
Achoo ApS

Bygmestervej 10 tv, DK-2400 København NV

Annual Report for 1 January - 31 December 2017

CVR No 36 42 42 49

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/5 2018

Frederik Mondrup Braad
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Achoo ApS for the financial year 1 January - 31 December 2017.

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 2017 of the Company and of the results of the Company operations for 2017.

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

København, 23 May 2018

Executive Board

Rasmus Djernæs Nielsen

Board of Directors

Mogens Nielsen
Chairman

Hay Huynh

Frederik Mondrup Braad

Annikka Berridge

Jens Langeland-Knudsen

Independent Auditor's Report

To the Shareholders of Achoo ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Achoo ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the 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.

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 required under the Danish Financial 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 Statements 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.

Independent Auditor's Report

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 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 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 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 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.

Independent Auditor's Report

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.

Odense, 23 May 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Petersen

statsautoriseret revisor

mne33722

Company Information

The Company

Achoo ApS
Bygmestervej 10 tv
DK-2400 København NV

Telephone: + 45 24474878
E-mail: info@getachoo.com
Website: www.getachoo.com

CVR No: 36 42 42 49
Financial period: 1 January - 31 December
Incorporated: 23 October 2014
Financial year: 3rd financial year
Municipality of reg. office: København

Board of Directors

Mogens Nielsen, Chairman
Hay Huynh
Frederik Mondrup Braad
Annikka Berridge
Jens Langeland-Knudsen

Executive Board

Rasmus Djernæs Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Rytterkasernen 21
DK-5000 Odense C

Bankers

Nykredit Bank

Management's Review

Key activities

The objects of the Company are to develop, commercialise and sell web-based marketing tools.

Development in the year

The income statement of the Company for 2017 shows a loss of DKK 2,263,147, and at 31 December 2017 the balance sheet of the Company shows equity of DKK 4,022,813.

Management considers the result for the year to be unsatisfactory.

2017 was the year, where the Company achieved international sales outside Denmark. International customers in the rest of Europe and the Middle East constitute currently the majority of the Company's client base. As a young company significant resources were still invested into continued development and improvement of the Achoo Influencer Platform.

In 2017 the Company raised a new equity round with the aim to finance investments in sales resources.

Uncertainty relating to recognition and measurement

See Note 2 concerning recognition and measurement of capitalized development costs.

In addition, there has been no uncertainty regarding recognition and measurement in the annual report.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2017 DKK	2016 TDKK
Gross profit/loss		-818,009	-178
Staff expenses	3	-920,443	-108
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	4	-899,581	-25
Profit/loss before financial income and expenses		-2,638,033	-311
Financial income		3,594	0
Financial expenses		-266,542	-199
Profit/loss before tax		-2,900,981	-510
Tax on profit/loss for the year	5	637,834	112
Net profit/loss for the year		-2,263,147	-398

Distribution of profit

Proposed distribution of profit

Retained earnings		-2,263,147	-398
		-2,263,147	-398

Balance Sheet 31 December

Assets

	Note	2017 DKK	2016 TDKK
Completed development projects		45,832	71
Development projects in progress		4,785,613	3,085
Intangible assets	6	4,831,445	3,156
Fixed assets		4,831,445	3,156
Trade receivables		465,344	93
Other receivables		57,454	140
Corporation tax		719,333	454
Receivables		1,242,131	687
Cash at bank and in hand		3,118,326	791
Currents assets		4,360,457	1,478
Assets		9,191,902	4,634

Balance Sheet 31 December

Liabilities and equity

	Note	2017 DKK	2016 TDKK
Share capital		153,563	119
Reserve for development costs		2,794,005	1,581
Retained earnings		1,075,245	-1,389
Equity	7	4,022,813	311
Provision for deferred tax		611,546	530
Provisions		611,546	530
Other payables		3,617,862	3,383
Long-term debt	8	3,617,862	3,383
Trade payables		9,375	268
Other payables	8	396,506	142
Deferred income		533,800	0
Short-term debt		939,681	410
Debt		4,557,543	3,793
Liabilities and equity		9,191,902	4,634
Going concern	1		
Uncertainty relating recognition and measurement	2		
Accounting Policies	9		

Notes to the Financial Statements

1 Going concern

This is the company's second fiscal year and the company has continued to allocate significant resources to product development and product customisation.

