

Be Informed Holding B.V.
Apeldoorn
concerning the annual accounts for April 2018 - March 2019

Concept

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To the shareholders and management of
Be Informed Holding B.V.
Laan van Westenenk 150
7336 AV Apeldoorn

Apeldoorn, July 22, 2019

Dear shareholders and management,

We hereby send you the report regarding the financial statements for the year April 2018 - March 2019 of your company in draft.

1 AUDIT

In accordance with your instructions we have audited the annual accounts April 2017 - March 2018 of your company, including the non-consolidated balance sheet with counts of € 1,018,669, the consolidated balance sheet with counts of € 3,364,776, the non-consolidated profit and loss account with a negative result after taxes of € 1,061,292 and the consolidated profit and loss account with a negative result after taxes of € 686,144.

1.1 Other information

For the independent auditor's report we refer to the section "Other Information" on page 38 of this report.

2 NO OPINION INCLUDED

Because the activities of the provided engagement have not yet been completed, we are not allowed to include an opinion in this report.

3 GENERAL

3.1 Company

The activities of Be Informed Holding B.V. and its subsidiaries mainly are the development and sale of software products. The Company also provides professional services to its customers.

3.2 Board

The board of directors has been formed by Hoogenberg Beheer B.V. till 1 May, 2018. As of 1 May, 2018, the board of directors is formed by R.G.P. Louter.

3.3 Recognition of the April 2017 - March 2018 loss

The loss amounting to € 1,465,983 has been carried forward as accumulated deficit.

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4 RESULTS

4.1 Development of income and expenses

The result after taxation for April 2018 - March 2019 amounts to negative € 688,365 compared to negative € 1,465,983 for April 2017 - March 2018. The results for both years can be summarized as follows:

	April 2018 - March 2019		April 2017 - March 2018		Difference
	€	%	€	%	€
Net revenues	3,766,197	100.0	2,890,069	100.0	876,128
Expenses					
Wages and salaries	1,967,696	52.2	1,897,671	65.7	70,025
Social security charges	324,632	8.6	249,015	8.6	75,617
Pension costs	89,639	2.4	69,584	2.4	20,055
Management fees	14,167	0.4	170,208	5.9	-156,041
Other personnel costs	629,428	16.7	639,591	22.1	-10,163
Amortization and depreciation	593,773	15.8	583,022	20.2	10,751
Accommodation expenses	227,613	6.0	231,812	8.0	-4,199
Office expenses	124,941	3.3	138,663	4.8	-13,722
Selling and distribution expenses	156,633	4.2	113,286	3.9	43,347
General expenses	81,529	2.2	35,107	1.2	46,422
One-off costs	243,487	6.5	-	-	243,487
	4,453,538	118.3	4,127,959	142.8	325,579
Operating result	-687,341	-18.3	-1,237,890	-42.8	550,549
Financial income and expenses	-1,024	-	-228,093	-7.9	227,069
Result before tax	-688,365	-18.3	-1,465,983	-50.7	777,618
Taxation	-	-	-	-	-
Result after tax	-688,365	-18.3	-1,465,983	-50.7	777,618

5 FINANCIAL POSITION

The following compilation, based on the data from the consolidated balance sheets, can be used to analyse the financial position:

	3/31/2019		3/31/2018	
	€	%	€	%
ASSETS				
Fixed assets				
Intangible fixed assets	945,937	27.5	1,024,269	51.3
Tangible fixed assets	105,551	3.1	49,200	2.5
	<u>1,051,488</u>	<u>30.6</u>	<u>1,073,469</u>	<u>53.8</u>
Current assets				
Receivables, prepayments and accrued income	1,294,214	37.6	882,161	44.2
Cash and cash equivalents	1,096,796	31.8	41,311	2.0
	<u>2,391,010</u>	<u>69.4</u>	<u>923,472</u>	<u>46.2</u>
	<u><u>3,442,498</u></u>	<u><u>100.0</u></u>	<u><u>1,996,941</u></u>	<u><u>100.0</u></u>
EQUITY AND LIABILITIES				
Equity	-532,260	-15.6	-844,275	-42.2
Non-current liabilities	1,005,105	29.2	1,094,788	54.8
Current liabilities				
Bank overdrafts	4,412	0.1	5,610	0.3
Repayment obligation long-term debt	98,360	2.9	100,000	5.0
Trade creditors	226,293	6.6	219,897	11.0
Taxes and social securities	194,408	5.7	128,221	6.4
Other liabilities and Accruals and deferred income	2,446,180	71.1	1,292,700	64.7
	<u>2,969,653</u>	<u>86.3</u>	<u>1,746,428</u>	<u>87.5</u>
	<u><u>3,442,498</u></u>	<u><u>100.0</u></u>	<u><u>1,996,941</u></u>	<u><u>100.0</u></u>

