Unwire Communication ApS
Vermundsgade 38A
DK-2100 Copenhagen Ø

Central Business Registration No 26 36 17 10

Annual report for 2017

The Annual General Meeting adopted the annual report on 9/3 2018

Chairman of the General Meeting

Contents

Company details

Company

Unwire Communication ApS
Vermundsgade 38A
DK-2100 Copenhagen Ø
Central Business Registration No: 26 36 17 10
Registered in: Copenhagen

Phone: +45 3393 1434
Internet: www.unwire.com
E-mail: info@unwire.dk

Financial period: 1 January – 31 December
Incorporated: 10 December 2001

Board of Directors

Mads Peter Hytteballe Andersen, Chairman
Russ Shaw
Niels Garde Toft

Executive Board

Jens Søndergaard

Company auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Bankers

Danske Bank
Finanscenter København
Holmens Kanal 2
DK-1090 Copenhagen K

Consolidated Financial Statements

The Company is included in the Group Annual Report of Unwire Holding ApS, Gammeltorv 18, DK-1457 Copenhagen K.

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Unwire Communication ApS for the financial 1 January - 31 December 2017

The annual report is presented in accordance with the Danish Financial Statements Act

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2017.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the review.

We recommend the annual report for adoption at the Annual General Meeting

Copenhagen, 9 March 2018

Executive Board

Jens Søndergaard
Chief Executive Officer

Board of Directors

Mads Peter Hytteballe Andersen
Chairman

Russ Shaw

Niels Garde Toft

Independent Auditor's Report

To the Shareholder of Unwire Communication ApS

Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2017, and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Unwire Communication ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("financial statements").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements

Independent Auditor's Report

and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Parent Company's internal control.

Independent Auditor's Report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

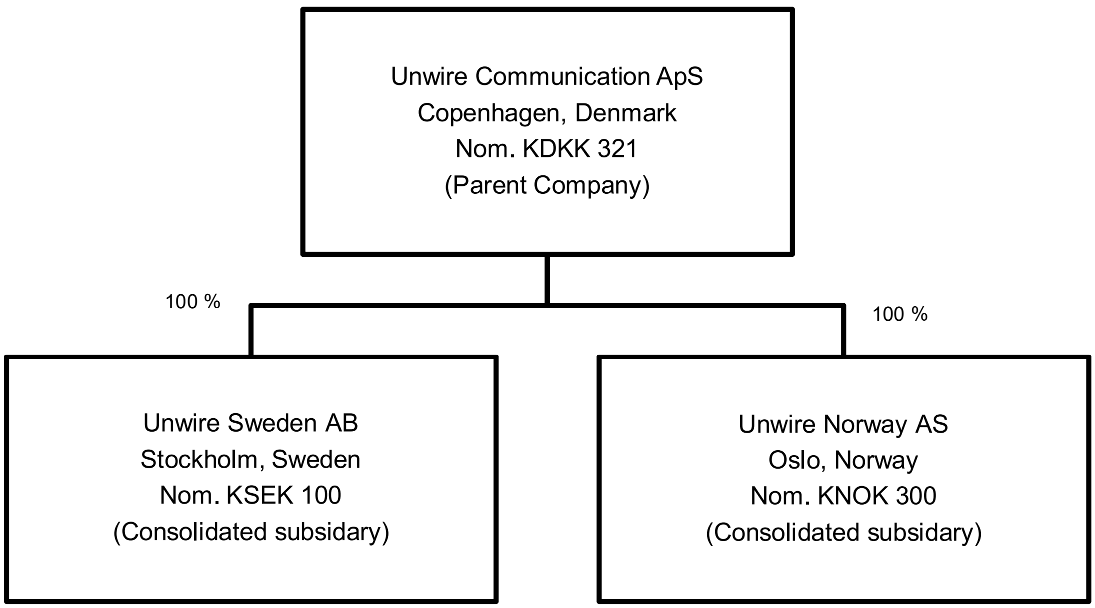
Copenhagen, 9/3 2018
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Ulrik Ræbild
State Authorised Public Accountant
mne33262

