
INPS A/S

Ellegårdvej 7, DK-6400 Sønderborg

**Annual Report for 1 January - 31
December 2018**

CVR No 34 73 32 28

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
1 /5 2019

Jan C. von Backhaus
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of INPS A/S 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.

Sønderborg, 1 May 2019

Executive Board

Allan Kaczmarek
CEO

Board of Directors

Bent Kristensen
Chairman

Peter M. Clausen

Jan C. von Backhaus

Erik Balck Sørensen

Jørgen Klüwer

Independent Auditor's Report

To the Shareholders of INPS A/S

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 INPS A/S 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.

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

Independent Auditor's Report

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.

Independent Auditor's Report

- 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 disclosures 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.

Aarhus, 1 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jesper Lund
statsautoriseret revisor
mne10845

Henrik Trangeled Kristensen
statsautoriseret revisor
mne23333

Company Information

The Company

INPS A/S
Ellegårdvej 7
DK-6400 Sønderborg

CVR No: 34 73 32 28
Financial period: 1 January - 31 December
Municipality of reg. office: Sønderborg

Board of Directors

Bent Kristensen, Chairman
Peter M. Clausen
Jan C. von Backhaus
Erik Balck Sørensen
Jørgen Klüwer

Executive Board

Allan Kaczmarek

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Management's Review

Financial Statements of INPS A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

The purpose of the company is to own shares in aCon A/S, Swipbox A/S, Swipbox International A/S, GShare ApS and Nordic Infrastructure A/S as well as related activities. The purpose of the concern is sales of locker capacity to logistics providers by 1) selling parcel lockers, 2) renting out parcel lockers and 3) selling parcel lockers after the rental period has ended.

Development in the year

The income statement of the Company for 2018 shows a loss of DKK 18,843,766, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 1,956,094.

The company's strategic and financial development is proceeding according to the expected milestones. Considerable investments have been made in infrastructure and the company are currently operating more than 2,000 parcel lockers globally. During 2018, the company's standard products have been sold to multiple international customers.

In 2018, a huge part of the company resources has been employed in the development of the Infinity concept – setting a new innovative standard for parcel lockers, and during spring 2019, the concept will be implemented in Denmark at first and probably 1 or 2 countries more throughout the year.

A subsidiary, Nordic Infrastructure A/S, has been established in the end of 2018 which will handle installation and operation of a large-scale Infinity concept in Denmark.

As part of the Infinity concept the company has been negotiating with significant national customers for them to take part of Infinity network.

The company's production capacity has grown throughout 2018 and a quality management system has been implemented. The company expects to be ISO certified in 2019.

The shareholders are supportive and are ready to provide further capital in the financial year of 2019.

Capital resources

The company is dependent on additional funding through a capital increase in 2019. Early March 2019 a decision was made about a capital increase.

The management has secured the necessary liquidity to continue to operate the company. See note 1 for further information.

Management's Review

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2018 of the Company and the results of the activities of the Company for the financial year for 2018 have not been affected by any unusual events.

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

	Note	2018 DKK	2017 DKK
Gross profit/loss		-4.697.122	-3.715.039
Staff expenses	2	-5.042.113	-3.696.662
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-121.000	-60.500
Profit/loss before financial income and expenses		-9.860.235	-7.472.201
Income from investments in subsidiaries		-6.998.679	-6.682.747
Financial income	3	115.216	64.065
Financial expenses	4	-2.295.007	-2.818.329
Profit/loss before tax		-19.038.705	-16.909.212
Tax on profit/loss for the year	5	194.939	193.529
Net profit/loss for the year		-18.843.766	-16.715.683