The consolidated balance sheet can be summarized as follows:

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
Long term funds:		
Equity	-532,260	-844,275
Non-current liabilities	1,005,105	1,094,788
	<u>472,845</u>	<u>250,513</u>
Long term investments:		
Intangible fixed assets	945,937	1,024,269
Tangible fixed assets	105,551	49,200
	<u>1,051,488</u>	<u>1,073,469</u>
Working capital	<u>-578,643</u>	<u>-822,956</u>
This amount is applied as follows:		
Receivables, prepayments and accrued income	1,294,214	882,161
Cash and cash equivalents	1,096,796	41,311
	<u>2,391,010</u>	<u>923,472</u>
Debit: Short-term debt	2,969,653	1,746,428
Working capital	<u>-578,643</u>	<u>-822,956</u>

6 FISCAL POSITION

6.1 Fiscal unity

The Dutch entities in the Group form a fiscal unity for Dutch corporate income tax. Be Informed Holding B.V. is the parent of the fiscal unity. Each entity in the fiscal unity is jointly and severally liable for the tax liabilities of the fiscal unity.

The corporate income tax of the subsidiaries is calculated as if the subsidiary is independently tax liable.

6.2 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, 2019, the Company has tax losses available for future compensation of € 19,103,000 (March 31, 2018: € 15,539,000). A loss on Goodwill of € 15,000,000 (March 31, 2018: € 12,250,000) resulted from the bankruptcy is part of this compensating 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.

1 CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019
 (before appropriation of result)

		March 31, 2019		March 31, 2018	
		€	€	€	€
ASSETS					
Fixed assets					
Intangible fixed assets	(1)	945,937		1,024,269	
Tangible fixed assets	(2)	105,551		49,200	
			1,051,488		1,073,469
Current assets					
Receivables, prepayments and accrued income	(3)		1,294,214		882,161
Cash and cash equivalents	(4)		1,096,796		41,311
			<u>3,442,498</u>		<u>1,996,941</u>

		March 31, 2019		March 31, 2018	
		€	€	€	€
SHAREHOLDERS' EQUITY AND LIABILITIES					
Group equity	(5)		-532,260		-844,275
Non-current liabilities	(6)		1,005,105		1,094,788
Current liabilities	(7)		2,969,653		1,746,428
			3,442,498		1,996,941

2 CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR APRIL 2018 - MARCH 2019

	April 2018 - March 2019		April 2017 - March 2018	
	€	€	€	€
Net revenues		3,766,197		2,890,069
Expenses				
Wages and salaries (8)	1,967,696		1,897,671	
Social security charges (9)	324,632		249,015	
Pension costs (10)	89,639		69,584	
Management fees (11)	14,167		170,208	
Other personnel costs (12)	629,428		639,591	
Amortization and depreciation (13)	593,773		583,022	
Other operating expenses (14)	834,203		518,868	
		4,453,538		4,127,959
Operating result		-687,341		-1,237,890
Interest and similar income (15)	91,673		-	
Interest and similar expenses (16)	-92,697		-228,093	
Financial income and expenses		-1,024		-228,093
Result before tax		-688,365		-1,465,983
Taxation		-		-
Result after tax		-688,365		-1,465,983

3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

General accounting principles for the preparation of the financial statements

The Company financial statements have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

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

Activities

The activities of Be Informed Holding B.V. and its group companies ('the Group'), with its statutory seat in Apeldoorn, registered under Chamber of Commerce number 02090147 consist mainly of the development and sales of software.

Group structure

Be Informed Holding B.V. in Apeldoorn is head of a group of legal entities.

Consolidation

In the financial statements of Be Informed Holding B.V. the financial information is consolidated of Be Informed Holding B.V. and her following group companies:

Name, statutory registered office	Share in issued capital
	%
Be Informed IP B.V. Apeldoorn	100.00
Be Informed B.V. Apeldoorn	100.00
Be Informed USA Inc. Wilmington	100.00

Consolidation principles

Financial information relating to group companies and other legal entities which are controlled by Be Informed Holding B.V. or where central management is conducted has been consolidated in the financial statements of Be Informed Holding B.V. The consolidated financial statements have been prepared in accordance with the accounting principles for valuation and result determination of Be Informed Holding B.V.

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions. Third-party shares in equity and results of group companies are separately disclosed in the consolidated financial statements.

