Company Registration No. 06359421 (England and Wales)

7P UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

7P UK LIMITED

COMPANY INFORMATION

Directors	U Buser	(Appointed 1 January 2017)
	G Duentzer	(Appointed 1 January 2017)
Company number	06359421	
Registered office	3 Richfield Place Richfield Avenue Reading Berkshire RG1 8EQ	
Auditor	HJS (Reading) Limited Chartered Accountants and Statutory Auditors 3 Richfield Place Richfield Avenue Reading Berkshire RG1 8EQ	

7P UK LIMITED

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7P UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business
7P UK Ltd. is a subsidiary of SEVEN PRINCIPLES AG in Germany. The focus is on consulting in the Telecommunication IT.

Principal risks and uncertainties
The strategy in 2017 was to stabilize the existing businesses of our largest customer, Vodafone, and build another customer in the UK. We succeeded in doing so successfully. We have successfully established another customer at the beginning of 2017. Arriva, which is a subsidiary of DB Systel Group in Germany, became another customer in the UK.

The recruitment of two new employees in 2016 has increased the quality of the delivery of our largest project, and we have been able to successfully increase our margins through our own recruiter.

Development and performance
The plan for 2017 was to generate 12.5 million euros in sales and generate gross profit of 1.5 million euros. According to the current forecasts, we are on schedule here.

We are currently in the strategy phase for 2018. The current plan for 2018 is 15 million euros in sales and 1.8 million euros gross profit. These numbers have not yet been finalized.

On behalf of the board

U Buser
Director
20 January 2018

7P UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities
The principal activity of the company continued to be that of providing specialised consultancy to the mobile communications industry.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J S Kronfli	(Resigned 1 January 2017)
U Buser	(Appointed 1 January 2017)
G Duentzer	(Appointed 1 January 2017)

Results and dividends
The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor
HJS (Reading) Limited are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

U Buser
Director
20 January 2018

G Duentzer
Director
20 January 2018

7P UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7P UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 7P UK LIMITED

We have audited the financial statements of 7P UK Limited for the year ended 31 December 2016 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark H Rogers (Senior Statutory Auditor)
for and on behalf of HJS (Reading) Limited
Chartered Accountants and Statutory Auditors
3 Richfield Place
Richfield Avenue
Reading
Berkshire
RG1 8EQ

30 January 2018

7P UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 €	2015 €
Turnover	**3**	9,540,372	8,177,869
Cost of sales		(8,444,705)	(7,310,734)
Gross profit		1,095,667	867,135
Administrative expenses		(680,569)	(309,341)
Other operating income		2,099	2,063
Operating profit	**4**	417,197	559,857
Interest receivable and similar income	**6**	-	8,144
Interest payable and similar expenses	**7**	(280,041)	(238,462)
Profit before taxation		137,156	329,539
Tax on profit	**8**	(366)	5,468
Profit for the financial year		136,790	335,007

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

7P UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 €	2015 €
Profit for the year	136,790	335,007
Other comprehensive income	-	-
Total comprehensive income for the year	136,790	335,007

7P UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 €	2016 €	2015 €	2015 €
Fixed assets					
Tangible assets	**9**		2,657		629
Current assets					
Debtors	**11**	2,004,146		2,543,813	
Cash at bank and in hand		431,812		156,955	
		2,435,958		2,700,768	
Creditors: amounts falling due within one year	**12**	(1,539,496)		(1,939,068)	
Net current assets			896,462		761,700
Total assets less current liabilities			899,119		762,329
Capital and reserves					
Called up share capital	**13**		136		136
Profit and loss reserves			898,983		762,193
Total equity			899,119		762,329

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 20 January 2018 and are signed on its behalf by:

U Buser
Director

G Duentzer
Director

Company Registration No. 06359421

7P UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital	Profit and loss reserves	Total
	€	€	€
Balance at 1 January 2015	136	427,186	427,322
Year ended 31 December 2015:			
Profit and total comprehensive income for the year	-	335,007	335,007
Balance at 31 December 2015	136	762,193	762,329
Year ended 31 December 2016:			
Profit and total comprehensive income for the year	-	136,790	136,790
Balance at 31 December 2016	136	898,983	899,119

7P UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 €	2016 €	2015 €	2015 €
Cash flows from operating activities					
Cash generated from operations	**16**		297,455		151,672
Interest paid			(280,041)		(238,462)
Income taxes refunded/(paid)			260,625		(12,281)
Net cash inflow/(outflow) from operating activities			278,039		(99,071)
Investing activities					
Purchase of tangible fixed assets		(3,182)		-	
Interest received		-		8,144	
Net cash (used in)/generated from investing activities			(3,182)		8,144
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			274,857		(90,927)
Cash and cash equivalents at beginning of year			156,955		247,882
Cash and cash equivalents at end of year			431,812		156,955

1 Accounting policies

Company information

7P UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Richfield Place, Richfield Avenue, Reading, Berkshire, RG1 8EQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Euros which is the presentational currency of the company. The functional currency is considered to be Sterling. Monetary amounts in these financial statements are rounded to the nearest €.

