

CCT Danmark ApS

Ørestads Boulevard 73, 2300 Copenhagen S

CVR no. 36 96 88 85

Annual report 2018

Approved at the Company's annual general meeting on 4 April 2019

Chairman:





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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of CCT Danmark ApS for the financial year 1 January - 31 December 2018.

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 of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 4 April 2019
Executive Board:



Christian Severin Overaa
CEO

Board of Directors:



Jørgen Bæksler Simmenes
Chairman



Christian Severin Overaa



Sean Cunningham

Independent auditor's report

To the shareholder of CCT Danmark ApS

Opinion

We have audited the financial statements of CCT Danmark ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 rules and requirements.

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 as to 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 the 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.

Independent auditor's report

- ▶ 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 4 April 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Anders Flymer-Dindler
State Authorised Public Accountant
mne35423

Management's review

Company details

| | |
|----------------------------|---|
| Name | CCT Danmark ApS |
| Address, Postal code, City | c/o Regus, Copenhagen Winghouse, Ørestads Boulevard 73, 2300 Copenhagen S |
| CVR no. | 36 96 88 85 |
| Established | 17 July 2015 |
| Registered office | Copenhagen |
| Financial year | 1 January - 31 December |
| Website | www.cct-marketing.com |
| E-mail | ltm@cct-marketing.com |
| Board of Directors | Jørgen Bæksler Simmenes, Chairman Christian Severin Overaa Sean Cunningham |
| Executive Board | Christian Severin Overaa, CEO |
| Auditors | Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark |

Management commentary

Business review

CCT Danmark ApS is part of CCT Group AS ("CCT"). CCT was founded in 2011 and has developed its own proprietary technology that uses Artificial Intelligence and Machine Learning to optimize ads, specialized towards the Real Estate and Automotive industries.

Financial review

The income statement for 2018 shows a profit of DKK 544 thousand against a profit of DKK 1,005 thousand last year, and the balance sheet at 31 December 2018 shows equity of DKK 2,886 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

| Note | DKK'000 | 2018 | 2017 |
|------|---|------------|--------------|
| | Gross margin | 6,306 | 2,024 |
| 2 | Staff costs | -5,565 | -681 |
| | Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | -21 | -4 |
| | Profit before net financials | 720 | 1,339 |
| | Financial income | 8 | 10 |
| | Financial expenses | -43 | -42 |
| | Profit before tax | 685 | 1,307 |
| 3 | Tax for the year | -141 | -302 |
| | Profit for the year | <u>544</u> | <u>1,005</u> |
| | Recommended appropriation of profit | | |
| | Retained earnings | <u>544</u> | <u>1,005</u> |

Financial statements 1 January - 31 December

Balance sheet

| Note | DKK'000 | 2018 | 2017 |
|------|--|---------------------|----------------------|
| | ASSETS | | |
| | Non-current assets | | |
| 4 | Property, plant and equipment | | |
| | Fixtures and fittings, other plant and equipment | 67 | 15 |
| | | <u>67</u> | <u>15</u> |
| | Financial assets | | |
| | Deposits | 75 | 19 |
| | | <u>75</u> | <u>19</u> |
| | Total non-current assets | <u>142</u> | <u>34</u> |
| | Current assets | | |
| | Receivables | | |
| | Trade receivables | 3,048 | 3,467 |
| | Receivables from group enterprises | 656 | 0 |
| | Prepayments | 86 | 6,826 |
| | | <u>3,790</u> | <u>10,293</u> |
| | Cash | 4,949 | 982 |
| | Total current assets | <u>8,739</u> | <u>11,275</u> |
| | TOTAL ASSETS | <u><u>8,881</u></u> | <u><u>11,309</u></u> |

Financial statements 1 January - 31 December

Balance sheet

| Note | DKK'000 | 2018 | 2017 |
|------|-------------------------------|---------------------|----------------------|
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| | Share capital | 100 | 100 |
| | Retained earnings | 2,786 | 2,242 |
| | Total equity | <u>2,886</u> | <u>2,342</u> |
| | Current liabilities | | |
| | Trade payables | 915 | 2,051 |
| | Payables to group enterprises | 0 | 3,166 |
| | Corporation tax payable | 155 | 61 |
| | Other payables | 3,684 | 2,411 |
| | Deferred income | 1,241 | 1,278 |
| | Total current liabilities | <u>5,995</u> | <u>8,967</u> |
| | Total liabilities | <u>5,995</u> | <u>8,967</u> |
| | TOTAL EQUITY AND LIABILITIES | <u><u>8,881</u></u> | <u><u>11,309</u></u> |

- 1 Accounting policies
- 5 Contractual obligations and contingencies, etc.
- 6 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

| DKK'000 | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|--|----------------------|--------------------------|--------------|
| Equity at 1 January 2018 | 100 | 2,242 | 2,342 |
| Transfer through appropriation of profit | 0 | 544 | 544 |
| Equity at 31 December 2018 | <u>100</u> | <u>2,786</u> | <u>2,886</u> |

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of CCT Danmark ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

The items revenue and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

| | |
|--|---------|
| Fixtures and fittings, other plant and equipment | 5 years |
|--|---------|

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash in bank.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

| DKK'000 | 2018 | 2017 |
|--|----------|--|
| 2 Staff costs | | |
| Wages/salaries | 5,328 | 652 |
| Pensions | 182 | 19 |
| Other social security costs | 36 | 10 |
| Other staff costs | 19 | 0 |
| | 5,565 | 681 |
| Average number of full-time employees | 6 | 2 |
| DKK'000 | 2018 | 2017 |
| 3 Tax for the year | | |
| Estimated tax charge for the year | 155 | 61 |
| Deferred tax adjustments in the year | -14 | 241 |
| | 141 | 302 |
| 4 Property, plant and equipment | | Fixtures and fittings, other plant and equipment |
| DKK'000 | | |
| Cost at 1 January 2018 | | 19 |
| Additions | | 73 |
| Cost at 31 December 2018 | | 92 |
| Revaluations at 1 January 2018 | | 0 |
| Revaluations at 31 December 2018 | | 0 |
| Impairment losses and depreciation at 1 January 2018 | | 4 |
| Depreciation | | 21 |
| Impairment losses and depreciation at 31 December 2018 | | 25 |
| Carrying amount at 31 December 2018 | | 67 |
| Depreciated over | | 5 years |
| 5 Contractual obligations and contingencies, etc. | | |
| Other financial obligations | | |
| Other rent and lease liabilities: | | |
| DKK'000 | 2018 | 2017 |
| Rent and lease liabilities | 112 | 190 |

Financial statements 1 January - 31 December

Notes to the financial statements

6 Related parties

Information about consolidated financial statements

| <u>Parent</u> | <u>Domicile</u> | <u>Requisitioning of the parent company's consolidated financial statements</u> |
|-------------------------------------|-----------------|---|
| CCT Marketing International Limited | Ireland | CCT Marketing International Ltd Suite 13, Northwood House Northwood Business Campus Santry, Dublin 9, Ireland |

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

| <u>Name</u> | <u>Domicile</u> |
|-------------------------------------|-----------------|
| CCT Marketing International Limited | Ireland |