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# ***Reewire International ApS***

Vester Farimagsgade 6, 5., DK-1606 Copenhagen W

## **Annual Report for 1 January - 31 December 2015**

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CVR No 33 25 09 40

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
3 /6 2016

Jesper Lacoppidan  
Chairman



**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 2015.

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 2015 of the Company and of the results of the Company operations and cash flows for 2015.

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, 3 June 2016

## Direktion

Niels Peter Ellegaard

## Bestyrelse

Jesper Lacoppidan  
Chairman

Niels Peter Ellegaard

Nyake Mbondji

# **Independent Auditor's Report on the Financial Statements**

To the Shareholders of Reewire International ApS

## **Report on the Financial Statements**

We have audited the Financial Statements of Reewire International ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, cash flow statement, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations and cash flows for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

# **Independent Auditor's Report on the Financial Statements**

## **Emphasis of Matter**

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**

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Næstved, 3 June 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Claus Kjær Poulsen

statsautoriseret revisor

## Company Information

### **The Company**

Reewire International ApS  
Vester Farimagsgade 6, 5.  
DK-1606 Copenhagen W

CVR No: 33 25 09 40

Financial period: 1 January - 31 December

Incorporated: 19 October 2010

Financial year: 5th financial year

Municipality of reg. office: Copenhagen

### **Board of Directors**

Jesper Lacoppidan, Chairman  
Niels Peter Ellegaard  
Nyake Mbondji

### **Executive Board**

Niels Peter Ellegaard

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Toldbuen 1  
DK-4700 Næstved

# Management's Review

## Main activity

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

## Development in the year

The income statement of the Company for 2015 shows a loss of DKK 2,852,797, and at 31 December 2015 the balance sheet of the Company shows negative equity of DKK 2,258,396.

## 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.

## 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 2015

	Note	2015 DKK	2014 DKK
<b>Gross profit/loss</b>		<b>-2,525,482</b>	<b>-1,616,001</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-15,898	-26,544
<b>Profit/loss before financial income and expenses</b>		<b>-2,541,380</b>	<b>-1,642,545</b>
Income from investments in subsidiaries		0	-967,691
Financial income		11,588	2
Financial expenses		-323,005	-394,814
<b>Profit/loss before tax</b>		<b>-2,852,797</b>	<b>-3,005,048</b>
Tax on profit/loss for the year		0	0
<b>Net profit/loss for the year</b>		<b>-2,852,797</b>	<b>-3,005,048</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year		0	0
Retained earnings		-2,852,797	-3,005,048
		<b>-2,852,797</b>	<b>-3,005,048</b>



## Balance Sheet 31 December 2015

### Assets

	Note	2015 DKK	2014 DKK
Other fixtures and fittings, tools and equipment		5,244	21,141
<b>Property, plant and equipment</b>	3	<b>5,244</b>	<b>21,141</b>
Investments in subsidiaries	4	373,000	0
<b>Fixed asset investments</b>		<b>373,000</b>	<b>0</b>
<b>Fixed assets</b>		<b>378,244</b>	<b>21,141</b>
Trade receivables		0	50,000
Other receivables		99,645	2,325,628
<b>Receivables</b>		<b>99,645</b>	<b>2,375,628</b>
<b>Cash at bank and in hand</b>		<b>67,841</b>	<b>307,985</b>
<b>Currents assets</b>		<b>167,486</b>	<b>2,683,613</b>
<b>Assets</b>		<b>545,730</b>	<b>2,704,754</b>

# Balance Sheet 31 December 2015

## Liabilities and equity

	Note	2015 DKK	2014 DKK
Share capital		95,626	95,126
Retained earnings		-2,354,022	211,375
<b>Equity</b>	5	<b>-2,258,396</b>	<b>306,501</b>
Credit institutions		1,089,000	1,485,000
<b>Long-term debt</b>	6	<b>1,089,000</b>	<b>1,485,000</b>
Credit institutions	6	1,035,769	497,249
Trade payables		87,750	71,142
Payables to group enterprises		298,028	0
Payables to owners and Management		293,579	344,862
<b>Short-term debt</b>		<b>1,715,126</b>	<b>913,253</b>
<b>Debt</b>		<b>2,804,126</b>	<b>2,398,253</b>
<b>Liabilities and equity</b>		<b>545,730</b>	<b>2,704,754</b>
Going concern	1		

## Cash Flow Statement 1 January - 31 December 2015

	Note	2015 DKK	2014 DKK
Net profit/loss for the year		-2,852,797	-3,005,048
Adjustments	7	327,315	1,389,047
Change in working capital	8	5,980	-688,464
<b>Cash flows from operating activities before financial income and expenses</b>		<b>-2,519,502</b>	<b>-2,304,465</b>
Financial income		11,588	2
Financial expenses		-130,987	20,341
<b>Cash flows from operating activities</b>		<b>-2,638,901</b>	<b>-2,284,122</b>
Purchase of property, plant and equipment		0	-15,732
Fixed asset investments made etc		-373,000	-544,971
Debt conversion in subsidiaries		0	544,971
<b>Cash flows from investing activities</b>		<b>-373,000</b>	<b>-15,732</b>
Loan to group enterprises		-192,018	-417,762
Raising of loans from credit institutions		142,520	1,982,249
Raising of loans from group enterprises		298,028	0
Cash capital increase, net		287,900	2,232,070
Deposit - transferred to bank at 12 January 2015		2,235,327	-2,235,327
Debt conversion relating to capital increase		0	809,250
<b>Cash flows from financing activities</b>		<b>2,771,757</b>	<b>2,370,480</b>
<b>Change in cash and cash equivalents</b>		<b>-240,144</b>	<b>70,626</b>
Cash and cash equivalents at 1 January		307,985	237,359
<b>Cash and cash equivalents at 31 December</b>		<b>67,841</b>	<b>307,985</b>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		67,841	307,985
<b>Cash and cash equivalents at 31 December</b>		<b>67,841</b>	<b>307,985</b>

