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# ***Loyalty Key Cardlinked ApS***

Kristianiagade 1, DK-2100 København Ø

## **Annual Report for 2021**

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CVR No 35 23 95 02

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
13/7 2022

Nickolai Arnfeldt Hoff  
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 Loyalty Key Cardlinked ApS for the financial year 1 January - 31 December 2021.

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 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 13 July 2022

### **Executive Board**

Nickolai Arnfeldt Hoff  
Executive Officer

### **Board of Directors**

Mads Emil Fast Dahlerup  
Chairman

Nickolai Arnfeldt Hoff

Casper Ravn-Sørensen

# Independent Auditor's Report

To the Shareholders of Loyalty Key Cardlinked ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Loyalty Key Cardlinked ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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

# Independent Auditor's Report

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.
- 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.

Hellerup, 13 July 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Søren Alexander  
State Authorised Public Accountant  
mne42824

Pawel C. Michalak  
State Authorised Public Accountant  
mne48479

## Company Information

### **The Company**

Loyalty Key Cardlinked ApS  
Kristianiagade 1  
DK-2100 København Ø

CVR No: 35 23 95 02

Financial period: 1 January - 31 December

Incorporated: 10 May 2013

Financial year: 9th financial year

Municipality of reg. office: Copenhagen

### **Board of Directors**

Mads Emil Fast Dahlerup, Chairman  
Nickolai Arnfeldt Hoff  
Casper Ravn-Sørensen

### **Executive Board**

Nickolai Arnfeldt Hoff

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>-3,618,541</b>	<b>-868,600</b>
Staff expenses	3	<u>-8,541,777</u>	<u>0</u>
<b>Profit/loss before depreciation, amortisation and impairment (EBITDA)</b>		<b>-12,160,318</b>	<b>-868,600</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-797,467</u>	<u>-783,346</u>
<b>Profit/loss before financial income and expenses</b>		<b>-12,957,785</b>	<b>-1,651,946</b>
Financial income		3,411	0
Financial expenses		<u>-116,542</u>	<u>-800,222</u>
<b>Profit/loss before tax</b>		<b>-13,070,916</b>	<b>-2,452,168</b>
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
<b>Net profit/loss for the year</b>		<b><u>-13,070,916</u></b>	<b><u>-2,452,168</u></b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		<u>-13,070,916</u>	<u>-2,452,168</u>
		<b><u>-13,070,916</u></b>	<b><u>-2,452,168</u></b>

# Balance Sheet 31 December

## Assets

	Note	2021 DKK	2020 DKK
Completed development projects		0	783,347
<b>Intangible assets</b>	4	<b>0</b>	<b>783,347</b>
Other fixtures and fittings, tools and equipment		56,480	0
<b>Property, plant and equipment</b>	5	<b>56,480</b>	<b>0</b>
Investments in subsidiaries		0	50,000
<b>Fixed asset investments</b>		<b>0</b>	<b>50,000</b>
<b>Fixed assets</b>		<b>56,480</b>	<b>833,347</b>
Trade receivables		493,147	391,889
Receivables from group enterprises		72,372	662,821
Other receivables		696,602	24,940
<b>Receivables</b>		<b>1,262,121</b>	<b>1,079,650</b>
<b>Cash at bank and in hand</b>		<b>208,129</b>	<b>33,121</b>
<b>Currents assets</b>		<b>1,470,250</b>	<b>1,112,771</b>
<b>Assets</b>		<b>1,526,730</b>	<b>1,946,118</b>



# Balance Sheet 31 December

## Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		80,259	80,259
Reserve for development costs		0	611,010
Retained earnings		-17,780,504	-5,320,598
<b>Equity</b>		<b>-17,700,245</b>	<b>-4,629,329</b>
Credit institutions		500,000	1,500,000
Payables to group enterprises		8,775,060	0
<b>Long-term debt</b>	6	<b>9,275,060</b>	<b>1,500,000</b>
Credit institutions	6	1,000,000	1,116,448
Trade payables		1,018,861	133,889
Payables to group enterprises	6	320,389	75,000
Payables to owners and Management		188,062	149,581
Other payables		7,424,603	3,600,529
<b>Short-term debt</b>		<b>9,951,915</b>	<b>5,075,447</b>
<b>Debt</b>		<b>19,226,975</b>	<b>6,575,447</b>
<b>Liabilities and equity</b>		<b>1,526,730</b>	<b>1,946,118</b>
Going concern	1		
Key activities	2		
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

## Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	80,259	611,010	-5,320,598	-4,629,329
Development costs for the year	0	-611,010	611,010	0
Net profit/loss for the year	0	0	-13,070,916	-13,070,916
<b>Equity at 31 December</b>	<b>80,259</b>	<b>0</b>	<b>-17,780,504</b>	<b>-17,700,245</b>

# Notes to the Financial Statements

## 1 Going concern

The Company has lost its share capital and is dependent on further financing to continue its operations. Management has planned a number of capital injections in 2022 including a conversion of loan to equity and cash capital contributions in order to reestablish the Company's share capital and to ensure sufficient liquidity for the Company's operations going forward.

The parent company, Dotcom Capital ApS, has provided a letter of support until 31 December 2022 giving its commitment for further financing so that the Company may pay its obligations as they fall due. Consequently, the financial statements have been prepared under the assumption of going concern.

## 2 Key activities

The company's main activity is the development, maintenance, operation, updating, marketing, sales and distribution of loyalty / cashback programs.

	<u>2021</u> DKK	<u>2020</u> DKK
<b>3 Staff expenses</b>		
Wages and salaries	8,134,320	0
Pensions	295,473	0
Other social security expenses	109,228	0
Other staff expenses	2,756	0
	<u>8,541,777</u>	<u>0</u>
<b>Average number of employees</b>	<u>15</u>	<u>0</u>

# Notes to the Financial Statements

## 4 Intangible assets

	Completed development projects DKK
Cost at 1 January	3,916,731
Cost at 31 December	3,916,731
Impairment losses and amortisation at 1 January	3,133,384
Amortisation for the year	783,347
Impairment losses and amortisation at 31 December	3,916,731
<b>Carrying amount at 31 December</b>	<b>0</b>
Amortised over	5 years

Development projects relate to the Cashback point platform.

## 5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost at 1 January	0
Additions for the year	70,600
Cost at 31 December	70,600
Impairment losses and depreciation at 1 January	0
Depreciation for the year	14,120
Impairment losses and depreciation at 31 December	14,120
<b>Carrying amount at 31 December</b>	<b>56,480</b>

# Notes to the Financial Statements

## 6 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:

	<u>2021</u> DKK	<u>2020</u> DKK
<b>Credit institutions</b>		
Between 1 and 5 years	500,000	1,500,000
Long-term part	500,000	1,500,000
Other short-term debt to credit institutions	1,000,000	1,116,448
	<b><u>1,500,000</u></b>	<b><u>2,616,448</u></b>
<b>Payables to group enterprises</b>		
Between 1 and 5 years	8,775,060	0
Long-term part	8,775,060	0
Other short-term debt to group enterprises	320,389	75,000
	<b><u>9,095,449</u></b>	<b><u>75,000</u></b>

## 7 Contingent assets, liabilities and other financial obligations

### Contingent assets

Due to uncertainty in respect of the timing of exploration, the company has an unrecognized tax asset of approx. DKK 7,033 thousand due to tax losses carried forward.

### 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 is disclosed in the Annual Report of Dotcom Capital ApS, which is the management company of the joint taxation purposes. 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.

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of Loyalty Key Cardlinked ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

### 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

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

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

### Other external expenses

Other external expenses comprise costs related to administration and office expenses, etc.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### **Gross profit/loss**

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for consumables 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.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including administration fees and income from re-invoiced costs, etc.

### **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 subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## **Balance Sheet**

### **Intangible assets**

#### ***Development projects***

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are re-

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

cognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 years.

### Property, plant and equipment

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

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
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets 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 measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.



# Notes to the Financial Statements

## 8 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.

### 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.