

**Linkfire ApS**  
Artillerivej 86, 3. th.  
2300 Copenhagen S  
Business Registration No  
35835431

## **Annual report 2018**

The Annual General Meeting adopted the annual report on 31.05.2019

### **Chairman of the General Meeting**

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Name: Tobias Demuth

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## Entity details

### Entity

Linkfire ApS  
Artillerivej 86, 3. th.  
2300 Copenhagen S

Central Business Registration No (CVR): 35835431  
Registered in: Copenhagen  
Financial year: 01.01.2018 - 31.12.2018

### Board of Directors

Thomas John Hart Sehested  
Lars Wiberg Ettrup  
Jeppe Rothausen Faurfelt  
Andy Hanwei Chen  
Carl Michael Folke Mandahl  
Thomas Rudbeck

### Executive Board

Lars Wiberg Ettrup  
Jeppe Rothausen Faurfelt

### 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 Linkfire ApS 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.

Copenhagen, 31.05.2019

### Executive Board

Lars Wiberg Ettrup

Jeppe Rothausen Faurfelt

### Board of Directors

Thomas John Hart Sehested

Lars Wiberg Ettrup

Jeppe Rothausen Faurfelt

Andy Hanwei Chen

Carl Michael Folke Mandahl

Thomas Rudbeck

# Independent auditor's report

## To the shareholders of Linkfire ApS

### Opinion

We have audited the financial statements of Linkfire ApS 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.

### Material uncertainty related to going concern

At the time of presentation of the annual report, the company is in dialogue with potential investors. Management expects investment, will ensure the company's future operations and cash flow needs. As no final agreement has been made there is uncertainty related to going concern. Management expects the investments to be completed and has prepared the annual report in accordance with the going concern assumption, further reference is made to note 1. Our audit opinion have not been qualified as a result of above.

### 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

## Independent auditor's report

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, 31.05.2019

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR)  
33963556

Bjørn Winkler Jakobsen  
State Authorised Public Accountant  
Identification No (MNE) mne32127

Mads Juul Hansen  
State Authorised Public Accountant  
Identification No (MNE) mne44386

## Management commentary

### Primary activities

The company's main activity is to conduct business within information services, software and related activities.

### Development in activities and finances

The loss of the year is DKK (9.952)k. Last year's loss was DKK (4.163)k. Total assets is DKK 39.551k, and the equity is DKK (10.525)k.

Management is aware of the company's capital resources and has therefore converted all convertible debt in January 2019 recovering the equity entirely.

Furthermore the company has received a new investment in January 2019, covering 70% of the company's 2019 funding need.

Management expect new investments during 2019 as part of the business model

### Events after the balance sheet date

Other than above 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>
<b>Gross profit/loss</b>		<b>(1.860.079)</b>	<b>3.015</b>
Staff costs	2	(7.797.708)	(7.561)
Depreciation, amortisation and impairment losses	3	<u>(407.028)</u>	<u>(404)</u>
<b>Operating profit/loss</b>		<b>(10.064.815)</b>	<b>(4.950)</b>
Other financial income	4	175.229	76
Other financial expenses	5	<u>(3.539.962)</u>	<u>(2.109)</u>
<b>Profit/loss before tax</b>		<b>(13.429.548)</b>	<b>(6.983)</b>
Tax on profit/loss for the year	6	<u>3.477.721</u>	<u>2.820</u>
<b>Profit/loss for the year</b>		<b><u>(9.951.827)</u></b>	<b><u>(4.163)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(9.951.827)</u>	<u>(4.163)</u>
		<b><u>(9.951.827)</u></b>	<b><u>(4.163)</u></b>

## Balance sheet at 31.12.2018

	<b>Notes</b>	<b>2018 DKK</b>	<b>2017 DKK'000</b>
Completed development projects		578.518	936
Development projects in progress		<u>30.315.609</u>	<u>18.659</u>
<b>Intangible assets</b>	<b>7</b>	<b><u>30.894.127</u></b>	<b><u>19.595</u></b>
Other fixtures and fittings, tools and equipment		49.486	75
Leasehold improvements		<u>42.825</u>	<u>67</u>
<b>Property, plant and equipment</b>	<b>8</b>	<b><u>92.311</u></b>	<b><u>142</u></b>
Investments in group enterprises		1	0
Deposits		<u>417.000</u>	<u>417</u>
<b>Fixed asset investments</b>	<b>9</b>	<b><u>417.001</u></b>	<b><u>417</u></b>
<b>Fixed assets</b>		<b><u>31.403.439</u></b>	<b><u>20.154</u></b>
Trade receivables		3.703.703	682
Receivables from group enterprises		119.875	303
Other receivables		430.101	279
Income tax receivable		3.477.721	2.820
Prepayments		<u>124.479</u>	<u>19</u>
<b>Receivables</b>		<b><u>7.855.879</u></b>	<b><u>4.103</u></b>
<b>Cash</b>		<b><u>291.210</u></b>	<b><u>1.341</u></b>
<b>Current assets</b>		<b><u>8.147.089</u></b>	<b><u>5.444</u></b>
<b>Assets</b>		<b><u>39.550.528</u></b>	<b><u>25.598</u></b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital		85.270	85
Reserve for development expenditure		24.097.419	16.006
Retained earnings		<u>(34.708.057)</u>	<u>(16.665)</u>
<b>Equity</b>		<b><u>(10.525.368)</u></b>	<b><u>(574)</u></b>
Convertible and dividend-yielding debt instruments		14.252.373	3.000
Other payables		<u>19.426.808</u>	<u>18.267</u>
<b>Non-current liabilities other than provisions</b>	10	<b><u>33.679.181</u></b>	<b><u>21.267</u></b>
Bank loans		3.400.268	0
Prepayments received from customers		5.991.048	1.639
Trade payables		3.930.542	779
Other payables		<u>3.074.857</u>	<u>2.487</u>
<b>Current liabilities other than provisions</b>		<b><u>16.396.715</u></b>	<b><u>4.905</u></b>
<b>Liabilities other than provisions</b>		<b><u>50.075.896</u></b>	<b><u>26.172</u></b>
<b>Equity and liabilities</b>		<b><u>39.550.528</u></b>	<b><u>25.598</u></b>
Going concern	1		
Unrecognised rental and lease commitments	11		
Assets charged and collateral	12		