Assumption of continuity

In fiscal year 2018, ending at 31st of March 2019, we realized a lot of changes. New strategy, new marketing and more focus on sales and partners. We closed several new deals and created a lot of buzz around Be Informed (see the GDIT Emerge in April).

The most promising result was an autonomous positive cashflow from operations. Without the extra monies from shareholders we realized a positive cash.

For fiscal year 2019, ending at 31st of March 2020, we already closed deals with Hargreaves Lansdown (UK) and with Cargonaut (NL), we have aligned new partners (EsperantoXL and EY) and we will start licensing GDIT in the US.

Our budget lines for the fiscal year 2019 are:

- We will close 20 new customers and new deals. Next to the continuous growth of BearingPoint Caribbean, ING, Prudential, Deloitte UK and Home Office.
- Turnover will grow to € 7.100k.
- The recurring revenue will grow with 100% compared to 2018.
- Operating cashflow will be positive. We also forecast a substantial bonus for the employees and a payback for the NPEX loan.
- We have done several external checks. Xebia reported a very positive outcome on their investigation of our platform, the RI&E shows very good results on employee satisfaction and welfare and marketing statistics shows continuous growth on customers awareness.

Concluding: management is very positive for the near future. We see a lot of opportunities resulting from our new strategy and focus. Our colleagues are happy, they like working in the new atmosphere. We will hire new colleagues in sales and development, also to be prepared for the longer future. As a result, the financial statements have been prepared under the assumption of going concern.

Prior-year comparison

Reclassifications have been made, if needed, in order to make comparison possible between the financial statements of April 2017 - March 2018 and April 2018 - March 2019.

Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362 (1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

Financial instruments

Financial instruments include both primary financial instruments, such as receivables and liabilities, and financial derivatives. Reference is made to the recognition per balance sheet item for the principles of primary financial statements. The company does not use derivatives.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognised in the annual account at the exchange rates prevailing at transaction date. The exchange differences resulting from the conversion as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

The foreign subsidiaries and non-consolidated companies qualify as foreign operations with functional currency other than that of the company. For the translation of the financial statements of the foreign operations, the exchange rate used at the balance sheet date is used for the balance sheet items. For the profit and loss account, the exchange rates on the transaction dates are used. The exchange rate differences that arise are directly deducted from or added to equity.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortization and, if applicable, less impairments in value. Amortization is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The useful life and the amortization method are reassessed at the end of each financial year.

Tangible fixed assets

The tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Financial fixed assets

The compensating fiscal losses to be settled have not been valued due to the uncertainty of future taxable profits.

Impairment of non-current assets

The Company assesses at each balance sheet date whether there is objective evidence that a non-current asset or a group of non-current assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement

The amount of an impairment loss incurred on non-current assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised through profit or loss.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

Receivables and deferred assets

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Leasing

The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the income statement for the duration of the contract.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is defined as the difference between the revenue from goods delivered and services performed on one hand and, on the other hand, the costs and expenses for that year, valued at historical costs.

Revenue recognition

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.

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 the services performed. If contracts are hybrid, an allocation is made between licenses and other revenue.

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 Projects in progress above).

Wages, salaries and social security charges

The Company has committed to its employees pension. The pension commitment is transferred to an insurance company and qualifies as a defined contribution plan. The Company therefore recognizes an expense in the profit and loss account corresponding to the premiums.

As at year-end April 2018 - March 2019 (and April 2017 - March 2018) no pension receivables and no obligations existed for the group in addition to the payment of the annual contribution due to the pension provider.

Amortization and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost based on the expected life cycle. Financial profit and losses on disposal of tangible fixed assets are recorded under amortization/depreciation.

Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Taxes

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

The allocation of corporate income tax to the companies included in the fiscal unit is realised as if the participating interests are independently taxable.

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4 NOTES TO THE CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2019

ASSETS

FIXED ASSETS

1. Intangible fixed assets

	Developed intellectual property	Paid intellectual property	Total
	€	€	€
<i>Carrying amount as of April 1, 2018</i>			
Historical costs	2,721,495	100,000	2,821,495
Accumulated amortization and impairments	-1,714,726	-82,500	-1,797,226
	<u>1,006,769</u>	<u>17,500</u>	<u>1,024,269</u>
<i>Movement</i>			
Investments	483,467	-	483,467
Amortization	-544,299	-17,500	-561,799
	<u>-60,832</u>	<u>-17,500</u>	<u>-78,332</u>
<i>Carrying amount as of March 31, 2019</i>			
Historical costs	3,204,962	100,000	3,304,962
Accumulated amortization and impairments	-2,259,025	-100,000	-2,359,025
	<u>945,937</u>	<u>-</u>	<u>945,937</u>

At restart, an amount of € 100,000 was paid to the liquidator for Intellectual Property. This amount is capitalized and amortization started in 2014.

