



AeroGuest ApS

Søndergade 70, 3. tv.
8000 Aarhus C
CVR No. 37348724

Annual report 2019

The Annual General Meeting adopted the
annual report on 25.06.2020

Jakob Brunse Mæhlisen

Chairman of the General Meeting

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Entity details

Entity

AeroGuest ApS
Søndergade 70, 3. tv.
8000 Aarhus C

CVR No.: 37348724
Registered office: Aarhus
Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Nikolai Kronborg, Chairman of the board
Bo Martin Sponholtz
Karim Grau Nielsen
Michael Ritto

Executive Board

Bo Martin Sponholtz, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of AeroGuest ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2019 - 31.12.2019 as complied with..

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 25.06.2020

Executive Board

Bo Martin Sponholtz

CEO

Board of Directors

Nikolai Kronborg

Chairman of the board

Bo Martin Sponholtz

Karim Grau Nielsen

Michael Ritto

The independent auditor's compilation report

To Management of AeroGuest ApS

We have compiled the financial statements of AeroGuest ApS for the financial year 01.01.2019 - 31.12.2019 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Aarhus, 25.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Management commentary

Primary activities

The Company's primary activity is to engage in software development, programming, sales of services for the digitalization of hotels and, in a broader sense, digitalization of the travel industry.

Development in activities and finances

The Company's financial performance is considered satisfactory as the Company is currently still in a phase of active development.

The Company has conducted a seed investment round with byFounders in the spring of 2020 and is in dialogue with the Danish state's investment fund 'Vaekstfonden' regarding the contribution of additional capital later in the year. The Company's Management therefore expects sufficient liquidity for future operations over the next 18 months.

Uncertainty relating to recognition and measurement

In the annual report, the Company has recognized development projects at cost. The recognition of development projects is subject to uncertainty, but it is the Management's firm belief that the development projects give a true and fair view of the future expectations. Further information is provided in note 5 to the financial statements.

Events after the balance sheet date

Due to the outbreak and spread of COVID-19 at the beginning of 2020, the Company's revenue in Q2 2020 was heavily reduced while revenue for Q3 2020 is expected to be partially reduced as compared to the budget at the beginning of the year. The decrease is mainly due to the closure of hotels, which are the Company's primary revenue earner.

The impact on revenue, however, is of less importance as the Company continues to be in active development, and as of Q2 2020 due to COVID-19, the Company sees considerable progress in the increased interest and sales of its products, especially 'Touch Free Check-in'.

For further details, see note 1 in the annual report.

Apart from the above, no events have occurred after the balance sheet date which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		(1,662,198)	(1,978,053)
Staff costs	2	(1,289,019)	(345,165)
Depreciation, amortisation and impairment losses		(2,466,752)	(75,299)
Operating profit/loss		(5,417,969)	(2,398,517)
Other financial income	3	4,761	14,820
Other financial expenses		(214,793)	(15,237)
Profit/loss before tax		(5,628,001)	(2,398,934)
Tax on profit/loss for the year	4	1,248,278	522,700
Profit/loss for the year		(4,379,723)	(1,876,234)
Proposed distribution of profit and loss			
Retained earnings		(4,379,723)	(1,876,234)
Proposed distribution of profit and loss		(4,379,723)	(1,876,234)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	6	11,851,030	0
Acquired patents		95,000	0
Development projects in progress	6	0	9,995,318
Intangible assets	5	11,946,030	9,995,318
Other fixtures and fittings, tools and equipment		82,101	17,109
Leasehold improvements		0	3,411
Property, plant and equipment	7	82,101	20,520
Deposits		103,800	133,549
Other financial assets		103,800	133,549
Fixed assets		12,131,931	10,149,387
Trade receivables		76,154	26,442
Receivables from group enterprises		0	61,510
Other receivables		300,354	391,537
Income tax receivable		794,317	0
Joint taxation contribution receivable		147,961	1,066,747
Contributed capital in arrears		0	1,000
Receivables from owners and management	8	41,895	0
Prepayments		3,070	3,609
Receivables		1,363,751	1,550,845
Cash		980,203	551,352
Current assets		2,343,954	2,102,197
Assets		14,475,885	12,251,584

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		94,376	88,067
Reserve for development expenditure		9,243,803	7,203,687
Retained earnings		(1,989,260)	2,286,582
Equity		7,348,919	9,578,336
Deferred tax		1,276,000	1,582,000
Provisions		1,276,000	1,582,000
Debt to other credit institutions		1,936,467	0
Convertible and dividend-yielding debt instruments		3,012,466	0
Other payables		93,182	0
Non-current liabilities other than provisions	9	5,042,115	0
Current portion of non-current liabilities other than provisions	9	91,529	0
Bank loans		0	13
Trade payables		179,394	657,016
Payables to group enterprises		0	26,132
Payables to shareholders and management		10,000	0
Other payables		527,928	408,087
Current liabilities other than provisions		808,851	1,091,248
Liabilities other than provisions		5,850,966	1,091,248
Equity and liabilities		14,475,885	12,251,584
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		

Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	88,067	0	7,203,687	2,286,582	9,578,336
Increase of capital	6,309	2,143,997	0	0	2,150,306
Transfer to reserves	0	0	2,040,116	(2,040,116)	0
Dissolution of reserves	0	(2,143,997)	0	2,143,997	0
Profit/loss for the year	0	0	0	(4,379,723)	(4,379,723)
Equity end of year	94,376	0	9,243,803	(1,989,260)	7,348,919

Notes

1 Events after the balance sheet date

Due to the outbreak and spread of COVID-19 at the beginning of 2020, the Company's revenue in Q2 2020 was heavily reduced while revenue for Q3 2020 is expected to be partially reduced compared to the budget at the beginning of the year. This decrease is mainly due to the closure of hotels, which are the Company's primary revenue-earner. The Company has only to a very limited extent been able to reduce the effects of this revenue reduction through staff cuts since the majority of the Company's employees are salaried employees.

After the balance sheet date, the Company's Management did not find any need to write down for bad debts due to the derived financial impact of COVID-19 on the Company's customers. Based on the assumption that the effect of COVID-19 will decrease during Q2 and Q3 2020, the Company's Management has estimated that there is no indication of impairment of the Company's development projects.

The impact on revenue, however, is of less importance as the Company is undergoing development, and as in Q2 2020 due to COVID-19, the Company sees considerable progress in the interest and sale of its products, especially 'Touch Free Check-in'.

Apart from the above, no events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

2 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	4,016,049	2,700,589
Pension costs	168,246	20,515
Other social security costs	37,555	23,552
Other staff costs	162,003	151,319
	4,383,853	2,895,975
Staff costs classified as assets	(3,094,834)	(2,550,810)
	1,289,019	345,165
Average number of full-time employees	10	7

3 Other financial income

	2019	2018
	DKK	DKK
Financial income from group enterprises	0	8,129
Other interest income	2,468	0
Other financial income	2,293	6,691
	4,761	14,820

4 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	(942,278)	(1,066,747)
Change in deferred tax	(306,000)	567,967
Adjustment concerning previous years	0	(23,920)
	(1,248,278)	(522,700)

5 Intangible assets

	Completed development projects DKK	Acquired patents DKK	Development projects in progress DKK
Cost beginning of year	0	0	9,995,318
Transfers	9,995,318	0	(9,995,318)
Additions	4,283,084	95,000	0
Cost end of year	14,278,402	95,000	0
Amortisation for the year	(2,427,372)	0	0
Amortisation and impairment losses end of year	(2,427,372)	0	0
Carrying amount end of year	11,851,030	95,000	0

6 Development projects

The Company's development project consists of developing a digital platform for the hotel industry and its guests.

The development project has been completed and is amortised over a period of 5 years. Future improvements will be capitalised, and maintenance cost is recognised in the income statement on an ongoing basis.

Management has not identified any indications of impairment in relation to the recognised amount of DKK 11,851k. The development project is expected to generate positive future cash flows exceeding the recognised value.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	167,617	27,283
Additions	100,961	0
Cost end of year	268,578	27,283
Depreciation and impairment losses beginning of year	(150,508)	(23,872)
Depreciation for the year	(35,969)	(3,411)
Depreciation and impairment losses end of year	(186,477)	(27,283)
Carrying amount end of year	82,101	0

8 Receivables from owners and management

Receivables from owners and management consist of receivables from the associate Ninety Nine Holding ApS. The receivable occurred when Ninety Nine Holding ApS was a group enterprise. After the change in ownership structure from group enterprise to associate, no transactions have taken place that are not conducted on an arm's length basis.

9 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due after more than 12 months 2019 DKK	Outstanding after 5 years 2019 DKK
Debt to other credit institutions	91,529	1,936,467	965,370
Convertible and dividend-yielding debt instruments	0	3,012,466	0
Other payables	0	93,182	0
	91,529	5,042,115	965,370

10 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	242,200	449,800

Unrecognised rental and lease commitments consist of a rent commitment which is non-cancellable until 01.08.2020, after which there is a 6-month notice period.

11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Ninety Nine Holding ApS serves as the administration company until 27.02.2019. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

12 Assets charged and collateral

Payables to Vaekstfonden are secured on a floating charge of DKK 2,000k on intellectual property rights, operating equipment, fixtures and fittings as well as unsecured claims from sales.

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.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in 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.

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, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income etc.

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 and in progress with related intellectual property rights.

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.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

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. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	2 years
Leasehold improvements	2 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Contributed capital in arrears consists

Contributed capital in arrears consists of capital subscribed, but not paid up, which is recognised as a separate amount receivable in assets and a separate reserve in equity (gross method). The amount receivable is measured at amortised cost.

Receivables

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

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.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.