# Notes to the Financial Statements

## 1 Going concern

The Reewire Group is still in the early stage. The main activity Mobile Money in the subsidiary Reewire ICT Solutions Plc is expected to launch in the course of 2016. A capital infusion to the Reewire Group is necessary in order to support the Group's business plan. Management is currently in negotiations with a potential investor and has received a signed letter of intent covering the company's financing needs. In addition, the company has further investors, who have shown great interest.

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.

## Notes to the Financial Statements

	2015 DKK	2014 DKK
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Depreciation of property, plant and equipment	15,898	26,544
	<b>15,898</b>	<b>26,544</b>
Other fixtures and fittings, tools and equipment	15,898	26,544
	<b>15,898</b>	<b>26,544</b>
<b>3 Property, plant and equipment</b>		
		Other fixtures and fittings, tools and equipment DKK
Cost at 1 January		79,636
Cost at 31 December		79,636
Impairment losses and depreciation at 1 January		58,494
Depreciation for the year		15,898
Impairment losses and depreciation at 31 December		74,392
<b>Carrying amount at 31 December</b>		<b>5,244</b>
Amortised over		3 years

## Notes to the Financial Statements

	2015 <u>DKK</u>	2014 <u>DKK</u>
<b>4 Investments in subsidiaries</b>		
Cost at 1 January	967,692	422,721
Additions for the year	<u>373,000</u>	<u>544,971</u>
Cost at 31 December	<u>1,340,692</u>	<u>967,692</u>
Equity investments with negative net asset value amortised over receivables	<u>-967,692</u>	<u>-967,692</u>
<b>Carrying amount at 31 December</b>	<b><u>373,000</u></b>	<b><u>0</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Reewire ICT Solutions Plc.	Ethiopia	BIRR 2.619.000	87%	-160,624	-339,020
Reewire Asia Ltd.	Hong Kong	HKD 10,000	100%	-	-
Reewire France ICT	France	EUR 10,000	90%	53,165	22,793
Reewire Middle East WLL	Bahrain	BHD 20.000	95%	-	-

## Notes to the Financial Statements

### 5 Equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	95,126	0	211,375	306,501
Cash capital increase	500	372,500	0	373,000
Capital increase and dividend distribution costs	0	0	-85,100	-85,100
Net profit/loss for the year	0	0	-2,852,797	-2,852,797
Transfer from share premium account	0	-372,500	372,500	0
<b>Equity at 31 December</b>	<b>95,626</b>	<b>0</b>	<b>-2,354,022</b>	<b>-2,258,396</b>

The share capital consists of 95,126 shares of a nominal value of DKK 1. No shares carry any special rights.

The share capital has developed as follows:

	2015	2014	2013	2012	2011
	DKK	DKK	DKK	DKK	DKK
Share capital at 1 January	95,126	86,219	80,000	80,000	0
Capital increase	500	8,907	6,219	0	80,000
Capital decrease	0	0	0	0	0
<b>Share capital at 31 December</b>	<b>95,626</b>	<b>95,126</b>	<b>86,219</b>	<b>80,000</b>	<b>80,000</b>

# Notes to the Financial Statements

## 6 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:

	2015 DKK	2014 DKK
<b>Credit institutions</b>		
Between 1 and 5 years	1,089,000	1,485,000
Long-term part	<u>1,089,000</u>	<u>1,485,000</u>
Within 1 year	396,000	396,000
Other short-term debt to credit institutions	639,769	101,249
Short-term part	<u>1,035,769</u>	<u>497,249</u>
	<b><u>2,124,769</u></b>	<b><u>1,982,249</u></b>

## 7 Cash flow statement - adjustments

Financial income	-11,588	-2
Financial expenses	323,005	394,814
Depreciation, amortisation and impairment losses, including losses and gains on sales	15,898	26,544
Income from investments in subsidiaries	0	967,691
	<b><u>327,315</u></b>	<b><u>1,389,047</u></b>

## 8 Cash flow statement - change in working capital

Change in receivables	40,656	-115,005
Change in trade payables, etc	-34,676	-573,459
	<b><u>5,980</u></b>	<b><u>-688,464</u></b>



## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Reewire International ApS for 2015 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.

Financial Statements for 2015 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.

## **Income Statement**

### **Gross profit/loss**

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

### **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.

## **Accounting Policies**

### **Other external expenses**

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

### **Amortisation, depreciation and impairment losses**

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

### **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**

### **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

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,800 are expensed in the year of acquisition.

# Accounting Policies

## 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 and associates

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

## Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

## 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.

## Financial debts

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

## **Accounting Policies**

### **Cash Flow Statement**

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

#### **Cash flows from operating activities**

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

#### **Cash flows from investing activities**

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

#### **Cash flows from financing activities**

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.