

Armstrong One ApS
Gammel Mønt 2, 3.
1117 Copenhagen K
Business Registration No
38114387

Annual report 2018

The Annual General Meeting adopted the annual report on 22.05.2019

Chairman of the General Meeting

Name: Jesper Valentin Holm

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Entity details

Entity

Armstrong One ApS
Gammel Mønt 2, 3.
1117 Copenhagen K

Central Business Registration No (CVR): 38114387

Registered in: Copenhagen

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Johnny Emil Søbæk Henriksen, Chairman
Mikael Konnerup
Peter Aue Elbek

Executive Board

Jesper Valentin Holm

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København 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 Armstrong One ApS for the financial year 01.01.2018 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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, 22.05.2019

Executive Board

Jesper Valentin Holm

Board of Directors

Johnny Emil Søbæk
Henriksen
Chairman

Mikael Konnerup

Peter Aue Elbek

Independent auditor's report

To the shareholders of Armstrong One ApS

Opinion

We have audited the financial statements of Armstrong One ApS for the financial year 01.01.2018 - 31.12.2018, 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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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, 22.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR)
33963556

Henrik Wolff Mikkelsen
State Authorised Public Accountant
Identification No (MNE) mne33747

Mads Juul Hansen
State Authorised Public Accountant
Identification No (MNE) mne44386

Management commentary

Primary activities

The object of the company is to develop and sell cloud-based omnichannel data analyses and content management platform, provide infrastructure for use for marketing purposes and other business which, according to the Board's assessment, is related to these business areas.

Development in activities and finances

The result of the company for this financial year is DKK (5,471)k.

In the annual report 2016/2017, incorrect accruals was made of income and expenses having the effect that the turnover in the annual report 2016/2017 was overestimated by DKK 558k. In addition, costs were underestimated by DKK 292k. This issue results in a total correction of the opening balance sheet of DKK 850k. As stated at page 10 of the Statement of changes in equity. Comparative figures in these financial statements have been corrected. For a detailed review of this issue, we refer to the description in applied accounting policies at page 13.

Events after the balance sheet date

Agillic A/S has in May 2019 acquired the remaining 40% of the shares in Armstrong One ApS resulting in Armstrong One ApS having only one shareholder.

The financial statements have been prepared on a going concern basis as the parent company Agillic A/S has pledged its continuing support until 31 December 2019.

Management is currently together with the shareholder considering various scenarios for the company's future business opportunities including a potential merger with the sole shareholder.

Income statement for 2018

| | <u>Notes</u> | <u>2018 DKK</u> | <u>2016/17 DKK'000</u> |
|--|--------------|---------------------------|----------------------------|
| Gross loss | | (5.081.046) | (2.403) |
| Staff costs | 1 | (161.776) | (1.130) |
| Depreciation, amortisation and impairment losses | 2 | <u>(223.500)</u> | <u>(168)</u> |
| Operating profit/loss | | (5.466.322) | (3.701) |
| Other financial expenses | | <u>(5.143)</u> | <u>(10)</u> |
| Profit/loss for the year | | <u>(5.471.465)</u> | <u>(3.711)</u> |
| Proposed distribution of profit/loss | | | |
| Retained earnings | | <u>(5.471.465)</u> | <u>(3.711)</u> |
| | | <u>(5.471.465)</u> | <u>(3.711)</u> |

Balance sheet at 31.12.2018

| | <u>Notes</u> | <u>2018 DKK</u> | <u>2016/17 DKK'000</u> |
|--------------------------|--------------|-------------------------|----------------------------|
| Acquired licences | | <u>726.375</u> | <u>950</u> |
| Intangible assets | 3 | <u>726.375</u> | <u>950</u> |
| Fixed assets | | <u>726.375</u> | <u>950</u> |
| Trade receivables | | 22.403 | 72 |
| Other receivables | | 227.583 | 59 |
| Prepayments | | <u>23.486</u> | <u>0</u> |
| Receivables | | <u>273.472</u> | <u>131</u> |
| Cash | | <u>20.990</u> | <u>47</u> |
| Current assets | | <u>294.462</u> | <u>178</u> |
| Assets | | <u>1.020.837</u> | <u>1.128</u> |

