

The General Annual Meeting adopted the Annual Report on July 16, 2020

Chairman of the General Annual Meeting

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Mads Kjær

MYC4 A/S

Sankt Annæ Plads 19A,2.
DK-1250 Copenhagen K

CVR 29 60 38 63

ANNUAL REPORT 2019

01 January – 31 December 2019

MYC4 A/S

Annual Report 2019

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1. Company Details

Company

MYC4 A/S
Sankt Annæ Plads 19A,2.
DK-1250 Copenhagen K

Central Business Registration No: 29 60 38 63
Registered in Copenhagen

Company Auditors

BDO Statsautoriseret Revisionsaktieselskab
Grønnemosevej 6
DK-5700 Svendborg

Board of Directors

Flemming Eltang, Chairman
Hanne Kjær
Mads Kjær

Executive Management

Mads Kjær, CEO and Co-founder

2. Management's statement

The Executive and Supervisory Board have today considered and adopted the Annual Report of MYC4 A/S for the financial year January 1 to December 31, 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. In our opinion, the Financial Statements give a true and fair view of the financial position at December 31, 2019 and of the results of the Company operations for 2019.

The Annual Report is presented in English, which is the language applied in the Company in accordance with the Articles of Association.


We consider the Management Review to give a fair presentation of the development in MYC4's activities and finances, profit and loss for the year, its financial position as a whole as well as a description of the most material risks and elements of uncertainty facing MYC4.

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

Copenhagen, 17 June 2020

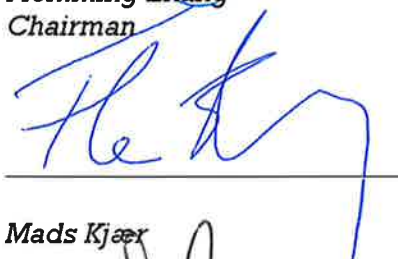
Executive Management

Mads Kjær,
CEO



Board of Directors

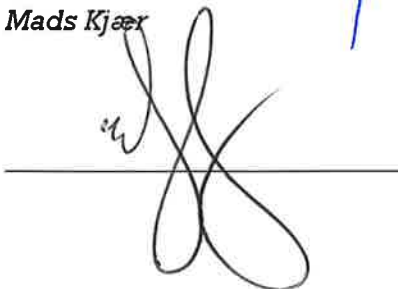
Flemming Eltang
Chairman



Hanne Kjær



Mads Kjær



3. Independent Auditor's Report

To the Shareholders of MYC4 A/S

Opinion

We have audited the Financial Statements of MYC4 A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019, and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Material uncertainty relating to going concern

We draw attention to Note 7, which states that there is material uncertainty regarding going concern due to its negative Equity and expected negative cash flow for 2020. Further Note 7 explains the assumption for the preparation of the Financial Statement on a going concern basis. Our opinion is not qualified in respect of this matter.

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 Company 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.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of 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 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 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 Company's internal control.
- 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 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 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.

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.

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 Financial Statements Act.

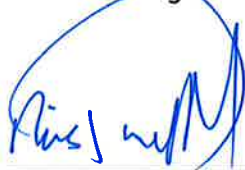
Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Svendborg 17 June 2020

BDO

Statsautoriseret revisionsaktieselskab

Business Registration No 20 22 26 70



Niels Duedahl

State-Authorised Public Accountant

Identification number MNE no. Mne11644

4. Management Review

4.1 Main Activities 2019

Since March 2015 all activities have been solely focused on collecting as much as possible of the outstanding loan portfolio to secure the best interest of the investors on MYC4.COM.

In 2019 we discontinued the last active part of our operations but are still pursuing lawsuits in Kenya to maintain pressure on former fraudulent business partners for justice. MYC4 Foundation, who was the holder of the un-invested investors' funds, has been liquidated in 2019 and the investor platform MYC4.COM was closed down in good order.

4.2 Financials for MYC4 A/S

For 2019 MYC4 A/S generated a loss of 267.835 DKK, which was in line with our expectations for the year.

For 2020 we expect a small profit of app. 100,000 DKK from a final pay out of uncollected dormant investor accounts received in April 2020.

