

OrderYOYO ApS

Thoravej 13

2400 Copenhagen

Central Business Registration No

36704608

Annual report 2017

The Annual General Meeting adopted the annual report on 24.05.2018

Chairman of the General Meeting

Name: Jesper Johansen

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Entity details

Entity

OrderYOYO ApS
Thoravej 13
2400 Copenhagen

Central Business Registration No: 36704608

Registered in: Copenhagen

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Jesper Johansen, chairman
Jacob Bratting Pedersen
Preben Damgaard Nielsen
Theis Regner Riber Søndergaard
Ulla Brockenhuus-Schack

Executive Board

Thor Stein Angelo, CEO
Søren Gammelgaard, director

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 OrderYOYO ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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, 24.05.2018

Executive Board

Thor Stein Angelo
CEO

Søren Gammelgaard
director

Board of Directors

Jesper Johansen
chairman

Jacob Bratting Pedersen

Preben Damgaard Nielsen

Theis Regner Riber
Søndergaard

Ulla Brockenhuus-Schack

Independent auditor's report

To the shareholders of OrderYOYO ApS

Opinion

We have audited the financial statements of OrderYOYO ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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, 24.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant

Identification number (MNE) mne32127

Management commentary

Primary activities

To hold investments in other companies and to do business with development, production, sale and marketing of order platforms and other software for the restaurant industry.

Development in activities and finances

The income statement shows a total loss of DKK 9,627 k, and the balance sheet has an equity of DKK 4,981 k.

Financial resources

Management is monitoring the cash position on an ongoing basis, as of now the case is proceeding according to plan.

Events after the balance sheet date

On March 16 2018, the company closed a series A funding round from existing investors and Væktsfonden as new investor. The investment totals DKK 40m paid in two committed tranches. The funding enables the company to further develop the offerings for the restaurant industry, and to expand existing and new markets.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Gross profit/loss		880.251	(8.512)
Staff costs	1	(11.746.427)	(9.827)
Depreciation, amortisation and impairment losses		<u>(78.484)</u>	<u>(53)</u>
Operating profit/loss		(10.944.660)	(18.392)
Other financial income	2	425.280	19
Other financial expenses	3	<u>(524.280)</u>	<u>(63)</u>
Profit/loss before tax		(11.043.660)	(18.436)
Tax on profit/loss for the year	4	<u>1.266.742</u>	<u>1.309</u>
Profit/loss for the year		<u>(9.776.918)</u>	<u>(17.127)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(9.776.918)</u>	<u>(17.127)</u>
		<u>(9.776.918)</u>	<u>(17.127)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Other fixtures and fittings, tools and equipment		102.911	181
Property, plant and equipment	5	102.911	181
Investments in group enterprises		10	0
Deposits		115.000	115
Fixed asset investments	6	115.010	115
Fixed assets		217.921	296
Manufactured goods and goods for resale		342.500	132
Prepayments for goods		192.633	9
Inventories		535.133	141
Trade receivables		644.024	406
Receivables from group enterprises		7.259.565	641
Other receivables		1.150.300	735
Income tax receivable		1.266.742	1.096
Receivables		10.320.631	2.878
Cash		3.986.760	3.607
Current assets		14.842.524	6.626
Assets		15.060.445	6.922

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Contributed capital	7	141.501	109
Retained earnings		4.688.979	2.999
Equity		4.830.480	3.108
Convertible and dividend-yielding debt instruments		6.099.407	1.058
Non-current liabilities other than provisions		6.099.407	1.058
Trade payables		618.139	475
Other payables		3.512.419	2.281
Current liabilities other than provisions		4.130.558	2.756
Liabilities other than provisions		10.229.965	3.814
Equity and liabilities		15.060.445	6.922
Contingent liabilities	8		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	108.644	2.998.761	3.107.405
Increase of capital	32.857	11.467.136	11.499.993
Profit/loss for the year	0	(9.776.918)	(9.776.918)
Equity end of year	141.501	4.688.979	4.830.480

Notes

	2017	2016
	DKK	DKK'000
1. Staff costs		
Wages and salaries	11.443.495	9.360
Pension costs	0	26
Other social security costs	64.397	114
Other staff costs	238.535	327
	11.746.427	9.827
Average number of employees	32	24
	2017	2016
	DKK	DKK'000
2. Other financial income		
Financial income arising from group enterprises	425.280	16
Exchange rate adjustments	0	3
	425.280	19
	2017	2016
	DKK	DKK'000
3. Other financial expenses		
Interest expenses	18.846	3
Exchange rate adjustments	378.155	19
Other financial expenses	127.279	41
	524.280	63
	2017	2016
	DKK	DKK'000
4. Tax on profit/loss for the year		
Tax on current year taxable income	(1.266.742)	(1.096)
Adjustment concerning previous years	0	(213)
	(1.266.742)	(1.309)

Notes

	Other fixtures and fittings, tools and equipment DKK
	<u>DKK</u>
5. Property, plant and equipment	
Cost beginning of year	235.453
Cost end of year	<u>235.453</u>
Depreciation and impairment losses beginning of the year	(54.058)
Depreciation for the year	<u>(78.484)</u>
Depreciation and impairment losses end of the year	<u>(132.542)</u>
Carrying amount end of year	<u>102.911</u>

	Investments in group enterprises DKK	Deposits DKK
	<u>DKK</u>	<u>DKK</u>
6. Fixed asset investments		
Cost beginning of year	0	115.000
Additions	<u>10</u>	<u>0</u>
Cost end of year	<u>10</u>	<u>115.000</u>
Carrying amount end of year	<u>10</u>	<u>115.000</u>

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Investments in group enterprises comprise:					
OrderYOYO LTD.	London	LTD.	100,0	(7.675.523)	(7.675.523)

Notes

	Number	Par value DKK	Nominal value DKK
7. Contributed capital			
A-shares	50.000	1	50.000
B-shares	91.501	1	91.501
	141.501		141.501

8. Contingent liabilities

The company has issued a financial statement of support to the subsidiary OrderYOYO LTD. up to a maximum of DKK 3.000k.

The company has undertaken a lease agreement that may be terminated with 6 months notice. The obligation constitutes 181,782 DKK.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question are classified directly as equity.

Accounting policies

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and other 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.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

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.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital 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.

Tax on profit/loss for the year

Accounting policies

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

Property, plant and equipment

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	3 years
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Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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.

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

Other financial liabilities

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