

**PRIVIUM FUND MANAGEMENT B.V.,  
AMSTERDAM**

Annual Report 2013  
April 30, 2014



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**FINANCIAL REPORT**



To the Board of Directors of  
Privium Fund Management B.V.  
Gustav Mahlerplein 3, 26 floor  
1082 MS Amsterdam

<i>Reference</i>	<i>Processed by</i>	<i>Date</i>
10000665	JdH	April 30, 2014

*Subject*

Annual report of 2013

Dear Board of Directors,

We hereby send you the report regarding the financial statements for the year 2013 of Privium Fund Management B.V.

**1 AUDIT**

In accordance with your instructions we have compiled the annual account 2013 of Privium Fund Management B.V. , including the balance sheet with counts of € 342,257 and the profit and loss account with a negative post-tax result of € 2,021.

For the independent auditor's report we refer to the chapter "other information" on page 20 of this report.

## Privium Fund Management B.V. in Amsterdam

**1.1 Recognition of the 2012 loss**

The result amounting to € 5,618 has been carried forward as accumulated deficit.

**2 APPROPRIATED RESULTS****2.1 Development of income and expenses**

The result after taxation for 2013 amounts to negative € 2,021 compared to negative € 5,618 for 2012. The results for both years can be summarized as follows:

	2013		2012	
	€	%	€	%
<b>Nett turnover</b>	346,730	100.0	58,101	100.0
Movement of work in progress	30,787	8.9	-	-
Turnover costs	246,020	71.0	-	-
<b>Gross turnover result</b>	131,497	37.9	58,101	100.0
<b>Gross margin</b>	131,497	37.9	58,101	100.0
<b>Expenses</b>				
Cost of subcontracted work and other external charges	79,417	22.9	8,109	14.0
Employee expenses	22,599	6.5	25,426	43.8
Amortisation and depreciation	-	-	223	0.4
Other operating expenses	22,193	6.4	27,747	47.7
	124,209	35.8	61,505	105.9
<b>Operating result</b>	7,288	2.1	-3,404	-5.9
Financial income and expenses	-4,519	-1.3	-1,592	-2.7
<b>Result from general operations before tax</b>	2,769	0.8	-4,996	-8.6
Taxation on result from general operations	-	-	-	-
Extraordinary expenses	-4,790	-1.4	-622	-1.1
<b>Result after taxation</b>	-2,021	-0.6	-5,618	-9.7

## Privium Fund Management B.V. in Amsterdam

**3 FINANCIAL POSITION**

The balance sheets can be summarized as follows:

	12/31/2013	12/31/2012
	€	€
<b>Long term funds:</b>		
Equity capital	144,104	146,124
	<u>144,104</u>	<u>146,124</u>
This amount is applied as follows:		
Claims	182,560	38,583
Liquid assets	159,697	231,731
	<u>342,257</u>	<u>270,314</u>
Debit: Short-term debt	198,153	124,190
	<u>198,153</u>	<u>124,190</u>
Working capital	<u>144,104</u>	<u>146,124</u>

**Privium Fund Management B.V. in Amsterdam**

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#### **4 TAX POSITION**

##### **4.1 Tax entity**

For purposes of corporate income tax, Cleardown B.V. forms a fiscal unity with its subsidiaries:

- Privium Fund Management B.V.

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

We will gladly provide further explanations upon request.

Sincerely yours,  
Bacom Consultancy Groep

R. Beers  
Consultant

**Privium Fund Management B.V. in Amsterdam**

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**1 ANNUAL REPORT OF THE MANAGING DIRECTORS**