Henrik Y. Jensen
State Authorised Public Accountant
mne35442

Management Review

Group overview



Management Review

Financial highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	2017 KDKK	2016 KDKK	2015 KDKK	2014 KDKK	2013 KDKK
Key figures					
Gross profit/loss	42.355	84.707	96.765	68.261	56.884
EBITDA	29.843	38.132	41.109	22.136	(8.772)
Operating profit/loss	23.724	15.629	17.025	(499)	(22.563)
Net financials	(538)	110	(2.362)	(1.286)	(3.203)
Profit/loss for the year	17.649	11.697	11.391	(950)	(21.315)
Equity	23.208	33.747	32.870	20.934	22.522
Balance sheet total	46.500	73.982	77.560	95.882	121.616
Number of employees	20	92	94	87	113
Ratios					
Return on assets (%)	51,0	21,1	22,0	(0,5)	(18,6)
Solvency ratio (%)	49,9	45,6	42,4	21,8	18,5
Return on equity (%)	31,0	35,1	42,3	(4,3)	(116,6)

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Due to the de-merger within the parent company January 1, 2017, the key figures and ratios for 2017 is not comparable to prior periods.

Management Review

The Annual Report of Unwire Communication ApS for 2017 has been prepared in accordance with the requirements of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

From 2017 and with reference to section 86 of the Danish Financial Statements Act, a Cash Flow statement for Unwire Communication ApS has not been disclosed in the Annual Report, as it is included in the Consolidated Financial Statement for the parent company Unwire Holding ApS.

The accounting policies are otherwise unchanged from the previous years.

Main activity

After the de-merger of the Company on January 1, 2017, the Group's main activity consist of mobile mobility services and related supply of platforms and systems.

Development in the year

In 2017 a separation of businesses within Unwire Communication ApS has been carried out to strengthen the focus and strategy in each of Unwires business areas. The Payment & Ticketing business has been transferred to a Group company under the new name Unwire Payments & Mobility ApS through a de-merger. All assets and liabilities related to Payment & Ticketing have been transferred retrospectively as per 1 January 2017. The Messaging business remain in Unwire Communication ApS.

The income statement of the Group shows a result from operations (EBITDA) of KDKK 29,843 and a total profit after tax of KDKK 17,649.

On 31 December 2017 the balance sheet of the Group shows equity of KDKK 23,208.

The Groups result for 2017 is considered acceptable.

Special risks - operating risks and financial risks

Market risks

There is no indication that continued growth cannot be achieved under the current economic and financial conditions.

Financial risks

The Company and the Group is not exposed to specific financial risks other than risks associated with normal business activities e.g. exposure to currency fluctuations and price adjustments.

Management Review

Strategy and objectives

Targets and expectations for the year ahead

Management believes that the Group's capital resources are adequate and appropriate for the entire financial year 2018.

Considering the investments made and the current market conditions, the last years positive development in the activities and operating earnings of the Group and the Parent Company is expected to continue in 2018.

Basis of earnings

Research and development

As in previous years, development costs for specific platforms have been capitalized. The investments are expected to contribute significantly to earnings in the following years.

Intellectual capital resources

The most material intellectual capital resources consist of the Company's employees. The employees will contribute to the Company's earnings on a current basis in 2018.

Impact on the Environment

Management does not consider the Group to have activities that has a significant impact on the environment and therefore has not seen the need for a written policy.

Uncertainty relating to recognition and Measurement

In order to minimize the uncertainty which is inherent in the assessment and valuation of development projects and projects in progress, standardized measurement methods are applied, which are optimized on a current basis.

Unusual events

Apart from the de-merger described under "development in the year", management is not aware of any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Accounting policies

This Annual Report has been prepared in accordance with the requirements of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

From 2017 and with reference to section 86 of the Danish Financial Statements Act, a Cash Flow statement for Unwire Communication ApS has not been disclosed in the Annual Report, as it is included in the Consolidated Financial Statement for the parent company Unwire Holding ApS

Accounting policies are otherwise unchanged from the previous years.

The Consolidated and Parent Company Financial Statements for 2017 are presented in KDKK.

Book value method has been applied in relation to the accounting treatment of the demerger as per 1 January 2017. This method is applicable for intra-group transactions, which are carried out at booked values on the date of transaction. The comparison figures for 2016 in the Financial Statements and key figures for 2013 – 2016 in Management Review have not been restated.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Unwire Communication ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises. The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straightline basis over its estimated useful life, but not exceeding 20 years. Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill. Amounts attributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise. Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. Amortisation of goodwill is recognised in “Amortisation, depreciation and impairment losses”.

