

Amakitu ApS

Njalsgade 76,4, 2300 København S

Company reg. no. 35 03 12 27

Annual report

1 January - 31 December 2016

The annual report have been submitted and approved by the general meeting on the 19 May 2017.

Jens Bang Liebst
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Amakitu ApS for the financial year 1 January to 31 December 2016.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København S, 10 May 2017

Managing Director

Mikael Breinholst

Board of directors

Henrik Nielsen
Chairman

Joo Wong

Mikael Breinholst

Thomas Ditlev Nyegaard

Independent auditor's report

To the shareholders of Amakitu ApS

Opinion

We have audited the annual accounts of Amakitu ApS for the financial year 1 January to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 10 May 2017

BUUS JENSEN

State Authorised Public Accountants
Company reg. no. 16 11 90 40

Henrik Paaske

State Authorised Public Accountant

Company data

The company

Amakitu ApS
Njalsgade 76,4
2300 København S

Company reg. no. 35 03 12 27
Domicile: Copenhagen, Denmark
Financial year: 1 January - 31 December

Board of directors

Henrik Nielsen, Chairman
Joo Wong
Mikael Breinholst
Thomas Ditlev Nyegaard

Managing Director

Mikael Breinholst

Auditors

BUUS JENSEN, Statsautoriserede revisorer

Subsidiary

Amakitu Pte. Ltd., Singapore, Singapore

Management's review

The principal activities of the company

Like previous years, the principal activity is software development of the Tradeworks platform. Compared to previous years, we had an increased focus on the commercialisation of Tradeworks in 2016, which has continued into 2017.

Uncertainties as to recognition or measurement

The company's development project is recognized at cost with depreciation and write-down according to management's budgets of future earnings.

There is uncertainty associated with estimating future cash flow from development projects that have been short-term on the market.

Development in activities and financial matters

The result for the year and the financial position of the company as per 31 December 2016 is shown in the following profit and loss account, balance sheet and notes.

Capital resources:

The Company is currently undergoing negotiations with investors and credit institutions to facilitate the continuing demand for liquidity. The management of the company is confident that the negotiations will have a positive outcome.

Accounting policies used

The annual report for Amakitu ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross loss

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Dividend from equity investments in group enterprises is recognised in the financial year where the dividend is declared.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Intangible fixed assets

Development projects

Development costs comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development activities.

Clearly defined and identifiable development projects are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

Accounting policies used

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. Usually, the amortisation period is 3 years.

Gain and loss from the sale of development projects are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under amortisation.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies used

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
Gross loss	-633.575	-786.102
3 Staff costs	-455.007	-438.705
Amortisation and writedown relating to intangible fixed assets	-1.598.616	0
Operating profit	-2.687.198	-1.224.807
Income from equity investments in group enterprises	0	-1
Other financial income	14.910	4.077
Other financial costs	-185.842	-43.841
Results before tax	-2.858.130	-1.264.572
Tax on ordinary results	414.709	10.099
Results from ordinary activities after tax	-2.443.421	-1.254.473
Results for the year	-2.443.421	-1.254.473
Proposed distribution of the results:		
Allocated to other reserves	3.558.831	2.997.406
Allocated from results brought forward	-6.002.252	-4.251.879
Distribution in total	-2.443.421	-1.254.473

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
Assets		
Fixed assets		
4 Completed development projects, including patents and similar rights arising from development projects	4.957.621	0
5 Development projects in progress and prepayments for intangible fixed assets	0	2.997.406
Intangible fixed assets in total	<u>4.957.621</u>	<u>2.997.406</u>
6 Equity investments in group enterprises	0	0
Financial fixed assets in total	<u>0</u>	<u>0</u>
Fixed assets in total	<u>4.957.621</u>	<u>2.997.406</u>
Current assets		
Trade debtors	47.989	30.804
Receivable corporate tax	782.943	659.429
Other debtors	63.282	53.070
Accrued income and deferred expenses	115.848	1.706
Debtors in total	<u>1.010.062</u>	<u>745.009</u>
Available funds	915.956	1.939.381
Current assets in total	<u>1.926.018</u>	<u>2.684.390</u>
Assets in total	<u>6.883.639</u>	<u>5.681.796</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2016</u>	<u>2015</u>
Equity			
7	Contributed capital	156.155	152.955
9	Reserve regarding development projects	4.957.621	2.997.406
10	Results brought forward	-1.936.129	1.292.707
	Equity in total	<u>3.177.647</u>	<u>4.443.068</u>
 Provisions			
	Provisions for deferred tax	<u>1.072.624</u>	<u>659.429</u>
	Provisions in total	<u>1.072.624</u>	<u>659.429</u>
 Liabilities			
	Bank debts	<u>2.000.000</u>	<u>0</u>
	Long-term liabilities in total	<u>2.000.000</u>	<u>0</u>
	Trade creditors	19.359	15.000
	Other debts	<u>614.009</u>	<u>564.299</u>
	Short-term liabilities in total	<u>633.368</u>	<u>579.299</u>
	Liabilities in total	<u>2.633.368</u>	<u>579.299</u>
	Equity and liabilities in total	<u>6.883.639</u>	<u>5.681.796</u>

1 Uncertainties concerning the enterprise's ability to continue as a going concern

2 Uncertainties concerning recognition and measurement

11 Mortgage and securities

Notes

All amounts in DKK.

