

OPEN POS Denmark ApS


Herstedøstervej 27 A, 1., 2620 Albertslund

CVR no. 35 40 47 67

Annual report 2019

Approved at the Company's annual general meeting on 30 June 2020

Chairman:


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Michael Hedtöf





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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of OPEN POS Denmark ApS for the financial year 1 January - 31 December 2019.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Board of Directors and the Executive Board have considered the criteria for omission of audit to be met.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the annual general meeting.

Albertslund, 30 June 2020
Executive Board:



Mikael Leif Hedlöf

Board of Directors:



Mikael Leif Hedlöf
Chairman



Christian Gyllerwaldt

Independent auditor's report

To the shareholder of OPEN POS Denmark ApS

Conclusion

We have conducted an extended review of the financial statements of OPEN POS Denmark ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's standard on extended review for Small entities and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 that 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and perform specifically required supplementary procedures to obtain additional assurance for our conclusion.

An extended review comprises procedures that primarily consist of making enquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.



Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 June 2020
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'Birgit M. Schröder', with a checkmark at the end.

Birgit Morville Schröder
State Authorised Public Accountant
mne21337



Management's review

Company details

Name	OPEN POS Denmark ApS
Address, Postal code, City	Herstedøstervej 27 A, 1., 2620 Albertslund
CVR no.	35 40 47 67
Established	18 July 2013
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Mikael Leif Hedlöf, Chairman Christian Gyllenwaldt
Executive Board	Mikael Leif Hedlöf
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company's activities comprise sale of cashier systems and payment terminals and other activities which Management assesses as related.

Financial review

The income statement for 2019 shows a profit of DKK 325 thousand against a loss of DKK 641 thousand last year, and the balance sheet at 31 December 2019 shows equity of DKK 127 thousand.

The Company has lost more than half of the share capital and is subject to the provisions on re-establishment of the share capital under the Danish Companies Act.

The Company has completed its discussions with the parent company, OS Group AB, on the financing required to cover the Company's liabilities up to and including 31 December 2020, including fulfilment of a letter of support issued to OpenSolution Denmark ApS. In 2020, the financing and equity base will be sufficient for the Company to meet its liabilities for a period of at least 12 months after the preparation of the annual report.

Events after the balance sheet date

As a result of the new Corona virus, Covid-19, and its spread throughout the world during Q1 2020, parts of the company are assessed to be greatly affected. The company supplies payment services and cash registers to customers who, as a result of Covid-19, have been severely affected. During 2020, therefore, sales are expected to decrease and the risk of customer losses increase. However, the long-term consequences of the virus outbreak and its effects cannot be assessed at present. The company has taken measures to reduce costs and minimize the consequences of the virus outbreak and the organization will be reviewed to adapt the business to the future market situation.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2019	2018
	Gross profit	580	707
2	Staff costs	-344	-1,401
	Profit/loss before net financials	236	-694
3	Financial income	29	83
4	Financial expenses	-29	-30
	Profit/loss before tax	236	-641
5	Tax for the year	89	0
	Profit/loss for the year	325	-641
	Recommended appropriation of profit/loss	325	-641
	Retained earnings/accumulated loss	325	-641



Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2019	2018
	ASSETS		
	Fixed assets		
	Investments		
	Deposits	0	31
		<u>0</u>	<u>31</u>
	Total fixed assets	<u>0</u>	<u>31</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	308	747
	Deferred tax assets	89	0
	Corporation tax receivable	146	258
	Prepayments	0	48
		<u>543</u>	<u>1,053</u>
	Cash	<u>640</u>	<u>264</u>
	Total non-fixed assets	<u>1,183</u>	<u>1,317</u>
	TOTAL ASSETS	<u><u>1,183</u></u>	<u><u>1,348</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2019	2018
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	80	80
	Retained earnings	47	-278
	Total equity	<u>127</u>	<u>-198</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	31	154
	Payables to group enterprises	776	545
	Other payables	173	528
	Deferred income	76	319
		<u>1,056</u>	<u>1,546</u>
	Total liabilities other than provisions	<u>1,056</u>	<u>1,546</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>1,183</u></u>	<u><u>1,348</u></u>

- 1 Accounting policies
- 7 Collateral
- 8 Related parties



Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2019	80	-278	-198
Transfer through appropriation of profit	0	325	325
Equity at 31 December 2019	80	47	127

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of OPEN POS Denmark ApS for 2019 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Investments

Deposits are recognised at cost.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of consumables comprises the cost of acquisition plus delivery costs.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short-term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

2 Events after the balance sheet date

As a result of the new Corona virus, Covid-19, and its spread throughout the world during Q1 2020, parts of the company are assessed to be greatly affected. The company supplies payment services and cash registers to customers who, as a result of Covid-19, have been severely affected. During 2020, therefore, sales are expected to decrease and the risk of customer losses increase. However, the long-term consequences of the virus outbreak and its effects cannot be assessed at present. The company has taken measures to reduce costs and minimize the consequences of the virus outbreak and the organization will be reviewed to adapt the business to the future market situation.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	<u>2019</u>	<u>2018</u>
3 Staff costs		
Wages/salaries	353	1,382
Other social security costs	-9	14
Other staff costs	0	5
	<u>344</u>	<u>1,401</u>
Average number of full-time employees	<u>1</u>	<u>4</u>
4 Financial income		
Other financial income	29	83
	<u>29</u>	<u>83</u>
5 Financial expenses		
Other financial expenses	29	30
	<u>29</u>	<u>30</u>
6 Tax for the year		
Deferred tax adjustments in the year	-89	0
	<u>-89</u>	<u>0</u>

The company has an unposted tax asset of DKK 141 thousand.

7 Share capital

The Company's share capital has remained DKK 80 thousand over the past 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2019.

9 Related parties

OPEN POS Denmark ApS' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
OS Group AB	Lindholmspiren 7A, 417 56 Göteborg, Sweden	Parent - Participating interest

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
OS Nordic Group AB	Lindholmspiren 7A, 417 56 Göteborg, Sweden