basis of costs incurred for the work as at balance sheet date, in proportion to the aggregate costs expected to be spent on the work. The net realizable value is based on an expected sales price net of costs to be incurred for completion and sales.

Net turnover

Net turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes.

Revenues ensuing from the sale of goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

Gross margin

The gross margin consists of the net turnover, change in work in progress on construction contracts, the changes in inventory of finished goods and work in progress, capitalized production on behalf of own business, other operating income, cost of raw materials and consumables and cost of subcontracted work and other external charges.

Net turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes.

Depreciation and amortization

Depreciation of intangible fixed assets

amortization of intangible fixed assets is charged as a fixed percentage of cost.

Depreciation of tangible fixed assets



Depreciation is based on the estimated useful life, unless for tax purposes a statutory depreciation percentage capped at 20% is required. Depreciation is provided from the date an asset comes into use.

Where there is an intention to replace book profits are included in the reinvestment reserve. When the asset is replaced, then these reserved book profits are directly deducted from the replacement investments.

Other operating expenses

Costs are taken into account under the historical cost convention and allocated to the period concerned.

Net financial result

Interest income and expenses consist of interest received from or paid to third parties.

Taxation

Corporate income tax is calculated at the applicable rate on the taxable profit for the financial year, taking into account the applicable tax credits.



NOTES TO THE BALANCE SHEET

Fixed assets

1 Intangible fixed assets

	<u>Goodwill</u> €
Book value as at 1 January 2014	4.000
Depreciation	<u>-500</u>
Book value as at 31 December 2014	<u><u>3.500</u></u>

2 Tangible fixed assets

	<u>Furniture, fixtures and fittings</u> €
Balance as at 1 January 2014	
Acquisitions costs	51.971
Accumulated depreciation	<u>-41.630</u>
Book value as at 1 January 2014	<u><u>10.341</u></u>
Movements	
Investments	1.345
Depreciation	-3.010
Disposal	-18.209
Disposal accumulated depreciation	<u>18.211</u>
Balance movements	<u><u>-1.663</u></u>
Balance as at 31 December 2014	
Acquisitions costs	35.108
Accumulated depreciation	<u>-26.430</u>
Book value as at 31 December 2014	<u><u>8.678</u></u>

**Current assets****Receivables**

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
3 Trade debtors		
Trade debtors	<u>16.408</u>	<u>90.226</u>
4 Taxes and social security premiums		
Company tax	<u>8.700</u>	<u>4.383</u>
5 Other receivables and accrued assets		
Work in progress	59.703	56.150
Prepaid costs	<u>3.515</u>	<u>4.441</u>
	<u>63.218</u>	<u>60.591</u>
6 Cash at bank and in hand		
Triodos Bank	<u>212.067</u>	<u>30.774</u>

7 Shareholders' equity

	<u>Issued share capital</u>	<u>General reser- ve</u>	<u>Total</u>
	€	€	€
Balance as at 1 January 2014	18.000	27.385	45.385
Appropriated of result	-	9.668	9.668
Balance as at 31 December 2014	<u>18.000</u>	<u>37.053</u>	<u>55.053</u>

8 Issued share capital

The issued share capital of the company amounts to € 90.000, divided into 90.000/€ 1 ordinary shares. The total number of issued shares is 18.000/€ 1.

All the shares are held by mr. J. van Gelder.

Provisions

**9 Self-administered pension scheme**

	<u>2014</u>	<u>2013</u>
	€	€
J. van Gelder		
Balance as at 1 January	-	-
Addition pension provision for scheme	20.849	-
Balance as at 31 December	<u>20.849</u>	<u>-</u>

The commercial value of the self-administered pension scheme amounts to € 30.650.

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Other provisions		
Annuity commitments	<u>37.317</u>	<u>36.585</u>

When Profundo was converted from a sole proprietorship to a private company, a pension reserve was formed on behalf of the owner. On this pension reserve an annual interest rate of 2% is applicable.

Short-term liabilities

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
10 Trade creditors		
Trade creditors	<u>3.816</u>	<u>5.424</u>
11 Taxes and social security premiums		
Value added tax	45.647	21.163
Wage tax	13.222	10.843
	<u>58.869</u>	<u>32.006</u>
12 Other liabilities and accrued expenses		
Current account board of directors	36.587	35.521
Amounts received in advance	1.316	-
Holiday allowances	20.008	4.565
Prepaid expenses	3.475	-
Prepayments on research projects	75.280	40.830
Other liabilities and accrued expenses	1	-1
	<u>136.667</u>	<u>80.915</u>

Off-balance-sheet rights, obligations and arrangements**Rental obligations**

The obligation for office rent entered into with third parties are € 19.500 in total.

