

Subit ApS

Dronning Olgas Vej 26B
2000 Frederiksberg
Denmark

CVR no. 39 21 67 36

Annual report 2018/19

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

28 August 2019

Kim Nørgaard Hartvigsen
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 Subit ApS for the financial period 4 January 2018 – 31 March 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 March 2019 and of the results of the Company's operations for the financial period 4 January 2018 – 31 March 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.

28 August 2019
Executive Board:

Kim Nørgaard Hartvigsen

Philip Hagemann

Emil Büchler Seier Petersen

Board of Directors:

Lean Milo
Chairman

Kim Nørgaard Hartvigsen

Philip Hagemann

Emil Büchler Seier Petersen

Independent auditor's report

To the shareholders of Subit ApS

Opinion

We have audited the financial statements of Subit ApS for the financial period 4 January 2018 – 31 March 2019 comprising 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 Company's assets, liabilities and financial position at 31 March 2019 and of the results of the Company's operations for the financial period 4 January 2018 – 31 March 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.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that

Independent auditor's report

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, 28 August 2019

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Subit ApS
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Management's review

Company details

Subit ApS
Dronning Olgas Vej 26B
2000 Frederiksberg
Denmark

CVR no.: 39 21 67 36
Established: 4 January 2018
Financial period: 4 January 2018 – 31 March 2019

Board of Directors

Lean Milo, Chairman
Kim Nørgaard Hartvigsen
Philip Hagemann
Emil Büchler Seier Petersen

Executive Board

Kim Nørgaard Hartvigsen
Philip Hagemann
Emil Büchler Seier Petersen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen
Denmark

Management's review

Operating review

Principal activities

The company's main activity is to develop time management systems for schools.

Development in activities and financial position

The year's result in 2018/19 is T.DKK -350 and considered to be expected. The company have entered contracts with a satisfying number of customers, starting during next financial year.

Events after the balance sheet date

During the end of this financial year, no events have occurred that could materially affect the company's financial position.

Financial statements 4 January – 31 March

Income statement

DKK	Note	4/1 2018 - 31/3 2019
Gross profit/loss		<u>-268,629</u>
Staff costs	2	<u>-155,800</u>
Operating profit/loss		<u>-424,429</u>
Financial expenses		<u>-31,957</u>
Profit/loss before tax		<u>-456,386</u>
Tax on profit/loss for the year	3	<u>105,671</u>
Loss for the year		<u><u>-350,715</u></u>
Proposed profit appropriation/distribution of loss		
Retained earnings		<u><u>-350,715</u></u>

Financial statements 4 January – 31 March

Balance sheet

DKK	Note	31/3 2019
ASSETS		
Fixed assets		
Intangible assets		
Development projects in progress		<u>1,595,934</u>
Investments		
Deposits		<u>33,200</u>
Total fixed assets		<u>1,629,134</u>
Current assets		
Receivables		
Trade receivables		40,549
Other receivables		55,352
Corporation tax		<u>351,105</u>
		<u>447,006</u>
Total current assets		<u>447,006</u>
TOTAL ASSETS		<u><u>2,076,140</u></u>

Financial statements 4 January – 31 March

Balance sheet

DKK	Note	<u>31/3 2019</u>
EQUITY AND LIABILITIES		
Equity		
Contributed capital		65,159
Reserve for development costs		1,244,829
Retained earnings		<u>-600,703</u>
Total equity		<u>709,285</u>
Provisions		
Provisions for deferred tax		<u>245,434</u>
Total provisions		<u>245,434</u>
Liabilities other than provisions		
Current liabilities other than provisions		
Banks, current liabilities		303,728
Prepayments received from customers		49,556
Trade payables		36,143
Other payables		631,994
Payables to shareholders and Management		<u>100,000</u>
		<u>1,121,421</u>
Total liabilities other than provisions		<u>1,121,421</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,076,140</u></u>
Contractual obligations, contingencies, etc.	4	

Financial statements 4 January – 31 March

Statement of changes in equity

DKK	Contributed capital	Share premium	Reserve for development costs	Retained earnings	Total
Equity at 4 January 2018	50,000	0	0	0	50,000
Cash capital increase	15,159	994,841	0	0	1,010,000
Transferred over the [profit appropriation/distribution of loss]	0	0	1,244,829	-1,595,544	-350,715
Transfer from share premium account	0	-994,841	0	994,841	0
Equity at 31 March 2019	65,159	0	1,244,829	-600,703	709,285

Financial statements 4 January – 31 March

Notes

1 Accounting policies

The annual report of Subit ApS for 2018/19 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.

Income statement

Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense.

Financial statements 4 January – 31 March

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements 4 January – 31 March

Notes

1 Accounting policies (continued)

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be reestablished. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 4 January – 31 March

Notes

2 Staff costs

Of the total staff costs at 600.392 DKK, 444,592 DKK have been activated as an asset under development.

DKK	4/1 2018 - 31/3 2019
Wages and salaries	536,211
Other social security costs	17,518
Other staff costs	46,663
	<u>600,392</u>
	<u><u>3</u></u>
Average number of full-time employees	

3 Tax on profit/loss for the year

DKK	4/1 2018 - 31/3 2019
Current tax for the year	-351,105
Deferred tax for the year	245,434
	<u>-105,671</u>

4 Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has entered into operating leases with a remaining term of 3 months and an average monthly lease payments of DKK 8,300 thousand, totalling DKK 24,900 thousand.