

AutoRemind

Sankt Nikolaj Vej 8, 4., 1953 Frederiksberg C

CVR no. 29 97 55 07

Annual report 2021

Approved at the Company's annual general meeting on 24 May 2022

Chair of the meeting:

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of AutoRemind A/S for the financial year 1 January - 31 December 2021.

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 of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Aarhus, 24 May 2022
Executive Board:

.....
Bo Møller Nielsen

Board of Directors:

.....
Peter Laub Christoffersen
Chair

.....
Jens Krog

.....
Bo Møller Nielsen

Independent auditor's report

To the shareholders of AutoRemind A/S

Opinion

We have audited the financial statements of AutoRemind A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

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

Independence

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

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 as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 24 May 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lone Nørgaard Eskildsen
State Authorised Public Accountant
mne32085

Management's review

Company details

Name	AutoRemind A/S
Address, Postal code, City	Sankt Nikolaj Vej 8, 4., 1953 Frederiksberg C
CVR no.	29 97 55 07
Established	26 October 2006
Registered office	Frederiksberg
Financial year	1 January - 31 December
Website	www.autoremind.com
Board of Directors	Peter Laub Christoffersen, Chair Jens Krog Bo Møller Nielsen
Executive Board	Bo Møller Nielsen
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Business review

AutoRemind A/S develops and markets products aimed at the use of mobile telephony. The main product is called AutoRemind and is aimed at the service industry, which has problems with customers who do not show up as non-attendance. By using the AutoRemind products, this absence can be greatly reduced by the customer receiving an SMS, email, or automatic phone call on their mobile phone. All AutoRemind products are standardized with the aim of reaching an international market.

Recognition and measurement uncertainties

The Company finances the subsidiary's operations through the interim balance and loans, which show a receivable of DKK 4,921 thousand. As of the balance sheet date, the subsidiary has a total negative equity of DKK 2,976 thousand. Management considers the financing a long-term investment in the subsidiary and the receivable is therefore classified as a long-term receivable. The subsidiary's ability to repay the loan depends on the future development of the subsidiary's revenue and profit or loss.

The subsidiary's development follows the budget and it is the Management's assessment that the interim balance is not associated with a loss risk that necessitates write-down of the receivable as of the balance sheet date.

Reference is made to note 2 for more details.

Financial review

The income statement for 2021 shows a profit of DKK 595,823 against a profit of DKK 322,280 last year, and the balance sheet at 31 December 2021 shows equity of DKK 3,844,884.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Gross profit	3,756,054	4,197,791
3	Staff costs	-3,654,995	-3,489,599
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-5,627	-7,109
	Profit before net financials	95,432	701,083
4	Financial income	297,294	53,122
5	Financial expenses	-129,903	-485,198
	Profit before tax	262,823	269,007
6	Tax for the year	333,000	53,273
	Profit for the year	595,823	322,280
	 Recommended appropriation of profit		
	Retained earnings	595,823	322,280
		595,823	322,280

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	0	5,627
		0	5,627
8	Investments		
	Investments in group entities, net asset value	0	0
	Receivables from group entities	3,891,879	3,594,585
	Other receivables	54,075	114,041
		3,945,954	3,708,626
	Total fixed assets	3,945,954	3,714,253
	Non-fixed assets		
	Receivables		
	Receivables from group entities	382,717	1,255,164
	Deferred tax assets	333,000	0
	Other receivables	3,544	3,384
		719,261	1,258,548
	Cash	269,405	676,096
	Total non-fixed assets	988,666	1,934,644
	TOTAL ASSETS	4,934,620	5,648,897
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	822,444	822,444
	Retained earnings	3,022,440	2,341,971
	Total equity	3,844,884	3,164,415
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Other credit institutions	17,919	31,376
	Convertible debt instruments eligible for dividend	750,000	1,500,000
	Trade payables	48,000	48,000
	Other payables	273,817	905,106
		1,089,736	2,484,482
	Total liabilities other than provisions	1,089,736	2,484,482
	TOTAL EQUITY AND LIABILITIES	4,934,620	5,648,897

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 10 Contractual obligations and contingencies, etc.
- 11 Contingent assets
- 12 Collateral

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2021	822,444	2,341,971	3,164,415
Transfer through appropriation of profit	0	595,823	595,823
Share based payment	0	84,646	84,646
Equity at 31 December 2021	<u>822,444</u>	<u>3,022,440</u>	<u>3,844,884</u>

As of 31 December 2021, the Company's holding of own shares amounts to 34,509 at a nominal amount of DKK 1.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of AutoRemind A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

No consolidated Group financial statements have been prepared, as the group is a small group, cf. Section 110 of the Danish Financial Statements Act.

Effective from the financial year 2021, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

A minor reclassification has been made to prior year amounts to enhance comparability with the current year presentation. This reclassification had no effect on the results reported. DKK 298 thousand has been reclassified from other expenses to staff costs related to pension.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Income from the sale of commercial and finished products are included in the revenue at the time of delivery and the transition of risk, provided that the income can be reliably determined. Revenue is calculated after deduction of VAT, taxes and discounts.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross margin'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Depreciation

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment 3 years

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The income tax expense comprises the current tax payable on the year's expected taxable income and any adjustment to deferred tax less the tax expense for the year relating to changes in equity.