**NOTES TO THE PROFIT AND LOSS ACCOUNT**

	<u>2014</u>	<u>2013</u>
	€	€
13 Net Turnover		
Turnover	<u>654.772</u>	<u>556.413</u>
14 Personnel costs		
Wages and salaries	390.661	333.965
Social security premiums and pensions cost	<u>98.987</u>	<u>65.276</u>
	<u>489.648</u>	<u>399.241</u>
<u>Wages and salaries</u>		
Salaries	338.456	333.927
Receive sick funds	-	-10.879
Internship remunerations	13.788	6.027
Holiday allowances	<u>38.417</u>	<u>4.890</u>
	<u>390.661</u>	<u>333.965</u>
Average number of employees		
During the year 2014, the average number of employees calculated on a full-time-equivalent basis was 9,80 (2013: 8,67)		
<u>Social security premiums and pensions cost</u>		
Social security charges	55.211	48.405
Addition pension provision for scheme	20.849	-
Other pension charges	<u>22.927</u>	<u>16.871</u>
	<u>98.987</u>	<u>65.276</u>
15 Depreciation of intangible fixed assets		
Depreciation costs goodwill	<u>500</u>	<u>500</u>
16 Depreciation of tangible fixed assets		
Depreciation costs inventory	<u>3.010</u>	<u>5.105</u>
17 Other staff costs		
Study costs staff	426	505
Personnel recruitment costs	2.647	-
Food, drinks and other accommodation costs	1.917	1.215
Traveling costs commuting	11.948	-
Other staff costs	<u>4.377</u>	<u>1.711</u>
	<u>21.315</u>	<u>3.431</u>



	<u>2014</u>	<u>2013</u>
	€	€
18 Housing costs		
Rent costs	19.462	17.229
Other housing costs	-	1.140
	<u>19.462</u>	<u>18.369</u>
19 Selling costs		
Cost of fairs, presentations, etc.	66	-
Business presents	-	288
Travelling and hotel costs	3.361	-
Shop window costs	-	3.825
Maintenance and development websites	-	2.800
Other travelling and accommodation costs	862	14.964
	<u>4.289</u>	<u>21.877</u>
20 Office costs		
Office supplies	1.694	1.410
Postage costs	50	61
Telephone and fax costs	3.479	4.804
Printed matters	551	1.242
Literature	-	124
Automation costs	9.386	8.148
	<u>15.160</u>	<u>15.789</u>
21 General costs		
Subscriptions	2.405	2.053
Audit costs, other non-audit services	3.162	5.321
Database	46.033	47.609
Other general costs	-1	-
Management advice	1.678	-
Banking costs	6.299	1.392
Research and information costs	27.670	29.809
Other general costs	-	-3.854
	<u>87.246</u>	<u>82.330</u>
22 Other interest and similar income		
Received bank interest	<u>88</u>	<u>66</u>
23 Interest and similar costs		
Interest tax authorities	160	-
Interest current account board of directors	1.066	1.035
Interest annuity commitment	732	717
	<u>1.958</u>	<u>1.752</u>



Interest tax authorities

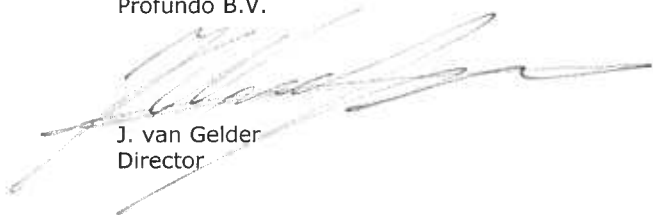
Interest tax authorities

24 Corporate income tax

Corporate income tax

Amsterdam,
Profundo B.V.

<u>2014</u>	<u>2013</u>
€	€
<u>160</u>	<u>-</u>
<u>-2.604</u>	<u>-1.617</u>


J. van Gelder
Director



OTHER INFORMATION

Statement regarding the absence of the Auditor's report

No audit has been performed in accordance with the statutory size exemption under article 2:396, chapter 9 of the Netherlands Civil Code.

Statutory provision regarding appropriation of result

According to the articles of Association the profit for the year is at the free disposal of the Annual General Meeting of Shareholders.

Proposal appropriation of result

The appropriation of profit for the year 2014 of € 9.668 is, previous to the decision of the board, added to the reserves.