

Refugees United Fonden

c/o Rainmaking Loft, Danneskjold-Samsøes Allé 41, 1434, Copenhagen K

CVR no. 31 85 64 93

Annual report 2021

Approved at the Company's meeting of the Board of Directors on 27 June 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 Refugees United Fonden 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 foundation's at 31 December 2021 and of the results of the foundation'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.

Copenhagen, 27 June 2022

Executive Board:

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Jan David Mikkelsen
Troensegaard

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Christopher Mikkelsen
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Christopher Torben
Troensegaard Mikkelsen

Board of Directors:

DocuSigned by:
Anna Schamis Eliasson
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Anna Eliasson
Chair


DocuSigned by:

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Bernadette Marisa Chein
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DocuSigned by:
Michael Quinn
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Michael Patrick Quinn

DocuSigned by:
Christen Obel
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Christen Winther Obel

DocuSigned by:
Christopher Mikkelsen
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Christopher Torben
Troensegaard Mikkelsen

DocuSigned by:

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Jan David Mikkelsen
Troensegaard

Independent auditor's report

To the board of directors of Refugees United Fonden

Opinion

We have audited the financial statements of Refugees United Fonden 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 foundation at 31 December 2021 and of the results of the foundation'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 Foundation 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 foundation'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.

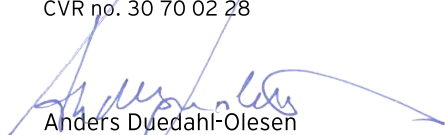
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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.

Copenhagen, 27 June 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Anders Duedahl-Olesen
State Authorised Public Accountant
mne24732

Management's review

Information about the foundation

Name	Refugees United Fonden
Address, Postal code, City	c/o Rainmaking Loft, Danneskjold-Samsøes Allé 41, 1434, Copenhagen K
CVR no.	31 85 64 93
Established	20 June 2008
Financial year	1 January - 31 December
Website	www.refunite.org
E-mail	info@refunite.org
Board of Directors	Anna Eliasson, Chair Bernadette Marisa Chein Ling Michael Patrick Quinn Christen Winther Obel Christopher Torben Troensegaard Mikkelsen Jan David Mikkelsen Troensegaard
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Foundation Board

Members of the board:

Anna Eliasson

Anna Eliasson (independent board member, tenure: 4 March 2019 to date).

Anna Eliasson is the Chairwoman of the REFUNITE Board and the Co-Founder of Eliasson Group, a boutique consulting firm focusing on projects related to international development and humanitarian issues, social impact and sustainability based in Washington DC, Stockholm, Los Angeles and New York. Through the Eliasson Group, Anna brings decades of UN experience, fundraising, partnership, organisational development, marketing and communications expertise to non-profit and for-profit leadership. Previously, Anna served as Vice Chair on the Board of Directors of USA for UNHCR and was a senior external relations and development executive at the Atlantic Council and the Aspen Institute.

Bernadette Maria Chien Ling

Bernadette Maria Chien Ling is the General Manager, Singapore at Entrepreneur First, the world's leading talent investor. She started her career at the Boston Consulting Group, and subsequently relocated to Singapore to become the Head of Product Marketing for Talent Solutions at LinkedIn. Since then, she has also served as the Chief of Staff to the Founders at Funding Societies and Grab. She spent her university days as the Victorian State Director for Australia's largest youth-run non-profit and at the United Nations Youth Association as their Victorian Conferences Director.

Michael Patrick Quinn

Michael Patrick Quinn (independent board member, tenure: 1 October 2019 to date)

Mike is the co-founder and former Group CEO of Zoono, one of Africa's earliest fintech companies. During his 10-year stint at the company that started with the first transaction in 2009, Zoono processed \$2.5 billion of transactions, generated \$26 million in income for 3,000 micro-entrepreneurs and their employees across Zambia and Malawi, and raised \$35 million in investment. For his leadership, Mike was awarded the Accion 2017 Edward W. Claugus Award for Leadership and Innovation in Financial Inclusion and with one of the Schwab Foundation's 2018 Social Entrepreneurs of the Year.

