
Mobaro A/S

Hasselager Centervej 13, 1., DK-8260 Viby J

Annual Report for 1 January - 31 December 2021

CVR No 33 16 25 10

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
21/4 2022

Jon Risvig
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Mobarø A/S for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 21 April 2022

Executive Board

Henrik Fjordside Have
Executive Officer

Christoffer Weiss Borup
Executive Officer

Board of Directors

Søren Christiansen

Henrik Fjordside Have

Klaus Bülow Davidsen

The Independent Practitioner's Report

To the Shareholders of Mobarø A/S

Conclusion

We have performed an extended review of the Financial Statements of Mobarø 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 a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, 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 operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. 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. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibility 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.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion

The Independent Practitioner's Report

on the Financial Statements.

Aarhus, 21 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Christian Roding

statsautoriseret revisor

mne33714

Company Information

The Company

Mobaro A/S
Hasselager Centervej 13, 1.
DK-8260 Viby J

CVR No: 33 16 25 10
Financial period: 1 January - 31 December
Incorporated: 24 September 2010
Financial year: 12nd financial year
Municipality of reg. office: Aarhus

Board of Directors

Søren Christiansen
Henrik Fjordside Have
Klaus Bülow Davidsen

Executive Board

Henrik Fjordside Have
Christoffer Weiss Borup

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		9,631,432	9,407,245
Staff expenses	2	-6,783,083	-6,988,418
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-5,187,740</u>	<u>-4,510,570</u>
Profit/loss before financial income and expenses	3	-2,339,391	-2,091,743
Financial income	4	81,355	173,726
Financial expenses	5	<u>-540,212</u>	<u>-586,404</u>
Profit/loss before tax		-2,798,248	-2,504,421
Tax on profit/loss for the year	6	<u>894,721</u>	<u>822,828</u>
Net profit/loss for the year		<u>-1,903,527</u>	<u>-1,681,593</u>

Distribution of profit

Proposed distribution of profit

Other statutory reserves	-151,312	518,893
Retained earnings	<u>-1,752,215</u>	<u>-2,200,486</u>
	<u>-1,903,527</u>	<u>-1,681,593</u>

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Completed development projects		6,937,766	8,717,801
Development projects in progress		3,176,475	3,363,094
Intangible assets	7	10,114,241	12,080,895
Other fixtures and fittings, tools and equipment		33,946	43,455
Leasehold improvements		23,414	34,142
Property, plant and equipment	8	57,360	77,597
Investments in subsidiaries	9	423,572	423,572
Deposits	10	170,821	167,471
Fixed asset investments		594,393	591,043
Fixed assets		10,765,994	12,749,535
Trade receivables		951,578	1,155,596
Receivables from group enterprises		3,745,691	2,835,157
Other receivables		61,104	3,000
Deferred tax asset	12	383,367	0
Corporation tax		290,349	375,557
Prepayments		314,626	348,278
Receivables		5,746,715	4,717,588
Cash at bank and in hand		587,795	1,867,109
Currents assets		6,334,510	6,584,697
Assets		17,100,504	19,334,232

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital	11	1,356,133	1,448,750
Reserve for development costs		7,889,114	8,040,426
Retained earnings		-4,406,756	-3,247,158
Equity		4,838,491	6,242,018
Provision for deferred tax	12	0	221,005
Provisions		0	221,005
Other payables		6,553,024	6,799,192
Long-term debt	13	6,553,024	6,799,192
Credit institutions		3,304	44,399
Prepayments received from customers		1,055,109	1,595,390
Trade payables		274,663	226,585
Other payables	13	4,375,913	4,205,643
Short-term debt		5,708,989	6,072,017
Debt		12,262,013	12,871,209
Liabilities and equity		17,100,504	19,334,232
Key activities	1		
Contingent assets, liabilities and other financial obligations	14		
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Accounting Policies	16		

Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,448,750	8,040,426	-3,247,158	6,242,018
Cash capital reduction	-92,617	0	92,617	0
Sale of treasury shares	0	0	500,000	500,000
Development costs for the year	0	2,477,651	0	2,477,651
Depreciation, amortisation and impairment for the year	0	-2,628,963	0	-2,628,963
Net profit/loss for the year	0	0	-1,752,215	-1,752,215
Equity at 31 December	1,356,133	7,889,114	-4,406,756	4,838,491

Notes to the Financial Statements

1 Key activities

The company's key activities are to develop software solutions to optimize daily operations in retail and adventure parks and attractions.

