

Registre de Commerce et des Sociétés

Numéro RCS : B203124

Référence de dépôt : L180086433

Déposé et enregistré le 31/05/2018

FDIMWNX20180518T14344101_001

RCSL Nr. : B203124

Matricule : 2016 2400 380

eCDF entry date : 18/05/2018

BALANCE SHEET**Financial year from** ⁰¹ 01/01/2017 **to** ⁰² 31/12/2017 (in ⁰³ USD)

Q Cyber Technologies

46A, avenue John F. Kennedy

L-1855 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 _____	110 _____
I. Intangible assets	1111 _____	111 _____	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
III. Financial assets	1135 _____	135 _____	136 _____
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____	145 _____	146 _____
6. Other loans	1147 _____	147 _____	148 _____
D. Current assets	1151 _____	151 <u>126.450.002,41</u>	152 <u>26.293.671,37</u>
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 <u>46.216.318,26</u>	164 <u>13.204.489,47</u>
1. Trade debtors	1165 _____	165 <u>13.774.553,29</u>	166 <u>9.738.462,00</u>
a) becoming due and payable within one year	1167 _____	167 <u>13.774.553,29</u>	168 <u>9.738.462,00</u>
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 <u>22.656.663,89</u>	172 _____
a) becoming due and payable within one year	1173 _____	173 <u>22.656.663,89</u>	174 _____
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 <u>9.785.101,08</u>	184 <u>3.466.027,47</u>
a) becoming due and payable within one year	1185 _____	185 <u>9.785.101,08</u>	186 <u>3.466.027,47</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

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	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 <u>80.233.684,15</u>	198 <u>13.089.181,90</u>
E. Prepayments	1199 _____	199 <u>1.059.612,20</u>	200 <u>7.596,47</u>
TOTAL (ASSETS)		201 <u>127.509.614,61</u>	202 <u>26.301.267,84</u>

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 _____	301 <u>3.468.861,08</u>	302 <u>409.238,66</u>
I. Subscribed capital	1303 _____	303 <u>14.000,00</u>	304 <u>14.000,00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 <u>19.761,93</u>	310 _____
1. Legal reserve	1311 _____	311 <u>19.761,93</u>	312 _____
2. Reserve for own shares	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 _____	430 _____
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 _____	434 _____
V. Profit or loss brought forward	1319 _____	319 <u>375.476,73</u>	320 _____
VI. Profit or loss for the financial year	1321 _____	321 <u>3.059.622,42</u>	322 <u>395.238,66</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions	1331 _____	331 _____	332 <u>172.299,00</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 <u>172.299,00</u>
3. Other provisions	1337 _____	337 _____	338 _____
C. Creditors	1435 _____	435 <u>77.499.792,53</u>	436 <u>25.719.730,18</u>
1. Debenture loans	1437 _____	437 _____	438 _____
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 _____	446 _____
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

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	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 <u>5.420.890,80</u>	368 <u>764.125,52</u>
a) becoming due and payable within one year	1369 _____	369 <u>5.420.890,80</u>	370 <u>764.125,52</u>
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 <u>62.673.226,33</u>	380 <u>21.501.403,76</u>
a) becoming due and payable within one year	1381 _____	381 <u>62.673.226,33</u>	382 <u>21.501.403,76</u>
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 <u>9.405.675,40</u>	452 <u>3.454.200,90</u>
a) Tax authorities	1393 _____	393 <u>9.405.426,47</u>	394 <u>3.454.200,90</u>
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____	397 <u>248,93</u>	398 _____
i) becoming due and payable within one year	1399 _____	399 <u>248,93</u>	400 _____
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
D. Deferred income	1403 _____	403 <u>46.540.961,00</u>	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 <u>127.509.614,61</u>	406 <u>26.301.267,84</u>

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Matricule : 2016 2400 380

eCDF entry date : 18/05/2018

PROFIT AND LOSS ACCOUNT**Financial year from** ⁰¹ 01/01/2017 **to** ⁰² 31/12/2017 (in ⁰³ USD)

