



A3 Informatics ApS

Skovbakken 1
3500 Værløse
CVR No. 38607103

Annual report 2019

The Annual General Meeting adopted the
annual report on 18.06.2020

Scott McGregor

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
The independent auditor's compilation report	4
Management commentary	5
Income statement for 2019	6
Balance sheet at 31.12.2019	7
Statement of changes in equity for 2019	9
Notes	10
Accounting policies	12

Entity details

Entity

A3 Informatics ApS

Skovbakken 1

3500 Værløse

CVR No.: 38607103

Date of foundation: 27.04.2017

Registered office: Furesø

Financial year: 01.01.2019 - 31.12.2019

Executive Board

David Iberson-Hurst, director

Scott McGregor, director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Executive Board have today considered and approved the annual report of A3 Informatics 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.

Værløse, 18.06.2020

Executive Board

David Iberson-Hurst
director

Scott McGregor
director

The independent auditor's compilation report

To Management of A3 Informatics ApS

We have compiled the financial statements of A3 Informatics 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.

Copenhagen, 18.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jan Larsen

State Authorised Public Accountant
Identification No (MNE) mne16541

Management commentary

Primary activities

The Company's object is to carry on software development and any related business.

Development in activities and finances

The Company began the software development during 2017/18 and has continued with this activity in 2019. Loss for the year amounts to DKK 56 thousand, thus meeting expectations.

The current credit facilities can all be maintained and will be extended if necessary.

Events after the balance sheet date

In early 2020, the outbreak of the coronavirus disease (COVID-19) has escalated, and on 11 March 2020 the WHO declared it a worldwide pandemic. The outbreak has led to a number of precautions that affect the planning and execution of day-to-day operations, and the Group's vendors and customers may be affected as well. Their financial impact cannot be determined at this point in time.

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

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Other external expenses		(112,632)	(26,106)
Gross profit/loss		(112,632)	(26,106)
Other financial expenses	2	(8,896)	(4,541)
Profit/loss before tax		(121,528)	(30,647)
Tax on profit/loss for the year	3	23,500	0
Profit/loss for the year		(98,028)	(30,647)
Proposed distribution of profit and loss:			
Retained earnings		(98,028)	(30,647)
Proposed distribution of profit and loss		(98,028)	(30,647)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Development projects in progress	5	6,658,790	388,625
Intangible assets	4	6,658,790	388,625
Fixed assets		6,658,790	388,625
Other receivables		212,547	75,597
Income tax receivable		247,000	0
Joint taxation contribution receivable		1,240,000	0
Receivables		1,699,547	75,597
Cash		53,508	56,594
Current assets		1,753,055	132,191
Assets		8,411,845	520,816

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		50,000	50,000
Reserve for development expenditure		6,658,790	388,625
Retained earnings		(2,590,986)	(452,793)
Equity		4,117,804	(14,168)
Deferred tax		1,463,500	0
Provisions		1,463,500	0
Payables to group enterprises		2,808,541	342,979
Non-current liabilities other than provisions	6	2,808,541	342,979
Current portion of non-current liabilities other than provisions	6	0	170,000
Trade payables		22,000	22,000
Other payables		0	5
Current liabilities other than provisions		22,000	192,005
Liabilities other than provisions		2,830,541	534,984
Equity and liabilities		8,411,845	520,816
Events after the balance sheet date	1		
Contingent liabilities	7		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	388,625	(452,793)	(14,168)
Group contributions etc	0	0	4,230,000	4,230,000
Transfer to reserves	0	6,270,165	(6,270,165)	0
Profit/loss for the year	0	0	(98,028)	(98,028)
Equity end of year	50,000	6,658,790	(2,590,986)	4,117,804

Notes

1 Events after the balance sheet date

In early 2020, the outbreak of the coronavirus disease (COVID-19) has escalated, and on 11 March 2020 the WHO declared it a worldwide pandemic. The outbreak has led to a number of precautions that affect the planning and execution of day-to-day operations, and the Group's vendors and customers may be affected as well. Their financial impact cannot be determined at this point in time.

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

2 Other financial expenses

	2019	2018
	DKK	DKK
Financial expenses from group enterprises	5,397	2,459
Other interest expenses	3,499	2,082
	8,896	4,541

3 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Change in deferred tax	(23,500)	0
	(23,500)	0

4 Intangible assets

	Development projects in progress
	DKK
Cost beginning of year	388,625
Additions	6,270,165
Cost end of year	6,658,790
Carrying amount end of year	6,658,790

5 Development projects

The cost of development projects comprises costs such as salaries, and other external expenses that are directly and indirectly attributable to the development projects. The Cost have been invoiced by the parent company on a cost basis, with no surcharge.

6 Non-current liabilities other than provisions

	Due within 12 months	Due after more than 12 months
	2018	2019
	DKK	DKK
Payables to group enterprises	170,000	2,808,541
	170,000	2,808,541

7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where S-cubed ApS serves as the administration company. 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.

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

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.

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, and tax surcharge under the Danish Tax Prepayment Scheme 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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

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 other external expenses that are directly and indirectly attributable to the development projects. The Cost have been invoiced by the parent company on a cost basis, with no surcharge.

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.

Cash

Cash comprises cash in hand and 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.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Other financial liabilities

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