Christen Winther Obel

Chairman of the Obel Family Foundation. Since 2005 Christen Obel has been serving on numerous boards and has extensive experience in the role of chairman, vice chairman and ordinary board member. He has worked successfully on both small and large private enterprise boards and on boards of cultural institutions where public funding is involved. He also has more than 20 years of experience with process efficiency and project management in international environments. Mainly in supply chain and administrative processes and ERP implementations. Prior to these management responsibilities in the retail sector, he has gained experience primarily within distribution and logistics, but also finance, marketing and other areas.

Christopher and David Mikkelsen

Christopher and David Mikkelsen (tenure: 20 June 2008 to date) are REFUNITE's founders and Co-CEOs. The two brothers and social entrepreneurs founded REFUNITE in 2008 based on a personal experience trying to reconnect a young Afghan refugee with his family. Christopher and David Mikkelsen are members of the Clinton Global Initiative and were selected as Social Entrepreneurs of the Year by the World Economic Forum and the Schwab Foundation in March 2017.

Management's review

Business review

The Foundation's purpose is to establish, develop and operate an internet-based service, through which refugees throughout the world are able to reestablish connections with family members, relatives and friends from whom they have been separated. Further, the Foundation invests in commercial enterprises either directly or indirectly through holding structures.

Financial review

The income statement for 2021 shows a profit of EUR 162 thousand against a loss of EUR 4 thousand last year, and the foundation's balance sheet at 31 December 2021 shows equity of EUR 126 thousand.

The Executive Board expects the capital to be reestablished by donations in the coming year.

The Executive Board has confirmed to the Board of Directors that it is willing to maintain the share capital of the Refugee United Fonden.

Consequently, Management assesses that the Foundation has adequate capital and liquid funds to continue as a going concern up to and including 31 December 2021.

The Foundation's development

Deciding that, by the year 2023, we had either solved the problem, or we weren't cut out for the task, the Refugees United Foundation was built with a potential expiration date of June 2023, written into its constitution.

Over the years, more than 1.4 million refugees have been helped through refunite.org and thousands of family members have been reconnected through the efforts of REFUNITE and our wonderful partners and funders.

With this, we believe we're getting close to reaching our stated goals, both through our own efforts, working with partners, through helping educate "our" refugee populations in the usage of our platforms, and watching the wonderful march of technology help us further in connecting the last mile environments we work in.

As a logical offshoot from REFUNITE, we have built "Relay," which is a digital network of local African community leaders using our mobile platform to communicate seamlessly with their constituents, most often in off-grid and destitute areas of the Congo, South Sudan, Uganda and elsewhere. Serving more than 65,000 leaders and more than 60 million of their constituents, Relay is already amongst the largest grassroots networks in the world, growing with the speed of light.

What is a leadership network? A brief explanation: Leadership groups spanning in size from a single leader with a flock of 50 people, all the way up to leaders with 30+ sub-leaders and millions of people under the chief, Relay has communicated critical information on Covid-19, family tracing, food distribution, Ebola outbreaks, militia attacks and many more things, to tens of millions of people. All in a trusted and verified manner.

These deeply ingrained community structures, while from the outside seemingly informal, are the lifeblood and cohesive order that helps hundreds of millions of people to survive. The Relay trust layer enables millions of people who do not know where otherwise to turn for trusted information to make educated decisions based on facts.

Over the coming year, REFUNITE will focus on the further transition into Relay, where through the vast majority of our family tracing cases are already taking place. Building on the decade+ long traction of REFUNITE's efforts, we believe we can unlock our next major steps through this avenue, helping millions more people with access to critical knowledge that helps them build better lives.

Management's review

Report on foundation governance

Transparency and communications

In relation to all communication to external parties on behalf of the Refugees United Foundation, the following people have the mandate to comment on matters relating to the Foundation along the following lines:

- ▶ Chairman of the Board: Is mandated to comment on overall legal setup of the Foundation, financial situation as well as guidelines for the good governance efforts of the Foundation.
- ▶ Co-CEOs: Are mandated to comment on all aspects of the Foundation to external parties.
- ▶ COO: Is mandated to comment on all operational aspects of the Foundation to external parties.

Board tasks and responsibilities

- ▶ Yearly strategy discussion: This takes place every year at the Board's annual general meeting in April
- ▶ The Board's rules of procedure outline the yearly meeting schedule, meeting structures as well as overall agenda for the various committee meetings

Composition and competencies of the Board of Directors

Board composition: the board's composition is continuously discussed in order to secure the best possible skills and experience composition in light of the Foundation's strategic and operational challenges. A balance between board member renewal and continuity is sought at all times.