Accounting policies

Income statement

Gross profit

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Contracts of work in progress are included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method). This method is applied when total revenues and expenses and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company.

Cost of goods sold

Cost of goods sold includes costs incurred to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The Company's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and less or plus amortisation of positive, or negative, goodwill is recognised in the income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Accounting policies

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

The Company is jointly taxed with all Danish group companies. LDE Holding 13 ApS is the administrator of the jointly taxation group and hence settles all tax payments with the Danish Tax authorities. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intangible assets

Goodwill are measured at cost less accumulated amortizations. Goodwill is amortised straight-line over its estimated useful life which is estimated to be 10 years.

Intangible assets comprise uncompleted and completed development projects with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Accounting policies

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is three years.

Intangible assets are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when the asset is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	10 years

Useful lifetime and scrap value is reassessed annually.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or less unamortised positive, or negative, goodwill and plus or less unrealised intra-group profits or losses.

Subsidiaries with a negative equity value are measured at zero value, and any receivables from these enterprises are written down by the Company's share of such negative equity if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognised under provisions if the Company has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Investments in subsidiaries are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress (construction contracts) is measured at the selling price of the work carried out at the balance sheet date. The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress.

Usually, the stage of completion is determined as the ratio between actual and total budgeted consumption of resources. For some projects where the consumption of resources cannot be applied as a basis, the ratio between completed and total subactivities of the individual projects has been applied.

If the selling price of a construction contract cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as financing costs are recognised in the income statement as incurred.

Once it is likely that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Prepayments (assets)

Prepayments comprise incurred costs relating to subsequent financial years.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Financial debts

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Accounting policies

Prepayments (liabilities)

Deferred income comprises received income for recognition in subsequent financial years.

Deferred income is measured at cost.

Key Ratios

Ratios		*Calculation formula*
Return on assets (%)	=	*Profit before financials x 100* / *Total assets*
Solvency ratio (%)	=	*Equity x 100* / *Total assets*
Return on equity (%)	=	*Profit/loss for the year x 100* / *Average equity*

Income statement for 2017

Parent company 2016 KDKK	Parent company 2017 KDKK		Notes	Group 2017 KDKK	Group 2016 KDKK
78.119	**40.581**	**Gross profit**		**42.355**	**84.707**
(42.051)	(10.941)	Staff expenses	2	(12.512)	(46.575)
36.068	**29.640**	**EBITDA**		**29.843**	**38.132**
(20.040)	(6.119)	Depreciation, amortisation and impairment losses	3	(6.119)	(22.503)
16.028	**23.521**	**Profit/loss before financial income and expenses**		**23.724**	**15.629**
13	(327)	Income from investments in subsidiaries	4	0	0
195	217	Financial income	5	24	608
(824)	(283)	Financial expenses	6	(562)	(498)
15.412	**23.128**	**Profit/loss before tax**		**23.186**	**15.739**
(3.715)	(5.479)	Tax on profit/loss for the year	7	(5.537)	(4.042)
11.697	**17.649**	**Net profit/loss for the year**		**17.649**	**11.697**
		Proposed distribution of profit/loss			
8.647	1.844	Reserve for capitalized development costs		0	0
0	(303)	Reserves according to the equity method		0	0
3.050	16.108	Retained earnings		17.649	11.697
11.697	**17.649**			**17.649**	**11.697**

Balance sheet 31 December 2017

Parent company 2016 KDKK	Parent company 2017 KDKK		Notes	Group 2017 KDKK	Group 2016 KDKK
0	0	Other intangible assets	8	0	1.313
0	0	Goodwill	8	0	7.660
24.961	5.561	Development projects	8	5.561	25.032
24.961	**5.561**	**Intangible assets**		**5.561**	**34.005**
1.200	134	Other fixtures and fittings, tools and equipment	9	134	1.221
559	0	Leasehold improvements	9	0	559
1.759	**134**	**Property, plant and equipment**		**134**	**1.780**
23.556	6.842	Investments in group enterprises	10	0	0
23.556	**6.842**	**Financial asset investments**		**0**	**0**
50.276	**12.537**	**Fixed assets**		**5.695**	**35.785**
14.107	11.860	Trade receivables		12.324	15.058
8.597	66	Contracts of work in progress	12	66	8.597
2.219	12.101	Receivables from group enterprises		12.510	2.218
4.066	3.858	Deferred tax asset	14	3.858	3.370
0	188	Tax receivables		526	0
444	1	Other receivables		1	522
1.262	292	Prepayments		295	1.373
30.695	**28.366**	**Receivables**		**29.579**	**31.138**
4.212	**10.765**	**Cash**		**11.226**	**7.059**
34.907	**39.131**	**Current assets**		**40.805**	**38.197**
85.183	**51.668**	**Assets**		**46.500**	**73.982**

