



Linkfire ApS

Artillerivej 86, 3.
2300 København S
CVR No. 35835431

Annual report 2019

The Annual General Meeting adopted the
annual report on 07.09.2020

Tobias Demuth

Chairman of the General Meeting

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Entity details

Entity

Linkfire ApS

Artillerivej 86, 3.

2300 København S

CVR No.: 35835431

Registered office: Copenhagen

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Søren Jørgensen, Chairman

Jeppe Rothausen Faurfelt

Thomas Rudbeck

Lars Wiberg Ettrup

Thomas Weilby Knudsen

Executive Board

Jeppe Rothausen Faurfelt

Lars Wiberg Ettrup

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 Linkfire ApS 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.

Copenhagen, 07.09.2020

Executive Board

Jeppe Rothausen Faurfelt

Lars Wiberg Ettrup

Board of Directors

Søren Jørgensen

Chairman

Jeppe Rothausen Faurfelt

Thomas Rudbeck

Lars Wiberg Ettrup

Thomas Weilby Knudsen

Independent auditor's report

To the shareholders of Linkfire ApS

Opinion

We have audited the financial statements of Linkfire ApS for the financial year 01.01.2019 - 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.

Emphasis of matter regarding circumstances in the financial statements

We draw attention to note 1 in the annual report, which states that there is uncertainty in the recognition and measurement of the company's intangible assets.

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.

Copenhagen, 07.09.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 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.

Description of material changes in activities and finances

The loss of the year is DKK (10.670)k. Last year's loss was DKK (9.952)k. total assets is DKK 56.001k, and the equity is DKK 9.883k.

Uncertainty relating to recognition and measurement

Development projects in progress and completed development projects have a net value of t.DKK 15.465 and t.DKK 26.699 in the annual report. Development projects are measured at cost price reduced with amortization and write-downs. The measurement of development projects are dependable on future earnings, which there is a natural uncertainty related to.

Events after the balance sheet date

The company has received a new investment in Juni and Juli 2020, covering the company's 2020 funding need.

Other than the above no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. The outbreak and the spreading of the COVID-19 disease in early 2020 have had some impact on the Entity's financial position and development, which has been covered by the funding initiatives concluded after the balance date.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		(927,881)	(1,860,079)
Staff costs	2	(9,711,025)	(7,797,708)
Depreciation, amortisation and impairment losses	3	(1,427,245)	(407,028)
Operating profit/loss		(12,066,151)	(10,064,815)
Other financial income	4	105,787	175,229
Other financial expenses	5	(2,876,218)	(3,539,962)
Profit/loss before tax		(14,836,582)	(13,429,548)
Tax on profit/loss for the year	6	4,176,651	3,477,721
Profit/loss for the year		(10,659,931)	(9,951,827)
Proposed distribution of profit and loss			
Retained earnings		(10,659,931)	(9,951,827)
Proposed distribution of profit and loss		(10,659,931)	(9,951,827)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	8	15,464,661	578,519
Development projects in progress	8	26,698,670	30,315,609
Intangible assets	7	42,163,331	30,894,128
Other fixtures and fittings, tools and equipment		21,832	49,486
Leasehold improvements		18,672	42,825
Property, plant and equipment	9	40,504	92,311
Investments in group enterprises		1	1
Deposits		417,000	417,000
Other financial assets	10	417,001	417,001
Fixed assets		42,620,836	31,403,440
Trade receivables		5,082,553	3,703,703
Receivables from group enterprises		0	119,875
Other receivables		559,089	430,101
Income tax receivable		4,176,651	3,477,721
Prepayments		43,516	124,479
Receivables		9,861,809	7,855,879
Cash		3,518,563	291,210
Current assets		13,380,372	8,147,089
Assets		56,001,208	39,550,529

