ActionPlanner A/S

CVR-no. 35 38 89 31

Diplomvej 381
2800 Kongens Lyngby

Annual Report 2018

(Financial year 1 January 2018 - 31 December 2018)

The Annual Report is presented and adopted at the Annual General Meeting of shareholders on the 12 /04 2019

Amer Ramzan
Chairman of the meeting

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Management's Statement

The Board of Directors and the Executive Board have today considered and approved the Annual Report of 1 January 2018 - 31 December 2018 for ActionPlanner A/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2018.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Kongens Lyngby, 27 February 2019

Executive Board:

Victor Veloso
Direktør

Board of Directors:

Hans Gormsen	Victor Veloso	Søren Pedersen
Amer Ramzan	Christian Bertel Seidelin	

Independent Auditor's Reports

To the Shareholders of ActionPlanner A/S

Opinion

We have audited the Financial Statements of ActionPlanner A/S for the financial year 1 January 2018 - 31 December 2018, which comprise the income statement, balance sheet, notes and accounting policies. The financial statements are 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 of the Company at 31 December 2018 and of the results of the operations for the financial year 1 January 2018 - 31 December 2018, in accordance with the Danish Financial Statements Act.

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.

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.

Independent Auditor's Reports (-continued)

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 judgment and maintain professional skepticism 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.

- 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.

Independent Auditor’s Reports (-continued)

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

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, we conclude that Management’s Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management’s Review.

Allerød, den 27 February 2019
Piaster Revisorerne,
statsautoriseret revisionsaktieselskab
CVR. no.: 25 16 00 37

Steen Dahl Andersen
State Authorized Public Accountant
mne29455

Company details

Company details	ActionPlanner A/S Diplomvej 381 2800 Kongens Lyngby	
	CVR no.:	35 38 89 31
	Founded:	28 June 2013
	Registered office:	Lyngby-Taarbæk
	Financial year:	1 January - 31 December
Executive Board	Victor Veloso	
Board of Directors	Hans Gormsen Victor Veloso Søren Pedersen Amer Ramzan Christian Bertel Seidelin	
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Engholm Parkvej 8 3450 Allerød	
Bank	Nordea Lyngby Hovedgade 98 2800 Lyngby	

Management’s Review

Primary activities of the Company
Primary activities include development, sales and marketing of software and associated services.

The main product ActionPlanner is a web-based software application, built for business people and leaders to more efficiently follow-up on strategies, goals and action plans.

Our mission is to set a new standard for Business Execution Management and vision to enable Execution Excellence (from plan to action and results) and Successful Humans @ Work®.

Development in activities and financial affairs
During 2018 we continued acquiring new clients in Europe and Nordic countries. The clients are from different industries and company sizes, ranging from large Enterprises to SMEs and where the broader product offering has proven to be successful.

Although the company’s financial performance is considered unsatisfying, it is acceptable given the progress and traction the company is experiencing.

Outlook 2019
In 2019 we expect to continue the growth path by further consolidation market shares across client segments and geographies.

The product roadmap will continue to support feature development that enables users to achieve a new and improved standard for Business Execution.

Significant events occurred after the end of the financial year
Except from receiving capital commitment ensuring the company´s continued operation until January 1st 2020, no events materially affecting the financial position of the company have occurred after the end of the financial year.

Income statement 1 January - 31 December

DKK	Notes	2018	2017
Gross loss		**-116.383**	**-375.978**
Staff costs	1	-1.315.673	-2.252.192
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-92.714	-664.721
Other operating expenses		0	-296
Operating profit		**-1.524.770**	**-3.293.187**
Financial expenses	3	-230.503	-186.640
Profit before tax		**-1.755.273**	**-3.479.827**
Tax on profit for the year	4	285.089	763.948
Profit for the year		**-1.470.184**	**-2.715.879**
Proposed distribution of results			
Retained earnings		-1.470.184	-2.715.879
Proposed dividend recognised in equity		0	0
Total distribution		**-1.470.184**	**-2.715.879**

Balance sheet at 31 December

Assets

	Notes	2018	2017
Completed development projects	5	0	55.368
Goodwill	6	0	30.000
Intangible assets		**0**	**85.368**
Fixtures, fittings, tools and equipment	7	0	7.346
Property, plant and equipment		**0**	**7.346**
Long-term investments in group enterprises	8	1.650	1.650
Financial fixed assets		**1.650**	**1.650**
Fixed assets		**1.650**	**94.364**
Trade receivables		52.813	172.042
Other receivables		91.344	167.547
Deferred tax assets	9	370.000	626.000
Receivables		**514.157**	**965.589**
Cash and cash equivalents		**1.092.930**	**1.459.669**
Current assets		**1.607.087**	**2.425.258**
Assets		**1.608.737**	**2.519.622**