Balance sheet 31 December 2017

Parent company 2016 KDKK	Parent company 2017 KDKK		Notes	Group 2017 KDKK	Group 2016 KDKK
321	321	Share capital	13	321	321
24.779	15.839	Retained earnings		22.887	33.426
8.647	3.139	Reserves for capitalized development costs		0	0
0	3.909	Reserves according to the equity method		0	0
33.747	**23.208**	**Equity**		**23.208**	**33.747**
463	1.443	Other provisions	10	0	0
463	**1.443**	**Provisions**		**0**	**0**
86	99	Banks		99	86
19.521	17.288	Trade payables	11	17.162	22.497
1.433	0	Prepayments	12	0	1.433
12.352	4.388	Payables to group enterprises		26	488
1.435	0	Income taxes		0	982
16.146	5.242	Other payables		6.005	14.749
50.973	**27.017**	**Short-term liabilities other than provisions**		**23.292**	**40.235**
50.973	**27.017**	**Liabilities other than provisions**		**23.292**	**40.235**
85.183	**51.668**	**Equity and liabilities**		**46.500**	**73.982**

Contingent assets, liabilities and other financial obligations	15
Related parties and ownership	16

Statement of changes in equity for 2017

Group

	Share capital KDKK	Retained earnings KDKK	Total KDKK
Equity at 1 January	321	33.426	33.747
Equity effect of de-merger 1 January	0	(28.214)	(28.214)
Profit/loss for the year	0	17.650	17.650
Exchange rate adjustment	0	25	25
Equity at 31 December	**321**	**22.887**	**23.208**

Parent company

	Share Share capital KDKK	Reserves for deve-lopment KDKK	Reserves according to the Equ-ity method KDKK	Retained earnings KDKK	Total KDKK
Equity at 1 January	321	8.647	0	24.779	33.747
Equity effect of de-merger 1 January	0	(7.352)	4.212	(25.074)	(28.214)
Profit/loss for the year	0	1.844	(303)	16.109	17.650
Exchange rate adjustment	0	0	0	25	25
Equity at 31 December	**321**	**3.139**	**3.909**	**15.839**	**23.208**

Notes

1. Uncertainty about recognition and measurement

Accounting uncertainties, estimates and assumptions

In the presentation of the annual report, the calculation of the carrying value of development projects is associated with a number of judgments, estimates and assumptions about future events. These are often based on factors which at the time of the presentation of the annual report, are considered sound and correct by the management of the company. By their very nature, these are subject to some uncertainty and predictability. The annual report is prepared based on management's best estimates and judgments at the time of the presentation of the annual report.

In the annual report development projects are recognized with a book value of KDKK 3,858 for the Group (Parent Company KDKK 3,858). The assessed valuation at the balance sheet date involve a degree of estimation uncertainty.

Development projects relates to development of operating platforms and standard components within the areas of Mobile Communication. The development projects are progressing in line with management's expectations.

The development projects forms the basis for ongoing sales to existing customers and is also expected to form the basis for sale to new customers and new markets.

Management regularly assesses the market opportunities for the development projects.

Notes

Parent Company			Group	
2016 KDKK	2017 KDKK		2017 KDKK	2016 KDKK
		2. Staff expenses		
46.557	12.000	Salaries and wages	13.409	50.684
3.635	822	Pension costs	981	4.015
698	153	Other social security costs	153	698
(11.086)	(2.729)	Capitalized salaries	(2.729)	(11.086)
2.247	695	Other staff expenses	698	2.264
42.051	**10.941**		**12.512**	**46.575**
2.418	572	Here of including remuneration to the Executive Board	572	2.418
88	20	Average number of employees	20	92

