

Capitalaid DK ApS

c/o Alexander Staun-Rechnitzer,
Torndalsvej 13
9240 Nibe
Central Business Registration No
35479023

Annual report 2017

The Annual General Meeting adopted the annual report on 30.05.2018

Chairman of the General Meeting

Name: Torben Pedersen

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Entity details

Entity

Capitalaid DK ApS

c/o Christian RJ Nielsen, Thad Jones Vej 10, 3.tv

2450 København SV

Central Business Registration No: 35479023

Founded: 20.09.2013

Registered in: København

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Morten Lund Nielsen

Torben Pedersen

Jimmy Fussing Nielsen

Executive Board

Torben Pedersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Capitalaid DK ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Copenhagen, 30.05.2018

Executive Board

Torben Pedersen

Board of Directors

Morten Lund Nielsen

Torben Pedersen

Jimmy Fussing Nielsen

Independent auditor's report

To the shareholders of Capitalaid DK ApS

Opinion

We have audited the financial statements of Capitalaid DK ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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.

Material uncertainty related to going concern

Without qualifying our opinion, we draw attention to the fact that the Company has negative equity at 31 December 2017 and to the Management commentary and Note 1 where it is mentioned that Management has concluded that the Company is expected to have adequate cash to meet its obligations at least until 31 December 2018, whereby the financial statements have been prepared assuming that the Company is a going concern. Based on the audit performed we concur that it is appropriate to prepare the financial statements on a going-concern basis.

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

Independent auditor's report

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.

Independent auditor's report

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.

Copenhagen, 30.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Kim Takata Mücke
State Authorised Public Accountant
Identification number (MNE) mne10944

Management commentary

Primary activities

The Company was established as a financial technology company with the plan to offer technology based factoring services. To fund the Company's activities the Company succeeded to obtain venture capital financing from Sunstone Technology Ventures Fund III K/S and a syndication loan from Vækstfonden.

During its first year the Company entered into a collaboration with Tradeshift to permit the Company to offer factoring services via the Tradeshift invoicing platform. Later on – still in the first year – the parties agreed to terminate the collaboration, and after which the Company is not any longer engaged in active operations.

As part of terminating the collaboration with Tradeshift, Tradeshift agreed to refund an amount to the Company in cash to partly cover costs relating to the close down of all operations, including the close-down of the Capitalaid Ltd., UK. The refund was received in 2015 and was included in the financial statements for 2015. In addition, the Company is entitled to receive a profit share from Tradeshift up until 1 November 2019 from certain specifically agreed activities, and from 2 November 2019 the Company is entitled to receive a revenue share from the same activities. The Company has an option exchange the right to shares in Tradeshift.

Development in activities and finances

The net loss for the year amounts to DKK 2,212 thousand.

As of 31 December 2017 the equity is negative by DKK 7,800 thousand.

The negative equity is primarily financed by the syndication loan from Vækstfonden of DKK 11,204 thousand including added interest, which falls due in 2021.

Due to the negative equity, Management has assessed whether the Company can continue its activities at least until 31 December 2018. Management has concluded that with the current cash in hand the Company has adequate funds to meet its known and expected payment obligations in 2018, and therefore, Management has concluded that it is appropriate to prepare the financial statements assuming that the Company is a going concern, at least until 31 December 2018.

With respect to restoring the negative equity in the longer term, this will await and depend on the potential future revenue/profit share from Tradeshift and the value of the option, if exercised to shares in Tradeshift.

Uncertainty relating to recognition and measurement

The option to exchange future profit/revenue share to shares in Tradeshift has been valued at DKK 3,989 thousand at 31 December 2017. The valuation includes a number of variables, of which the market value of Tradeshift is a key variable. Management believes they have made the valuation of the option on a prudent basis based – among other things – on a market value of Tradeshift as mentioned in public available information of its latest fundraising. The valuation of the option is by nature uncertain, including uncertainty as to whether the option will be exercised and the underlying value of Tradeshift at the time the option may be exercised.

