

Loylogic Denmark ApS

c/o Brandt Revision & Rådgivning, Ved Vesterport 6, 5., 1612 København V

Company reg. no. 35 66 55 95

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 28 June 2021.

Dominic Hofer
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the managing director has presented the annual report of Loylogic Denmark ApS for the financial year 1 January - 31 December 2020.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 27 June 2021

Managing Director

Dominic Hofer

Independent auditor's report

To the shareholder of Loylogic Denmark ApS

Opinion

We have audited the financial statements of Loylogic Denmark ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the 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 express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen V, 27 June 2021

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Peter Arent Benkjer

State Authorised Public Accountant
mne35785

Company information

The company	Loylogic Denmark ApS c/o Brandt Revision & Rådgivning, Ved Vesterport 6, 5. 1612 København V
	Company reg. no. 35 66 55 95 Domicile: Ballerup Financial year: 1 January 2020 - 31 December 2020
Managing Director	Dominic Hofer
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Ved Vesterport 6, 5. sal 1612 København V
Bankers	Danske Bank
Parent company	Loylogic Holding AG c/o Audit Zug AG, Bahnhofstrasse 16, 6301 Zug, Switzerland

Management commentary

The principal activities of the company

The company's principal is to provide marketing services and run loyalty solutions and other webbased consumer apps and other related activity.

Development in activities and financial matters

The gross profit for the year totals DKK 1.998.155 against DKK 2.807.769 last year. Income from ordinary activities after tax totals DKK 36.609 against DKK 84.784 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

Loylogic Denmark ApS is, like many other companies, currently facing the challenge of spreading COVID-19 (the Corona-virus). We see the spread of the virus in many of the worlds countries and the implementation of measures around the world to reduce the impact on society and buisness. The company is aware of any impact on the activity of the COVID-19 virus and is prepared to make necessary adjustments, should this prove necessary.

Accounting policies

The annual report for Loylogic Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK)

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Debtors, creditors and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs for sales, transportation, administration and premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc. for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Cash on hand and demand deposits

Available funds comprise cash at bank and in hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Liabilities

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	1.998.155	2.807.769
1 Staff costs	<u>-2.076.118</u>	<u>-2.634.465</u>
Operating profit	-77.963	173.304
Other financial income	147.998	0
2 Other financial costs	<u>-22.844</u>	<u>-63.902</u>
Pre-tax net profit or loss	47.191	109.402
3 Tax on net profit or loss for the year	<u>-10.582</u>	<u>-24.618</u>
Profit or loss from ordinary activities after tax	36.609	84.784
Net profit or loss for the year	<u>36.609</u>	<u>84.784</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	<u>36.609</u>	<u>84.784</u>
Total allocations and transfers	<u>36.609</u>	<u>84.784</u>

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Non-current assets		
4 Deposits	0	22.274
Total investments	0	22.274
Total non-current assets	0	22.274
Current assets		
Amounts owed by group enterprises	885.563	316.921
Receivable corporate tax	1.418	10.000
Other debtors	18.830	34.567
Accrued income and deferred expenses	10.049	63.967
Total receivables	915.860	425.455
Available funds	231.045	536.405
Total current assets	1.146.905	961.860
Total assets	1.146.905	984.134

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	50.000	50.000
Results brought forward	528.752	492.143
Total equity	<u>578.752</u>	<u>542.143</u>
 Liabilities other than provisions		
Trade creditors	91.376	30.754
Corporate tax	0	24.618
Other debts	476.777	386.619
Total short term liabilities other than provisions	<u>568.153</u>	<u>441.991</u>
 Total liabilities other than provisions	<u>568.153</u>	<u>441.991</u>
 Total equity and liabilities	<u>1.146.905</u>	<u>984.134</u>

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	50.000	407.359	457.359
Profit or loss for the year brought forward	<u>0</u>	<u>84.784</u>	<u>84.784</u>
Equity 1 January 2020	50.000	492.143	542.143
Profit or loss for the year brought forward	<u>0</u>	<u>36.609</u>	<u>36.609</u>
	<u>50.000</u>	<u>528.752</u>	<u>578.752</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	1.898.669	2.400.628
Pension costs	168.514	222.396
Other costs for social security	3.598	4.547
Other staff costs	5.337	6.894
	<u>2.076.118</u>	<u>2.634.465</u>
Average number of employees	<u>2</u>	<u>2</u>
2. Other financial costs		
Financial costs, group enterprises	19.467	63.154
Other financial costs	3.377	748
	<u>22.844</u>	<u>63.902</u>
3. Tax on net profit or loss for the year		
Tax of the results for the year	10.582	24.618
	<u>10.582</u>	<u>24.618</u>
4. Deposits		
Cost opening balance	22.274	22.274
Disposals during the year	-22.274	0
Cost end of period	<u>0</u>	<u>22.274</u>
Carrying amount, end of period	<u>0</u>	<u>22.274</u>
5. Contingencies		
Contingent liabilities		
The Company has entered into contracts on operational leasing. The total leasing payment is 37 t.dkk in the remaining period.		