

Allunite A/S

Tobaksvejen 23 B, 1. tv.
2860 Soeborg
Business Registration No
35410805

Annual report 2018

The Annual General Meeting adopted the annual report on

Chairman of the General Meeting

Name:

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Entity details

Entity

Allunite A/S
Tobaksvejen 23 B, 1. tv.
2860 Soeborg

Central Business Registration No (CVR): 35410805

Registered in: Gladsaxe

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Jesper Lilledal Holmgaard, Chairman
Christian Nicholas Rosenkrantz Stadil
Kasper Bloch Gevaldig
Esben Emil Elmøe

Executive Board

Kasper Bloch Gevaldig
Esben Emil Elmøe

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C
Lead Client Service Partner: Bjørn Winkler Jakobsen

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Allunite A/S for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Søborg,

Executive Board

Kasper Bloch Gevaldig

Esben Emil Elmøe

Board of Directors

Jesper Lilledal Holmgaard

Christian Nicholas Rosenkrantz
Stadil

Kasper Bloch Gevaldig

Chairman

Esben Emil Elmøe

Independent auditor's report

To the shareholders of Allunite A/S

Opinion

We have audited the financial statements of Allunite A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen,

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Henrik Wolff Mikkelsen
State Authorised Public Accountant
Identification No (MNE) mne33747

Management commentary

Primary activities

The company's main activity consists in offering the Mobile Marketing Platform as a service.

Development in activities and finances

The company has in 2018 continued investing both development and go-to-market resources in its unique technology and therefore the company's income statement for the financial year 1 January 2018 - 31 December 2018 shows a loss of 4,424K DKK. The Company's balance sheet per 31 December 2018 shows total assets of 11,745K DKK and a negative equity of 7,263K DKK.

The company has in April 2018 received additional funding in the form of a capital increase of 5 million DKK. The company has in 2019 continued the planned development and market related activities. Further, Management has had dialogue with the company shareholders regarding financial support of the company. Based on these factors and the budget for 2019, Management considers the company as a going concern.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Gross loss		(226.215)	(481)
Staff costs	1	(1.489.792)	(4.139)
Depreciation, amortisation and impairment losses	2	<u>(1.779.049)</u>	<u>(1.044)</u>
Operating profit/loss		(3.495.056)	(5.664)
Other financial income		2.461	25
Other financial expenses		<u>(1.912.212)</u>	<u>(1.457)</u>
Profit/loss before tax		(5.404.807)	(7.096)
Tax on profit/loss for the year	3	<u>981.115</u>	<u>1.619</u>
Profit/loss for the year		<u>(4.423.692)</u>	<u>(5.477)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(4.423.692)</u>	<u>(5.477)</u>
		<u>(4.423.692)</u>	<u>(5.477)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Completed development projects		7.330.176	5.788
Intangible assets	4	<u>7.330.176</u>	<u>5.788</u>
Other fixtures and fittings, tools and equipment		93.960	0
Property, plant and equipment	5	<u>93.960</u>	<u>0</u>
Deposits		125.079	113
Fixed asset investments	6	<u>125.079</u>	<u>113</u>
Fixed assets		<u>7.549.215</u>	<u>5.901</u>
Manufactured goods and goods for resale		315.593	116
Inventories		<u>315.593</u>	<u>116</u>
Trade receivables		985.937	545
Other receivables		411.828	293
Income tax receivable		992.000	1.133
Prepayments		83.091	84
Receivables		<u>2.472.856</u>	<u>2.055</u>
Cash		<u>1.407.558</u>	<u>2.532</u>
Current assets		<u>4.196.007</u>	<u>4.703</u>
Assets		<u>11.745.222</u>	<u>10.604</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital		1.401.853	950
Reserve for development expenditure		5.717.537	4.415
Retained earnings		<u>(14.382.571)</u>	<u>(13.164)</u>
Equity		<u>(7.263.181)</u>	<u>(7.799)</u>
Debt to other credit institutions		<u>11.493.581</u>	<u>15.517</u>
Non-current liabilities other than provisions	7	<u>11.493.581</u>	<u>15.517</u>
Current portion of long-term liabilities other than provisions	7	5.793.836	0
Trade payables		267.588	1.589
Other payables		830.694	807
Deferred income		<u>622.704</u>	<u>490</u>
Current liabilities other than provisions		<u>7.514.822</u>	<u>2.886</u>
Liabilities other than provisions		<u>19.008.403</u>	<u>18.403</u>
Equity and liabilities		<u>11.745.222</u>	<u>10.604</u>
Unrecognised rental and lease commitments	8		

Statement of changes in equity for 2018

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	949.950	0	4.415.580
Increase of capital	451.903	4.506.689	0
Transferred from share premium	0	(4.506.689)	0
Profit/loss for the year	<u>0</u>	<u>0</u>	<u>1.301.957</u>
Equity end of year	<u>1.401.853</u>	<u>0</u>	<u>5.717.537</u>
		Retained earnings DKK	Total DKK
		<u>DKK</u>	<u>DKK</u>
Equity beginning of year		(13.163.611)	(7.798.081)
Increase of capital		0	4.958.592
Transferred from share premium		4.506.689	0
Profit/loss for the year		<u>(5.725.649)</u>	<u>(4.423.692)</u>
Equity end of year		<u>(14.382.571)</u>	<u>(7.263.181)</u>

Notes

	2018	2017
	DKK	DKK'000
1. Staff costs		
Wages and salaries	1.207.762	3.540
Pension costs	119.861	84
Other social security costs	30.180	40
Other staff costs	131.989	475
	1.489.792	4.139
Average number of employees	6	7
	2018	2017
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.755.559	1.044
Depreciation of property, plant and equipment	23.490	0
	1.779.049	1.044
	2018	2017
	DKK	DKK'000
3. Tax on profit/loss for the year		
Current tax	(992.000)	(1.133)
Adjustment concerning previous years	10.885	(486)
	(981.115)	(1.619)

Notes

	Completed develop- ment projects DKK
	<u>DKK</u>
4. Intangible assets	
Cost beginning of year	7.503.810
Additions	4.047.973
Disposals	<u>(750.000)</u>
Cost end of year	<u>10.801.783</u>
Amortisation and impairment losses beginning of year	(1.716.048)
Amortisation for the year	<u>(1.755.559)</u>
Amortisation and impairment losses end of year	<u>(3.471.607)</u>
Carrying amount end of year	<u>7.330.176</u>
The intangible assets comprise of development projects related to the companies primary activities, and is therefore an integral part of the companies future strategy and the expectations for the future.	
	Other fixtures and fittings, tools and equipment DKK
	<u>DKK</u>
5. Property, plant and equipment	
Additions	<u>117.450</u>
Cost end of year	<u>117.450</u>
Depreciation for the year	<u>(23.490)</u>
Depreciation and impairment losses end of year	<u>(23.490)</u>
Carrying amount end of year	<u>93.960</u>

Notes

	Deposits	
	DKK	
	<u> </u>	
6. Fixed asset investments		
Cost beginning of year		112.500
Additions		<u>12.579</u>
Cost end of year		<u>125.079</u>
Carrying amount end of year		<u>125.079</u>
	Due within 12	Due after
	months	more than 12
	2018	2018
	DKK	DKK
	<u> </u>	<u> </u>
7. Liabilities other than provisions		
Debt to other credit institutions	<u>5.793.836</u>	<u>11.493.581</u>
	<u>5.793.836</u>	<u>11.493.581</u>
	2018	2017
	DKK	DKK'000
	<u> </u>	<u> </u>
8. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>150.588</u>	<u>181.081</u>

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises and marketing costs.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.