Management commentary

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 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Gross loss		(1.164.921)	(1.692.000)
Depreciation, amortisation and impairment losses		(6.121)	(6.121)
Operating profit/loss		(1.171.042)	(1.698.121)
Other financial expenses	2	(1.302.108)	(1.157.037)
Profit/loss before tax		(2.473.150)	(2.855.158)
Tax on profit/loss for the year	3	0	645.753
Profit/loss for the year		(2.473.150)	(2.209.405)
Proposed distribution of profit/loss			
Retained earnings		(2.473.150)	(2.209.405)
		(2.473.150)	(2.209.405)

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Acquired intangible assets		<u>12.244</u>	<u>18.365</u>
Intangible assets	4	<u>12.244</u>	<u>18.365</u>
Other investments		<u>3.989.269</u>	<u>3.989.269</u>
Fixed asset investments	5	<u>3.989.269</u>	<u>3.989.269</u>
Fixed assets		<u>4.001.513</u>	<u>4.007.634</u>
Cash		<u>1.011.628</u>	<u>3.190.251</u>
Current assets		<u>1.011.628</u>	<u>3.190.251</u>
Assets		<u>5.013.141</u>	<u>7.197.885</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital	6	90.879	90.879
Retained earnings		<u>(7.890.440)</u>	<u>(5.417.290)</u>
Equity		<u>(7.799.561)</u>	<u>(5.326.411)</u>
Other payables		<u>11.204.075</u>	<u>10.773.460</u>
Non-current liabilities other than provisions		<u>11.204.075</u>	<u>10.773.460</u>
Payables to shareholders and management		24.752	23.598
Other payables		<u>1.583.875</u>	<u>1.727.238</u>
Current liabilities other than provisions		<u>1.608.627</u>	<u>1.750.836</u>
Liabilities other than provisions		<u>12.812.702</u>	<u>12.524.296</u>
Equity and liabilities		<u>5.013.141</u>	<u>7.197.885</u>
Going concern	1		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	90.879	(5.417.290)	(5.326.411)
Profit/loss for the year	0	(2.473.150)	(2.473.150)
Equity end of year	90.879	(7.890.440)	(7.799.561)

Notes

1. Going concern

As of 31 December 2017 the equity is negative by DKK 7,800 thousand. Therefore, Management has assessed whether the Company can continue its activities at least until 31 December 2018. Management has concluded that with the current cash in hand, the Company has adequate funds to meet its known and expected payment obligations in 2018, and therefore Management has concluded that it is appropriate to prepare the financial statements assuming that the Company is a going concern, at least until 31 December 2018.

With respect to restoring the negative equity in the longer term, this will await and depend on the potential future revenue/profit share from Tradeshift and the value of the option, if exercised to shares in Tradeshift.

	2017	2016
	DKK	DKK
2. Other financial expenses		
Interest expenses	1.292.815	1.154.299
Other financial expenses	9.293	2.738
	1.302.108	1.157.037

	2017	2016
	DKK	DKK
3. Tax on profit/loss for the year		
Adjustment concerning previous years	0	(645.753)
	0	(645.753)

The adjustment represents additional tax credit received during the year relating to previous years, not recognised in the past financial statements.

Notes

	Acquired intangible assets DKK
	<u>DKK</u>
4. Intangible assets	
Cost beginning of year	30.607
Cost end of year	<u>30.607</u>
Amortisation and impairment losses beginning of year	(12.242)
Amortisation for the year	(6.121)
Amortisation and impairment losses end of year	<u>(18.363)</u>
Carrying amount end of year	<u>12.244</u>
	Other investments DKK
	<u>DKK</u>
5. Fixed asset investments	
Cost beginning of year	3.989.269
Cost end of year	<u>3.989.269</u>
Carrying amount end of year	<u>3.989.269</u>
6. Contributed capital	
Contributed capital comprise 11,566 A-shares and 79,313 B-shares.	

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 annual report has been presented applying the accounting policies consistently with 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets comprise amortisation, depreciation 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.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses and currency losses.

Tax on profit/loss for the year

Tax for the year comprise expected tax credits.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise, acquired intellectual property rights

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Other investments

Other investments comprise an option which entitle the Company to exchange future profit/revenue shares from Tradeshift, from certain specific activities, to shares in Tradeshift.

Cash

Cash comprises bank deposits.

Other financial liabilities

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

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Kim Takata Mücke

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Jimmy Fussing Nielsen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-175540718594

IP: 213.184.192.60

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NEM ID 

Morten Lund Nielsen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-797686674697

IP: 85.191.189.27

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NEM ID 

Torben Pedersen

Adm. direktør

Serienummer: CVR:35479023-RID:11219188

IP: 80.2.185.44

2018-06-10 07:20:06Z

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Torben Pedersen

Bestyrelsesmedlem

Serienummer: CVR:35479023-RID:11219188

IP: 80.2.185.44

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Torben Pedersen

Dirigent

Serienummer: CVR:35479023-RID:11219188

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