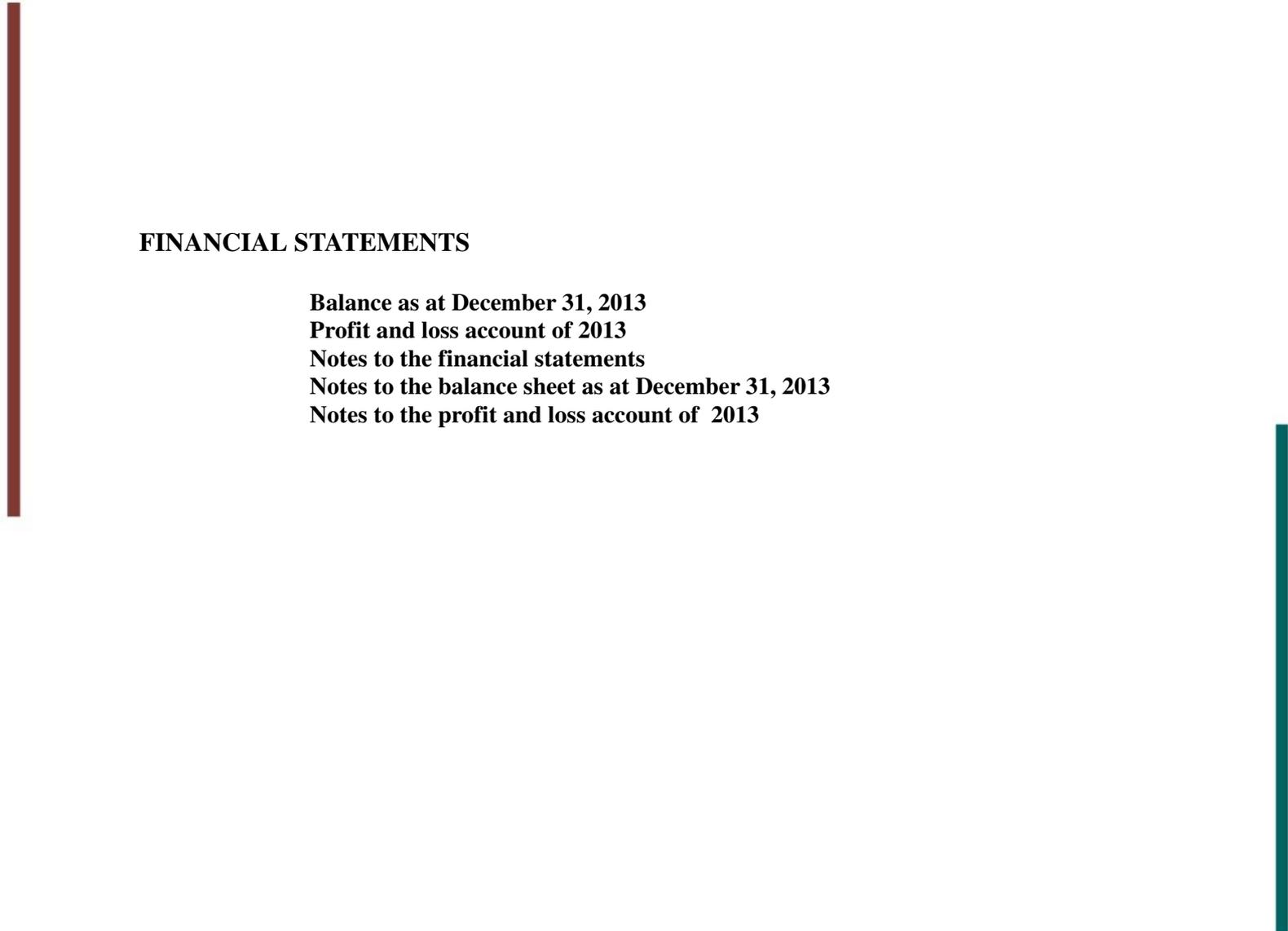
**Privium Fund Management B.V. in Amsterdam**

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Amsterdam, April 30, 2014

**FINANCIAL STATEMENTS**

**Balance as at December 31, 2013**  
**Profit and loss account of 2013**  
**Notes to the financial statements**  
**Notes to the balance sheet as at December 31, 2013**  
**Notes to the profit and loss account of 2013**



## Privium Fund Management B.V. in Amsterdam

**1 BALANCE AS AT DECEMBER 31, 2013**

(after recognition of the loss)

		December 31, 2013		December 31, 2012	
		€	€	€	€
<b>ASSETS</b>					
<b>Current assets</b>					
Claims	(2)	182,560		38,583	
Liquid assets	(3)	<u>159,697</u>		<u>231,731</u>	
			342,257		270,314
			<u>342,257</u>		<u>270,314</u>
<b>LIABILITIES</b>					
<b>Equity capital</b>					
	(4)				
Issued capital		150,000		150,000	
Share premium reserve		64,829		64,829	
Other reserves		<u>-70,725</u>		<u>-68,705</u>	
			144,104		146,124
<b>Current liabilities</b>	(5)		198,153		124,190
			<u>342,257</u>		<u>270,314</u>

