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# ***JourneyXP ApS***

Nordsøvej 8, DK-2150 Nordhavn

## **Annual Report for 1 January - 31 December 2016**

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CVR No 36 04 49 50

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/05 2017

Johan Koefoed Johnsen  
Chairman



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# **Management's Statement**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of JourneyXP ApS for the financial year 1 January - 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Nordhavn, 31 May 2017

## **Executive Board**

Johan Koefoed Johnsen  
CEO

## **Board of Directors**

Jesper Houllind  
Chairman

Johan Koefoed Johnsen

Hans Agelin Petersen

# Independent Auditor's Report

To the Shareholders of JourneyXP ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of JourneyXP ApS for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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

It should be noted that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. We refer to note 1 to the financial statements disclosing that, this year, it is uncertain whether a promise of the requested funding will be obtained for the financing of operations and the necessary investments to be made within the following year, but that obtaining such a promise is considered likely by the Management. Accordingly, the Financial Statements have been prepared on the assumption of the Company continuing as a going concern.

Our opinion has not been modified in respect of this matter.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information re-

# Independent Auditor's Report

quired under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

## 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 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 in preparing the financial statements 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 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 judgment and maintain professional skepticism 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 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 use of the going concern basis of accounting in pre-

## Independent Auditor's Report

paring 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 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 the disclosures, 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.

Hellerup, 31 May 2017

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Brian Christiansen  
statsautoriseret revisor

Henrik Jensen  
statsautoriseret revisor

## Company Information

### **The Company**

JourneyXP ApS  
Nordsøvej 8  
DK-2150 Nordhavn  
Website: [www.journeyxp.com](http://www.journeyxp.com)

CVR No: 36 04 49 50  
Financial period: 1 January - 31 December  
Municipality of reg. office: København

### **Board of Directors**

Jesper Houliind, Chairman  
Johan Koefoed Johnsen  
Hans Agelin Petersen

### **Executive Board**

Johan Koefoed Johnsen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

### **Lawyers**

Lundgrens  
Tuborg Havnevej 19, DK-2900 Hellerup

### **Bankers**

Danske Bank  
Holmens Kanal 2-12, 1092 København K

## **Management's Review**

Financial Statements of JourneyXP ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

### **Main activity**

JourneyXP develops and sells an ESaaS platform enabling organizations to turn its existing applications and data sources into a connected touchpoint network, making it easy to design and deliver people-centric journeys across the entire organization. The platform is industry and size independent, and appeals to all organizations connecting to real people, e.g., customers, patients, citizens, members or guests.

### **Development in the year**

The income statement of the Company for 2016 shows a loss of DKK 3,667,550, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 393,597.

Both result and equity are in line with the budget for the year.

In September 2016 a new capital investor secured funding for the remaining development of version 1, however, it is expected, that further funding will be required during 2017 before starting to generate positive cash flow.

### **Capital resources**

We refer to note 1 in the Financial Statements, which indicate that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. In May 2017 management successfully obtained funding as a loan from a private investor, despite the funding obtained in May, the Company's capital resources cannot completely finance the Company's obligations in the financial year 2017 as they fall due, and Management expects that the Company's owners will provide further funding in 2017.

### **Targets and expectations for the year ahead**

2017 will be focused on finalizing the next generations of the JourneyXP Platform while establishing strong customer engagement and targeting financial breakeven.

### **Subsequent events**

Following the release of the first production ready ESaaS JourneyXP Platform in January 2017 discussions of the future priorities of the company led to a decision by management to buy out all capital investors. The buy-out agreement was signed on 27 April 2017. The buy-out agreement has no impact on the company's future finances.



## Income Statement 1 January - 31 December

	Note	1. januar - 31. december 2016 DKK	11. juli 2014 - 31. december 2015 DKK
<b>Gross profit/loss</b>		<b>-63.052</b>	<b>467.576</b>
Staff expenses	2	-3.549.073	-2.218.365
Depreciation, amortisation and impairment of property, plant and equipment		-51.393	0
<b>Profit/loss before financial income and expenses</b>		<b>-3.663.518</b>	<b>-1.750.789</b>
Financial income		713	1
Financial expenses		-4.745	-10.228
<b>Profit/loss before tax</b>		<b>-3.667.550</b>	<b>-1.761.016</b>
Tax on profit/loss for the year	3	0	385.474
<b>Net profit/loss for the year</b>		<b>-3.667.550</b>	<b>-1.375.542</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings	-3.667.550	-1.375.542
	<b>-3.667.550</b>	<b>-1.375.542</b>