The majority shareholder The Way Forward ApS has expressed its intention to continue supporting the Company financially to fund expenses of the Company for 2020 under the assumption that the expenses are less than 50,000 EUR. When the Company is without purpose the Board will consider a solvent liquidation with a partial waiver of debt from The Way Forward ApS, who is assumed to be the only unsettled creditor.

4.3 Events after the Balance Sheet Date

No events have occurred after the balance sheet date to this date, which would influence the Annual report.

5. Accounting Policies

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C enterprises.

The accounting policies applied for this annual report is consistent with those applied last year.

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 asset 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 liability 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.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement. Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

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.

5.2 Income statement

Revenue

Revenue is taken to income when it is considered certain that the company will receive a payment.

Other external expenses

Other external expenses comprise expenses for sale, marketing, administration, premises, bad debts, etc.

Other external expenses also include research costs, costs of development projects that do not meet the criteria for recognition in the balance sheet.

Financial income and expenses

These items comprise interest income and expenses, realized and unrealized capital gains and losses on payables and transactions in foreign currencies, as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme. Interest expenses and other financial expenses for manufacturing assets are not included in the cost of assets, but are recognized in the income statement as incurred.

Income taxes

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

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognized 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 carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

The Company is jointly taxed with its Parent and the entire Parent's other Danish subsidiaries. The current income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

5.3 Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognized and measured under the Equity method.

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprise calculated on the basis of the fair values of identifiable net assets at the balance sheet date.

Receivables

Receivables are measured at amortized cost, usually equaling nominal value less provisions

Other financial liabilities

Other financial liabilities are measured at amortized cost, which usually corresponds to nominal value.



6. Income Statement for 2019

	Notes	2019 DKK	2018 DKK'000
Revenue		0	2.778
Other external expenses		<u>(183.947)</u>	<u>(502)</u>
Operating profit/loss		(183.947)	2.276
Share of Profit/Loss in Subsidiary		0	(272)
Financial expenses		<u>(83.888)</u>	<u>(130)</u>
Profit/loss before tax		(267.835)	1.874
Tax on profit/loss regarding previous year	1	0	0
Tax on profit/loss for the year	1	<u>0</u>	<u>0</u>
Net profit/loss for the year		<u>(267.835)</u>	<u>1.874</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(267.835)</u>	<u>1.874</u>
		<u>(267.835)</u>	<u>1.874</u>

7. Balance sheet at 31 December 2019

	Notes	2019 DKK	2018 DKK'000
Investments in Subsidiary	2	<u>1</u>	<u>0</u>
Investments in Subsidiary		<u>1</u>	<u>0</u>
Fixed assets		<u>1</u>	<u>0</u>
Trade receivables		0	0
Receivables from Group enterprises		1	64
Other receivables		<u>16.034</u>	<u>12</u>
Receivables		<u>16.035</u>	<u>76</u>
Cash		<u>27.771</u>	<u>211</u>
Current assets		<u>43.806</u>	<u>287</u>
Assets		<u><u>43.807</u></u>	<u><u>287</u></u>

7. Balance sheet at 31 December 2019 continued

	Notes	2019 DKK	2018 DKK'000
Share capital		11.244.680	11.245
Retained earnings		<u>(13.495.570)</u>	<u>(13.228)</u>
Equity	3	<u>(2.250.890)</u>	<u>(1.983)</u>
Loan from Group Enterprises		2.156.092	2.106
Bank debt		103.605	32
Other payables		<u>35.000</u>	<u>132</u>
Short-term liabilities		<u>2.294.697</u>	<u>2.270</u>
Equity and liabilities		<u><u>43.807</u></u>	<u><u>287</u></u>
Contingent liabilities, etc.	4		
Other notes	5-6		
Uncertainty with respect to going concern	7		

Notes

1. Tax on profit/loss

The Company has a deferred tax asset relating to losses in 2006-2016 and 2019. The amount of deferred tax asset is 2,846,145 DKK, which is not recognized in the balance sheet, cf. accounting policies. With the current business of the company as well as other associated companies it is not realistic to use other than a small fraction of the tax losses.

