

Wexer Virtual - Denmark ApS

Niels Finsensvej 20
7100 Vejle
Business Registration No
34732574

Annual report 2018

The Annual General Meeting adopted the annual report on 15.04.2019

Chairman of the General Meeting

Name: Rasmus Elmann Esmaeilzadeh Ingerslev

Contents

	<u>Page</u>
Entity details	2
Statement by Management on the annual report	2
The independent auditor's compilation report	2
Management commentary	2
Income statement for 2018	2
Balance sheet at 31.12.2018	2
Statement of changes in equity for 2018	2
Notes	2
Accounting policies	2

Entity details

Entity

Wexer Virtual - Denmark ApS
Niels Finsensvej 20
7100 Vejle

Central Business Registration No (CVR): 34732574
Registered in: Vejle
Financial year: 01.01.2018 - 31.12.2018

Executive Board

Rasmus Elmann Esmaeilzadeh Ingerslev

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 01.01.2018 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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

I consider the preconditions for not auditing the financial statements for the financial year 01.01.2018 - 31.12.2018 as complied with.

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

Vejle, 15.04.2019

Executive Board

Rasmus Elmann
Esmaeilzadeh Ingerslev

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 01.01.2018 - 31.12.2018 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, 15.04.2019

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 (93.259) against DKK (121.576) last year. The management consider the results satisfactory.

The company will implement the following initiatives in 2019, 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 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		3.128.025	3.491.517
Staff costs	2	(3.197.408)	(3.662.494)
Depreciation, amortisation and impairment losses		<u>(11.443)</u>	<u>(9.750)</u>
Operating profit/loss		(80.826)	(180.727)
Other financial expenses	3	<u>(12.433)</u>	<u>(89.496)</u>
Profit/loss before tax		(93.259)	(270.223)
Tax on profit/loss for the year	4	<u>0</u>	<u>148.647</u>
Profit/loss for the year		<u>(93.259)</u>	<u>(121.576)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(93.259)</u>	<u>(121.576)</u>
		<u>(93.259)</u>	<u>(121.576)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Completed development projects		9.750	19.500
Intangible assets	5	9.750	19.500
Other fixtures and fittings, tools and equipment		28.784	0
Property, plant and equipment	6	28.784	0
Fixed assets		38.534	19.500
Trade receivables		80.823	223.709
Receivables from group enterprises		5.110.253	3.147.085
Other receivables		113.711	119.208
Prepayments		64.807	4.453
Receivables		5.369.594	3.494.455
Cash		224.876	280.658
Current assets		5.594.470	3.775.113
Assets		5.633.004	3.794.613

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		<u>(1.777.281)</u>	<u>(1.684.022)</u>
Equity		<u>(1.697.281)</u>	<u>(1.604.022)</u>
Bank loans		77.552	67.297
Prepayments received from customers		15.521	209.184
Trade payables		272.690	156.695
Payables to group enterprises		6.521.971	4.590.215
Other payables		<u>442.551</u>	<u>375.244</u>
Current liabilities other than provisions		<u>7.330.285</u>	<u>5.398.635</u>
Liabilities other than provisions		<u>7.330.285</u>	<u>5.398.635</u>
Equity and liabilities		<u>5.633.004</u>	<u>3.794.613</u>
Going concern	1		
Contingent liabilities	7		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
	<u> </u>	<u> </u>	<u> </u>
Equity beginning of year	80.000	(1.684.022)	(1.604.022)
Profit/loss for the year	<u>0</u>	<u>(93.259)</u>	<u>(93.259)</u>
Equity end of year	<u>80.000</u>	<u>(1.777.281)</u>	<u>(1.697.281)</u>

Notes

1. Going concern

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

	2018	2017
	DKK	DKK
2. Staff costs		
Wages and salaries	3.125.308	3.621.147
Pension costs	31.230	0
Other social security costs	0	12.349
Other staff costs	40.870	28.998
	3.197.408	3.662.494
Average number of employees	7	8

	2018	2017
	DKK	DKK
3. Other financial expenses		
Other interest expenses	0	69.534
Exchange rate adjustments	12.433	19.962
	12.433	89.496

	2018	2017
	DKK	DKK
4. Tax on profit/loss for the year		
Refund in joint taxation arrangement	0	(148.647)
	0	(148.647)

Notes

	Completed develop- ment projects DKK
	<u>DKK</u>
5. Intangible assets	
Cost beginning of year	151.944
Cost end of year	<u>151.944</u>
Amortisation and impairment losses beginning of year	(132.444)
Amortisation for the year	<u>(9.750)</u>
Amortisation and impairment losses end of year	<u>(142.194)</u>
Carrying amount end of year	<u>9.750</u>
	Other fixtures and fittings, tools and equipment DKK
	<u>DKK</u>
6. Property, plant and equipment	
Additions	30.477
Cost end of year	<u>30.477</u>
Depreciation for the year	<u>(1.693)</u>
Depreciation and impairment losses end of year	<u>(1.693)</u>
Carrying amount end of year	<u>28.784</u>

7. 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.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial 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.

Accounting policies

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.

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.

Accounting policies

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 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.

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.

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.