## Privium Fund Management B.V. in Amsterdam

## 2 PROFIT AND LOSS ACCOUNT OF 2013

		2013		2012	
		€	€	€	€
<b>Nett turnover</b>	(6)	346,730		58,101	
Movement work in progress	(7)	30,787		-	
Turnover costs	(8)	246,020		-	
<b>Gross turnover result</b>			131,497		58,101
			131,497		58,101
<b>Expenses</b>					
Cost of subcontracted work and other external charges	(9)	79,417		8,109	
Employee expenses	(10)	22,599		25,426	
Amortisation and depreciation	(11)	-		223	
Other operating expenses		22,193		27,747	
			124,209		61,505
<b>Operating result</b>			7,288		-3,404
Interest and similar income	(16)	1,008		866	
Interest and similar expenses	(17)	-5,527		-2,458	
<b>Financial income and expenses</b>			-4,519		-1,592
<b>Result from general operations before tax</b>			2,769		-4,996
Taxation on result from general operations			-		-
<b>Result from general operations after tax</b>			2,769		-4,996
Extraordinary expenses	(18)		-4,790		-622
<b>Result after tax</b>			-2,021		-5,618

### **3 NOTES TO THE FINANCIAL STATEMENTS**

#### **GENERAL**

#### **GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS**

The annual accounts have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code. The annual accounts have been prepared based on the historical cost. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention.

#### **PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES**

##### **Tangible fixed assets**

Tangible fixed assets are presented at acquisition price less cumulative depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Sites are not depreciated.

##### **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.

##### **Liquid assets**

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

##### **Liabilities**

Liabilities are valued at nominal value, unless determined differently.

#### **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

##### **General**

The result is defined as the difference between the revenue from services performed and the costs and expenses for that year, valued at historical costs.

##### **Determination of the result**

The result is determined based upon the difference between the nett turnover and the costs and other expenses taking into account the aforementioned valuation principles.

**Privium Fund Management B.V. in Amsterdam**

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**Nett turnover**

The nett turnover consists of revenue from during the reporting period nett of discounts, rebates and value added taxes.

**Turnover costs**

The cost of sales consists of the cost of goods sold and delivered, consisting of direct use of materials, direct wages and machine costs and other direct and indirect production costs that can be attributed to the production.

**Gross margin**

The gross operating profit and loss comprises nett turnover by the entity, other operating income and cost of outsourced work and other external charges.

**Amortisation 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 amortisation/depreciation, profit only to the extent that the profit is not deducted from replacement investments.

**Financial income and expenses**

Financial income and expenses comprise interest income and expenses for loans (issued and received) during the current reporting period.

**Taxes**

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the annual account and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

**Extraordinary income and expenses**

Extraordinary income and expense comprises income and expenses who differ highly from ordinary operations and have therefore an extremely incidental character.

## 4 NOTES TO THE BALANCE SHEET AS AT DECEMBER 31, 2013

## ASSETS

## FIXED ASSETS

## 1. Tangible fixed assets

	Furniture
	€
<i>Book value as of January 1, 2013</i>	
Purchase price	1,127
Cumulative depreciation and impairment	-1,127
	<u>-</u>
<i>Book value as of December 31, 2013</i>	
Purchase price	1,127
Cumulative depreciation and impairment	-1,127
Book value as per December 31, 2013	<u><u>-</u></u>
<i>Depreciation rates</i>	%
Furniture	20

**CURRENT ASSETS**

	12/31/2013	12/31/2012
	€	€
<b>2. Claims</b>		
Debtors	40,570	14,000
Group company receivables	111,003	24,383
Other receivables, deferred assets	30,987	200
	<u>182,560</u>	<u>38,583</u>
<b>Debtors</b>		
Trade debtors	<u>40,570</u>	<u>14,000</u>
<b>Group company receivables</b>		
Darwin Financial Platform B.V.	<u>111,003</u>	<u>24,383</u>
An interest rate of 1,5 % (Euribor 0,5 % + 1%) has been calculated.		
<b>Deferred assets group</b>		
Turnover to be invoiced	30,787	-
Deposit	200	200
	<u>30,987</u>	<u>200</u>
<b>3. Liquid assets</b>		
ABN AMRO 24.91.02.226	125,000	-
ABN AMRO 24.93.56.228 USD	27,847	20,086
ABN AMRO 24.91.02.218	6,850	211,645
	<u>159,697</u>	<u>231,731</u>

## EQUITY AND LIABILITIES

## 4. Equity capital

	12/31/2013	12/31/2012
	€	€
<b>Issued capital</b>		
Subscribed and paid up 150,000 ordinary shares at par value € 1.00	150,000	150,000
The statutory share capital amounts to € 150,000. The shareholders of the company are as follows: - Cleardown B.V.		
		Common shares
		€
Book value as of January 1, 2013		150,000
Book value as of December 31, 2013		150,000
Statutory share capital		150,000
Shares issued		150,000
Par value		1.00
	2013	2012
	€	€
<b>Share premium reserve</b>		
Book value as of January 1	64,829	-
Allocation per December 20, 2012	-	64,829
Book value as of December 31	64,829	64,829
<b>Other reserves</b>		
Book value as of January 1	-68,704	-63,086
Allocation of financial year nett result	-2,021	-5,619
Book value as of December 31	-70,725	-68,705

