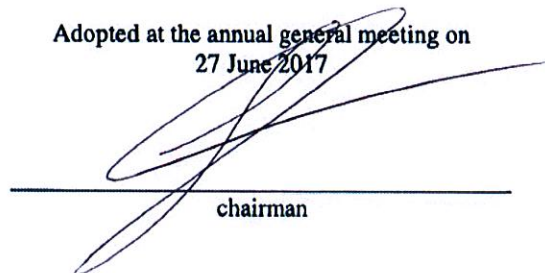


GRAVITY4 DENMARK A/S
Nørregade 40, 4., 1165 København K

Annual report for 2016

Adopted at the annual general meeting on
27 June 2017



chairman

CVR-nr. 29 91 38 70

CONTENTS

Page

Statements

Statement by management on the annual report
Independent auditor's report

3
4

Management's review

Company details
Management's review

6
7

Financial statements

Accounting policies
Income statement 1 January - 31 December
Balance sheet 31 December
Notes to the annual report

8
11
12
14

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of Gravity4 Denmark A/S for the financial year 1 January - 31 December 2016.

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

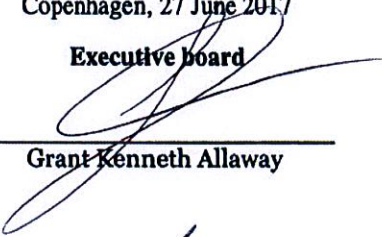
In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 27 June 2017

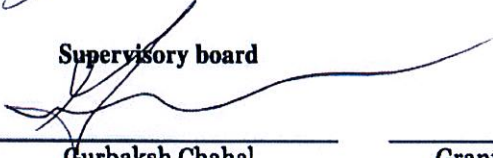
Executive board



Grant Kenneth Allaway

Supervisory board



Farai Alfred Mativi

Gurbaksh Chahal

Grant Kenneth Allaway

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Gravity4 Denmark A/S

Auditors' Report on the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Gravity4 Denmark A/S for the financial year 1 January - 31 December 2016, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

We do not express any audit opinion on the financial statements. Because of the significance of the matter described in the "Basis-for-Disclaimer-of-Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion.

Basis for Disclaimer of Opinion

We were unable to obtain sufficient appropriate audit evidence about the valuation of intercompany receivables booked with DKK 7,550,569 as of December 31 2016. As a consequence we do not express any opinion on the valuation of the booked intercompany balance.

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

We are responsible for conducting an audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark and for issuing an auditor's report. However, because of the matter described in the "Basis for Disclaimer of Opinion" paragraph, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the company, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Statement on management's review

As described in the "Basis-for-Disclaimer-of-Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion. Therefore we do not provide a statement on management's review.

INDEPENDENT AUDITOR'S REPORT

Report on other legal and regulatory requirements

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Violation of the Danish Criminal Code and non-compliance with Danish tax legislation.

The company has in some months declared a delayed VAT filling, and Management could become liable in this respect.

Non-compliance with the Bookkeeping Act

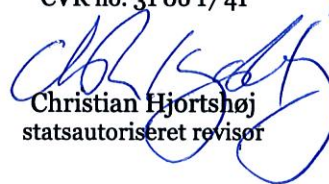
The Company has not complied with the Bookkeeping Act and the Board of Directors can be held responsible for this.

København, 27 June 2017

MAZARS

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41



Christian Hjortshøj
statsautoriseret revisor

COMPANY DETAILS

The company	Gravity4 Denmark A/S Nørregade 40, 4. 1165 København K
	CVR no.: 29 91 38 70
	Reporting period: 1 January - 31 December
	Domicile: Copenhagen
Supervisory board	Farai Alfred Mativi Gurbaksh Chahal Grant Kenneth Allaway
Executive board	Grant Kenneth Allaway
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Østerfælled Torv 10, 2. sal 2100 København Ø

MANAGEMENT'S REVIEW

Business activities

The company's purpose is sale and distribution of advertising on the Internet and related services. The company is part of Gravity4 Europe A/S, hosting and developing the company's technology.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 3.727.434, and the balance sheet at 31 December 2016 shows equity of DKK 6.348.706.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