The reason for presenting these financial statements in a different currency to the functional currency is to be consistent with the group.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	three years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets. A provision is made for any impairment loss and taken to the profit and loss account.

1 Accounting policies **(Continued)**

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company only enters into Basic financial instrument transactions.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Other financial liabilities

Financial assets and liabilities classified as receivable or payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in the tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The company's liability for current and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	€	€
Turnover analysed by class of business		
Sales to Group	8,978,018	8,177,869
Sale to external customers	562,354	-
	9,540,372	8,177,869

	2016	2015
	€	€
Other significant revenue		
Interest income	-	8,144

3 Turnover and other revenue (Continued)

	2016	2015
	€	€
Turnover analysed by geographical market		
Sales to EU countries	9,302,588	8,177,869
Sales to UK	237,784	-
	9,540,372	8,177,869

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2016 €	2015 €
Exchange (gains)/losses	(54,504)	25,260
Fees payable to the company's auditor for the audit of the company's financial statements	19,316	19,232
Depreciation of owned tangible fixed assets	1,152	2,216
Loss on disposal of tangible fixed assets	2	1

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to €54,504 (2015 - €25,260).

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Adminstration	1	-

Their aggregate remuneration comprised:

	2016 €	2015 €
Wages and salaries	59,872	-
Social security costs	411	-
	60,283	-

6 Interest receivable and similar income

	2016	2015
	€	€
Interest income		
Other interest income	-	8,144

7 Interest payable and similar expenses

	2016	2015
	€	€
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	2
Other interest on financial liabilities	280,041	238,460
	280,041	238,462

8 Taxation

	2016	2015
	€	€
Current tax		
UK corporation tax on profits for the current period	366	-
Adjustments in respect of prior periods	-	(5,468)
Total current tax	366	(5,468)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	€	€
Profit before taxation	137,156	329,539
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	27,431	65,908
Adjustments in respect of prior years	-	(5,468)
Utilisation of tax losses	(26,660)	(65,908)
Other tax adjustments	(405)	-
Taxation charge/(credit) for the year	366	(5,468)

9 Tangible fixed assets

	Fixtures, fittings & equipment
	€
Cost	
At 1 January 2016	20,955
Additions	3,182
Disposals	(2)
At 31 December 2016	24,135
Depreciation and impairment	
At 1 January 2016	20,326
Depreciation charged in the year	1,152
At 31 December 2016	21,478
Carrying amount	
At 31 December 2016	2,657
At 31 December 2015	629

10 Financial instruments

	2016	2015
	€	€
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,233,262	1,534,198
Carrying amount of financial liabilities		
Measured at amortised cost	1,535,899	1,939,068

11 Debtors

	2016	2015
Amounts falling due within one year:	€	€
Trade debtors	164,391	49,500
Gross amounts due from contract customers	234,586	183,338
Corporation tax recoverable	-	260,625
Amounts owed by group undertakings	1,065,318	1,484,698
Other debtors	519,042	529,820
Prepayments and accrued income	20,809	35,832
	2,004,146	2,543,813

12 Creditors: amounts falling due within one year

	2016	2015
	€	€
Trade creditors	1,090,867	1,241,905
Corporation tax	366	-
Other taxation and social security	3,231	-
Accruals and deferred income	445,032	697,163
	1,539,496	1,939,068

13 Share capital

	2016	2015
	€	€
Ordinary share capital		
Issued and fully paid		
100 ordinary shares of £1 each	136	136

14 Related party transactions

The company has taken advantage of the exemption available under FRS 102 paragraph 33.1a whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

15 Controlling party

The ultimate parent company is Seven Principles AG, a company registered in Germany.

The ultimate controlling party is Johannes Mohn who owns 80% of the shareholding in the ultimate parent company, Seven Principals AG.

16 Cash generated from operations

	2016	2015
	€	€
Profit for the year after tax	136,790	335,007
Adjustments for:		
Taxation charged/(credited)	366	(5,468)
Finance costs	280,041	238,462
Investment income	-	(8,144)
Loss on disposal of tangible fixed assets	2	1
Depreciation and impairment of tangible fixed assets	1,152	2,216
Movements in working capital:		
Decrease/(increase) in debtors	279,042	(1,239,535)
(Decrease)/increase in creditors	(399,938)	829,133
Cash generated from operations	297,455	151,672

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.