
Reewire International ApS

Vesterbrogade 24 2 tv., DK-1620 Copenhagen V

Annual Report for 1 January - 31 December 2018

CVR No 33 25 09 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
31/5 2019

Niels Peter Ellegaard
Chairman of the General
Meeting



pwc

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Reewire International ApS for the financial year 1 January - 31 December 2018.

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 at 31 December 2018 of the Company and of the results of the Company operations for 2018.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 31 May 2019

Executive Board

Niels Peter Ellegaard

Board of Directors

Nyake Mbondji
Chairman

Andrew John Wakiumu

Lok Raj Sharma

Niels Peter Ellegaard

Independent Auditor's Report

To the Shareholders of Reewire International ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Reewire International ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

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 are independent of the Company in accordance with the International Ethics Standards Board for 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.

Material Uncertainty Related to Going Concern

Without qualifying our auditor's report, we draw attention to the information provided in note 1 in which Management describes the material uncertainty with respect to the Company's ability to continue as a going concern. The uncertainty relates to the Company's capital resources, which are expected to be strengthened through a capital injection. Management assesses that it is possible to obtain an adequate capital injection and, therefore, prepares the Financial Statements under a going concern assumption.

Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial

Independent Auditor's Report

Statements Act. We did not identify any material misstatement in Management's Review.

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 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:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- 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 dis-

Independent Auditor's Report

closures 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 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.

Ringsted, 31 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Claus Kjær Poulsen
State Authorised Public Accountant
mne10677

Martin Langhoff Hansen
State Authorised Public Accountant
mne36027

Company Information

The Company

Reewire International ApS
Vesterbrogade 24 2 tv.
DK-1620 Copenhagen V

CVR No: 33 25 09 40
Financial period: 1 January - 31 December
Incorporated: 19 October 2010
Financial year: 8th financial year
Municipality of reg. office: Copenhagen

Board of Directors

Nyake Mbondji, Chairman
Andrew John Wakiumu
Lok Raj Sharma
Niels Peter Ellegaard

Executive Board

Niels Peter Ellegaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Eventyrvej 16
DK-4100 Ringsted

Management's Review

Key activities

The Company's main activity is to establish mobile payment platforms.

Development in the year

The income statement of the Company for 2018 shows a loss of DKK 1,886,809, and at 31 December 2018 the balance sheet of the Company shows negative equity of DKK 2,851,459.

Capital resources

The Company's share capital has been lost. The Management are aware of this and expects that the capital can be restored by capital injection from an external party and earnings over the years.

In 2019 the Company is in process to enter into an agreement with Reewire Holdings Pte. Ltd. about debt cancellation of mDKK 3,0.

Subsequent events

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

Income Statement 1 January - 31 December 2018

	Note	2018 DKK	2017 DKK
Gross profit/loss		-1,752,940	-5,327,951
Staff expenses	2	<u>0</u>	<u>-260,435</u>
Profit/loss before financial income and expenses		-1,752,940	-5,588,386
Income from investments in subsidiaries		-106,980	-845,904
Financial income		280,098	0
Financial expenses		<u>-744,657</u>	<u>-568,252</u>
Profit/loss before tax		-2,324,479	-7,002,542
Tax on profit/loss for the year	3	<u>437,670</u>	<u>1,343,103</u>
Net profit/loss for the year		<u>-1,886,809</u>	<u>-5,659,439</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-1,886,809</u>	<u>-5,659,439</u>
		<u>-1,886,809</u>	<u>-5,659,439</u>

Balance Sheet 31 December 2018

Assets

	Note	2018 DKK	2017 DKK
Investments in subsidiaries	4	0	95,782
Fixed asset investments		0	95,782
Fixed assets		0	95,782
Trade receivables		323	0
Other receivables		282,702	101,865
Deferred tax asset		0	920,850
Corporation tax		1,780,773	422,253
Receivables		2,063,798	1,444,968
Cash at bank and in hand		154,469	545,812
Currents assets		2,218,267	1,990,780
Assets		2,218,267	2,086,562

Balance Sheet 31 December 2018

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		121,220	108,818
Retained earnings		-2,972,679	-2,869,030
Equity	5	-2,851,459	-2,760,212
Payables to owners and Management		0	1,650,686
Long-term debt		0	1,650,686
Credit institutions		14,078	135,638
Trade payables		249,847	215,225
Payables to owners and Management		1,770,835	153,375
Other payables		3,034,966	2,691,850
Short-term debt		5,069,726	3,196,088
Debt		5,069,726	4,846,774
Liabilities and equity		2,218,267	2,086,562
Going concern	1		
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Notes to the Financial Statements

1 Going concern

The Reewire Group is still in the early stage. The main activity Mobile Money is launched in 2018. A capital infusion to the Reewire Group is necessary in order to support the Group's business plan. Management has ongoing negotiations with potential investors.

Even though Management expects to succeed in obtaining the necessary capital resources and, therefore, prepares the Financial Statements under a going concern assumption, the above matters also indicate that there is material uncertain which may give rise to considerable doubt with respect to the Company's ability to continue as a going concern.

	<u>2018</u> DKK	<u>2017</u> DKK
2 Staff expenses		
Wages and salaries	<u>0</u>	<u>260,435</u>
	0	260,435
Average number of employees	<u>0</u>	<u>0</u>
3 Tax on profit/loss for the year		
Current tax for the year	0	0
Deferred tax for the year	920,850	-920,850
Adjustment of tax concerning previous years	<u>-1,358,520</u>	<u>-422,253</u>
	-437,670	-1,343,103

Notes to the Financial Statements

	2018 DKK	2017 DKK
4 Investments in subsidiaries		
Cost at 1 January	2,049,177	2,112,850
Additions for the year	11,199	28,619
Disposals for the year	0	-92,292
Cost at 31 December	<u>2,060,376</u>	<u>2,049,177</u>
Value adjustments at 1 January	-2,599,323	-2,112,850
Other adjustments	-106,981	-486,473
Value adjustments at 31 December	<u>-2,706,304</u>	<u>-2,599,323</u>
Equity investments with negative net asset value amortised over receivables	<u>645,928</u>	<u>645,928</u>
Carrying amount at 31 December	<u>0</u>	<u>95,782</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Reewire ICT Solutions PLC	Ethiopia	BIRR 4.831.000	92%
Reewire R&D France SARL	France	EUR 10,000	98%
Reewire West Africa SARL	Senegal	EUR 3,000	99%

5 Equity

	Share capital DKK	Share premium account DKK	Retained earnings DKK	Total DKK
Equity at 1 January	108,818	0	-2,869,029	-2,760,211
Cash capital increase	12,402	1,783,159	0	1,795,561
Net profit/loss for the year	0	0	-1,886,809	-1,886,809
Transfer from share premium account	0	-1,783,159	1,783,159	0
Equity at 31 December	<u>121,220</u>	<u>0</u>	<u>-2,972,679</u>	<u>-2,851,459</u>

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Reewire International ApS for 2018 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 2018 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 as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

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

6 Accounting Policies (continued)

Income Statement

Revenue

Revenue from license fees and other consulting services is recognised in the income statement when delivery and transfer of risk has been made before the year end.

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 expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

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

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Balance Sheet

Investments in subsidiaries

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

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

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, including the tax base of tax loss carry-forwards, 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.