

## Option NV

**Statutory auditor's report  
to the shareholders' meeting  
on the annual accounts  
for the year ended 31 December 2013**

The original text of this report is in Dutch

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To the shareholders

As required by law and the company's articles of association, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the annual accounts together with our report on other legal and regulatory requirements. These annual accounts comprise the balance sheet as at 31 December 2013 and the income statement for the year then ended, as well as the summary of accounting policies and other disclosures.

#### Report on the annual accounts – Unqualified opinion

We have audited the annual accounts of Option NV ("the company"), prepared in accordance with the financial reporting framework applicable in Belgium, which show total assets of 9.551 (000) EUR and a loss for the year of 12.631 (000) EUR.

#### *Board of directors' responsibility for the preparation of the annual accounts*

The board of directors is responsible for the preparation and fair presentation of annual accounts in accordance with the financial reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

#### *Statutory auditor's responsibility*

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts. We have obtained from the company's officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Unqualified opinion*

In our opinion, the annual accounts of Option NV give a true and fair view of the company's net equity and financial position as of 31 December 2013 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

## *Emphasis of Matters*

Despite the fact that the company continued to incur significant losses over the year that impact its financial position, the financial statements have been drafted using the going concern principle. Without modifying the above unqualified opinion, we draw your attention to section *Critical judgements – Going concern* of the annual report, in which the board of directors, in accordance with Belgian regulatory requirements, justifies the application of the going concern principle based upon the additional financing of 12 million EUR concluded after year end and the business plan it has developed aimed at benefiting from the potential of the M2M market. This assumption of going concern is only justified if, and only if, the company is able to realize its current business plan or can further rely on the financial support of its shareholders. No adjustments have been recorded with respect to the valuation or the classification of certain balance sheet items, which would be required, should the company no longer be able to continue its operations.

In addition, the company's balance sheet includes 3.932 (000) EUR of capitalized development expenses. These development expenses have been capitalized in accordance with the company's valuation rules, as specified in section C7 of the financial statements. The extent to which the assumptions, underlying the capitalization, are not, not fully or not timely realized, may impact the carrying amount of capitalized expenses.

## **Report on other legal and regulatory requirements**

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, as well as for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium and for the company's compliance with the Companies Code and the company's articles of association.

As part of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- The directors' report includes the information required by law, is consistent with the annual accounts and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant requirements of the law and the company's articles of association.
- Except for:
  - not having sufficient independent directors, as required by article 14 of the company's articles of association, and
  - not including in the minutes of the board of directors of 22 January 2014, the interest rate and maturity date relating to the conflict of interest transaction described below, as required by article 523 of the Companies Code,

there are no transactions undertaken or decisions taken in violation of the company's articles of association or the Companies Code that we have to report to you.


- In accordance with article 523 of the Companies Code, we report to you on the following decisions of the board of directors:
  - The decision of the board of directors of 23 January 2013 to conclude a loan agreement between the company and Mondo NV, which represented a conflict of interest for Mr. Jan Callewaert, president of the board of directors;
  - The decision of the board of directors of 28 March 2013 to issue a convertible bond and to waive the pre-emptive rights of the existing shareholders and warrant holders in favour of, amongst others, Mr. Jan Callewaert, president of the board of directors and, indirectly, Mr. Francis Vanderhoydonck, director of the company;
  - The decision of the board of directors of 22 January 2014 to conclude a loan agreement between the company and Mr. Jan Callewaert, president of the board of directors;
  - The decision of the board of directors of 11 April 2014 to issue a convertible bond and to waive the pre-emptive rights of the existing shareholders and warrant holders in favour of, amongst others, Mr. Jan Callewaert, president of the board of directors.

The financial consequences linked to these decisions are explained in the section *Related parties transactions – Conflict of interest procedure* of the annual report, except for the interest rate and maturity date relating to the abovementioned decision of the board of directors of 22 January 2014.

- Considering the fact that the company's net assets are below half of its share capital, the company has applied the procedure as described in article 633 of the Companies Code. On 13 November 2013, the extraordinary shareholders' meeting decided not to proceed with the premature dissolution of the company, based on the measures for restoring the company's financial position that were proposed by the board of directors in its special report, drafted in accordance with article 633 of the Companies Code.
- The company's net assets have fallen below 61.500 EUR. As a result, as stipulated in article 634 of the Companies Code, every interested third party can request the dissolution of the company before the Court of Commerce. In such case, the Court can allow the company time to rectify this situation.

Hasselt, 23 April 2014

**The statutory auditor**



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**DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises**  
BV o.v.v.e./CVBA / SC s.f.d. SCRL  
Represented by Dominique Roux