Q Cyber Technologies

46A, avenue John F. Kennedy

L-1855 Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 <u>82.651.201,24</u>	702 <u>24.738.462,00</u>
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____	713 <u>411.496,63</u>	714 _____
5. Raw materials and consumables and other external expenses	1671 _____	671 <u>-79.949.906,26</u>	672 <u>-24.115.050,61</u>
a) Raw materials and consumables	1601 _____	601 <u>-23.159,76</u>	602 _____
b) Other external expenses	1603 _____	603 <u>-79.926.746,50</u>	604 <u>-24.115.050,61</u>
6. Staff costs	1605 _____	605 <u>-91.696,89</u>	606 _____
a) Wages and salaries	1607 _____	607 <u>-79.913,82</u>	608 _____
b) Social security costs	1609 _____	609 <u>-11.783,07</u>	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 <u>-11.783,07</u>	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 <u>-1.000.000,00</u>	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 <u>-1.000.000,00</u>	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____	621 <u>-70.527,74</u>	622 <u>-25.423,41</u>

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	94.397,26	716
a) derived from affiliated undertakings	1717	94.397,26	718
b) other income from participating interests	1719		720
10. Income from other investments and loans forming part of the fixed assets	1721		722
a) derived from affiliated undertakings	1723		724
b) other income not included under a)	1725		726
11. Other interest receivable and similar income	1727	1.023.055,81	728
a) derived from affiliated undertakings	1729		730
b) other interest and similar income	1731	1.023.055,81	732
12. Share of profit or loss of undertakings accounted for under the equity method	1663		664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665		666
14. Interest payable and similar expenses	1627	-8.810,96	628 -30.450,32
a) concerning affiliated undertakings	1629	-8.810,96	630 -26.186,30
b) other interest and similar expenses	1631		632 -4.264,02
15. Tax on profit or loss	1635	413,33	636 -172.299,00
16. Profit or loss after taxation	1667	3.059.622,42	668 395.238,66
17. Other taxes not shown under items 1 to 16	1637		638
18. Profit or loss for the financial year	1669	3.059.622,42	670 395.238,66

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Déposé le 31/05/2018

Q Cyber Technologies S.à r.l.

Société à responsabilité limitée

46A, avenue John F. Kennedy

L – 1855 Luxembourg

R.C.S. Luxembourg B-203.124

Subscribed capital: USD 14 000,00

INCORPORATION

08/01/2016 MEMORIAL C-1046 OF 08/04/2016

STATUTORY AMENDMENTS

14/10/2016 - Recueil électronique des Sociétés et Associations n-L160200651 of 25/10/2016

Q Cyber Technologies S.à r.l.

Société à responsabilité limitée

Registered office : 46 A avenue John F. Kennedy, L-1855 Luxembourg

R.C.S. Luxembourg : B 203124

Share Capital: USD 14,000

Business license: 10069634/0

ANNEX TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2017

I. ALLOCATION OF THE RESULT:

The board of managers has proposed and the sole shareholder has decided to carry forward the profit of the year ending December 31, 2017 amounting to USD 3,059,622.42 to the following financial year as follows:

Profit for the financial year as at December 31, 2017	USD	375,476.73
Profit for the financial year as at December 31, 2017	USD	3,059,622.42
Result to be carried forward to the following financial year	USD	3,435,099.15

II. THE BOARD OF MANAGERS:

- Eran Gorev, manager, professionally residing at 207 Sloane Street, 2nd floor, London SW1X 9QX, UK,
- Kevin Wilson, manager, professionally residing at 46 A avenue John F. Kennedy, L-1855 Luxembourg,
- Yuval Somekh, manager professionally residing at 46 A avenue John F. Kennedy, L-1855 Luxembourg.

1. GENERAL INFORMATION

Q Cyber Technologies S.à r.l. (hereafter the 'Company') was incorporated on January 8, 2016 and is organised under the laws of Luxembourg as a Société à responsabilité limitée for an unlimited period.

The registered office of the Company is established in Luxembourg.

The Company's financial year starts on January 1 and ends on December 31 of each year.

The Company may use its funds to invest in real estate, in intellectual property rights or any other movable or immovable assets in any form or of any kind.

The Company's purpose shall also be selling and reselling computer software and related physical equipment together with associated consulting, training and the provision of support and other services. The Company may grant pledges, guarantees, liens, mortgages and any other form of securities as well as any form of indemnities, to Luxembourg or foreign entities, in respect of its own obligations and debts.

The Company may also provide financial assistance in any form (including but not limited to the granting of advances, loans, money deposits and credits as well as the providing of pledges, guarantees, liens, mortgages and any other form of securities, in any kind of form) to undertakings which are part of the same group of companies which the Company belongs to or to third parties, provided that doing so falls within the Company's best interest and does not trigger any license requirements.