## Privium Fund Management B.V. in Amsterdam

	12/31/2013	12/31/2012
	€	€
<b>5. Current liabilities</b>		
Supplier creditor debt	71,277	453
Intercompany debt	99,937	114,392
Taxes and social securities	6,002	1,167
Accruals and deferred income	20,937	8,178
	<u>198,153</u>	<u>124,190</u>
<b>Supplier creditor debt</b>		
Creditors	<u>71,277</u>	<u>453</u>
<b>Intercompany debt</b>		
Cleardown B.V.	<u>99,937</u>	<u>114,392</u>
An interest rate of 1,5 % (Euribor 0,5 % + 1%) has been calculated.		
<b>Taxes and social securities</b>		
Turnover tax	5,673	1,470
Pay-roll tax	329	-303
	<u>6,002</u>	<u>1,167</u>
<b>Accruals and deferred income</b>		
Accounting costs	1,500	1,500
Auditing costs	1,000	1,050
Advise costs	1,433	-
Consultancy charges	17,004	5,628
	<u>20,937</u>	<u>8,178</u>

## 5 NOTES TO THE PROFIT AND LOSS ACCOUNT OF 2013

	2013	2012
	€	€
<b>6. Nett turnover</b>		
Net turnover	346,730	58,101
<b>7. Movement work in progress</b>		
Turnover to be received	30,787	-
<b>8. Turnover costs</b>		
Legal and tax counseling	151,481	-
Software	41,015	-
Promotion	22,487	-
External regulation	20,553	-
Compliance	7,040	-
Depository fee	3,444	-
	246,020	-
<b>9. Cost of subcontracted work and other external charges</b>		
Work contracted	79,417	8,109
<b>10. Employee expenses</b>		
Wages and salaries	13,340	13,340
Social security charges	-	460
Other labour costs	9,259	11,626
	22,599	25,426
<i>Wages and salaries</i>		
Gross wages	9,338	9,200
Wages 30% ruling	4,002	4,140
	13,340	13,340
<i>Social security charges</i>		
Social costs	-	460
<i>Other labour costs</i>		
Travelling expenses	9,259	11,626
<b>11. Amortisation and depreciation</b>		
Tangible fixed assets	-	223
<b>Other operating expenses</b>		

## Privium Fund Management B.V. in Amsterdam

	2013	2012
	€	€
<b>12. Operating costs</b>		
Minor assets	1,570	-
<b>13. Office expenses</b>		
Office supplies	649	1,573
Automation costs	-	59
Telephone	24	-
Postage	236	-
Contributions and subscriptions	792	370
Insurance	6,667	-
	<u>8,368</u>	<u>2,002</u>
<b>14. Selling and distribution expenses</b>		
Representation costs	6,569	2,398
Business gifts	285	-
Travelling expenses	-	213
	<u>6,854</u>	<u>2,611</u>
<b>15. General expenses</b>		
Audit costs	1,850	-
Accounting costs	3,551	3,345
Consultancy fees	-	19,755
Other general expenses	-	34
	<u>5,401</u>	<u>23,134</u>
<b>Financial income and expenses</b>		
<b>16. Interest and similar income</b>		
Interest receivable Darwin Financial Platform B.V.	1,008	866
<b>17. Interest and similar expenses</b>		
Interest payable	-453	-35
Exchange rate differences	-3,479	56
Interest payable Cleardown B.V.	-1,595	-2,479
	<u>-5,527</u>	<u>-2,458</u>
<b>18. Extraordinary expenses</b>		
Extraordinary expenses	-4,790	-622

**OTHER INFORMATION**

**OTHER INFORMATION****1 Statutory appropriation of profit**

Based on article 19 of the Articles of Association the result is at the disposal of the General Shareholders Meeting.

**2 Recognition of the loss for 2013**

The Board of Directors proposes to deduct the 2013 result from the other reserves for an amount of € 2,021. The General Meeting of Shareholders Shareholders will be asked to approve the appropriation of the 2013 result, this proposition is already recognised in the financial statements.

**3 Post balance sheet events**

Receipt of the claim group company Darwin Financial Platform B.V. is received prior to the date of the financial statements.

**4 Independent auditor's report**

The independent auditor's report is stated on page 21.

