
SwipBox International A/S

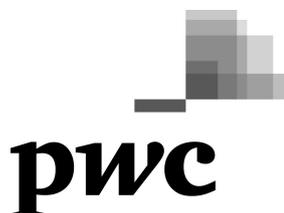
Ellegårdvej 7, DK-6400 Sønderborg

Annual Report for 1 January - 31 December 2019

CVR No 36 47 85 51

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/5 2020

Bent Kristensen
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SwipBox International A/S for the financial year 1 January - 31 December 2019.

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 2019 of the Company and of the results of the Company operations for 2019.

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.

Sønderborg, 29 May 2020

Executive Board

Allan Kaczmarek
CEO

Board of Directors

Lars-Christian Brask
Chairman

Peter M. Clausen

Jan C. von Backhaus

Erik Balck Sørensen

Bent Kristensen

Allan Krogsgaard Jakobsen

Independent Auditor's Report

To the Shareholder of SwipBox International A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SwipBox International A/S for the financial year 1 January - 31 December 2019, 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 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 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 misstate-

Independent Auditor's Report

ment, 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 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

Independent Auditor's Report

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.

Aarhus, 29 May 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Kragh
statsautoriseret revisor
mne26783

Henrik Trangeled Kristensen
statsautoriseret revisor
mne23333

Company Information

The Company

SwipBox International A/S
Ellegårdvej 7
DK-6400 Sønderborg

CVR No: 36 47 85 51

Financial period: 1 January - 31 December

Municipality of reg. office: Sønderborg

Board of Directors

Lars-Christian Brask, Chairman

Peter M. Clausen

Jan C. von Backhaus

Erik Balck Sørensen

Bent Kristensen

Allan Krogsgaard Jakobsen

Executive Board

Allan Kaczmarek

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Nobelparken

Jens Chr. Skous Vej 1

DK-8000 Aarhus C

Management's Review

Financial Statements of SwipBox International A/S for 2019 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.

Key activities

The purpose of the Company is to sell parcel lockers and/or parcel locker capacity to logistics providers globally.

Development in the year

The income statement of the Company for 2019 shows a loss of DKK 10,267,328, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 10,896,653.

As part of the process of simplifying the structure of the INPS Group the legal ownership of aCon A/S and SwipBox A/S was on 30 December 2019 transferred to SwipBox International A/S. Furthermore, on 31 December 2019 all activities, obligations, right etc. except of patents, shares in SoftaCon Ltd and tax obligations were acquired from aCon A/S.

Capital resources

Management has secured the necessary liquidity to continue to operate the company and group. See note 1 for further information.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2019 of the Company and the results of the activities of the Company for the financial year for 2019 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date. See note 2 for expected impact of Corona crisis in 2020.

Income Statement 1 January - 31 December 2019

	Note	2019 DKK	2018 DKK
Gross profit/loss		16.541.300	11.444.641
Staff expenses	3	-20.166.414	-8.899.679
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	4	-4.285.023	-2.894.168
Profit/loss before financial income and expenses		-7.910.137	-349.206
Income from investments in subsidiaries		-1.400.032	-1.610.027
Financial income	5	135.581	75.376
Financial expenses	6	-1.295.836	-1.168.143
Profit/loss before tax		-10.470.424	-3.052.000
Tax on profit/loss for the year	7	203.096	42.049
Net profit/loss for the year		-10.267.328	-3.009.951

Distribution of profit

Proposed distribution of profit

Retained earnings		-10.267.328	-3.009.951
		-10.267.328	-3.009.951

Balance Sheet 31 December

Assets

	Note	2019 DKK	2018 DKK
Acquired patents		342.159	294.627
Intangible assets		342.159	294.627
Other fixtures and fittings, tools and equipment		12.883.721	17.221.068
Property, plant and equipment in progress		637.916	4.607.589
Property, plant and equipment		13.521.637	21.828.657
Investments in subsidiaries		19.309.415	0
Receivables from group enterprises		9.341.375	776.613
Fixed asset investments		28.650.790	776.613
Fixed assets		42.514.586	22.899.897
Raw materials and consumables		1.453.097	0
Work in progress		863.283	0
Prepayments for goods		2.364.382	0
Inventories		4.680.762	0
Trade receivables		7.976.695	5.536.823
Receivables from group enterprises		9.128.709	1.211.708
Other receivables		474.164	3.609.039
Prepayments		515.132	121.240
Receivables		18.094.700	10.478.810
Cash at bank and in hand		2.168.895	1.133.776
Currents assets		24.944.357	11.612.586
Assets		67.458.943	34.512.483