ACCOUNTING POLICIES

The annual report of Gravity4 Denmark A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2016 is presented in DKK

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

ACCOUNTING POLICIES

Intangible assets

Development projects, patents and licences

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Receivables for which there is no objective indication of individual impairment are reviewed for impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

ACCOUNTING POLICIES

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2016 DKK	2015 TDKK
GROSS PROFIT		4.922.538	2.113
Staff costs	1	-5.716	-29
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-84.241	-165
PROFIT/LOSS BEFORE FINANCIAL INCOME AND EXPENSES		4.832.581	1.919
Financial income	2	84	12
Financial costs	3	-48.162	-29
PROFIT/LOSS BEFORE TAX		4.784.503	1.902
Tax on profit/loss for the year	4	-1.057.069	-447
Net profit/loss for the year		3.727.434	1.455
 Proposed distribution of profit			
Retained earnings		3.727.434	1.455
		3.727.434	1.455

BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 TDKK
ASSETS			
Acquired patents		41.918	126
Intangible assets	5	41.918	126
FIXED ASSETS TOTAL		41.918	126
Trade receivables		3.211.129	6.011
Receivables from subsidiaries		7.550.569	684
Other receivables		0	23
Receivables		10.761.698	6.718
Cash at bank and in hand		632.989	468
CURRENT ASSETS TOTAL		11.394.687	7.186
ASSETS TOTAL		11.436.605	7.312

BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 TDKK
LIABILITIES AND EQUITY			
Share capital		500.000	500
Retained earnings		5.848.706	2.121
Equity	6	6.348.706	2.621
Provision for deferred tax		9.222	28
Provisions total		9.222	28
Trade payables		1.634.818	3.646
Corporation tax		1.551.857	476
Other payables		1.498.335	541
Deferred income		393.667	0
Short-term debt		5.078.677	4.663
DEBT TOTAL		5.078.677	4.663
LIABILITIES AND EQUITY TOTAL		11.436.605	7.312
Contingent assets, liabilities and other financial obligations	7		
Charges and securities	8		
Related parties and ownership	9		

NOTES

	2016 DKK	2015 TDKK
1 STAFF COSTS		
Other staff costs	5.716	29
	5.716	29
 Average number of employees	 0	 0
 2 FINANCIAL INCOME		
Interest received from subsidiaries	0	11
Other financial income	84	1
	84	12
 3 FINANCIAL COSTS		
Other financial costs	48.162	29
	48.162	29
 4 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	1.075.602	476
Deferred tax for the year	-18.533	-29
	1.057.069	447

NOTES

5 INTANGIBLE ASSETS

	<u>Acquired patents</u>
Cost at 1 January 2016	797.915
Cost at 31 December 2016	797.915
Impairment losses and amortisation at 1 January 2016	671.756
Amortisation for the year	84.241
Impairment losses and amortisation at 31 December 2016	755.997
Carrying amount at 31 December 2016	41.918

6 EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2016	500.000	2.121.272	2.621.272
Net profit/loss for the year	0	3.727.434	3.727.434
Equity at 31 December 2016	500.000	5.848.706	6.348.706

NOTES

7 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Joint taxation

The Company is jointly taxed with Gravity4 Europe A/S. The Danish income tax is allocated between the jointly taxed Danish companies in proportion to their taxable income. The jointly taxed companies are taxed under the advance payment tax scheme.

8 CHARGES AND SECURITIES

As Collateral for the Group's facility with the company's bank, a floating charge was granted over the assets of the Company. The Company also provided a joint and several absolute guarantee as collateral to the Company's bank regarding the following current accounts with Danske Bank:

Gravity4 Europe A/S
Gravity4 International ApS
Gravity4 Norway AS
Gravity4 Finland OY
Gravity4 Sweden AB

The bank debt at 31 December 2016 is DKK 7,975 thousand.

9 RELATED PARTIES AND OWNERSHIP

Other related parties

Gravity4 Denmark A/S' related parties include following:

Gravity4 Europe A/S:	Nørregade 40, 4., 1165 København K
Gravity4 inc.:	San Francisco, USA