Parent Company 2016 KDKK	Parent Company 2017 KDKK		Group 2017 KDKK	Group 2016 KDKK
		3. Depreciation, amortisation and impairment losses		
18.920	5.924	Development projects	5.924	18.968
0	0	Other intangible assets	0	885
0	0	Goodwill	0	1.495
884	195	Other fixtures and fittings, tools and equipment	195	919
152	0	Leasehold improvements	0	152
84	0	Future maintenance costs on leasehold improvements	0	84
20.040	**6.119**		**6.119**	**22.503**

Notes

Parent Company 2016 KDKK	Parent Company 2017 KDKK		Group 2017 KDKK	Group 2016 KDKK
		4. Income from investment in subsidiaries		
1.508	(327)	Share of earnings in subsidiaries	0	0
(1.495)	0	Amortization of goodwill etc.	0	0
13	**(327)**		**0**	**0**
		5. Financial income		
57	36	Financial income from group enterprises	0	606
138	157	Exchange adjustments	0	0
0	24	Other financial income	24	2
195	**217**		**24**	**608**
		6. Financial expenses		
509	39	Financial expenses to group enterprises	159	339
0	0	Exchange adjustments	150	0
315	244	Other financial expenses	253	159
824	**283**		**562**	**498**
		7. Tax on profit/loss for the year		
(1.435)	(4.869)	Current tax	(4.928)	(1.759)
(2.214)	(629)	Change in deferred tax	(629)	(2.214)
(66)	19	Adjustments concerning previous years	20	(69)
(3.715)	**(5.479)**		**(5.537)**	**(4.042)**

Notes

	Group		
	Other intangible assets KDKK	Goodwill KDKK	Development projects KDKK
8. Intangible assets			
Cost at 1 January	5.421	14.386	120.161
Transferred in de-merger	(5.421)	(14.386)	(48.118)
Additions	0	0	2.729
Disposals	0	0	(23.658)
Cost at 31 December	**0**	**0**	**51.114**
Amortisation and impairment losses at 1 January	4.108	6.726	95.129
Transferred in de-merger	(4.108)	(6.726)	(31.842)
Amortisation for the year	0	0	5.924
Reversal relating to disposals	0	0	(23.658)
Amortisation and impairment losses at 31 December	**0**	**0**	**45.553**
Carrying amount at 31 December	**0**	**0**	**5.561**

Notes

	Parent Company
	Development projects KDKK
8. Intangible assets (continued)	
Cost at 1 January	116.170
Transferred in de-merger	(44.128)
Additions	2.729
Disposals	(23.657)
Cost 31 December	**51.114**
Amortisation and impairment losses at 1 January	91.209
Transferred in de-merger	(27.923)
Amortisation for the year	5.924
Reversal relating to disposals	(23.657)
Amortisation and impairment losses at 31 December	**45.553**
Carrying amount at 31 December	**5.561**

Notes

Group

	Other fixture and fittings, tools and equipment KDKK	Leasehold improvements KDKK
9. Property, plant and equipment		
Cost at 1 January	7.069	1.025
Changes to cost at 1 January	707	0
Transferred in de-merger	(3.747)	(1.025)
Additions	51	0
Disposals	(936)	0
Cost at 31 December	**3.144**	**0**
Depreciation and impairment losses at 1 January	5.848	466
Changes to depreciations at 1 January	707	0
Transferred in de-merger	(2.804)	(466)
Depreciation for the year	195	0
Reversal relating to disposals	(936)	0
Depreciation and impairment losses at 31 December	**3.010**	**0**
Carrying amount at 31 December	**134**	**0**

Notes

Parent Company

	Other fixture and fittings, tools and equipment KDKK	Leasehold improvements KDKK
9. Property, plant and equipment (continued)		
Cost at 1 January	7.644	1.025
Transferred in de-merger	(3.615)	(1.025)
Additions	51	0
Disposals	(936)	0
Cost at 31 December	**3.144**	**0**
Depreciation and impairment losses at 1 January	6.444	466
Transferred in de-merger	(2.693)	(466)
Depreciation for the year	195	0
Reversal relating to disposals	(936)	0
Depreciation and impairment losses at 31 December	**3.010**	**0**
Carrying amount at 31 December	**134**	**0**