Balance sheet at 31 December

Equity and liabilities

	Notes	2018	2017
Share capital		711.818	692.047
Retained earnings		-3.713.461	-2.723.515
Proposed dividend recognised in equity		0	0
Equity	10	**-3.001.643**	**-2.031.468**
Debt to other credit institutions	11	2.097.136	1.861.635
Long-term liabilities other than provisions		**2.097.136**	**1.861.635**
Short-term part of long-term liabilities other than provisions	11	133.975	143.050
Trade payables		185.324	47.835
Other payables		1.045.365	708.696
Deferred income		1.148.580	1.789.874
Short-term liabilities other than provisions		**2.513.244**	**2.689.455**
Liabilities other than provisions		**4.610.380**	**4.551.090**
Equity and liabilities		**1.608.737**	**2.519.622**
Going concern	12		
Contingent liabilities	13		
Mortgages and collaterals	14		

Notes

		2018	2017
1	**Staff costs**		
	Wages and salaries	1.269.781	2.226.238
	Post-employment benefit expense	38.749	8.440
	Social security contributions	7.143	17.514
		1.315.673	**2.252.192**
	Average number of full time employees	3	4
2	**Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss**		
	Depreciation, completed development projects	30.000	30.000
	Depreciation, goodwill	55.368	622.440
	Depreciation, fixtures, fittings, tools and equipment	7.346	12.281
		92.714	**664.721**
3	**Financial expenses**		
	Other financial expenses	230.503	186.640
		230.503	**186.640**
4	**Tax on profit for the year**		
	Joint taxation contribution	0	0
	Adjustment of deferred tax	256.000	-353.000
	Tax paid out due to development costs	-541.089	-410.948
		-285.089	**-763.948**

Tax payables also includes tax payables to group companies.

Notes

		2018	2017
5	**Completed development projects**		
	Cost at 1 January	3.112.171	3.112.171
	Cost at 31 December	3.112.171	3.112.171
	Depreciations at 1 January	3.056.803	2.434.363
	Depreciation for the year	55.368	622.440
	Depreciations at 31 December	3.112.171	3.056.803
	Carrying amount at 31 December	**0**	**55.368**
6	**Goodwill**		
	Cost at 1 January	150.000	150.000
	Cost at 31 December	150.000	150.000
	Depreciations at 1 January	120.000	90.000
	Depreciation for the year	30.000	30.000
	Depreciations at 31 December	150.000	120.000
	Carrying amount at 31 December	**0**	**30.000**

Notes

		2018	2017
7	**Fixtures, fittings, tools and equipment**		
	Cost at 1 January	59.338	62.895
	Disposals	0	-3.557
	Cost at 31 December	59.338	59.338
	Depreciations at 1 January	51.992	42.972
	Depreciation for the year	7.346	12.281
	Impairment losses and depreciation of disposed investments	0	-3.261
	Depreciations at 31 December	59.338	51.992
	Carrying amount at 31 December	**0**	**7.346**

		2018	2017
8	**Long-term investments in group enterprises**		
	Cost at 1 January	1.650	1.650
	Additions	0	0
	Cost at 31 December	1.650	1.650
	Revaluations at 1 January	0	0
	Share of loss for the year	0	0
	Dividends received from group enterprises	0	0
	Revaluations at 31 December	0	0
	Carrying amount at 31 December	**1.650**	**1.650**

Information from the latest financial statements

	Ownership Percentage	Share Capital	Profit for the year	Equity
ActionPlanner CZ s.r.o. Czech Republic Company No. 049 55 218	100%	CZK 6000	CZK 32.000	CZK -131.000

Notes

		2018	2017
9	**Provisions for deferred tax**		
	Deferred tax at 1 January	626.000	273.000
	Revaluation of deferred tax this year	-256.000	353.000
		370.000	**626.000**