Distribution of profit

Proposed distribution of profit

Retained earnings	-18.843.766	-16.715.683
	-18.843.766	-16.715.683

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Other fixtures and fittings, tools and equipment		423.500	544.500
Property, plant and equipment		423.500	544.500
Investments in subsidiaries		23.209.688	29.769.439
Deposits		308.448	302.400
Fixed asset investments		23.518.136	30.071.839
Fixed assets		23.941.636	30.616.339
Trade receivables		11.561	0
Receivables from group enterprises		5.259.430	4.906.579
Other receivables		253.391	96.593
Prepayments		68.827	66.671
Receivables		5.593.209	5.069.843
Cash at bank and in hand		3.694.302	1.499.742
Currents assets		9.287.511	6.569.585
Assets		33.229.147	37.185.924

Balance Sheet 31 December

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		16.022.859	14.222.860
Retained earnings		-14.066.765	-7.461.914
Equity	6	1.956.094	6.760.946
Payables to owners and Management		22.565.943	22.019.923
Other payables		311.301	390.609
Long-term debt	7	22.877.244	22.410.532
Trade payables		233.492	107.577
Payables to group enterprises		7.414.336	7.558.344
Other payables	7	747.981	348.525
Short-term debt		8.395.809	8.014.446
Debt		31.273.053	30.424.978
Liabilities and equity		33.229.147	37.185.924
Going concern	1		
Contingent assets, liabilities and other financial obligations	8		
Accounting Policies	9		

Notes to the Financial Statements

1 Going concern

The Company and subsidiaries dependent on the contribution of additional capital by way of capital increases or other financing to carry through the activities planned for 2019.

Management has ensured the necessary liquidity for the Company and subsidiaries to continue as a going concern.

	2018 DKK	2017 DKK
2 Staff expenses		
Wages and salaries	4.595.866	3.335.087
Pensions	403.447	344.590
Other social security expenses	24.480	16.985
Other staff expenses	18.320	0
	5.042.113	3.696.662
Average number of employees	3	3
3 Financial income		
Interest received from group enterprises	115.216	64.065
	115.216	64.065
4 Financial expenses		
Interest paid to group enterprises	176.131	60.230
Other financial expenses	2.118.876	2.758.099
	2.295.007	2.818.329
5 Tax on profit/loss for the year		
Current tax for the year	0	0
Adjustment of tax concerning previous years	-194.939	-193.529
	-194.939	-193.529

Notes to the Financial Statements

6 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	14.222.860	-7.461.914	6.760.946
Cash capital increase	1.799.999	12.199.987	13.999.986
Exchange adjustments relating to foreign entities	0	38.928	38.928
Net profit/loss for the year	0	-18.843.766	-18.843.766
Equity at 31 December	16.022.859	-14.066.765	1.956.094

7 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:

	2018	2017
	DKK	DKK
Payables to owners and Management		
Between 1 and 5 years	22.565.943	22.019.923
Long-term part	22.565.943	22.019.923
Within 1 year	0	0
	22.565.943	22.019.923
Other payables		
After 5 years	0	46.292
Between 1 and 5 years	311.301	344.317
Long-term part	311.301	390.609
Within 1 year	79.670	75.747
Other short-term payables	668.311	272.778
Short-term part	747.981	348.525
	1.059.282	739.134

Notes to the Financial Statements

	2018 DKK	2017 DKK
8 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with owners and bankers:		
Mortgage deeds registered to the mortgagor totalling DKK 15,000k providing security on intangible assets, property, plant and equipment, trade receivables and other receivables with a total carrying amount of	5.694.491	5.451.079
Rental and lease obligations		
Rental and lease obligations, non-terminable period of minimum 6 months	399.948	925.344

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company has stated they will support aCon A/S, Swipbox A/S, Swipbox International A/S, Swipbox Pty. Ltd., Swipbox Polska sp. z o.o. and GShare ApS with liquidity to ensure continued operations.

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of INPS A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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

Revenue

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

9 Accounting Policies (continued)

Other external expenses

Other external expenses comprise indirect production costs and 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.

Amortisation, depreciation and impairment losses

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

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes to the Financial Statements

9 Accounting Policies (continued)

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 5 years

Depreciation period and residual value are reassessed annually.

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

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of rent deposit.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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.