

Tiimo A/S
Titangade 11
2200 Copenhagen N
Business Registration No
36904089

**Annual report 01.10.2018
- 30.09.2019**

The Annual General Meeting adopted the annual report on 19.02.2020

Chairman of the General Meeting

Name: Steen Ulf Jensen

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Entity details

Entity

Tiimo A/S
Titangade 11
2200 Copenhagen N

Central Business Registration No (CVR): 36904089

Registered in: Copenhagen

Financial year: 01.10.2018 - 30.09.2019

Board of Directors

Steen Ulf Jensen, Chairman
Helene Lassen Nørlem
Melissa Würtz Azari
Peter Østergaard
Steffen Boutrup Møller

Executive Board

Helene Lassen Nørlem, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Tiimo A/S for the financial year 01.10.2018 - 30.09.2019.

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 30.09.2019 and of the results of its operations for the financial year 01.10.2018 - 30.09.2019.

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, 19.02.2020

Executive Board

Helene Lassen Nørlem
Chief Executive Officer

Board of Directors

Steen Ulf Jensen
Chairman

Helene Lassen Nørlem

Melissa Würtz Azari

Peter Østergaard

Steffen Boutrup Møller

Independent auditor's report

To the shareholders of Tiimo A/S

Opinion

We have audited the financial statements of Tiimo A/S for the financial year 01.10.2018 - 30.09.2019, 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 30.09.2019 and of the results of its operations for the financial year 01.10.2018 - 30.09.2019 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.

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:

Independent auditor's report

- 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.

Independent auditor's report

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, 19.02.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Claus Jorch Andersen
State-Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

The activities of the Company include the development and sale of applications.

Development in activities and finances

This year's results come to a loss of DKK 2,139 thousand compared to a loss last year of DKK 1,735 thousand. Management considers the performance in line with expectations given that the Company is still at a stage of development. Equity is negative by DKK 1,825 thousand at the balance sheet date.

The Company has lost its entire share capital, thus being subject to the rules of capital loss set out in the Danish Companies Act. The contributed capital has been restored right after the balance sheet date, as a debt of approximately DKK 3.5 million has been converted into equity along with the Company's change from a private limited company to a public limited company.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

The Company was transformed into a public limited company on 01.11.2019.

Income statement for 2018/19

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Gross loss		(997.395)	(795.948)
Staff costs	1	(787.634)	(1.253.328)
Depreciation, amortisation and impairment losses	2	<u>(204.601)</u>	<u>0</u>
Operating profit/loss		(1.989.630)	(2.049.276)
Other financial expenses	3	<u>(138.079)</u>	<u>(1.724)</u>
Profit/loss before tax		(2.127.709)	(2.051.000)
Tax on profit/loss for the year	4	<u>(11.419)</u>	<u>315.973</u>
Profit/loss for the year		<u>(2.139.128)</u>	<u>(1.735.027)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(2.139.128)</u>	<u>(1.735.027)</u>
		<u>(2.139.128)</u>	<u>(1.735.027)</u>

Balance sheet at 30.09.2019

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Completed development projects		1.432.204	0
Intangible assets	5	1.432.204	0
Deposits		10.455	9.770
Fixed asset investments		10.455	9.770
Fixed assets		1.442.659	9.770
Trade receivables		47.558	151.046
Deferred tax		0	11.419
Other receivables		128.911	163.909
Income tax receivable		315.973	331.467
Receivables		492.442	657.841
Cash		134.279	211.840
Current assets		626.721	869.681
Assets		2.069.380	879.451