# Balance Sheet 31 December

## Assets

	Note	2016 DKK	2015 DKK
Other fixtures and fittings, tools and equipment		154.745	0
<b>Property, plant and equipment</b>		<b>154.745</b>	<b>0</b>
Deposits		302.500	0
<b>Fixed asset investments</b>		<b>302.500</b>	<b>0</b>
<b>Fixed assets</b>		<b>457.245</b>	<b>0</b>
Trade receivables		750.153	568.708
Deferred tax asset		385.474	385.474
Prepayments		38.589	0
<b>Receivables</b>		<b>1.174.216</b>	<b>954.182</b>
<b>Cash at bank and in hand</b>		<b>550.275</b>	<b>3.272.864</b>
<b>Currents assets</b>		<b>1.724.491</b>	<b>4.227.046</b>
<b>Assets</b>		<b>2.181.736</b>	<b>4.227.046</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2016 DKK	2015 DKK
Share capital		78.376	68.964
Share premium account		5.358.313	3.581.061
Retained earnings		-5.043.092	-1.375.542
<b>Equity</b>		<b>393.597</b>	<b>2.274.483</b>
Payables to owners and Management		1.300.000	639.500
<b>Long-term debt</b>		<b>1.300.000</b>	<b>639.500</b>
Mortgage loans		0	365
Trade payables		136.401	956.545
Other payables		351.738	356.153
<b>Short-term debt</b>		<b>488.139</b>	<b>1.313.063</b>
<b>Debt</b>		<b>1.788.139</b>	<b>1.952.563</b>
<b>Liabilities and equity</b>		<b>2.181.736</b>	<b>4.227.046</b>
Going concern	1		
Contingent assets, liabilities and other financial obligations	4		

## Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	DKK	account	earnings	DKK
	DKK	DKK	DKK	DKK
Equity at 1 January	68.964	3.581.061	-1.375.542	2.274.483
Cash capital increase	9.412	1.777.252	0	1.786.664
Net profit/loss for the year	0	0	-3.667.550	-3.667.550
<b>Equity at 31 December</b>	<b>78.376</b>	<b>5.358.313</b>	<b>-5.043.092</b>	<b>393.597</b>

# Notes to the Financial Statements

## 1 Going concern

The Company has realised a loss of TDKK 3,668 for the financial year 2016 and have furthermore realised a loss of TDKK 1,308 during the first four months of 2017. Management assesses that the Company's capital resources cannot completely finance the obligations throughout the financial year 2017 and thus fulfill the obligations as they fall due.

The Company has not yet obtained commitments for financing the Company's continued operation in 2017. This indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Management is working on a strengthening of the capital resources, and expects the company's owners will provide necessary funding in 2017. Management assesses that the funding will be granted and accordingly submits the Annual Report on a going concern basis.

## 2 Staff expenses

	1. januar - 31. december 2016 DKK	11. juli 2014 - 31. december 2015 DKK
Wages and salaries	3.451.004	2.182.227
Pensions	48.300	14.088
Other staff expenses	49.769	22.050
	<b>3.549.073</b>	<b>2.218.365</b>
<b>Average number of employees</b>	<b>10</b>	<b>7</b>

## 3 Tax on profit/loss for the year

Current tax for the year	0	-385.474
	<b>0</b>	<b>-385.474</b>

## Notes to the Financial Statements

	2016 DKK	2015 DKK
<b>4 Contingent assets, liabilities and other financial obligations</b>		
<b>Contingent liabilities</b>		
Lease obligations in the period of non-terminability	940.500	0

# Notes, Accounting Policies

## Basis of Preparation

The Annual Report of JourneyXP ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2016 are presented in DKK.

## Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

## Income Statement

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

### Revenue

Revenue from the sale of licenses to the Company's software is recognised according to the agreements with the Company's costumers, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined

## **Notes, Accounting Policies**

on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### **Other external expenses**

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

### **Staff expenses**

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including rent.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## **Balance Sheet**

### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time



## Notes, Accounting Policies

when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3	years
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Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Fixed asset investments

Fixed asset investments consist of deposit regarding leases.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent and subscriptions.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

## **Notes, Accounting Policies**

### **Financial debts**

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.