In general, the Company may carry out any commercial, industrial or financial operation and engage in such other activities as the Company deems necessary, advisable, convenient, incidental to, or not inconsistent with, the accomplishment and development of the foregoing.

Notwithstanding the above, the Company shall not enter into any transaction which would cause it to be engaged in any activity which would be considered as a regulated activity or that would require the Company to have any other license.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, determined and applied by the Board of Managers.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise their judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2. Significant accounting policies

The main valuation rules applied by the Company are as follows:

2.2.1. Intangible fixed assets

Intangible fixed assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation amounts written off and value adjustments. The value adjustments are not continued if the reason for which the value adjustments were made have ceased to apply.

Depreciation is calculated by the straight-line method over the estimated useful lives of the assets, at the following rates:

- Concessions, patents, licences, trademarks and similar rights and assets: 33%

2.2.2. Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made, have ceased to apply.

2.2.3. Foreign currency translation

The Company keeps its books in USD and the balance sheet and the profit and loss account are expressed in the same currency.

Transactions expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction. Formation expenses and long-term assets expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange rate losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately, respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of the transaction.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account and the net unrealised exchange gains are not recognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Significant accounting policies (continued)

2.2.4. Deferred charges

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

2.2.5. Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provision for taxation

Provision for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption 'Tax debts'. The advance payments are shown in the assets of the balance sheet under the 'Other debtors' item.

2.2.6. Creditors

Creditors are recorded at their reimbursement value.

2.2.7. Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

3. INTANGIBLES ASSETS

This item is composed of a domain name acquired in January 2017. The movements for the year are as follows:

	Concessions, patents, licences, trademarks and similar rights and assets USD	Total USD
Gross book value - opening balance	0	0
Additions for the year/period	1,000,000	1,000,000
Disposals for the year/period	0	0
Transfers for the year/period	0	0
Gross book value - closing balance	1,000,000	1,000,000
Accumulated value adjustment - opening balance	0	0
Additions for the year/period	(1,000,000)	(1,000,000)
Reversals for the year/period	0	0
Transfers for the year/period	0	0
Accumulated value adjustment - closing balance	(1,000,000)	(1,000,000)
Net book value - closing balance	0	0
Net book value - opening balance	0	0

4. DEBTORS

Debtors are mainly composed of:

- Trade receivables for USD 13 774 553
- A short term loan to Osy Technologies S.à r.l. of a principal of USD 22 500 000 and accrued interest of USD 94 397
- Intercompany receivables for USD 62 267
- Input value added tax for USD 9 528 565 and
- A trade deposit of USD 256 536.

As at December 31, 2017, the Company granted several tranches of the loan to Osy Technologies S.à r.l. up to an amount of USD 22 500 000. It bears interest at a rate of 3% and the maturity date is June 30, 2018.

5. PREPAYMENTS

Prepayments are mainly composed of expenses related to the distribution of products and services for USD 1 000 000.

6. SUBSCRIBED CAPITAL

On January 8, 2016 the share capital of the Company was set at EUR 12 500,00 (twelve thousand five hundred Euro) divided into 12 500 (twelve thousand five hundred) shares with a nominal value of EUR 1,00 (one Euro) each.

On October 14, 2016, it was decided to convert the subscribed capital of the Company from Euros to US Dollars, such conversion being performed at the official exchange rate Euros against US Dollars as it was fixed on January 8, 2016 and being EUR 1,00 = USD 1,0861 so that after conversion, the subscribed capital of the Company amounts to USD 13 576,25 (thirteen thousand five hundred seventy six US Dollars and twenty five cents).

On October 14, 2016, the Sole Shareholder resolved also to increase the share capital of the Company for an amount of USD 423,75 (four hundred twenty three US Dollars and seventy five cents), so as to raise it from USD 13 576,25 (thirteen thousand five hundred seventy six US Dollars and twenty five cents) to USD 14 000,00 (fourteen thousand US Dollars).

As a result, the share capital of the Company is set at USD 14 000,00 (fourteen thousands US Dollars) divided into 14 000 (fourteen thousands) shares with a nominal value of USD 1,00 (one US Dollar) each.

