

ACTIMO ApS
Fruebjergvej 3
2100 København Ø
Business Registration No
32932770

Annual report 2017

The Annual General Meeting adopted the annual report on 25.05.2018

Chairman of the General Meeting

Name: Eske Gunge

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Entity details

Entity

ACTIMO ApS
Fruebjergvej 3
2100 København Ø

Central Business Registration No (CVR): 32932770

Registered in: København

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Ole Andersen, Chairman
Mohammad Irfan Goandal
Martin Bøge Mikkelsen
Anders Kragelund
Eske Gunge
Jan Dal Lehrmann

Executive Board

Eske Gunge

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
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 ACTIMO ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

København, 25.04.2018

Executive Board

Eske Gunge

Board of Directors

Ole Andersen
Chairman

Mohammad Irfan Goandal

Martin Bøge Mikkelsen

Anders Kragelund

Eske Gunge

Jan Dal Lehrmann

Independent auditor's report

To the shareholders of ACTIMO ApS

Opinion

We have audited the financial statements of ACTIMO ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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.

København, 25.04.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Stinus Tschentscher Andersen
State Authorised Public Accountant
Identification No (MNE) mne34148

Management commentary

Primary activities

The company's purpose is to develop and operate communication solutions and related activities.

Development in activities and finances

The Company has in 2017 continued its investments in sales and other resources in order to build the platform for future growth in revenue of the Company. As a consequence the Company's revenue has increased more than 70% compared to last year due to an increase in the numbers of customers using Actimo's platform. The Company has continued to make agreements with customers from a variety of industries and countries and the Company's products are utilised globally by some of the Company's customers.

The profit (loss) which presents a loss of 5,814 TDKK is within the threshold of the expectations of the Executive Board as it is the consequence of the investments in the Company in order to create future growth towards international expansion.

The Company expects in 2018 to continue to invest in building the sales platform including to enter partnerships with partners in foreign countries in order to increase sales further.

As a consequence of the continued investments, it is expected that there also will be an operating loss in the financial year 2018, which is expected to be financed by the current investors or new investors.

Uncertainty relating to recognition and measurement

It is assessed that there are no particular uncertainties relating to recognition and measurement in relation to the financial statements for 2017, and it is the management's assessment that there are no particular risks associated with the Company's operations except from the general industry and societal development.

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 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Gross profit		7.549.733	3.886
Staff costs	1	(12.575.664)	(5.994)
Depreciation, amortisation and impairment losses		<u>(1.779.337)</u>	<u>(1.210)</u>
Operating profit/loss		(6.805.268)	(3.318)
Other financial income		261.351	55
Other financial expenses		<u>(259.226)</u>	<u>(460)</u>
Profit/loss before tax		(6.803.143)	(3.723)
Tax on profit/loss for the year	2	<u>988.628</u>	<u>526</u>
Profit/loss for the year		(5.814.515)	(3.197)
Proposed distribution of profit/loss			
Retained earnings		<u>(5.814.515)</u>	<u>(3.197)</u>
		(5.814.515)	(3.197)

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Completed development projects		7.158.224	4.442
Intangible assets	3	7.158.224	4.442
Other fixtures and fittings, tools and equipment		0	2
Property, plant and equipment	4	0	2
Investments in group enterprises		22.360	0
Deposits		102.180	20
Other receivables		3.000	3
Fixed asset investments	5	127.540	23
Fixed assets		7.285.764	4.467
Trade receivables		6.445.447	4.946
Other receivables		0	24
Income tax receivable		988.628	526
Prepayments		0	33
Receivables		7.434.075	5.529
Cash		6.735.219	1.983
Current assets		14.169.294	7.512
Assets		21.455.058	11.979

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Contributed capital		177.177	132
Share premium		0	4.521
Reserve for development expenditure		5.583.415	4.442
Retained earnings		2.928.575	(11.497)
Equity		<u>8.689.167</u>	<u>(2.402)</u>
Other payables		0	3.219
Non-current liabilities other than provisions		<u>0</u>	<u>3.219</u>
Current portion of long-term liabilities other than provisions		0	800
Convertible and dividend-yielding debt instruments		0	230
Trade payables		840.635	585
Payables to shareholders and management		7.809	7
Other payables		3.226.270	2.382
Deferred income		8.691.177	7.158
Current liabilities other than provisions		<u>12.765.891</u>	<u>11.162</u>
Liabilities other than provisions		<u>12.765.891</u>	<u>14.381</u>
Equity and liabilities		<u>21.455.058</u>	<u>11.979</u>

Unrecognised rental and lease commitments

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Statement of changes in equity for 2017

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK
Equity beginning of year	131.552	4.520.828	4.442.020	(11.496.878)
Increase of capital	45.625	0	0	16.860.535
Transferred from share premium	0	(4.520.828)	0	4.520.828
Transfer to reserves	0	0	1.141.395	(1.141.395)
Profit/loss for the year	0	0	0	(5.814.515)
Equity end of year	177.177	0	5.583.415	2.928.575
				Total DKK
Equity beginning of year				(2.402.478)
Increase of capital				16.906.160
Transferred from share premium				0
Transfer to reserves				0
Profit/loss for the year				(5.814.515)
Equity end of year				8.689.167

Notes

	2017	2016
	DKK	DKK'000
1. Staff costs		
Wages and salaries	16.134.030	7.857
Pension costs	601.495	317
Other social security costs	333.902	210
Staff costs classified as assets	<u>(4.493.763)</u>	<u>(2.390)</u>
	<u>12.575.664</u>	<u>5.994</u>
Average number of employees	<u>26</u>	<u>12</u>

	2017	2016
	DKK	DKK'000
2. Tax on profit/loss for the year		
Current tax	<u>(988.628)</u>	<u>(526)</u>
	<u>(988.628)</u>	<u>(526)</u>

	Completed develop- ment projects DKK
3. Intangible assets	
Cost beginning of year	7.197.553
Additions	<u>4.493.763</u>
Cost end of year	<u>11.691.316</u>
Amortisation and impairment losses beginning of year	(2.755.533)
Amortisation for the year	<u>(1.777.559)</u>
Amortisation and impairment losses end of year	<u>(4.533.092)</u>
Carrying amount end of year	<u>7.158.224</u>

The Company has used 4,493,763 kr. to continue to develop the existing IT communication platform in 2017 including adding new features and modules to the platform for be used by existing and future customers.

The new features and modules are released as they are finalized and the development department are continuously working on upgrading the Actimo-platform.

Notes

	Other fixtures and fittings, tools and equipment DKK
4. Property, plant and equipment	
Cost beginning of year	15.999
Cost end of year	15.999
Depreciation and impairment losses beginning of year	(14.221)
Impairment losses for the year	(1.778)
Depreciation and impairment losses end of year	(15.999)
Carrying amount end of year	0

	Invest- ments in group enterprises DKK	Deposits DKK	Other receivables DKK
5. Fixed asset investments			
Cost beginning of year	0	20.000	3.000
Additions	22.360	82.180	0
Cost end of year	22.360	102.180	3.000
Carrying amount end of year	22.360	102.180	3.000

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Actimo Communications SL	Barcelona	SL	100,0

	2017 DKK	2016 DKK'000
6. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	474.362	0

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 enterprises with addition of certain provisions for reporting class C.

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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. This item also includes writedowns of receivables recognised in current assets.

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

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses 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 interest income, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

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 recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-8 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Cash

Cash comprises bank deposits.

Other financial liabilities

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

Deferred income

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