

Wexer Virtual - Denmark ApS

Øster Snedevej 15
7120 Vejle Øst
Business Registration No
34732574

Annual report 2017

The Annual General Meeting adopted the annual report on 31.05.2018

Chairman of the General Meeting

Name: Rasmus Elmann Esmaeilzadeh Ingerslev

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Entity details

Entity

Wexer Virtual - Denmark ApS
Øster Snedevej 15
7120 Vejle Øst

Central Business Registration No (CVR): 34732574
Registered in: Vejle
Financial year: 01.01.2017 - 31.12.2017

Executive Board

Rasmus Elmann Esmaeilzadeh Ingerslev, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Wexer Virtual - Denmark 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 my 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.

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

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2017 - 31.12.2017 as complied with.

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

Vejle, 31.05.2018

Executive Board

Rasmus Elmann
Esmaeilzadeh Ingerslev
CEO

The independent auditor's compilation report

To the Management of Wexer Virtual - Denmark ApS

We have compiled the financial statements of Wexer Virtual - Denmark ApS for the financial year 01.01.2017 - 31.12.2017 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Kolding, 31.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Morten Aamand Lund
State Authorised Public Accountant
Identification No (MNE) mne41365

Management commentary

Primary activities

The main activity has consisted of trade, industry and associated activities.

Development in activities and finances

The results from ordinary activities after tax are DKK -121.576 against DKK -454.178 last year. The management consider the results satisfactory.

The company will implement the following initiatives in 2018, that will result in a restoration of equity:
The company expects to re-establish equity through future operations or capital grants.

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</u>
Gross profit		3.491.517	4.219.470
Staff costs	2	(3.662.494)	(4.350.057)
Depreciation, amortisation and impairment losses		<u>(9.750)</u>	<u>(486)</u>
Operating profit/loss		(180.727)	(131.073)
Other financial expenses	3	<u>(89.496)</u>	<u>(323.105)</u>
Profit/loss before tax		(270.223)	(454.178)
Tax on profit/loss for the year	4	<u>148.647</u>	<u>0</u>
Profit/loss for the year		<u>(121.576)</u>	<u>(454.178)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(121.576)</u>	<u>(454.178)</u>
		<u>(121.576)</u>	<u>(454.178)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Completed development projects		19.500	0
Intangible assets	5	19.500	0
Fixed assets		19.500	0
Trade receivables		223.709	344.494
Receivables from group enterprises		3.147.085	798.694
Other receivables		119.208	137.876
Prepayments		4.453	14.295
Receivables		3.494.455	1.295.359
Cash		280.658	396.092
Current assets		3.775.113	1.691.451
Assets		3.794.613	1.691.451

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		<u>(1.684.022)</u>	<u>(1.562.446)</u>
Equity		<u>(1.604.022)</u>	<u>(1.482.446)</u>
Bank loans		67.297	0
Prepayments received from customers		209.184	400.488
Trade payables		156.695	362.612
Payables to group enterprises		4.590.215	2.080.122
Other payables		<u>375.244</u>	<u>330.675</u>
Current liabilities other than provisions		<u>5.398.635</u>	<u>3.173.897</u>
Liabilities other than provisions		<u>5.398.635</u>	<u>3.173.897</u>
Equity and liabilities		<u>3.794.613</u>	<u>1.691.451</u>
Going concern	1		
Contingent liabilities	6		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	80.000	(1.562.446)	(1.482.446)
Profit/loss for the year	0	(121.576)	(121.576)
Equity end of year	80.000	(1.684.022)	(1.604.022)

Notes

1. Going concern

The company expects to re-establish equity through future operations or capital grants.

	<u>2017</u>	<u>2016</u>
2. Staff costs		
Average number of employees	<u>8</u>	<u>8</u>

	<u>2017</u>	<u>2016</u>
	<u>DKK</u>	<u>DKK</u>
3. Other financial expenses		
Other interest expenses	69.534	155.101
Exchange rate adjustments	<u>19.962</u>	<u>168.004</u>
	<u>89.496</u>	<u>323.105</u>

	<u>2017</u>	<u>2016</u>
	<u>DKK</u>	<u>DKK</u>
4. Tax on profit/loss for the year		
Refund in joint taxation arrangement	<u>(148.647)</u>	<u>0</u>
	<u>(148.647)</u>	<u>0</u>

	<u>Completed develop- ment projects DKK</u>
5. Intangible assets	
Cost beginning of year	122.694
Additions	<u>29.250</u>
Cost end of year	<u>151.944</u>
Amortisation and impairment losses beginning of year	(122.694)
Amortisation for the year	<u>(9.750)</u>
Amortisation and impairment losses end of year	<u>(132.444)</u>
Carrying amount end of year	<u>19.500</u>

Notes

6. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where REI Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

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, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. 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 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 expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, 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 with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

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.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

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. The amortisation periods used are 5 years.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns 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.

Accounting policies

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.