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.

In April 2018 - March 2019 the change in strategy leads to more focusing on partners and their solutions and enable partners to deliver their solutions on a more frequent and flexible way via cloud based deployment. This leads to a whole new concept, not necessary new core software. Based on those assumptions in financial year April 2018 - March 2019 an amount of € 483k relating to development expenses have been capitalized. Amortization will commence starting financial year April 2019 - March 2020.

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.

Amortization rates

	%
Developed intellectual property	20
Paid intellectual property	20

2. Tangible fixed assets

	Building improvements	Equipment	Total
	€	€	€
<i>Carrying amount as of April 1, 2018</i>			
Acquisition cost	3,000	114,323	117,323
Cumulative depreciation and impairment	-2,500	-65,623	-68,123
	<u>500</u>	<u>48,700</u>	<u>49,200</u>
<i>Movement</i>			
Investments	-	88,325	88,325
Depreciation	-500	-31,474	-31,974
	<u>-500</u>	<u>56,851</u>	<u>56,351</u>
<i>Carrying amount as of March 31, 2019</i>			
Acquisition cost	3,000	202,648	205,648
Cumulative depreciation and impairment	-3,000	-97,097	-100,097
Carrying amount as of March 31, 2019	<u>-</u>	<u>105,551</u>	<u>105,551</u>
<i>Depreciation rates</i>			
			%
Building improvements			20
Equipment			20

CURRENT ASSETS

	3/31/2019	3/31/2018
	€	€
3. Receivables, prepayments and accrued income		
Trade receivables	1,162,991	824,988
Taxes and social securities	11,549	33
Other receivables, prepayments and accrued income	119,674	57,140
	<u>1,294,214</u>	<u>882,161</u>

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
Trade receivables		
Trade receivables	1,162,991	854,884
Doubtful debtor provision	-	-29,896
	<u>1,162,991</u>	<u>824,988</u>
Taxes and social securities		
Turnover tax	11,549	-
Pension premiums	-	33
	<u>11,549</u>	<u>33</u>
<i>Turnover tax</i>		
Turnover tax UK	<u>11,549</u>	<u>-</u>
Other receivables, prepayments and accrued income		
Other receivables, prepayments and accrued income	<u>119,674</u>	<u>57,140</u>
4. Cash and cash equivalents		
ING Bank N.V.	1,047,560	40,744
Bank of America	49,236	567
	<u>1,096,796</u>	<u>41,311</u>

EQUITY AND LIABILITIES

5. GROUP EQUITY

Please refer to the notes to the non-consolidated balance sheet on page 32 of this report for an explanation of the equity.

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
6. NON-CURRENT LIABILITIES		
Other debenture loans and privately placed loans	200,000	200,000
Loans from financial institutions	605,000	605,000
Loans from shareholders	200,105	289,788
	<u>1,005,105</u>	<u>1,094,788</u>

Other debenture loans and privately placed loans

Loans from employees	<u>200,000</u>	<u>200,000</u>
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In July 2018, in addition to the loan agreement for the period from January 8, 2016 until January 9, 2019, it was decided to grant an interest of € 28,179. From January 10, 2019, interest will be nil again.

The loan can only be repaid by borrower when certain conditions are met. They cannot be repaid on request of the lender. The loan is subordinated.

Loans from financial institutions

Loan NPEX	<u>605,000</u>	<u>605,000</u>
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Be Informed Holding B.V. entered into an agreement with crowd funding platform NPEX. This result 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.

Loans from shareholders

Loan H.R. Hoogenberg	-	94,879
Loan G.H. Mensink	200,105	194,909
	<u>200,105</u>	<u>289,788</u>

The debts carry an interest rate of 2.75%. 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.

After the dismissal of Hoogenberg Beheer B.V. as statutory director of Be Informed Holding B.V. an addendum was signed on April 25, 2018, with amendments to the terms of the loan agreement with H.R. Hoogenberg. A repayment schedule has been agreed upon. The repayment obligation within one year amounts to € 98,360.