Tax on profit/loss regarding previous year:	2019	2018
Revenues from associated companies for their use of the Company's tax losses	<u>0</u>	<u>0</u>
Tax on profit/loss for the year:		
Current tax	0	0
Change in deferred tax	0	0
	0	0

2. Fixed assets

	Development costs DKK	Other fixtures etc. DKK	Investments in Subsidiary DKK
Cost at 01.01.2019	11.465.696	544.612	2.575.343
Additions	0	0	0
Disposal	<u>0</u>	<u>0</u>	<u>0</u>
Cost at 31.12.2019	<u>11.465.696</u>	<u>544.612</u>	<u>2.575.343</u>
Depreciation at 01.01.2019	11.465.696	544.612	2.575.342
Depreciation / write down for the year	0	0	0
Exchange rate adjustments	<u>0</u>	<u>0</u>	<u>0</u>
Depreciation at 31.12.2019	<u>11.465.696</u>	<u>544.612</u>	<u>2.575.342</u>
Carrying amount at 31.12.2019	<u>0</u>	<u>0</u>	<u>1</u>

Investments in Subsidiary are 100% of the shares in MYC4 (EA) Limited, Kilimani Business Centre Kirichwa Road P.O. Box 24050, 00100 Nairobi, Kenya founded in 2013.

Notes continued

	Share capital DKK	Retained earnings DKK	Total DKK
3. Equity			
Equity at 01.01.2019	11.244.680	(13.227.735)	(1.983.055)
Profit/loss for the year	<u>0</u>	<u>(267.835)</u>	<u>(267.835)</u>
Equity at 31.12.2019	<u>11.244.680</u>	<u>(13.495.570)</u>	<u>(2.250.890)</u>

During 2019 the majority shareholder The Way Forward ApS has supported the company with CEO and CFO services and continuation of loan facility.

The Way Forward ApS intends to continue supporting the Company financially to fund the expenses of the Company for 2020, but the Company has not received a binding commitment for support from The Way Forward ApS.

Share capital consists of shares at DKK 10 or multiples of these. The shares have not been divided into classes.

Changes in share capital since the Company's establishment on 19.05.2006 are:

Contribution on establishment	500.000
Capital increase 2006	1.240.000
Capital reduction 2006 to cover loss	(300.000)
Capital increase 2007	2.400.000
Capital increase 2008	1.024.000
Capital increase 2009	614.050
Capital increase 2011	157.290
Capital increase 2012	2.817.670
Capital increase 2013	<u>2.791.670</u>
Share capital at 31.12.2019	<u>11.244.680</u>

The company owns 76.800 own shares equal to nominal 768.000 DKK (6.9% of the total share capital), which were acquired in 2015 at zero value. The company acquired the shares as the most practical solution to meet a wish from two institutional shareholders, who wanted to exit as shareholders.

Notes continued

4. Contingent liabilities, etc.

The Company has no contingent liabilities at the reporting date.

5. Ownership and related parties

The Company has registered the following shareholders to hold more than 5% of the voting share capital or of the nominal value of the share capital:

The Way Forward ApS, Skt. Annæ Plads 19A, 2., DK-1250 Copenhagen K

MYC4 A/S, Skt. Annæ Plads 19A, 2., DK-1250 Copenhagen K

casa-share ApS, Madvigs Allé 10, 3. tv., DK-1829 Frederiksberg C

Moltke-Leth ApS, Vallerød Banevej 3 A, 2960 Rungsted Kyst

6. Consolidation

MYC4 A/S is included in the consolidated financial statements of The Way Forward ApS, Sankt Annæ Plads 19A, 2., DK-1250 Copenhagen K, Central Business Registration No 25 47 31 59. The consolidated financial statements can be ordered from Erhvervsstyrelsen, Langelinie Alle 17, 2100 København Ø, Denmark or on www.cvr.dk.

7. Uncertainty with respect to going concern and considerations for the future

The company's Equity as of 31 December 2019 is negative with 2.250.890 DKK. For 2020 we expect a small profit of app. 100,000 DKK.

Until 31 December 2020 the Company is still expected funded by the financial support from the majority shareholder The Way Forward ApS, who has expressed its intention to continue supporting the Company financially to fund expenses of the Company for 2020 under the assumption that the expenses are less than 50,000 EUR. However, the Company has not received a binding commitment for support.

With the intentions of continued financial support from the majority shareholder to MYC4 A/S the Board finds that until 31 December 2020 the Company can be considered a going concern. When the Company is without purpose the Board will consider a solvent liquidation with a partial waiver of debt from The Way Forward ApS, who is assumed to be the only unsettled creditor.