Election period: board members are elected for two years. Reelection is a possibility, should the board wish any member to run for another period.

Evaluation of board work: the board actively evaluates its work once a year in conjunction with the annual general board meeting.

Management and board compensation

Management compensation is set and approved once a year by the Board. Other board members of the Foundation are not compensated for their board work.

<u>Recommendation</u>	<u>The foundation complies</u>	<u>The foundation does not comply The foundation explains</u>
1. Transparency and communication		
1.1. The board of trustees should adopt guidelines for external communication that address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information on matters related to the foundation.	X	
2. Tasks and responsibilities of the board of trustees		
<i>2.1. Overall tasks and responsibilities</i>		
2.1.1. In order to safeguard the foundation's activities in accordance with the objectives and interests of the foundation, the board of trustees should review the foundation's overall strategy and distribution policy on the basis of the articles of association at least once a year.	X	
2.1.2. The board of trustees should regularly consider whether the foundation's asset management corresponds to the foundation's purpose and needs in the short and long terms.	X	

Management's review

Recommendation	The foundation complies	The foundation does not comply The foundation explains
<i>2.2. Chairman and vice-chairman of the board of trustees</i>		
2.2.1. The chairman of the board of trustees should organise, convene and chair meetings of the board of trustees in order to ensure effective board work and to establish the best conditions for the work of the board members, individually and collectively.	X	
2.2.2. In the event that the chairman of the board of trustees, in exceptional circumstances, is requested to perform specific functions for the foundation in addition to the position as chairman, a board resolution should be passed to this effect to ensure that the board of trustees retains the independent overall management and control function. Appropriate allocation of responsibilities should be ensured between the chairman, vice-chairman, other members of the board of trustees and executive board, if any.	X	
<i>2.3. Composition and organisation of the board of trustees</i>		
2.3.1. The board of trustees should regularly, and at least every second year, assess and define the qualifications that the board of trustees should have in order to perform the tasks incumbent upon the board of trustees as efficiently as possible.	X	
2.3.2. The board of trustees should approve a structured, thorough and transparent process for selection and nomination of candidates to the board of trustees in due accordance with any right of designation in the articles of association to make appointments.	X	
2.3.3. Members of the board of trustees should be appointed on the basis of their personal qualities and qualifications taking into account the collective competences of the board, and when assembling and nominating new board members, the need for new talent should be weighed against the need for continuity, and the need for diversity should be considered in relation to commercial and grants experience, age and gender.	X	
2.3.4. The Management's review should include an account of the composition of the board of directors, including its diversity, in the annual report and the foundation's website as well as specific information on each board member. See the complete wording of the recommendation at godfondsledelse.dk .	X	
2.3.5. The majority of the members of the foundation's board of trustees should not also be members of the board of directors or the executive board of the foundation's subsidiary/subsidiaries, unless it is a wholly-owned actual holding company.	X	

Management's review

Recommendation	The foundation complies	The foundation does not comply The foundation explains
<i>2.4. Independence</i>		
2.4.1. An appropriate number of the board of directors should be independent. See the complete wording of the recommendation at godfondsledelse.dk.	X	
<i>2.5. Appointment period</i>		
2.5.1. Members of the board of trustees should be appointed for a minimum period of two years and a maximum period of four years.	X	
2.5.2. An age limit should be set for the members of the board of trustees and communicated in the Management's review or on the foundation's website.		There is no age limit for the board in connection with the establishment of the Foundation. The question is continuously assessed by the board.
<i>2.6. Evaluation of the performance of the board of trustees and the executive board</i>		
2.6.1. The board of trustees should establish a procedure to evaluate the contributions and performance of individual members of the board of trustees, the chairman annually, and the result should be discussed by the board of trustees.	X	
2.6.2. Once a year, the board of trustees should evaluate the work and performance of the executive board and/or the administrator, where relevant, in accordance with predefined clear criteria.	X	
3. Remuneration of management		
3.1.1. Members of the board of trustees of foundations should be remunerated with a fixed fee, and members of the executive board, if any, should be remunerated with a fixed fee, possibly with a bonus that should not be based on financial performance. The fee should reflect the work and responsibilities consequential to the position.		No remuneration has been paid to the Executive Board and the Board of Trustees.
3.1.2. The financial statements should provide information on the total remuneration received by each individual member of the board of trustees and the executive board, if any, from the foundation and from the foundation's subsidiaries and associates. Furthermore, any other remuneration that members of the board of trustees and the executive board, if any, receive for performing other work or tasks for the foundation, the foundation's subsidiaries or associates should be disclosed, except for employee representatives' remuneration as employees.	X	