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
7. CURRENT LIABILITIES		
Bank overdrafts	4,412	5,610
Repayment obligation long-term debt	98,360	100,000
Trade creditors	226,293	219,897
Taxes and social securities	194,408	128,221
Accruals and deferred income	2,446,180	1,292,700
	<u>2,969,653</u>	<u>1,746,428</u>
Bank overdrafts		
Rabobank	-	5,610
Money in transit	4,412	-
	<u>4,412</u>	<u>5,610</u>
Repayment obligation long-term debt		
Loan H.R. Hoogenberg	98,360	100,000
	<u>98,360</u>	<u>100,000</u>
Trade creditors		
Creditors	226,293	219,897
	<u>226,293</u>	<u>219,897</u>
Taxes and social securities		
Turnover tax	88,516	73,100
Pay-roll tax	105,892	55,121
	<u>194,408</u>	<u>128,221</u>
Other liabilities and Accruals and deferred income		
Accruals and deferred income	2,446,180	1,292,700
	<u>2,446,180</u>	<u>1,292,700</u>
Accruals and deferred income		
Holiday bonus	138,217	101,874
Holiday accruals	73,690	66,930
Audit fees	26,000	26,203
Deferred license and maintenance income	2,004,126	995,018
Other liabilities	204,147	102,675
	<u>2,446,180</u>	<u>1,292,700</u>

Contingent liabilities

Tax entity

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 unity.

Off-balance sheet commitments

Arbitration request

A former client has submitted a request for arbitration during the financial year. The amount of the obligation cannot be measured with sufficient reliability.

Contingent liability

The official receivers have closed the files of the bankruptcy at February 13, 2018.

Long-term financial obligations

Lease

The Company has liabilities arising from rental and operational lease, which expire within one year amounting to € 195.000. Rental and operational lease commitments which expire between one and five years amounts to € 238.000. Commitments with a residual term longer than five years amounts to nil.

Rental commitments buildings

The Company has rental commitments, which expire within one year amounting to € 190,000. Rental commitments which expire between one and five years amounts to € 480,000. Commitments with a residual term longer than five years amounts to nil.

5 NOTES TO THE CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR APRIL 2018 - MARCH 2019

Wages, salaries and social security charges

	April 2018 - March 2019	April 2017 - March 2018
	€	€
8. Wages and salaries		
Gross wages	2,451,163	1,897,671
Capitalized Product Development costs	-483,467	-
	<u>1,967,696</u>	<u>1,897,671</u>
9. Social security charges		
Social security charges	310,104	237,502
WIA/WGA charges	14,528	11,513
	<u>324,632</u>	<u>249,015</u>
10. Pension costs		
Pension costs	<u>89,639</u>	<u>69,584</u>
11. Management fees		
Management fee	<u>14,167</u>	<u>170,208</u>
12. Other personnel costs		
Temporary workers	220,850	238,987
Travelling expenses	54,100	86,047
Car expenses	307,623	286,236
Canteen costs	10,223	3,832
Education allowance and training costs	9,545	5,517
Other labour costs	27,087	18,972
	<u>629,428</u>	<u>639,591</u>

Staff

During April 2018 - March 2019 on average 29 persons were employed, calculated in full time equivalents (April 2017 - March 2018: 28).

13. Amortization and depreciation

Intangible fixed assets	561,799	564,299
Tangible fixed assets	31,974	18,723
	<u>593,773</u>	<u>583,022</u>

	April 2018 - March 2019	April 2017 - March 2018
	€	€
<i>Amortization of intangible fixed assets</i>		
Developed intellectual property	544,299	544,299
Paid intellectual property	17,500	20,000
	<u>561,799</u>	<u>564,299</u>
<i>Depreciation of tangible fixed assets</i>		
Building improvements	500	600
Equipment	31,474	18,123
	<u>31,974</u>	<u>18,723</u>
14. Other operating expenses		
Accommodation expenses	227,613	231,812
Office expenses	124,941	138,663
Selling and distribution expenses	156,633	113,286
General expenses	81,529	35,107
One-off costs	243,487	-
	<u>834,203</u>	<u>518,868</u>
<i>Accommodation expenses</i>		
Rent buildings	176,522	162,415
Cleaning costs	20,386	19,482
Security costs	14,926	16,370
Service costs	10,566	27,925
Other accommodation expenses	5,213	5,620
	<u>227,613</u>	<u>231,812</u>
<i>Office expenses</i>		
Automation costs	75,440	82,179
Telephone	16,551	19,596
Contributions and subscriptions	9,594	10,320
Insurance	22,521	25,379
Other office supplies	835	1,189
	<u>124,941</u>	<u>138,663</u>