7. LEGAL RESERVE

The Company is required to allocate a minimum of 5% of its annual net income to the legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

8. PROVISIONS

Provisions are made up as follows :

	2017 USD	2016 USD
Provisions for taxation	0	172,299
Total	0	172,299

9. CREDITORS

Amounts due and payable for the accounts shown under “creditors” are as follows:

	Within one year USD	Total	2017 USD	Total	2016 USD
Trade creditors	5,420,891		5,420,891		764,126
Amounts owed to affiliated undertakings	62,673,226		62,673,226		21,501,404
Other creditors tax authorities	9,405,426		9,405,426		3,454,201
Other creditors	249		249		0
Total	77,499,793		77,499,793		25,719,730

- **Loans granted by the sole shareholder**

On May 1, 2016 and September 1, 2016, the sole shareholder decided to grant to the Company two short term loans for USD 1 000 000 each. These loans are granted for a period of 12 months and bear interest at the fixed rate of 3% per annum.

In November 2016 and December 2016, the sole shareholder received USD 500 000 and USD 700 000 respectively from the Company related to the partial repayment of short-term loans mentioned above.

In January 2017 and July 2017, the sole shareholder received USD 300 000 and USD 500 000 respectively from the Company related to the total repayment of short-term loans mentioned above. The sole shareholder also received in July 2017 the repayment of the accrued interest on both short-term loans for a total amount of USD 34 997.

This item is also composed of an advance from the sole shareholder for an amount of USD 19 337 281.

- **Other items**

Tax debts amounting to USD 9 405 426 relate to the VAT due based on reverse charge mechanism.

10. DEFERRED INCOME

Deferred income is mainly composed of revenue from sale and distribution of computer equipment and services whose revenue generation process is not substantially completed, for an amount of USD 46 540 961.

11. NET TURNOVER

This item relates to the income from sale and distribution of computer equipment and services for an amount of USD 82 651 201 (USD 24 738 462 in 2016).

A breakdown of the net turnover by category of activity and into geographical markets is omitted because its nature is such that it would be seriously prejudicial to the Company.

12. RAW MATERIALS AND CONSUMABLES AND OTHER EXTERNAL EXPENSES

This item corresponds to the expenses related to the distribution of products and services of USD 68 446 450 (USD 18 173 291 in 2016) and to the expenses related to subcontractors and other operational expenses for an amount of USD 11 503 456 (USD 5 941 760 in 2016).

13. OTHER OPERATING INCOME

This item corresponds to commissions and presale services invoiced to group companies for USD 411 497.

14. STAFF COSTS

As at December 31, 2017, the Company employs 1 full-time equivalent person (none in 2016).

This item corresponds to the salaries and wages and social contributions for a total amount of USD 91 697.

15. VALUE ADJUSTMENTS

This item corresponds to the acceleration of intangible asset for USD 1 000 000.

16. OTHER OPERATING EXPENSES

This item is composed of the office rental charges for USD 30 222 (USD 25 423 in 2016) and custom duties for USD 40 306.

17. INCOME FROM PARTICIPATING INTERESTS

As presented in note 4, the Company derived the interest from financing activity for an amount of USD 94 397.

18. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

The item is composed of interest on bank accounts for USD 131 656 and of foreign exchange gain for an amount of USD 891 400.

19. INTEREST PAYABLE AND SIMILAR EXPENSES

Concerning affiliated undertakings

This item represents the accrued interest on the loans (note 9) for an amount of USD 8 811 (USD 26 186 in 2016).

20. TAX ON PROFIT OR LOSS

This item relates to positive adjustments on Corporate Income Tax and Municipal Business Tax for an amount of USD 413.

21. OFF-BALANCE SHEET COMMITMENTS

Pursuant to a share pledge agreement dated April 2017, the Sole Shareholder has pledged all its rights, titles, interests and benefits, present and future, in, to and under its present and future Shares in the Company to the financial institution, and all its rights, titles, interests and benefits, present and future, in and to all rights, moneys, powers and property whatsoever which may from time to time and at any time be distributed or derived from, or accrue on or arise in respect of or relate to said Shares in favour of the pledgee.

Pursuant to the first ranking receivables pledge agreement governed by Luxembourg law dated in April 2017 and made between Sole Shareholder as pledgor, financial institution as Pledgee and the Company as debtor, Sole Shareholder pledged all its rights, titles and benefits in relation to all present and future claims it has or will have against the Company, including, without limitation, all income deriving therefrom, payments made or to be made in respect thereof, interests thereon and proceeds thereof.