## Statement of changes in equity for 2018

	<b>Contributed capital DKK</b>	<b>Reserve for development expenditure DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	85.270	16.005.852	(16.664.663)	(573.541)
Transfer to reserves	0	8.091.567	(8.091.567)	0
Profit/loss for the year	<u>0</u>	<u>0</u>	<u>(9.951.827)</u>	<u>(9.951.827)</u>
<b>Equity end of year</b>	<b><u>85.270</u></b>	<b><u>24.097.419</u></b>	<b><u>(34.708.057)</u></b>	<b><u>(10.525.368)</u></b>

## Notes

### 1. Going concern

In the beginning of 2019, 70 % of the capital need for 2019 has been raised. The company is in dialogue with potential investors at the time of signing the annual report for 2018 regarding financing the remaining capital need for 2019, but no agreement is final why there is uncertainty related to going concern. Management expects the investment to be completed in 2019 and has prepared the annual report in accordance with the going concern assumption.

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>2. Staff costs</b>		
Wages and salaries	17.276.219	16.633
Other social security costs	164.745	78
Staff costs classified as assets	(9.643.256)	(9.150)
	<b>7.797.708</b>	<b>7.561</b>
Number of employees at balance sheet date	<b>49</b>	<b>41</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>3. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	357.494	357
Depreciation of property, plant and equipment	49.534	47
	<b>407.028</b>	<b>404</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>4. Other financial income</b>		
Exchange rate adjustments	164.116	72
Other financial income	11.113	4
	<b>175.229</b>	<b>76</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>5. Other financial expenses</b>		
Other interest expenses	3.032.190	1.703
Exchange rate adjustments	330.798	406
Other financial expenses	176.974	0
	<b>3.539.962</b>	<b>2.109</b>

## Notes

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>6. Tax on profit/loss for the year</b>		
Current tax	(3.477.721)	(2.820)
	<b>(3.477.721)</b>	<b>(2.820)</b>
	<b>Completed</b>	<b>Develop-</b>
	<b>develop-</b>	<b>ment</b>
	<b>ment</b>	<b>projects in</b>
	<b>projects</b>	<b>progress</b>
	<b>DKK</b>	<b>DKK</b>
<b>7. Intangible assets</b>		
Cost beginning of year	1.787.469	18.658.766
Additions	0	11.656.843
<b>Cost end of year</b>	<b>1.787.469</b>	<b>30.315.609</b>
Amortisation and impairment losses beginning of year	(851.457)	0
Amortisation for the year	(357.494)	0
<b>Amortisation and impairment losses end of year</b>	<b>(1.208.951)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>578.518</b>	<b>30.315.609</b>

### Development projects

Development project in progress consists of projects relating to new software being developed. The software is expected to be released in 2019, where amortization of the capitalized development costs will begin.

## Notes

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improve- ments DKK</b>
<b>8. Property, plant and equipment</b>		
Cost beginning of year	126.901	120.765
<b>Cost end of year</b>	<b>126.901</b>	<b>120.765</b>
Depreciation and impairment losses beginning of year	(52.034)	(53.787)
Depreciation for the year	(25.381)	(24.153)
<b>Depreciation and impairment losses end of year</b>	<b>(77.415)</b>	<b>(77.940)</b>
<b>Carrying amount end of year</b>	<b>49.486</b>	<b>42.825</b>
	<b>Invest- ments in group enterprises DKK</b>	<b>Deposits DKK</b>
<b>9. Fixed asset investments</b>		
Cost beginning of year	1	417.000
<b>Cost end of year</b>	<b>1</b>	<b>417.000</b>
<b>Carrying amount end of year</b>	<b>1</b>	<b>417.000</b>
		<b>Outstanding after 5 years DKK</b>
<b>10. Liabilities other than provisions</b>		
Other payables		10.421.068
		<b>10.421.068</b>
	<b>2018 DKK</b>	<b>2017 DKK'000</b>
<b>11. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>312.750</b>	<b>417</b>

## Notes

### **12. Assets charged and collateral**

The Company has provided a bank guarantee to the landlord of DKK 521k.



## 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 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.

#### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

#### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

## Accounting policies

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### 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

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment 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 as well as property, plant and equipment.

### 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 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 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 is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

## Accounting policies

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

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
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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.

### Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

### 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.

## Accounting policies

### **Prepayments**

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

### **Cash**

Cash comprises bank deposits.

### **Other financial liabilities**

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

### **Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.