

4T af 1. oktober 2012 ApS
Borgergade 111
1300 Copenhagen K
Central Business Registration No
32348882

Annual report 2016

The Annual General Meeting adopted the annual report on 22.03.2017

Conductor of the General Meeting

Name: Morten Boe Andersen

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Entity details

Entity

4T af 1. oktober 2012 ApS
Borgergade 111
1300 Copenhagen K

Central Business Registration No: 32348882

Founded: 15.10.2012

Registered in: Copenhagen

Financial year: 01.01.2016 - 31.12.2016

Board of Directors

Morten Boe Andersen, Chairman
Morten Petersen
Lasse Andersen
Allan Jørgensen

Executive Board

Henrik Lindberg Moesgaard, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of 4T af 1. oktober 2012 ApS for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Copenhagen, 22.03.2017

Executive Board

Henrik Lindberg Moesgaard
CEO

Board of Directors

Morten Boe Andersen
Chairman

Morten Petersen

Lasse Andersen

Allan Jørgensen

Independent auditor's report

To the shareholders of 4T af 1. oktober 2012 ApS

Opinion

We have audited the financial statements of 4T af 1. oktober 2012 ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 22.03.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Anders O. Gjelstrup
State Authorised Public Accountant

Michael Thorø Larsen
State Authorised Public Accountant

Management commentary

Primary activities

The Company's activity is to operate mobile payment solutions and related services.

Correction of fundamental errors

In the first half of 2016 a correction of fundamental errors has been made regarding the financial year 2015. For further information see accounting policies.

Development in activities and finances

The income statement of the Company shows a profit of DKK 5.700.440, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 11.697.539.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Gross profit		7.270.995	(1.277.956)
Staff costs	1	(822.638)	(975.426)
Depreciation, amortisation and impairment losses		<u>(552.667)</u>	<u>(400.000)</u>
Operating profit/loss		5.895.690	(2.653.382)
Other financial income	2	0	373
Other financial expenses		<u>(195.250)</u>	<u>(7.374)</u>
Profit/loss before tax		5.700.440	(2.660.383)
Tax on profit/loss for the year	3	<u>0</u>	<u>39.147</u>
Profit/loss for the year		<u>5.700.440</u>	<u>(2.621.236)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>5.700.440</u>	<u>(2.621.236)</u>
		<u>5.700.440</u>	<u>(2.621.236)</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Acquired intangible assets		1.437.607	1.605.274
Intangible assets		1.437.607	1.605.274
Fixed assets		1.437.607	1.605.274
Trade receivables		9.186.597	32.594.450
Other receivables		200.690	0
Prepayments		4.735	13.340
Receivables		9.392.022	32.607.790
Cash		38.511.831	4.001.256
Current assets		47.903.853	36.609.046
Assets		49.341.460	38.214.320

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		588.000	588.000
Share premium		46.177.060	46.177.060
Retained earnings		<u>(35.067.521)</u>	<u>(28.767.961)</u>
Equity		<u>11.697.539</u>	<u>17.997.099</u>
Trade payables		401.854	556.201
Other payables		37.242.067	19.658.409
Deferred income		<u>0</u>	<u>2.611</u>
Current liabilities other than provisions		<u>37.643.921</u>	<u>20.217.221</u>
Liabilities other than provisions		<u>37.643.921</u>	<u>20.217.221</u>
Equity and liabilities		<u>49.341.460</u>	<u>38.214.320</u>
Unrecognised rental and lease commitments	4		
Contingent liabilities	5		

Statement of changes in equity for 2016

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	588.000	46.177.060	(30.103.223)	16.661.837
Corrections of errors	0	0	1.335.262	1.335.262
Adjusted equity, beginning of year	588.000	46.177.060	(28.767.961)	17.997.099
Extraordinary dividend paid	0	0	(12.000.000)	(12.000.000)
Profit/loss for the year	0	0	5.700.440	5.700.440
Equity end of year	588.000	46.177.060	(35.067.521)	11.697.539

The Company's share capital is not divided into classes.

Notes

	2016	2015
	DKK	DKK
1. Staff costs		
Wages and salaries	763.588	946.982
Pension costs	53.539	24.288
Other social security costs	5.511	4.156
	822.638	975.426
Number of employees at balance sheet date	2	1
Average number of employees	1	1
	2016	2015
	DKK	DKK
2. Other financial income		
Other financial income	0	373
	0	373
	2016	2015
	DKK	DKK
3. Tax on profit/loss for the year		
Adjustment concerning previous years	0	(39.147)
	0	(39.147)
4. Unrecognised rental and lease commitments		
	2016	2015
	DKK	DKK
Rental agreements and leases:		
Annual lease payments	22.500	22.500
Total lease commitments	1.875	1.875
5. Contingent liabilities		
There are no contingent liabilities.		

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B.

The accounting policies applied for these financial statements are consistent with those applied last year.

Fundamental errors

As part of the financial statements for the period of 01.01.2016 – 30.06.2016, Management has corrected a fundamental error in respect of Revenue and related balance sheet items in the financial statements for 2015 which have been identified during 2016.

The correction has been made in accordance with the relevant provisions of the Danish Financial Statements Act and recognised retrospectively in equity. The comparative figures have been adjusted accordingly.

The correction has resulted in a change in opening equity from DKK 16.661.837 in the previous presented financial statement to DKK 17.997.099 in the corrected comparative figures. Profit/loss for the financial year 2015 has in total been positively affected by DKK 1.335.262.

Recognition and measurement

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

Liabilities are recognised in the balance sheet when the Entity 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 Entity, 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 recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the annual report

Revenue

Accounting policies

Revenue is derived from net proceeds from the offering of mobile payment and related services. Revenue from sales of services is recognized in the income statement, when there is a binding agreement with merchants regarding the use of mobile payment services, and when the use of mobile payments and related services have taken place within the financial period.

Cost of sales

Cost of sales comprise of the costs consumed to achieve revenue for the year.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises of interest income etc.

Other financial expenses

Other financial expenses comprise interest expenses etc.

Tax on profit/loss for the year

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 and recognized directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise of acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Intellectual property rights are amortised over their estimated lifetime, which is no more than 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Receivables

Accounting policies

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.