Bysted A/S

Lyngbyvej 2, DK-2100 Copenhagen

Annual Report for 1 January - 31 December 2019

CVR No 13 27 35 88

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 29/5 2020

Magnus Christensen
Chairman of the General Meeting

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Bysted A/S for the financial year 1 January - 31 December 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 30 January 2020

Executive Board

Kitt Ralkov
CEO

Board of Directors

Thomas Pedersen Chairman	Kitt Ralkov	Michael Koefoed Steensborg Drejer

Independent Auditor’s Report

To the Shareholders of Bysted A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company’s operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Bysted A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (”the Financial Statements”).

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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management’s Review
Management is responsible for Management’s Review.

Our opinion on the Financial Statements does not cover 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 Management’s Review and, in doing so, consider whether 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 Management’s Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management’s Review.

Independent Auditor's Report

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 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 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:

- 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- 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.

Hellerup, 30 January 2020
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
statsautoriseret revisor
mne16675

Company Information

The Company	Bysted A/S Lyngbyvej 2 DK-2100 Copenhagen CVR No: 13 27 35 88 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of directors	Thomas Pedersen, Chairman Kitt Ralkov Michael Koefoed Steensborg Drejer
Executive Board	Kitt Ralkov
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's Review

Financial Statements of Bysted A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

The company operates with strategic and design consulting within digital communication.

Development in the year

The income statement of the Company for 2019 shows a profit of DKK 1,276,036, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 4,296,299.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2019	2018
		DKK	DKK
Revenue		**7,934,722**	**8,520,786**
Production expenses		-920,977	-2,133,880
Other external expenses		-464,564	-266,037
Gross profit/loss		**6,549,181**	**6,120,869**
Staff expenses	1	-4,655,262	-5,131,282
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-225,901	-272,031
Profit/loss before financial income and expenses		**1,668,018**	**717,556**
Financial income		13	0
Financial expenses	2	-28,699	-15,458
Profit/loss before tax		**1,639,332**	**702,098**
Tax on profit/loss for the year	3	-363,296	-161,380
Net profit/loss for the year		**1,276,036**	**540,718**

Distribution of profit

Proposed distribution of profit

Retained earnings	1,276,036	540,718
	1,276,036	**540,718**

Balance Sheet 31 December

Assets

	Note	2019	2018
		DKK	DKK
Completed development projects		0	193,334
Intangible assets	4	**0**	**193,334**
Other fixtures and fittings, tools and equipment		52,420	46,788
Property, plant and equipment	5	**52,420**	**46,788**
Fixed assets		**52,420**	**240,122**
Trade receivables		2,289,340	2,645,971
Contract work in progress		128,910	436,324
Receivables from group enterprises		3,062,595	2,464,918
Deferred tax asset	6	67,369	42,145
Prepayments		9,887	93,075
Receivables		**5,558,101**	**5,682,433**
Cash at bank and in hand		**258,418**	**9,180**
Currents assets		**5,816,519**	**5,691,613**
Assets		**5,868,939**	**5,931,735**

Balance Sheet 31 December

Liabilities and equity

	Note	2019	2018
		DKK	DKK
Share capital		1,562,500	1,562,500
Retained earnings		2,733,799	1,457,763
Equity		**4,296,299**	**3,020,263**
Other payables		117,350	0
Long-term debt	7	**117,350**	**0**
Credit institutions		0	944,489
Prepayments received from customers		45,871	442,500
Trade payables		258,701	388,117
Payables to group enterprises relating to corporation tax		400,564	354,901
Other payables	7	750,154	781,465
Short-term debt		**1,455,290**	**2,911,472**
Debt		**1,572,640**	**2,911,472**
Liabilities and equity		**5,868,939**	**5,931,735**
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	1,562,500	1,457,763	3,020,263
Net profit/loss for the year	0	1,276,036	1,276,036
Equity at 31 December	**1,562,500**	**2,733,799**	**4,296,299**

Notes to the Financial Statements

		2019	2018
		DKK	DKK
1	**Staff expenses**		
	Wages and salaries	4,086,164	4,716,033
	Pensions	516,744	332,768
	Other social security expenses	47,868	56,400
	Other staff expenses	4,486	26,081
		4,655,262	**5,131,282**
	Average number of employees	**7**	**9**
2	**Financial expenses**		
	Other financial expenses	28,129	15,388
	Exchange loss	570	70
		28,699	**15,458**
3	**Tax on profit/loss for the year**		
	Current tax for the year	388,520	198,944
	Deferred tax for the year	-25,224	-37,564
		363,296	**161,380**

4 Intangible assets

	Completed development projects
	DKK
Cost at 1 January	580,000
Cost at 31 December	580,000
Impairment losses and amortisation at 1 January	386,666
Amortisation for the year	193,334
Impairment losses and amortisation at 31 December	580,000
Carrying amount at 31 December	**0**

Notes to the Financial Statements

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	4,195,650
Additions for the year	38,199
Disposals for the year	-3,999,278
Cost at 31 December	234,571
Impairment losses and depreciation at 1 January	4,148,862
Depreciation for the year	32,567
Impairment and depreciation of sold assets for the year	-3,999,278
Impairment losses and depreciation at 31 December	182,151
Carrying amount at 31 December	**52,420**

6 Deferred tax asset

The recognised tax asset comprises only from differences between the accounting value and the tax value from assets. There is no tax loss. The recognised tax assets therefore expects to be utilised within the next years.

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2019	2018
	DKK	DKK
Other payables		
Between 1 and 5 years	117,350	0
Long-term part	117,350	0
Other short-term payables	750,154	781,465
	867,504	**781,465**

Notes to the Financial Statements

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of FFW Danmark ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9 Related parties

Consolidated Financial Statements

The company is a part of the Group Annual Report for the parent company

Name	Place of registered office
Fiona Acquisition ApS	Tubord Boulevard 12, 2900 Hellerup

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of Bysted A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

10 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Production expenses

Production expenses comprise purchase of external services and consumables used to achieve net revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

10 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with majority owned Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Intangible assets are measured at cost the year of acquisition

Acquired intangible assets are measured at cost less accumulated depreciation. Acquired intangible assets are depreciated over a three year period.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	1-5	years
Leasehold improvements	5-10	years

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

10 Accounting Policies (continued)

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

10 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.