10	**Equity**		
	Share capital at 1 January	692.047	679.547
	Capital increase	19.771	12.500
	Share capital at 31 December	711.818	692.047
	Retained earnings at 1 January	-2.723.515	-495.136
	Share premium	480.238	487.500
	Proposed distribution of results this year	-1.470.184	-2.715.879
	Retained earnings at 31 December	-3.713.461	-2.723.515
	Proposed dividend recognised in equity at 1 January	0	0
	Extraordinary dividend recognised in equity this year	0	0
	Dividend paid	0	0
	Proposed distribution of results	0	0
	Proposed dividend recognised in equity at 31 December	0	0
	Equity 31 December	**-3.001.643**	**-2.031.468**

Notes

	2018	2017
Development in share capital during the last 5 years		
Share capital from incorporation in 2013	500.000	500.000
Share capital from capital increase in 2014	132.911	132.911
Share capital from capital increase in 2015	33.312	33.312
Share capital from capital increase in 2016	13.324	13.324
Share capital from capital increase in 2017	12.500	12.500
Share capital from capital increase in 2018	19.771	0
	711.818	**692.047**
Warrants issued	**37.693**	
Share capital		
Share capital is divided as follows:		
Shares, 7.118.180 pcs. of nominal value 0,10 DKK.	711.818	692.047
	711.818	**692.047**

11 Long-term liabilities other than provisions

	Total debt 31 December	Repayment next year	Long-term part	Unpaid debt after 5 years
Debt to other credit institutions	2.231.111	133.975	2.097.136	1.642.405
	2.231.111	**133.975**	**2.097.136**	**1.642.405**

Notes

12 Going concern

The company´s continued operation until January 1st 2020, is ensured by capital commitment in 2019.

13 Contingent liabilities

The company is a subsidiary in joint taxation with Veloso Lema Holding ApS and Veloso ApS. The companies in the joint taxation are jointly liable on corporation taxes and taxes on dividends, interest and royalties.

14 Mortgages and collaterals

As collateral for the loan at tDKK 2.231 from Vækstfonden, there are submitted floating company charge at tDKK 2.000. The floating company charge includes the company's intangible assets, tangible assets, inventories and current receivables at 31 December 2018 with a total book value of tDKK 144.

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

General

Reporting currency
The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring
Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On inital recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

Currency translation
Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Accounting policies

Non-current assets aquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Consolidated financial statements
In accordance with the exemption in the section 112 of the Danish Financial Statements Act no consolidated financial statements have been prepared.

Income statement

Gross profit
With reference to section 32 of the Danish Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

Revenue
Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a commiting sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

Cost of revenue
Cost of revenue include costs incurred to achieve revenue for the year. Cost of revenue include freight and forwarding costs.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Staff costs
Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Other operating income and expenses
Other operating income and expenses includes items of a secondary nature relative to the enterprise’s core business.

Accounting policies

Dividends from group enterprises
Received dividends in the financial year from group enterprises are recognized in the income

Income from other investments and receivables that are fixed assets
Dividend, interest and realized and unrealized gains and losses regarding share Investment, securities and receivables are recognized In the income statement.

Financial items
Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense
Tax on income for the year, consisting of the year’s current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Balance sheet

Intangible assets
Development expenses in 2013 and goodwill are measured at historic cost less accumulated amortisation and impairment losses. Development and goodwill expenses are depreciated over the estimated useful economic life. The useful life is estimated at 5 years.

The amortization period is based on a evaluation of the Company's market position and earnings profile.

Development costs from 2014 and onwards are recognized in the profit and loss account when they occur.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or other operating expenses.

Accounting policies

Impairment of intangible assets
The carrying amount of intangible assets is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by amortisations. If this is the case a impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Property, plant and equipment
Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	Useful life	Expected scrap value
Fixtures, fittings, tools and equipment	5 years	0%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

Accounting policies

Impairment of property, plant and equipment
The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Financial fixed assets
Investments in group enterprises are recognized at historic cost less accumulated impairment losses. If the historic cost exceeds the recoverable amount the investment is written down to this lower value.

Receivables
Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Deferred income
Deferred income, recognized under liabilities, comprise income concerning subsequent financial years.

Other short-term investments
When is likely that the total cost will exceed the total income on a specific task, the expected loss will be recognized in the in income statement.

Cash and bank balances
Cash comprises cash balances and bank balances.

Accounting policies

Current tax and current deferred tax
Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deffered tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measuered at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities
Borrowings are recognized at the time the loans are obtained and are initially measured at the proceeds received less transaction costs. In the subsequent periods, financial liabilities are measured at amortized cost, applying the 'effective interest rate method', to the effect that the difference between the proceeds and the nominal value is recognized in the income statement under financial expenses over the term of the loan.

Other liabilities are measured at amortized cost, corresponding to the nominal value.