Management's review

Report on the foundation's distribution policy and distributions in the year

The Foundation does not distribute assets or cash amounts to specific purposes, people, organisations or other such recipients, but solely carries out its activities to fulfil its overall purpose. The distributions made during the year are therefore to be viewed as internal distributions presented as expenses in the income statement. For 2022, the Foundation expects to continue to only carry out such internal distributions. Consequently, the board has not established a distribution framework nor a distribution policy.

Events after the balance sheet date

No events materially affecting the assessment of the financial statements have occurred after the balance sheet date.

Financial statements 1 January - 31 December**Income statement**

Note	EUR'000	<u>2021</u>	<u>2020</u>
2	Donations	493	474
	Other external expenses	-176	-286
	Gross profit	<u>317</u>	<u>188</u>
3	Staff costs	-143	-178
	Impairment of current assets except for investments	0	-1
	Profit before net financials	<u>174</u>	<u>9</u>
	Financial income	2	0
	Financial expenses	-14	-13
	Profit/loss for the year	<u><u>162</u></u>	<u><u>-4</u></u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>162</u>	<u>-4</u>
		<u><u>162</u></u>	<u><u>-4</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	EUR'000	2021	2020
	ASSETS		
	Non-fixed assets		
	Cash	146	14
	Total non-fixed assets	146	14
	TOTAL ASSETS	146	14
	EQUITY AND LIABILITIES		
	Equity		
4	Share capital	101	101
	Retained earnings	25	-137
	Total equity	126	-36
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	13	31
	Other payables	7	19
		20	50
	Total liabilities other than provisions	20	50
	TOTAL EQUITY AND LIABILITIES	146	14

1 Accounting policies

5 Collateral

6 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

EUR'000	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	101	-137	-36
Transfer through appropriation of profit	0	162	162
Equity at 31 December 2021	<u>101</u>	<u>25</u>	<u>126</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Refugees United Fonden for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B enterprises and the Danish Act on Enterprises Carrying on Business for Profit. The presentation of the Foundation's income statement has been adjusted as the primary objective of the income statement is to reflect the distribution ability. Consequently, the presentation of the income statement differs from the templates in the Danish Financial Statements Act, cf. section 23(4) of the Act.

The accounting policies are consistent with those of last year.

Basis of recognition and measurement

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Reporting currency

The financial statements are presented in euros (EUR), as the Company's most significant transactions are settled in EUR.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Donations

Donations are recognised in the income statement provided that legal binding commitment has been received before year end and that the conditions are met.

Other external expenses

Other external expenses comprise expenses incurred during the year for the Foundation management and administration, including expenses for administrative staff, Management, office premises and office expenses and depreciation.

Staff costs

Staff costs comprise wages, remuneration and other staff costs.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on transactions denominated in foreign currencies, etc.

Balance sheet

Receivables

Receivables are measured at amortised cost less write-down for anticipated bad debt losses.

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

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Liabilities

Financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

EUR'000	2021	2020
2 Segment information		
Breakdown of donations by business segment:		
Jochnick Foundation	0	18
RU USA	361	86
Svenska Postkod	0	257
The Tides	0	113
Christopher Troensegaard Mikkelsen	132	0
	<u>493</u>	<u>474</u>

Financial statements 1 January - 31 December

Notes to the financial statements

2 Segment information (continued)

3 Staff costs

Wages/salaries	138	171
Pensions	0	1
Other social security costs	1	1
Other staff costs	4	5
	<u>143</u>	<u>178</u>
Average number of full-time employees	<u>1</u>	<u>2</u>

The Board of Directors does not receive remuneration for its work in the Refugees United Fonden.

4 Share capital

The Foundation's base capital has remained EUR 101 thousand over the past 5 years.

5 Collateral

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

6 Related parties

In the financial year, the foundation was engaged in the below related party transactions:

Related party	Basis for related party	Nature of transaction	EUR'000
Related party transactions			
RU USA	Same management.	Internal contributions received to cover administrative expenses incurred to fulfil the Foundation's purpose.	361