	April 2018 - March 2019	April 2017 - March 2018
	€	€
<i>Selling and distribution expenses</i>		
Publicity and advertisement	59,204	31,196
Representation costs	64	26
Food and beverage costs	8,572	-
Movement of doubtful debtors provision	-13,661	30,750
Project costs outsourced	81,743	21,304
Cost of sales licenses	20,111	30,010
Other cost of sales	600	-
	<u>156,633</u>	<u>113,286</u>
<i>General expenses</i>		
Audit costs	50,134	-10,418
Accounting costs	10,118	8,708
Legal charges	17,033	26,323
Other general expenses	4,244	10,494
	<u>81,529</u>	<u>35,107</u>
<i>One-off costs</i>		
Consultancy fee	110,000	-
Car expenses	28,668	-
Legal charges	28,300	-
Recruiting fee new CEO	40,000	-
Settlement of the former CEO's PA	36,519	-
	<u>243,487</u>	<u>-</u>

Due to the forced change of management in May 2018 the Company made a lot of effort and extra costs. The former CEO left the Company but the Company saw a lot of legal actions against this leaving. There has never been a situation that the former CEO cooperates in the interest of the Company. Therefore the Company had to make a lot of incidental costs that should have been avoided if the former CEO acted in a more cooperative way.

Financial income and expenses

15. Interest and similar income

Exchange differences	<u>91,673</u>	<u>-</u>
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	April 2018 - March 2019	April 2017 - March 2018
	€	€
16. Interest and similar expenses		
Interest tax authorities	-	13,764
Interest and bank costs	4,368	33,502
Interest loan NPEX	51,473	51,473
Interest loans from employees	28,179	-3,633
Interest loan G.H. Mensink	5,196	5,199
Interest loan H.R. Hoogenberg	3,481	5,198
Exchange differences	-	122,590
	<u>92,697</u>	<u>228,093</u>

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6 COMPANY BALANCE SHEET AS AT MARCH 31, 2019

(after appropriation of results)

		March 31, 2019		March 31, 2018	
		€	€	€	€
ASSETS					
Fixed assets					
Financial fixed assets	(17)		524,168		545,782
Current assets					
Receivables, prepayments and accrued income	(18)	424,540		490,952	
Cash and cash equivalents	(19)	69,961		3,781	
			494,501		494,733
TOTAL OF ASSETS			<u>1,018,669</u>		<u>1,040,515</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	(20)	1,244,227		1,062,500	
Share premium reserve		18,066,091		17,163,639	
Legal reserves		913,169		1,057,820	
Other reserves		-18,847,814		-15,977,734	
Retained earnings		-1,063,516		-2,930,912	
			312,157		375,313
Non-current liabilities	(21)		605,000		605,000
Current liabilities	(22)		101,512		60,202
TOTAL OF EQUITY AND LIABILITIES			<u>1,018,669</u>		<u>1,040,515</u>

7 COMPANY PROFIT AND LOSS ACCOUNT APRIL 2018 - MARCH 2019

	April 2018 - March 2019		April 2017 - March 2018	
	€	€	€	€
Net revenues	250,000		-	
Cost of sales	250,000		-	
Gross margin			-	
Expenses				
Wages, salaries and social security charges (23)	20,148		203,336	
Other operating expenses (24)	204,390		42,850	
		224,538		246,186
Operating result		-224,538		-246,186
Interest and similar income (25)	180,122		100,112	
Changes in value of financial assets and of securities (26)	-355,275		-1,505,484	
Interest and similar expenses (27)	-51,636		-51,916	
Financial income and expenses		-226,789		-1,457,288
Result before tax		-451,327		-1,703,474
Taxation		-		-
		-451,327		-1,703,474
Share in result of participating interests (28)		-612,189		-1,227,438
Result after tax		-1,063,516		-2,930,912

8 NOTES TO THE COMPANY FINANCIAL STATEMENTS

The company annual account have been prepared in accordance with Title 9 Book 2 of the Netherlands Civil Code.

For the general principles for the preparation of the annual account, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the specific assets and liabilities and the results, reference is made to the notes to the consolidated annual account, if there is no further explanation provided.

Financial fixed assets

Participating interests in group companies where extensive influence is exerted on business and financial policies are valued based on the net asset value that is, however, not lower than zero. This nett capital value is calculated based on the principles of Be Informed Holding B.V.

Participating interests with a negative net asset value are valued at zero. When the company guarantees (wholly or partially) debts of the participating interest concerned, a provision is created primarily at the expense of claims against this participating interest and for the remainder under the provisions of the remaining part in the losses of the participating interest or the expected payments by the company on behalf of these participating interests.

