



Allunite A/S

Tobaksvejen 25, st.
2860 Søborg
CVR No. 35410805

Annual report 2019

The Annual General Meeting adopted the
annual report on 12.06.2020

Kasper Bloch Gevaldig

Chairman of the General Meeting

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Entity details

Entity

Allunite A/S

Tobaksvejen 25, st.

2860 Søborg

CVR No.: 35410805

Registered office: Gladsaxe

Financial year: 01.01.2019 - 31.12.2019

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

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Allunite A/S for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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, 12.06.2020

Executive Board

Kasper Bloch Gevaldig

Esben Emil Elmøe

Board of Directors

Jesper Lilledal Holmgaard
Chairman

Christian Nicholas Rosenkrantz Stadil

Kasper Bloch Gevaldig

Esben Emil Elmøe

Independent auditor's report

To the shareholders of Allunite A/S

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Allunite A/S for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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:

- 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.

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.

Violation of company law and similar legislation

The company have in violation with the Danish Companies Act provided a loan to management member. For which the management may be held responsible. Interest has been calculated on the loan in accordance with the legislation. The loan and interest have been repaid in accordance with the legislation before approval of the annual report. We refer to note 9 where the loan is further described.

Copenhagen, 12.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 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.

Description of material changes in activities and finances

The company has in 2019 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 2019 - 31 December 2019 shows a loss of 2,971K DKK. The Company's balance sheet per 31 December 2019 shows total assets of 13,508K DKK and a negative equity of 8,132K DKK.

The company has in 2020 continued the planned development and market related activities. Further, Management has had dialogue with the company shareholders regarding financial support of the company. It is the management's expectation to receive a significant capital injection in the summer of 2020, to support the ongoing development. Based on the cash availability of the company, the development and cashburn will be adjusted.

Based on these factors and the budget for 2020, 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. The outbreak of Covid19 in early 2020 have not influenced the business in any material aspects, and is not expected to materially influence the business in the rest of 2020.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		1,023,734	(226,215)
Staff costs	2	(150,360)	(1,489,792)
Depreciation, amortisation and impairment losses	3	(2,405,859)	(1,779,049)
Operating profit/loss		(1,532,485)	(3,495,056)
Other financial income		3,892	2,461
Other financial expenses		(2,091,293)	(1,912,212)
Profit/loss before tax		(3,619,886)	(5,404,807)
Tax on profit/loss for the year	4	829,121	981,115
Profit/loss for the year		(2,790,765)	(4,423,692)
Proposed distribution of profit and loss			
Retained earnings		(2,790,765)	(4,423,692)
Proposed distribution of profit and loss		(2,790,765)	(4,423,692)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	6	8,324,503	7,330,176
Intangible assets	5	8,324,503	7,330,176
Other fixtures and fittings, tools and equipment		70,470	93,960
Property, plant and equipment	7	70,470	93,960
Deposits		125,079	125,079
Other financial assets	8	125,079	125,079
Fixed assets		8,520,052	7,549,215
Manufactured goods and goods for resale		279,544	315,593
Inventories		279,544	315,593
Trade receivables		1,690,762	985,937
Other receivables		195,320	411,828
Income tax receivable		828,724	992,000
Receivables from owners and management	9	37,958	0
Prepayments		179,587	83,091
Receivables		2,932,351	2,472,856
Cash		1,776,263	1,407,558
Current assets		4,988,158	4,196,007
Assets		13,508,210	11,745,222

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		1,465,919	1,401,853
Reserve for development expenditure		6,493,113	5,717,537
Retained earnings		(16,090,998)	(14,382,571)
Equity		(8,131,966)	(7,263,181)
Debt to other credit institutions		12,885,670	11,493,581
Other payables		60,079	0
Non-current liabilities other than provisions	10	12,945,749	11,493,581
Current portion of non-current liabilities other than provisions	10	6,373,219	5,793,836
Trade payables		245,884	267,588
Other payables		236,807	830,694
Deferred income		1,838,517	622,704
Current liabilities other than provisions		8,694,427	7,514,822
Liabilities other than provisions		21,640,176	19,008,403
Equity and liabilities		13,508,210	11,745,222
Going concern	1		
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		

Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,401,853	0	5,717,537	(14,382,571)	(7,263,181)
Increase of capital	64,066	1,857,914	0	0	1,921,980
Transferred from share premium	0	(1,857,914)	0	1,857,914	0
Transfer to reserves	0	0	775,576	(775,576)	0
Profit/loss for the year	0	0	0	(2,790,765)	(2,790,765)
Equity end of year	1,465,919	0	6,493,113	(16,090,998)	(8,131,966)

Notes

1 Going concern

The company has in 2020 continued the planned development and market related activities. Further, Management has had dialogue with the company shareholders regarding financial support of the company. It is the management's expectation to receive a significant capital injection in the summer of 2020, to support the ongoing development. Based on the cash availability of the company, the development and cashburn will be adjusted.

Based on these factors and the budget for 2020, Management considers the company as a going concern.

2 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	(138,375)	1,207,762
Pension costs	112,600	119,861
Other social security costs	13,365	30,180
Other staff costs	162,770	131,989
	150,360	1,489,792
Average number of full-time employees	2	6

3 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Amortisation of intangible assets	2,382,369	1,755,559
Depreciation of property, plant and equipment	23,490	23,490
	2,405,859	1,779,049

4 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	(828,724)	(992,000)
Adjustment concerning previous years	(397)	10,885
	(829,121)	(981,115)

5 Intangible assets

	Completed development projects DKK
Cost beginning of year	10,801,783
Additions	3,376,696
Cost end of year	14,178,479
Amortisation and impairment losses beginning of year	(3,471,607)
Amortisation for the year	(2,382,369)
Amortisation and impairment losses end of year	(5,853,976)
Carrying amount end of year	8,324,503

6 Development projects

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.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	117,450
Cost end of year	117,450
Depreciation and impairment losses beginning of year	(23,490)
Depreciation for the year	(23,490)
Depreciation and impairment losses end of year	(46,980)
Carrying amount end of year	70,470

8 Financial assets

	Deposits DKK
Cost beginning of year	125,079
Cost end of year	125,079
Carrying amount end of year	125,079

9 Receivables from owners and management

	Executive Board DKK
Receivables	37,958
Interest rate (%)	10,05

10 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due within 12 months 2018 DKK	Due after more than 12 months 2019 DKK
Debt to other credit institutions	6,373,219	5,793,836	12,885,670
Other payables	0	0	60,079
	6,373,219	5,793,836	12,945,749

11 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	106,435	150,588

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where KE Holding Anno 2013 ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

The entity is liable for taxes related to the repayment of the illegal loan to a management member. The company holds the liability to perform the payment of taxes, and reclaim these from the management member.

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.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

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.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial 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.

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 less deferred tax 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, and 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.

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.