In 2017, the company entered into an agreement with a consortium of current and new investors for a capital increase with a contribution of TDKK 6,000 for financing future operations

The company expects revenue growth in the coming year and has prepared a budget showing sufficient liquidity to maintain its operations in 2018. As the budget contains expectations for future earnings, there is a common uncertainty associated with this. It is management's assessment that the budget can be realized and the company presents the accounts based on a going concern consideration.

2 Uncertainty relating recognition and measurement

In its third fiscal year the company has continued the development of the "Achoo Influencer Platform". As of 31 December 2017, the value of capitalised development project was TDKK 4,831, which is recognised as intangible assets in the company's annual report. As product development is not finalised, further capitalisation of development costs is expected in the coming fiscal year.

The valuation of these presupposes that the future earnings from the Company's product exceed the amount capitalised.

As expected future earnings are based on expectations for the future, there is inherently an uncertainty that may put doubt on the valuation of capitalised development costs.

Management expects that the company's marketing and sales activities are increased in the coming years and that the company thereby in the long term will achieve sufficient earnings that exceeds the capitalised development costs.

Notes to the Financial Statements

	2017 DKK	2016 TDKK
3 Staff expenses		
Wages and salaries	2,028,744	627
Other social security expenses	34,514	28
Other staff expenses	67,485	42
	2,130,743	697
Transfer to development projects	-1,210,300	-589
	920,443	108
Average number of employees	6	3
4 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Amortisation of intangible assets	899,581	25
	899,581	25
5 Tax on profit/loss for the year		
Current tax for the year	-719,333	-454
Deferred tax for the year	81,499	342
	-637,834	-112

Notes to the Financial Statements

6 Intangible assets

	Completed development projects <u>DKK</u>	Development projects in progress <u>DKK</u>
Cost at 1 January	124,996	3,085,621
Additions for the year	<u>0</u>	<u>2,574,574</u>
Cost at 31 December	<u>124,996</u>	<u>5,660,195</u>
Impairment losses and amortisation at 1 January	54,165	0
Amortisation for the year	<u>24,999</u>	<u>874,582</u>
Impairment losses and amortisation at 31 December	<u>79,164</u>	<u>874,582</u>
Carrying amount at 31 December	<u>45,832</u>	<u>4,785,613</u>
Amortised over	<u>5 years</u>	

Development projects concern continuous further development and updating of the Achoo Influencer Platform and its functionalities, which are done in active dialogue with users and customers. This increases the likelihood that the platform meets customer needs and thus their willingness to remain customers. The current identified development pipeline in the projects is expected to be completed in 2018, so marketing can also be intensified during 2018. The projects are proceeding as planned using the resources that management has allocated to product development. As development progresses, it is expected that sales relating to access to the Achoo Influencer Platform will grow further in the international markets.

Notes to the Financial Statements

7 Equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	119,099	0	1,581,177	-1,389,411	310,865
Cash capital increase	49,394	5,950,606	0	0	6,000,000
Cash capital reduction	-14,930	0	0	14,930	0
Purchase of treasury shares	0	0	0	-24,905	-24,905
Development costs for the year	0	0	1,212,828	-1,212,828	0
Net profit/loss for the year	0	0	0	-2,263,147	-2,263,147
Transfer from share premium account	0	-5,950,606	0	5,950,606	0
Equity at 31 December	153,563	0	2,794,005	1,075,245	4,022,813

Notes to the Financial Statements

8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2017</u> DKK	<u>2016</u> TDKK
Other payables		
Between 1 and 5 years	3,617,862	3,383
Long-term part	<u>3,617,862</u>	<u>3,383</u>
Other short-term payables	396,506	142
	<u>4,014,368</u>	<u>3,525</u>

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of Achoo ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 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.

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

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Gross profit/loss

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

Notes to the Financial Statements

9 Accounting Policies (continued)

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

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

Intangible assets

Development project acquired on the formation of the Company is measured at the lower of cost less accumulated amortisation and recoverable amount and is amortised over 5 years.

Development projects that are clearly defined and identifiable and where the technical rate of utilisation, sufficient resources and a potential future market or development potential in the Company may be demonstrated and where the aim is to manufacture, market or use the product or the process are recognised as intangible assets if there is sufficient certainty that the future earnings can cover the production, selling and administrative costs as well as the overall development costs.

Development costs are determined at the direct costs incurred as well as patent costs for the individual development projects.

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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

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.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.