

Advania Holding A/S

Landgreven 3, st. th.
1301 København K

CVR no. 37 14 42 82

Annual report 2019

The annual report was presented and approved at the
Company's annual general meeting on

29 May 2020


chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Advania Holding A/S for the financial year 1 January – 31 December 2019.


The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

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, 29 May 2020
Executive Board:



Erik Mikael Karlsson
Noaksson

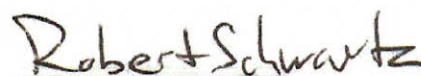
Board of Directors:



Gestur Gestsson
Chairman



Erik Mikael Karlsson
Noaksson



Robert Schwartz
Jens Robert Schwartz



Independent auditor's report

To the shareholder of Advania Holding A/S

Opinion

We have audited the financial statements of Advania Holding A/S for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet 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 Company's assets, liabilities and financial position 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.

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 rules and requirements.

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

Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 29 May 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Henrik Kyhnaug
State Authorised
Public Accountant
mne40028

Advania Holding A/S
Annual report 2019
CVR no. 37 14 42 82

Management's review

Company details

Advania Holding A/S
Landgreven 3, st. th.
1301 København K

CVR no.:	37 14 42 82
Established:	1 October 2015
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Gestur Gestsson, Chairman
Erik Mikael Karlsson Noaksson
Jens Robert Schwartz

Executive Board

Erik Mikael Karlsson Noaksson

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Annual general meeting

The annual general meeting will be held on 29 May 2020 at the Company's address.

Management's review

Operating review

Principal activities

The company's purpose is to buy and sell investments in IT companies in the Nordic countries.

Significant changes in the Company's activities and financial position

The Company's income statement shows a loss of kr. 4,023,953, and the balance sheet per 31 December 2019 shows a negative equity of kr. 3.182.886. The result is in line with previous announced expectations.

Advania Holding AS has received a letter of support from the parent company, Advania AB, in which it is confirmed that the parent company will provide the necessary cash for the Company at least for the next 12 months. Management therefore submits the financial statements under the going concern assumption.

Events after the balance sheet date

In February 2020, Advania Holding A/S acquired the shares in Kompetera A/S and Kompetera Solutions A/S.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2019	2018
Gross loss		-15,313	-40,000
Depreciation, amortisation and impairment losses	3	-4,000,000	-1,500,000
Operating loss		-4,015,313	-1,540,000
Financial income		50,835	0
Financial expenses	2	-59,475	-34,498
Loss before tax		-4,023,953	-1,574,498
Tax on profit/loss for the year		0	0
Loss for the year		-4,023,953	-1,574,498
Proposed distribution of loss			
Retained earnings		-4,023,953	-1,574,498
		-4,023,953	-1,574,498

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2019	31/12 2018
ASSETS			
Fixed assets			
Investments	3		
Equity investments in group entities		<u>0</u>	<u>0</u>
Current assets			
Cash at bank and in hand		<u>0</u>	<u>46,700</u>
Total current assets		<u>0</u>	<u>46,700</u>
TOTAL ASSETS		<u>0</u>	<u>46,700</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital	4	500,000	500,000
Retained earnings		<u>-3,682,886</u>	<u>-1,658,934</u>
Total equity		<u>-3,182,886</u>	<u>-1,158,934</u>
Liabilities			
Current liabilities			
Banks, current liabilities		0	631
Payables to group entities		3,150,886	1,125,003
Other payables		<u>32,000</u>	<u>80,000</u>
		<u>3,182,886</u>	<u>1,205,634</u>
Total liabilities		<u>3,182,886</u>	<u>1,205,634</u>
TOTAL EQUITY AND LIABILITIES		<u>0</u>	<u>46,700</u>
Contractual obligations, contingencies, etc.	5		
Related party disclosures	6		

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Advania Holding A/S for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit/loss

The Company refers to the regulations of section 32 of the Danish Financial Statements Act according to which the Company's revenue is not stated.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Equity investments in group entities

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Financial statements 1 January – 31 December

Notes

2 Financial expenses

DKK	2019	2018
Interest expense to group entities	34,585	23,285
	59,475	34,498

3 Investments

DKK	Total
Cost at 1 January 2019	1,500,000
Additions for the year	4,000,000
Cost at 31 December 2019	5,500,000
Revaluations for the year, net	-5,500,000
Revaluations 31 December 2019	-5,500,000
Carrying amount at 31 December 2019	0

4 Equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2019	500,000	-1,658,934	-1,158,934
Shareholder Contribution	0	2,000,000	2,000,000
Net loss for the year	0	-4,023,953	-4,023,953
Equity at 31 December 2019	500,000	-3,682,887	-3,182,887

The Company has lost more than 50 % of the share capital and is therefore covered by the rules on capital losses in the Danish Companies Act (Selskabsloven). Management expects that the equity will be reestablished in the coming years by shareholder contribution from Advania AB.

Advania Holding AS has received a letter of support from the parent company, Advania AB, in which it is confirmed that the parent company will provide the necessary cash for the Company at least for the next 12 months. Management therefore submits the financial statements under the going concern assumption.

Financial statements 1 January – 31 December

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5 Contractual obligations, contingencies, etc.

The Parent Company is jointly taxed with its Danish subsidiary, Advania Danmark A/S. The jointly taxed entities have joint and several unlimited liability for Danish income taxes and withholding taxes on dividends, interest and royalties within the group of jointly taxed entities.

6 Related party disclosures

Advania Holding A/S' related parties comprise the following:

Related party transactions

In accordance with section 98 c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

Ownership

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

Advania AB, Fredsborgsgatan 24, Stockholm, Sweden.

Advania AB holds the majority of the share capital in the Company.

Advania Holding A/S is part of the consolidated financial statements of Advania AB, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Advania AB can be obtained by contacting the Company.