Share in result from participations

Where significant influence is exercised over participated companies, the group's share in the participated companies' results is included in the consolidated profit and loss account. This result is determined on the basis of the accounting principles applied by Be Informed Holding B.V.

9 NOTES TO THE COMPANY BALANCE SHEET AS AT MARCH 31, 2019

ASSETS

FIXED ASSETS

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
17. Financial fixed assets		
Participations in group companies	524,168	545,782
Participations in group companies		
Be Informed IP B.V. in Apeldoorn (100%)	524,168	545,782
Be Informed B.V. in Apeldoorn (100%)	-	-
	<u>524,168</u>	<u>545,782</u>
	<u>April 2018 - March 2019</u>	<u>April 2017 - March 2018</u>
	€	€
<i>Be Informed IP B.V.</i>		
Carrying amount as of April 1	545,782	1,390,580
Share in result	-21,614	-844,798
Carrying amount as of March 31	<u>524,168</u>	<u>545,782</u>
<i>Be Informed B.V.</i>		
Carrying amount as of April 1	-3,781,580	-3,475,555
Investments	28,179	-
Exchange difference	-83,819	106,757
Share in result	-590,574	-412,782
	<u>-4,427,794</u>	<u>-3,781,580</u>
Provision	4,427,794	3,781,580
Carrying amount as of March 31	<u>-</u>	<u>-</u>

CURRENT ASSETS

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
18. Receivables, prepayments and accrued income		
Receivables from group companies	421,788	478,486
Taxes and social securities	-	12,466
Other receivables, prepayments and accrued income	2,752	-
	<u>424,540</u>	<u>490,952</u>
Receivables from group companies		
Be Informed IP B.V.	<u>421,788</u>	<u>478,486</u>
An interest rate of 5% has been calculated.		
Taxes and social securities		
Turnover tax	<u>-</u>	<u>12,466</u>
Other receivables, prepayments and accrued income		
Miscellaneous	<u>2,752</u>	<u>-</u>
19. Cash and cash equivalents		
ING Bank N.V.	<u>69,961</u>	<u>3,781</u>

EQUITY AND LIABILITIES

20. EQUITY

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
Share capital		
Shares A at par value € 1.00	479,156	349,056
Shares B at par value € 1.00	765,071	713,444
	<u>1,244,227</u>	<u>1,062,500</u>

The Company can issue an unlimited number of new shares and certificates.
 The share capital is divided in A en B shares.

	<u>April 2018 - March 2019</u>	<u>April 2017 - March 2018</u>
	€	€
Share premium reserve		
Carrying amount as of April 1	17,163,639	10,642,809
Addition	902,452	6,520,830
Carrying amount as of March 31	<u>18,066,091</u>	<u>17,163,639</u>

The share premium reserve is divided as follows:

- Share premium reserve shares A € 2,597,984 (April 2017 - March 2018: € 2,349,611)
- Share premium reserve shares B € 15,468,107 (April 2017 - March 2018: € 14,814,028)

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
Legal reserves		
Reserve for research and development	945,937	1,006,769
Reserve for exchange differences	-32,768	51,051
	<u>913,169</u>	<u>1,057,820</u>

	April 2018 - March 2019	April 2017 - March 2018
	€	€
<i>Reserve for research and development</i>		
Carrying amount as of April 1	1,006,769	1,551,068
Withdrawal other reserves	-544,299	-544,299
Allocation other reserves	483,467	-
Carrying amount as of March 31	<u>945,937</u>	<u>1,006,769</u>
<i>Reserve for exchange differences</i>		
Carrying amount as of April 1	51,051	-55,706
Movement	-83,819	106,757
Carrying amount as of March 31	<u>-32,768</u>	<u>51,051</u>
Other reserves		
Carrying amount as of April 1	-15,977,734	-16,172,664
Allocation of financial year net result	-2,930,912	-349,369
Allocation legal reserves	544,299	544,299
Withdrawal legal reserves	-483,467	-
Carrying amount as of March 31	<u>-18,847,814</u>	<u>-15,977,734</u>
Retained earnings		
Carrying amount as of April 1	-2,930,912	-349,369
Allocation retained earnings	2,930,912	349,369
Undistributed result current year	-1,063,516	-2,930,912
Carrying amount as of March 31	<u>-1,063,516</u>	<u>-2,930,912</u>

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

The consolidated equity amounting to € 532,260 negative (at March 31, 2018 amounting to € 844,275 negative) is € 844,417 lower (at March 31, 2018 amounting to € 1,219,588 lower) than the company equity amounting to € 312,157 (at March 31, 2018 amounting to € 375,313).