Balance Sheet 31 December

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		500.000	500.000
Retained earnings		10.396.653	3.526.828
Equity	8	10.896.653	4.026.828
Provisions relating to investments in group enterprises		6.422.523	2.813.042
Provisions		6.422.523	2.813.042
Payables to owners and Management		5.490.705	9.148.835
Long-term debt	9	5.490.705	9.148.835
Credit institutions		54.897	2.901.832
Prepayments received from customers		15.953	0
Trade payables		4.085.157	761.528
Payables to group enterprises		30.309.841	8.404.075
Payables to owners and Management	9	3.604.893	3.690.967
Other payables		6.578.321	2.002.078
Deferred income		0	763.298
Short-term debt		44.649.062	18.523.778
Debt		50.139.767	27.672.613
Liabilities and equity		67.458.943	34.512.483
Capital resources	1		
Subsequent events	2		
Contingent assets, liabilities and other financial obligations	10		
Accounting Policies	11		

Notes to the Financial Statements

1 Capital resources

The Company is dependent on the capital resources at group level to carry out the planned activities for 2020.

Management has secured the necessary liquidity to continue to operate the Company and Group as the expectations for 2020 combined with the capital increases in 2019 ensures sufficient liquidity for the planned 2020 activities.

2 Subsequent events

Management considers the consequences of Covid-19 as an event having occurred after the balance sheet date.

Currently it is not possible to assess the full impact of Covid-19 but the Company and the group foresees that it will have a positive impact on the demand for solutions offering contactless deliveries of goods.

3 Staff expenses

	<u>2019</u> DKK	<u>2018</u> DKK
Wages and salaries	18.479.326	8.265.769
Pensions	1.376.408	564.310
Other social security expenses	174.119	57.650
Other staff expenses	<u>136.561</u>	<u>11.950</u>
	<u>20.166.414</u>	<u>8.899.679</u>
Average number of employees	<u>24</u>	<u>9</u>

4 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation of intangible assets	43.328	15.344
Depreciation of property, plant and equipment	3.287.869	2.878.824
Impairment of property, plant and equipment	<u>953.826</u>	<u>0</u>
	<u>4.285.023</u>	<u>2.894.168</u>

Notes to the Financial Statements

	2019 <u>DKK</u>	2018 <u>DKK</u>
5 Financial income		
Interest received from group enterprises	132.067	75.376
Other financial income	<u>3.514</u>	<u>0</u>
	<u>135.581</u>	<u>75.376</u>
6 Financial expenses		
Interest paid to group enterprises	327.248	123.138
Other financial expenses	<u>968.588</u>	<u>1.045.005</u>
	<u>1.295.836</u>	<u>1.168.143</u>
7 Tax on profit/loss for the year		
Current tax for the year	0	0
Adjustment of tax concerning previous years	<u>-203.096</u>	<u>-42.049</u>
	<u>-203.096</u>	<u>-42.049</u>

Notes to the Financial Statements

8 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500.000	3.526.828	4.026.828
Exchange adjustments	0	-37.232	-37.232
Capital Contribution	0	32.147.385	32.147.385
Asset Purchase from Subsidiary	0	-14.973.000	-14.973.000
Net profit/loss for the year	0	-10.267.328	-10.267.328
Equity at 31 December	500.000	10.396.653	10.896.653

9 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:

	2019	2018
	DKK	DKK
Payables to owners and Management		
After 5 years	0	1.339.084
Between 1 and 5 years	5.490.705	7.809.751
Long-term part	5.490.705	9.148.835
Other short-term debt to owners and Management	3.604.893	3.690.967
	9.095.598	12.839.802

Notes to the Financial Statements

	<u>2019</u> DKK	<u>2018</u> DKK
10 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with owners and bank: Mortgage deeds registered to the mortgagor totalling DKK 25,000k providing security on intangible assets, property, plant and equipment, inventory and trade receivables with a total carrying amount of	26.521.253	31.269.146
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	672.881	544.582
Between 1 and 5 years	135.174	136.732
After 5 years	0	67.919
	<u>808.055</u>	<u>749.233</u>

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of INPS A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company has stated they will support aCon A/S, Swipbox A/S, Swipbox Pty. Ltd., Swipbox Polska sp. z o.o. and GShare ApS with liquidity to ensure continued operations.

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of SwipBox International A/S for 2019 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.

The Financial Statements for 2019 are presented in DKK.

Swipbox International A/S has made an asset purchase from its subsidiary aCon A/S in 2019. The asset purchase is accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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.

Business combinations

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied at the date of acquisition, and comparative figures

Notes to the Financial Statements

11 Accounting Policies (continued)

have not been restated.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

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, 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 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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Notes to the Financial Statements

11 Accounting Policies (continued)

Other external expenses

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

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

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.

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 gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

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.

Notes to the Financial Statements

11 Accounting Policies (continued)

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 8 years.

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 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	5-8	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.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend

Notes to the Financial Statements

11 Accounting Policies (continued)

distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of receivables from group enterprises.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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.