Current and deferred tax relating to changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Investments in subsidiaries

Investments in subsidiaries are measured, using the equity method, at the parent's proportionate share of such entities' equity plus goodwill on consolidation and intra-group losses and less intra-group gains and negative goodwill, if any. Investments in entities whose net asset value is negative are measured at DKK 0. The entity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under 'Provisions' in so far as the parent has a legal or constructive obligation to cover the deficit.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Write-downs are made to the lower of the net realisable value and the carrying amount.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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 has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is 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. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Convertible loans

Convertible loans are broken down into a liability element and an equity element based on the relevant instrument of debt. On initial recognition, the liability is recognised at the fair value of a similar liability without a conversion right. The remaining amount of the convertible loan is recognised as equity. On subsequent recognition, the liability is measured at amortised cost until converted or repaid. The equity element is not re measured after initial recognition.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

2 Recognition and measurement uncertainties

The company finances the subsidiary's operations through intercompany settlements which shows a receivable of DKK 4.589 thousand. (2020: DKK 4,850 thousand). At the balance sheet date, the subsidiary's equity was negative at DKK 2,336 thousand (2020: DKK 3,366 thousand). Management considers financing to be a long-term investment in the subsidiary and the receivable is therefore classified as a long-term receivable. The subsidiary's ability to repay the loan depends on the future development of the subsidiary's revenue and profit or loss.

The subsidiary's development follows the budget and it is Management's assessment that the interim balance is not associated with a loss risk that necessitates write-down of the receivable as of the balance sheet date.

DKK	2021	2020
3 Staff costs		
Wages/salaries	3,282,298	3,160,756
Pensions	337,547	315,134
Other social security costs	28,233	11,660
Other staff costs	6,917	2,049
	<u>3,654,995</u>	<u>3,489,599</u>
Average number of full-time employees	<u>5</u>	<u>5</u>
4 Financial income		
Interest receivable, group entities	57,515	53,122
Exchange adjustments	239,779	0
	<u>297,294</u>	<u>53,122</u>

Financial statements 1 January - 31 December

Notes to the financial statements

5 Financial expenses		
Exchange adjustments	0	349,833
Other financial expenses	129,903	135,365
	<u>129,903</u>	<u>485,198</u>
6 Tax for the year		
Deferred tax adjustments in the year	-333,000	0
Tax adjustments, prior years	0	-53,273
	<u>-333,000</u>	<u>-53,273</u>

Adjustment of tax for previous years includes tax refunds received in connection with the application of the Danish tax credit scheme.

7 Property, plant and equipment		Other fixtures and fittings, tools and equipment
DKK		
Cost at 1 January 2021		83,225
Additions in the year		0
Cost at 31 December 2021		<u>83,225</u>
Impairment losses and depreciation at 1 January 2021		77,598
Amortisation/depreciation in the year		5,627
Impairment losses and depreciation at 31 December 2021		<u>83,225</u>
Carrying amount at 31 December 2021		<u>0</u>
Depreciated over		<u>3 years</u>

8 Investments				
DKK	Investments in group entities, net asset value	Receivables from group entities	Other receivables	Total
Cost at 1 January 2021	5,746	3,968,887	114,041	4,088,674
Disposals in the year	0	0	-59,966	-59,966
Cost at 31 December 2021	<u>5,746</u>	<u>3,968,887</u>	<u>54,075</u>	<u>4,028,708</u>
Value adjustments at 1 January 2021	-5,746	-374,302	0	-380,048
Exchange adjustment	0	297,294	0	297,294
Value adjustments at 31 December 2021	<u>-5,746</u>	<u>-77,008</u>	<u>0</u>	<u>-82,754</u>
Carrying amount at 31 December 2021	<u>0</u>	<u>3,891,879</u>	<u>54,075</u>	<u>3,945,954</u>

Name	Domicile	Interest
Subsidiaries		
AutoRemind, Inc	New York, USA	100.00%

Financial statements 1 January - 31 December

Notes to the financial statements

9 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Opening balance	822,444	822,444	822,444	822,444	718,648
Capital increase	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	103,796
	<u>822,444</u>	<u>822,444</u>	<u>822,444</u>	<u>822,444</u>	<u>822,444</u>

10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	<u>2021</u>	<u>2020</u>
Rent and lease liabilities	<u>53,463</u>	<u>53,463</u>

Rent and lease liabilities include a rent obligation totalling DKK 53,463 in interminable rent agreements with remaining contract terms of 3 months.

11 Contingent assets

The Company has a tax loss carryforward DKK 2,925 thousand, corresponding to a tax asset of DKK 643 thousand. The tax asset is not recognised in the balance sheet due to the uncertainty associated with the timing of the use of the tax asset.

12 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Peter Laub Christoffersen

Dirigent

På vegne af: AutoRemind A/S

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IP: 80.162.xxx.xxx

2022-05-24 07:11:45 UTC

NEM ID 

Peter Laub Christoffersen

Bestyrelse

På vegne af: AutoRemind A/S

Serienummer: PID:9208-2002-2-116997260526

IP: 80.162.xxx.xxx

2022-05-24 07:11:45 UTC

NEM ID 

Jens Krog

Bestyrelse

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Serienummer: PID:9208-2002-2-548694232891

IP: 147.78.xxx.xxx

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Bo Møller Nielsen

Direktion

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Serienummer: 7c8839f9-df85-4624-9782-59422ecdb84d

IP: 108.5.xxx.xxx

2022-05-24 21:26:15 UTC

Mit  

Bo Møller Nielsen

Bestyrelse

På vegne af: AutoRemind A/S

Serienummer: 7c8839f9-df85-4624-9782-59422ecdb84d

IP: 108.5.xxx.xxx

2022-05-24 21:26:15 UTC

Mit  

Lone Nørgaard Eskildsen

Statsautoriseret revisor

På vegne af: EY Godkendt Revisionspartnerselskab

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