Notes

	Parent company 2017 KDKK	2016 KDKK
10. Investment in group enterprises		
Cost at 1 January	28.036	28.036
Transferred in de-merger	(27.686)	0
Cost at 31 December	**350**	**28.036**
Value adjustments at 1 January	(4.480)	(3.479)
Transferred in de-merger	13.662	0
Exchange adjustments	24	(819)
Net profit/loss for the year	(327)	1.507
Investments with a negative equity value deducted in receivables, start	(4.857)	(5.372)
Investments with a negative equity value deducted in receivables, end	1.490	4.857
Investments with a negative equity value moved to liabilities, start	(463)	(142)
Investments with a negative equity value moved to liabilities, end	1.443	463
Other equity adjustments in group enterprises	0	0
Amortization of goodwill etc.	0	(1.495)
Value adjustments at 31 December	**6.492**	**(4.480)**
Carrying amount at 31 December	**6.842**	**23.556**
Remaining positive difference amount included in the above carrying amount at 31 December	0	7.660
Depreciation period in years	N/A	10

Investments in group enterprises comprise:

Name	Place of registered office	Share capital KDKK	Votes and ownership %
Unwire Sweden AB	Stockholm, Sweden	76	100%
Unwire Norge AS	Oslo, Norway	227	100%

Notes

Parent company			Group	
2016 KDKK	**2017 KDKK**		**2017 KDKK**	**2016 KDKK**
		11. Trade payables		
12.840	11.286	Trade Payables	11.751	13.240
6.681	6.002	Settlements payable	5.411	9.257
19.521	**17.288**		**17.162**	**22.497**
		12. Contract work in progress		
8.679	66	Selling price of production for the period	66	8.679
(564)	0	Payments received on account	0	(564)
(8.115)	**66**		**66**	**(8.115)**
		Recognised in the balance sheet as follows:		
8.597	66	Contracts of work in progress	66	8.597
(482)	0	Prepayments	0	(482)
8.115	66		66	8.115
(951)	0	Other prepayments received	0	(951)
7.164	**66**		**66**	**7.164**

13. Share capital
The share capital consists of 320.572 shares of a nominal value of DKK 1. No shares carry any special rights.

	KDKK
Changes in share capital in the past five financial years:	
Share capital January 1 2013	249
Capital increase December 2013	72
	321

Notes

Parent company			Group	
2016 KDKK	**2017 KDKK**		**2017 KDKK**	**2016 KDKK**
		14. Deferred tax liabilities		
		Deferred tax can be allocated to the following items:		
5.491	1.223	Intangible assets	1.223	5.491
(351)	(367)	Property, plant and equipment	(367)	119
0	0	Transferred to tax accrual fund	0	226
0	5	Contract of work in progress	5	0
152	64	Deferred income	64	152
(9.358)	(4.783)	Tax loss carry-forward (asset)	(4.783)	(9.358)
4.066	3.858	Transferred to deferred tax asset	3.858	3.370
0	**0**		**0**	**0**

Deferred tax has been provided at 22% corresponding to the expected tax rate on realization.

		15. Contingent assets, liabilities and other financial obligations		
		Lease obligations under operating leases. Total future lease Payments:		
2.068	0	Within 1 year	0	2.199
19	0	Between 1 and 5 years	0	19
2.087	**0**		**0**	**2.218**

Security
The debt to the bank are secured by the following:

Pledge in Unwire Communication ApS assets of DKK 20 million

Miscellaneous

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Unwire Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability..

Notes

16. Related parties and ownership

Controlling interest	Basis
Unwire Holding ApS, Gammeltorv 18, DK-1457 Copenhagen K	Owner
LDE Holding 13 ApS, Gammeltorv 18, DK-1457 Copenhagen K	Shareholder in Unwire Holding ApS

Other related parties	Basis
Unwire Sweden AB	Subsidiary company
Unwire AS	Subsidiary company
Unwire US Inc	Other group relation
Unwire Deutschland GmbH	Other group relation
InMoDo Intelligent Mobile Documentation AB	Other group relation
Unwire Payments & Mobility ApS	Sister company to Unwire Communication ApS
Jens Søndergaard	Chief executive officer
Mads Peter Hytteballe Andersen	Chairman of the board
Niels Garde Toft	Board member
Russ Shaw	Board member

Transactions with related parties has been conducted in line with the arm’s length principles.

Ownership
The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Unwire Holding ApS, Gammeltorv 18,
DK-1457 Copenhagen K