



Wexer Virtual - Denmark ApS

Niels Finsensvej 20
7100 Vejle
CVR No. 34732574

Annual report 2019

The Annual General Meeting adopted the
annual report on 22.05.2020

Rasmus Elmann Esmaeilzadeh Ingerslev
Chairman of the General Meeting

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Entity details

Entity

Wexer Virtual - Denmark ApS

Niels Finsensvej 20

7100 Vejle

CVR No.: 34732574

Registered office: Vejle

Financial year: 01.01.2019 - 31.12.2019

Executive Board

Rasmus Elmann Esmaeilzadeh Ingerslev

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Executive Board have today considered and approved the annual report of Wexer Virtual - Denmark ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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 01.01.2019 - 31.12.2019 as complied with.

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

Vejle, 22.05.2020

Executive Board

Rasmus Elmann Esmaeilzadeh Ingerslev

The independent auditor's compilation report

To Management of Wexer Virtual - Denmark ApS

We have compiled the financial statements of Wexer Virtual - Denmark ApS for the financial year 01.01.2019 - 31.12.2019 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, 22.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Morten Almtoft 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 a loss of DKK 173,904 against a profit of DKK 989,398 last year. Management consider the result at expected.

We refer to the description in accounting policies regarding changes in accounting policy.

Further the company has merged with W3X3RAPPS ApS with effect as of 1 December 2019. The merger has very limited effect on the financial statement.

Events after the balance sheet date

The outbreak and spread of COVID-19 in the beginning of 2020 is expected to have an impact on the future activities in the company. It is still too early to estimate the effect in a longer perspective.

No other events have occurred after the balance sheet date to this date, which could influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		2,152,453	3,128,025
Staff costs	3	(1,982,492)	(1,919,787)
Depreciation, amortisation and impairment losses		(347,418)	(206,407)
Operating profit/loss		(177,457)	1,001,831
Other financial income	4	21,767	0
Other financial expenses	5	(18,214)	(12,433)
Profit/loss for the year		(173,904)	989,398
Proposed distribution of profit and loss			
Retained earnings		(173,904)	989,398
Proposed distribution of profit and loss		(173,904)	989,398

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	7	3,115,833	2,281,849
Intangible assets	6	3,115,833	2,281,849
Other fixtures and fittings, tools and equipment		56,931	28,784
Property, plant and equipment	8	56,931	28,784
Fixed assets		3,172,764	2,310,633
Trade receivables		374	80,823
Receivables from group enterprises		6,024,104	5,110,253
Other receivables		149,277	113,711
Prepayments		74,864	64,807
Receivables		6,248,619	5,369,594
Cash		203,795	224,876
Current assets		6,452,414	5,594,470
Assets		9,625,178	7,905,103

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		80,000	80,000
Reserve for development expenditure		2,428,441	1,772,238
Retained earnings		(2,129,553)	(1,277,420)
Equity		378,888	574,818
Other payables		110,852	0
Non-current liabilities other than provisions	9	110,852	0
Bank loans		36,993	77,552
Prepayments received from customers		34,959	15,521
Trade payables		186,935	272,690
Payables to group enterprises		8,549,172	6,521,971
Other payables	10	327,379	442,551
Current liabilities other than provisions		9,135,438	7,330,285
Liabilities other than provisions		9,246,290	7,330,285
Equity and liabilities		9,625,178	7,905,103
Going concern	1		
Events after the balance sheet date	2		
Contingent liabilities	11		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	80,000	0	(1,777,281)	(1,697,281)
Changes in accounting policies	0	1,772,238	499,861	2,272,099
Adjusted equity, beginning of year	80,000	1,772,238	(1,277,420)	574,818
Effect of mergers and business combinations	0	0	(22,026)	(22,026)
Transfer to reserves	0	656,203	(656,203)	0
Profit/loss for the year	0	0	(173,904)	(173,904)
Equity end of year	80,000	2,428,441	(2,129,553)	378,888

Notes

1 Going concern

The company's ability to service all liabilities as they mature depends on continuing support from group enterprises. The company expects payables to group enterprises only to be payable if necessary liquidity is at hand or necessary credit lines to be available from group enterprises. As a consequence Management assess, that necessary funds are available to continue the operations on going concern basis for the upcoming year.

2 Events after the balance sheet date

The outbreak and spread of COVID-19 in the beginning of 2020 is expected to have an impact on the future activities in the company. It is still too early to estimate the effect in a longer perspective.

No other events have occurred after the balance sheet date to this date, which could influence the evaluation of this annual report.

3 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	3,080,979	3,125,308
Pension costs	23,167	31,230
Other social security costs	18,927	0
Other staff costs	21,503	40,870
	3,144,576	3,197,408
Staff costs classified as assets	(1,162,084)	(1,277,621)
	1,982,492	1,919,787
Average number of full-time employees	7	7

4 Other financial income

	2019	2018
	DKK	DKK
Exchange rate adjustments	21,767	0
	21,767	0

5 Other financial expenses

	2019	2018
	DKK	DKK
Exchange rate adjustments	18,214	12,433
	18,214	12,433

6 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,685,704
Additions	1,162,084
Cost end of year	3,847,788
Amortisation and impairment losses beginning of year	(403,855)
Amortisation for the year	(328,100)
Amortisation and impairment losses end of year	(731,955)
Carrying amount end of year	3,115,833

7 Development projects

The company's development projects comprises software development. All development projects will add to the Company's SAAS business. They are expected to improve the long run competitiveness of the products and to benefit the company and future sales significantly. The company expects continuing rising demands for the company's products. The expectations is based on existing understanding of market conditions and sale of existing products

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	30,477
Additions	47,465
Cost end of year	77,942
Depreciation and impairment losses beginning of year	(1,693)
Depreciation for the year	(19,318)
Depreciation and impairment losses end of year	(21,011)
Carrying amount end of year	56,931

9 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK
Other payables	110,852
	110,852

10 Other payables

	2019	2018
	DKK	DKK
Wages and salaries, personal income taxes, social security costs, etc payable	43,395	11,585
Holiday pay obligation	283,984	430,966
	327,379	442,551

11 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.

Changes in accounting policies

The accounting policy of recognizing software development costs as expenditure in the profit and loss has been changed to recognize such costs that meet the criteria therefore as an intangible asset. Management consider that the new policy provides a fairer presentation of the result and of the financial position of the Company because the capitalization of software development will provide more relevant information regarding the longer term economic benefits expected to flow to the entity and amortization of the intangible asset over its useful economic life. The comparative figures in the financial statements and notes have been restated to reflect the new policy. The effects of the change in policy are summarized below:

The equity at 31 December 2018 as previous stated was DKK (1,697,281). The change in accounting policy has resulted in an opening balance adjustment of DKK 2,272,099. The equity at 1 January 2019 as restated is DKK 574,818.

The change in accounting policy has resulted in an increase in profit for 2018 of DKK 1,082,657 and a increase in profit for 2019 of DKK 841,286.

The change in accounting policy has resulted in an increase in assets for 2018 of DKK 2,272,099 and an increase in net assets for 2019 of DKK 3,113,385.

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.

Business combinations

The uniting-of-interests method is applied on mergers where the enterprises concerned are Wexer Virtual - Denmark ApS and W3X3RAPP ApS controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

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, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

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, and tax surcharge under the Danish Tax Prepayment Scheme etc.

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 less deferred tax 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. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 10 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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 comprise 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.