The consolidated result amounting to € 688,365 negative (in April 2017 - March 2018 amounting to € 1,465,983 negative) is € 375,151 higher (in April 2017 - March 2018 amounting to € 1,464,929 higher) than the company result amounting to € 1,063,516 negative (in April 2017 - March 2018 amounting to € 2,930,912 negative).

	<u>3/31/2019</u>	<u>3/31/2018</u>
	€	€
21. NON-CURRENT LIABILITIES		
Loans from financial institutions	<u>605,000</u>	<u>605,000</u>

Loans from financial institutions

Loan NPEX	<u>605,000</u>	<u>605,000</u>
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Be Informed Holding B.V. entered into an agreement with crowd funding platform NPEX. This result 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.

22. CURRENT LIABILITIES

Trade creditors	67,911	33,423
Taxes and social securities	5,781	576
Other liabilities and Accruals and deferred income	<u>27,820</u>	<u>26,203</u>
	<u>101,512</u>	<u>60,202</u>

Trade creditors

Creditors	<u>67,911</u>	<u>33,423</u>
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Taxes and social securities

Turnover tax	5,191	-
Pay-roll tax	590	576
	<u>5,781</u>	<u>576</u>

Other liabilities and Accruals and deferred income

Accruals and deferred income	<u>27,820</u>	<u>26,203</u>
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Accruals and deferred income

Audit fees	26,000	26,203
Other liabilities	1,820	-
	<u>27,820</u>	<u>26,203</u>

10 NOTES TO THE COMPANY PROFIT AND LOSS ACCOUNT APRIL 2018 - MARCH 2019

	April 2018 - March 2019	April 2017 - March 2018
	€	€
23. Wages, salaries and social security charges		
Management fees	14,167	170,208
Other personnel costs	5,981	33,128
	<u>20,148</u>	<u>203,336</u>
Staff		
During April 2018 - March 2019 on average - persons were employed, calculated in full time equivalents (April 2017 - March 2018: -).		
24. Other operating expenses		
Accommodation expenses	159	154
Office expenses	9,817	8,347
General expenses	39,614	34,349
One-off costs	154,800	-
	<u>204,390</u>	<u>42,850</u>
<i>Accommodation expenses</i>		
Other accommodation expenses	<u>159</u>	<u>154</u>
<i>Office expenses</i>		
Contributions and subscriptions	6,841	7,832
Insurance	2,976	515
	<u>9,817</u>	<u>8,347</u>
<i>General expenses</i>		
Audit costs	29,457	9,756
Accounting costs	100	100
Legal charges	7,046	15,165
Other general expenses	3,011	9,328
	<u>39,614</u>	<u>34,349</u>

	April 2018 - March 2019	April 2017 - March 2018
	€	€
<i>One-off costs</i>		
Consultancy fee	110,000	-
Car expenses	16,500	-
Legal charges	28,300	-
	<u>154,800</u>	<u>-</u>

Due to the forced change of management in May 2018 the Company made a lot of effort and extra costs. The former CEO left the Company but the Company saw a lot of legal actions against this leaving. There has never been a situation that the former CEO cooperates in the interest of the Company. Therefore the Company had to make a lot of incidental costs that should have been avoided if the former CEO acted in a more cooperative way.

Financial income and expenses

25. Interest and similar income

Interest bank	6	101
Interest receivable Be Informed IP B.V.	21,951	16,505
Interest receivable Be Informed B.V.	158,165	83,506
	<u>180,122</u>	<u>100,112</u>

26. Changes in value of financial assets and of securities

Value adjustment of receivables from group companies	-355,275	-1,505,484
<u>Value adjustment of receivables from group companies</u>		
Value adjustment of receivable Be Informed B.V.	<u>-355,275</u>	<u>-1,505,484</u>

27. Interest and similar expenses

Interest tax authorities	-	294
Interest and bank costs	163	149
Interest loan NPEX	51,473	51,473
	<u>51,636</u>	<u>51,916</u>

28. Share in result of participating interests

Share in result of Be Informed IP B.V.	-21,615	-844,798
Share in result of Be Informed B.V.	-590,574	-382,640
	<u>-612,189</u>	<u>-1,227,438</u>

Signature management

The annual accounts have been set up under our responsibility.

Apeldoorn, July 22, 2019

R.G.P. Louter

Concept

OTHER INFORMATION

1 INDEPENDENT AUDITOR'S REPORT

To: the shareholders and Board of directors of Be Informed Holding B.V. registered in Apeldoorn

2 No opinion included

Because the activities of the provided engagement have not been finished yet, we are not allowed to include an opinion in this report.

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