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		104,139	85,270
Reserve for development expenditure		32,887,397	24,097,419
Retained earnings		(23,108,495)	(34,708,057)
Equity		9,883,041	(10,525,368)
Convertible and dividend-yielding debt instruments		0	5,430,687
Other payables		19,488,789	28,248,493
Non-current liabilities other than provisions	11	19,488,789	33,679,180
Current portion of non-current liabilities other than provisions	11	1,899,371	0
Bank loans		6,072,834	3,400,268
Prepayments received from customers		8,690,811	5,991,048
Trade payables		4,695,432	3,930,542
Payables to group enterprises		193,140	0
Other payables		5,077,790	3,074,859
Current liabilities other than provisions		26,629,378	16,396,717
Liabilities other than provisions		46,118,167	50,075,897
Equity and liabilities		56,001,208	39,550,529
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	12		
Assets charged and collateral	13		

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	85,270	0	24,097,419	(34,708,057)	(10,525,368)
Increase of capital	18,869	31,049,471	0	0	31,068,340
Transferred from share premium	0	(31,049,471)	0	31,049,471	0
Transfer to reserves	0	0	8,789,978	(8,789,978)	0
Profit/loss for the year	0	0	0	(10,659,931)	(10,659,931)
Equity end of year	104,139	0	32,887,397	(23,108,495)	9,883,041

Notes

1 Uncertainty relating to recognition and measurement

Development projects in progress and completed development projects have a net value of DKK 15,564 thousand and DKK 26,699 thousand in the annual report. Development projects are measured at cost price reduced with amortization and write-downs.

Recognition and measurement of development projects are subject to considerable uncertainty, due to, that recognition of development projects are dependable of future revenue generated from development projects. There is a natural uncertainty associated to predictions on future earnings.

The outbreak of COVID-19 will lead to several precautions that will affect the planning and execution of day-today operations, and the Company's suppliers, business partners and customers may be affected as well. Their financial impact cannot be determined at this stage.

2 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	20,023,152	17,276,219
Other social security costs	169,372	164,745
	20,192,524	17,440,964
Staff costs classified as assets	(10,481,499)	(9,643,256)
	9,711,025	7,797,708
Number of employees at balance sheet date	37	36

3 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Amortisation of intangible assets	1,376,680	357,494
Depreciation of property, plant and equipment	50,565	49,534
	1,427,245	407,028

4 Other financial income

	2019	2018
	DKK	DKK
Exchange rate adjustments	95,301	164,116
Other financial income	10,486	11,113
	105,787	175,229

5 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	2,586,940	3,032,190
Exchange rate adjustments	76,188	330,798
Other financial expenses	213,090	176,974
	2,876,218	3,539,962

6 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	(4,176,651)	(3,477,721)
	(4,176,651)	(3,477,721)

7 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	1,787,469	30,315,609
Transfers	16,262,822	(16,262,822)
Additions	0	12,645,883
Cost end of year	18,050,291	26,698,670
Amortisation and impairment losses beginning of year	(1,208,950)	0
Amortisation for the year	(1,376,680)	0
Amortisation and impairment losses end of year	(2,585,630)	0
Carrying amount end of year	15,464,661	26,698,670

8 Development projects

Development project in progress consists of projects relating to new software being developed. The final release is expected to be in 2020, where amortization of the capitalized development costs will begin.

Development projects in progress and completed development projects have a net value of t.DKK 15.465 and t.DKK 26.699 in the annual report. Development projects are measured at cost price reduced with amortization and write-downs. The measurement of subject to considerable uncertainty.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	126,901	120,765
Additions	12,499	0
Disposals	(106,173)	0
Cost end of year	33,227	120,765
Depreciation and impairment losses beginning of year	(77,415)	(77,940)
Depreciation for the year	(26,412)	(24,153)
Reversal regarding disposals	92,432	0
Depreciation and impairment losses end of year	(11,395)	(102,093)
Carrying amount end of year	21,832	18,672

10 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	1	417,000
Cost end of year	1	417,000
Carrying amount end of year	1	417,000

11 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due after more than 12 months 2019 DKK
Other payables	1,899,371	19,488,789
	1,899,371	19,488,789

12 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	741,271	312,750

13 Assets charged and collateral

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

In order to secure the Company's balance with Danske Bank, a mortgagor has been granted with mortgages in simple receivables, operating inventories and equipment and intellectual property rights for total DKK 46,295k.

The nominal value of the floating charge comprises DKK 2,000k

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, consumables and other 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.

Cost of sales

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

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, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and 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 or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and 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, and 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.

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

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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. Investments 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.

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.

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.