Balance sheet at 31.12.2018

| | <u>Notes</u> | <u>2018 DKK</u> | <u>2016/17 DKK'000</u> |
|--|--------------|---------------------------|----------------------------|
| Contributed capital | | 50.000 | 50 |
| Retained earnings | | <u>(9.182.325)</u> | <u>(3.711)</u> |
| Equity | | <u>(9.132.325)</u> | <u>(3.661)</u> |
| | | | |
| Prepayments received from customers | | 0 | 558 |
| Trade payables | | 297.292 | 460 |
| Payables to shareholders and management | | 9.825.870 | 3.478 |
| Other payables | | <u>30.000</u> | <u>293</u> |
| Current liabilities other than provisions | | <u>10.153.162</u> | <u>4.789</u> |
| | | | |
| Liabilities other than provisions | | <u>10.153.162</u> | <u>4.789</u> |
| | | | |
| Equity and liabilities | | <u>1.020.837</u> | <u>1.128</u> |
| | | | |
| Contingent liabilities | 4 | | |

Statement of changes in equity for 2018

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---|--|--------------------------------------|---------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| Equity beginning of year | 50.000 | (2.860.622) | (2.810.622) |
| Corrections of material errors | <u>0</u> | <u>(850.238)</u> | <u>(850.238)</u> |
| Adjusted equity, beginning of year | 50.000 | (3.710.860) | (3.660.860) |
| | | | |
| Profit/loss for the year | <u>0</u> | <u>(5.471.465)</u> | <u>(5.471.465)</u> |
| Equity end of year | <u>50.000</u> | <u>(9.182.325)</u> | <u>(9.132.325)</u> |

Notes

| | 2018 | 2016/17 |
|-----------------------------|----------------|----------------|
| | DKK | DKK'000 |
| 1. Staff costs | | |
| Wages and salaries | 161.776 | 1.064 |
| Other social security costs | 0 | 4 |
| Other staff costs | 0 | 62 |
| | 161.776 | 1.130 |
| | | |
| Average number of employees | 1 | 1 |

| | 2018 | 2016/17 |
|--|----------------|----------------|
| | DKK | DKK'000 |
| 2. Depreciation, amortisation and impairment losses | | |
| Amortisation of intangible assets | 223.500 | 168 |
| | 223.500 | 168 |

| | Acquired licences DKK |
|---|--------------------------------------|
| 3. Intangible assets | |
| Cost beginning of year | 1.117.500 |
| Cost end of year | 1.117.500 |
| | |
| Amortisation and impairment losses beginning of year | (167.625) |
| Amortisation for the year | (223.500) |
| Amortisation and impairment losses end of year | (391.125) |
| | |
| Carrying amount end of year | 726.375 |

4. Contingent liabilities

The company is jointly taxed with Agillic A/S as administration company. The companies are joint and several liable for the joint taxation liability. The joint taxation liability covers income taxes and withholding taxes on dividends, royalties and interests. The total calculated net liability in the joint taxation is presented in the Annual Report of the administration company.

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.

Material errors in previous years

In the annual report 2016/2017, no accrual was made of the turnover having the effect that an overbooking of DKK 558k was made in the annual report 2016/2017. In addition, no accrual was made of costs resulting in an under booking of DKK 292k. In the annual report 2016/2017.

The above issues were recognised as corrections of the comparative figures as they were considered as significant misstatements in previous years. In this connection, the comparative figures have been adjusted. This has had the effect that the comparative figures for Gross Profit have been corrected by DKK (812)k, Staff expenses have been corrected by DKK (38)k, Equity have been corrected by DKK (850)k., Prepayment from customers have been corrected by DKK (558)k and Other payables has been corrected by DKK (292)k.

The above has not caused any corrections for tax purposes.

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

Accounting policies

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, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise software licenses.

Accrued licenses are measured at cost less accumulated amortisation. 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.

Receivables

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

Prepayments

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

Cash

Cash comprises 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.