	2021 DKK	2020 DKK
2 Staff expenses		
Wages and salaries	5,830,251	6,045,407
Pensions	713,726	714,591
Other social security expenses	87,292	78,520
Other staff expenses	151,814	149,900
	6,783,083	6,988,418
Average number of employees	10	11
3 Special items		
COVID-19 package - compensation	0	283,655
	0	283,655
4 Financial income		
Interest received from group enterprises	45,503	92,111
Other financial income	1,919	6,646
Exchange adjustments	33,933	74,969
	81,355	173,726
5 Financial expenses		
Interest paid to group enterprises	1,376	3,417
Other financial expenses	538,836	460,877
Exchange adjustments, expenses	0	122,110
	540,212	586,404

Notes to the Financial Statements

	2021	2020
	DKK	DKK
6 Tax on profit/loss for the year		
Current tax for the year	-290,349	-375,557
Deferred tax for the year	-604,372	-447,271
	-894,721	-822,828

7 Intangible assets

	Completed development projects	Development projects in progress	Total
	DKK	DKK	DKK
Cost at 1 January	22,352,585	3,363,094	25,715,679
Additions for the year	0	3,176,475	3,176,475
Transfers for the year	3,363,094	-3,363,094	0
Cost at 31 December	25,715,679	3,176,475	28,892,154
Impairment losses and amortisation at 1 January	13,634,784	0	13,634,784
Amortisation for the year	5,143,129	0	5,143,129
Impairment losses and amortisation at 31 December	18,777,913	0	18,777,913
Carrying amount at 31 December	6,937,766	3,176,475	10,114,241
Amortised over	<u>5 years</u>		

Development projects are based on the development of new versions of the company's existing IT platform. The products are delivered to parks and chains of companies in the service sector and provide the opportunity to complete and optimize workflows in sales, service and operation in a real-time format.

The projects are progressing according to plan through the use of the resources allocated by Management. It is expected that the software will be sold in the current market to both the company's existing customers and new customers.

Notes to the Financial Statements

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	94,602	53,642
Additions for the year	24,374	0
Cost at 31 December	<u>118,976</u>	<u>53,642</u>
Impairment losses and depreciation at 1 January	51,147	19,500
Depreciation for the year	33,883	10,728
Impairment losses and depreciation at 31 December	<u>85,030</u>	<u>30,228</u>
Carrying amount at 31 December	<u>33,946</u>	<u>23,414</u>
Depreciated over	<u>3 years</u>	<u>5 years</u>

9 Investments in subsidiaries

Cost at 1 January	<u>423,572</u>	<u>423,572</u>
Carrying amount at 31 December	<u>423,572</u>	<u>423,572</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Mobaro Retail Ltd.	United Kingdom	GBP 50.000	100%	-2,024,923	458,388
Mobaro Inc.	USA	USD 1.000	100%	-131,341	53,459

Investments in subsidiaries are measured at cost. The company's management expects that as subsidiaries are established, they will be able to re-establish their equity through their own earnings. On this basis, no write-down of investments and receivables has been made with subsidiaries.

Notes to the Financial Statements

10 Other fixed asset investments

	Deposits DKK
Cost at 1 January	167,472
Additions for the year	3,349
Cost at 31 December	170,821
Carrying amount at 31 December	170,821

11 Equity

The share capital is broken down as follow:

	Number	Nominal value DKK
A-shares	693,932	693,932
B-shares	662,201	662,201
		1,356,133

On 25 March 2021, the Company sold 35,793 treasury shares, corresponding to 2.47%. The total payment for shares amounted to DKK 500k, which has been transferred to retained earnings under equity.

On 23 July 2021, the Company cancelled 92,617 treasury shares, corresponding to 6.39%.

The share capital has developed as follows:

	2021 DKK	2020 DKK	2019 DKK	2018 DKK	2017 DKK
Share capital at 1 January	1,448,750	1,238,507	1,238,507	990,806	500,000
Capital increase	0	210,243	0	247,701	490,806
Capital decrease	-92,617	0	0	0	0
Share capital at 31 December	1,356,133	1,448,750	1,238,507	1,238,507	990,806

Notes to the Financial Statements

12 Deferred tax asset

The recognised tax asset comprises tax loss carry-forwards expected to be utilised within the coming years. The Company has continued to develop the core business, and is expecting profitable operational activities going forward, primarily due to an increase in revenue.

13 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021</u> DKK	<u>2020</u> DKK
Other payables		
After 5 years	605,643	0
Between 1 and 5 years	5,947,381	6,799,192
Long-term part	<u>6,553,024</u>	<u>6,799,192</u>
Within 1 year	2,108,667	2,827,200
Other short-term payables	2,267,246	1,378,443
Short-term part	<u>4,375,913</u>	<u>4,205,643</u>
	<u>10,928,937</u>	<u>11,004,835</u>

Notes to the Financial Statements

	2021 DKK	2020 DKK
14 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers and Vækstfonden:: As security the company has provided corporate mortgages limited to TDKK 3,000 in current and future acquisitions of intangible and tangible fixed assets, operating equipment, simple receivables from sales and services and inventories. The book value of assets covered by the company mortgage amounts to DKK	11,123,179	13,314,088
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:	244,321	590,479

15 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

16 Accounting Policies

The Annual Report of Mobarø A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

16 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, other operating income and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

16 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including compensation from Covid-19 compensation packages.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Intangible assets

Development projects, patents and licences

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item "Reserve for development costs". The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 years.

Notes to the Financial Statements

16 Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3	years
Leasehold improvements	5	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of rent deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

16 Accounting Policies (continued)

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.