Balance sheet at 30.09.2019

	<u>Notes</u>	<u>2018/19</u> <u>DKK</u>	<u>2017/18</u> <u>DKK</u>
Contributed capital		103.376	103.376
Reserve for development expenditure		1.117.119	0
Retained earnings		<u>(3.045.160)</u>	<u>211.087</u>
Equity		<u>(1.824.665)</u>	<u>314.463</u>
Other payables		<u>19.010</u>	<u>0</u>
Non-current liabilities other than provisions		<u>19.010</u>	<u>0</u>
Convertible and dividend-yielding debt instruments	6	3.485.500	200.000
Prepayments received from customers		33.262	0
Trade payables		99.961	236.754
Other payables		<u>256.312</u>	<u>128.234</u>
Current liabilities other than provisions		<u>3.875.035</u>	<u>564.988</u>
Liabilities other than provisions		<u>3.894.045</u>	<u>564.988</u>
Equity and liabilities		<u>2.069.380</u>	<u>879.451</u>
Unrecognised rental and lease commitments	7		

Statement of changes in equity for 2018/19

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	103.376	0	211.087	314.463
Transfer to reserves	0	1.117.119	(1.117.119)	0
Profit/loss for the year	<u>0</u>	<u>0</u>	<u>(2.139.128)</u>	<u>(2.139.128)</u>
Equity end of year	<u>103.376</u>	<u>1.117.119</u>	<u>(3.045.160)</u>	<u>(1.824.665)</u>

For the purpose of offering incentive pay in the form of share options, the Company's Board of Directors is authorised for the period until 24 October 2024 once or several times to increase the Company's share capital with up to nominally 4,080 shares in total without pre-emption right for the Company's shareholders. The authorisation empowers the Board of Directors to determine the terms for the granted share options, including the exercise price.

Notes

	2018/19	2017/18
	DKK	DKK
1. Staff costs		
Wages and salaries	662.621	1.166.980
Other social security costs	33.275	34.830
Other staff costs	91.738	51.518
	787.634	1.253.328
Average number of employees	6	4
In relation to the above-mentioned staff costs, DKK 1,258,216 has been capitalised.		
	2018/19	2017/18
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	204.601	0
	204.601	0
	2018/19	2017/18
	DKK	DKK
3. Other financial expenses		
Other interest expenses	138.079	1.724
	138.079	1.724
	2018/19	2017/18
	DKK	DKK
4. Tax on profit/loss for the year		
Current tax	0	(315.973)
Change in deferred tax	11.419	0
	11.419	(315.973)

Notes

	Completed develop- ment projects DKK
5. Intangible assets	
Additions	<u>1.636.805</u>
Cost end of year	<u>1.636.805</u>
Amortisation for the year	<u>(204.601)</u>
Amortisation and impairment losses end of year	<u>(204.601)</u>
Carrying amount end of year	<u>1.432.204</u>

Development projects

The development project comprise digital development of a digital platform which the Company uses in its operations. The platform is used by the Company's customers and employees. The platform is still undergoing development but the underlying projects are continuously put to use, after which the amortisation is started.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalised costs for development projects in the reserve for development costs under equity.

6. Convertible and dividend-yielding short-term debt instruments

At 30.09.2019 DKK 0 of the convertible long-term debt is due 5 years after the balance sheet date. After the balance sheet date, the Company has decided to convert DKK 3,485,500 at 31.10.2019 of it's convertible long-term debt by issuing new shares.

	2018/19 DKK	2017/18 DKK
7. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>49.316</u>	<u>28.000</u>

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.

Changes in accounting estimates

In previous years, development costs for the Company's digital platform were recognised as costs in the income statement given that the Company's Management assessed that the criteria for identifying the costs separately were not met. With effect from the financial year 2018/19, Management now assesses that all criteria for a capitalisation of the development costs have been met. The changed estimate has a positive effect of DKK 1.637 thousand on results for the year before tax and, correspondingly, the balance sheet and equity (before tax) at 30.09.2019 have improved by DKK 1.637 thousand.

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.

Public grants

Public grants are recognised when final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales, other operating income and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in

Accounting policies

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 as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year as well as gains and losses from the sale of intangible assets.

Other financial expenses

Other financial expenses comprise interest expenses 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.

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.

Accounting policies

The cost of development projects comprises costs such as salaries 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. The amortisation period used is 4 years.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

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.

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.