	<u>2016</u>	<u>2015</u>
1. Uncertainties concerning the enterprise's ability to continue as a going concern		
The Company is currently undergoing negotiations with investors and credit institutions to facilitate the continuing demand for liquidity. The management of the company is confident that the negotiations will have a positive outcome.		
2. Uncertainties concerning recognition and measurement		
The company's development project is recognized at cost with depreciation and write-down according to management's budgets of future earnings. There is uncertainty associated with estimating future cash flow from development projects that have been short-term on the market.		
3. Staff costs		
Salaries and wages	2.410.566	2.141.999
Pension costs	120.000	120.000
Other costs for social security	10.098	7.380
Other staff costs	33.229	15.326
Staff costs transferred to assets	-2.118.886	-1.846.000
	<u>455.007</u>	<u>438.705</u>
Average number of employees	<u>4</u>	<u>4</u>
4. Completed development projects, including patents and similar rights arising from development projects		
Cost 1 January 2016	0	0
Additions during the year	<u>6.556.237</u>	<u>0</u>
Cost 31 December 2016	<u>6.556.237</u>	<u>0</u>
Amortisation and writedown 1 January 2016	0	0
Amortisation for the year	<u>-1.598.616</u>	<u>0</u>
Amortisation and writedown 31 December 2016	<u>-1.598.616</u>	<u>0</u>
Book value 31 December 2016	<u>4.957.621</u>	<u>0</u>

Notes

All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>		
5. Development projects in progress and prepayments for intangible fixed assets				
Cost 1 January 2016	2.997.406	0		
Additions during the year	0	2.997.406		
Disposals during the year	<u>-2.997.406</u>	<u>0</u>		
Cost 31 December 2016	<u>0</u>	<u>2.997.406</u>		
Book value 31 December 2016	<u>0</u>	<u>2.997.406</u>		
6. Equity investments in group enterprises				
Acquisition sum, opening balance 1 January 2016	250.001	250.000		
Additions during the year	<u>0</u>	<u>1</u>		
Cost 31 December 2016	<u>250.001</u>	<u>250.001</u>		
Revaluations, opening balance 1 January 2016	-250.001	-250.000		
Writedown for the year	<u>0</u>	<u>-1</u>		
Writedown 31 December 2016	<u>-250.001</u>	<u>-250.001</u>		
Book value 31 December 2016	<u>0</u>	<u>0</u>		
The financial highlights for the enterprises according to the latest approved annual reports				
	Share of ownership	Equity	Results for the year	Book value at Amakitu ApS
Amakitu Pte. Ltd., Singapore, Singapore	100 %	442.283	-127.478	0
7. Contributed capital				
Contributed capital 1 January 2016			152.955	114.397
Cash capital increase			<u>3.200</u>	<u>38.558</u>
			<u>156.155</u>	<u>152.955</u>

Notes

All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
Own shares:		
Acquisitions:		
33.743 shares nominal value 33.743 kr., 21,6% of capital, acquisition price 500.000 kr.		
Sales:		
3.512 shares nominal value 3.512 kr., 2,2% of capital, sales price 878,000 kr.		
Own portfolio:		
30.231 shares nominal value 33.743 kr., 19,4% of capital.		
Warrent programme:		
The company has established a warrant programme of maximum 25.990 DKK nominal value shares.		
8. Share premium account		
Share premium account for the year	796.800	5.508.827
Transferred to results brought forward	<u>-796.800</u>	<u>-5.508.827</u>
	<u>0</u>	<u>0</u>
9. Other reserves		
Other reserves 1 January 2016	2.997.406	0
Provisions of the results for the year	3.558.831	2.997.406
Expensed costs	<u>-1.598.616</u>	<u>0</u>
	<u>4.957.621</u>	<u>2.997.406</u>
10. Results brought forward		
Results brought forward 1 January 2016	1.292.707	35.759
Purchase price own shares	-500.000	0
Sales price own shares	878.000	0
Profit or loss for the year brought forward	-6.002.252	-4.251.879
Transferred from share premium account	796.800	5.508.827
Transferred from other reserves	<u>1.598.616</u>	<u>0</u>
	<u>-1.936.129</u>	<u>1.292.707</u>

Notes

All amounts in DKK.

11. Mortgage and securities

For bank debts, DKK 2.000.000, the company has provided security in company assets representing a nominal value of DKK 2.000.000. This security comprises the below assets, stating the book values:

Development projects	DKK 4.958.000
Receivable from sales and services	DKK 48.000