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KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Nimbus Film Holding ApS

Vesterbrogade 149, st. b9., 1620 København V

Company reg. no. 21 42 03 36

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the

27/5-20

Bo Ehrhardt
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Management's review	6
Annual accounts 1 January - 31 December 2019	
Accounting policies used	7
Profit and loss account	12
Balance sheet	13
Notes	15

Management's report

The board of directors and the executive board have today presented the annual report of Nimbus Film Holding ApS for the financial year 1 January to 31 December 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København V, 18 February 2020

Executive board



Bo Ehrhardt

Birgitte Hald

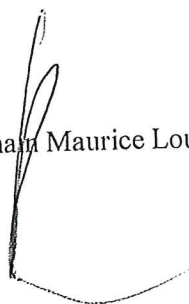
Board of directors

Søren Elmann Ingerslev



Birgitte Hald

Roman Maurice Louis Bessi



Bo Ehrhardt

Independent auditor's report

To the shareholders of Nimbus Film Holding ApS

Opinion

We have audited the annual accounts of Nimbus Film Holding ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 18 February 2020

Christensen Kjarulff

Company reg. no. 15 91 56 41


John Mikkelsen
State Authorised Public Accountant
mne26748

Company data

The company

Nimbus Film Holding ApS
Vesterbrogade 149, st. b9.
1620 København V

Company reg. no. 21 42 03 36
Established: 13 October 1998
Domicile:
Financial year: 1 January - 31 December

Board of directors

Søren Elmann Ingerslev
Romain Maurice Louis Bessi
Bo Ehrhardt
Birgitte Hald

Executive board

Bo Ehrhardt
Birgitte Hald

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Subsidiaries

Nimbus Film ApS, Frederiksberg
Nimbus Film Sales ApS, Frederiksberg

Management's review

The principal activities of the company

The company's main activities consist, directly or indirectly, through ownership interests in other companies, to conduct business with film production and naturally connected company according to the Executive Board's decision.

The company owns, in whole or in part, a number of companies that produce and distribute films and manage rights.

Development in activities and financial matters

The gross profit for the year is DKK 185.000 against DKK -366.000 last year. The results from ordinary activities after tax are DKK 466.000 against DKK -7.457.000 last year. The management consider the results unsatisfactory.

Accounting policies used

The annual report for Nimbus Film Holding ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Income statement

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of goodwill and addition of negative goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Accounting policies used

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached. Negative balances (negative goodwill) is recognised as income in the profit and loss account at the date of acquisition when the general requirements for recognition of income are met.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

Securities and equity investments

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Share premium

Share premium comprises amounts paid as premium in connection with the issue of shares. Costs in connection with a carried through issue are deducted in the premium. The premium reserve may be utilised as dividend, issue of bonus shares, and for payment of losses.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Nimbus Film Holding ApS is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Nimbus Film Holding ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or "Payable corporate tax".

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Accounting policies used

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



Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross profit	185.248	-366.334
Income from equity investments in group enterprises	321.741	-7.133.083
Other financial income	79	118
1 Other financial costs	-19	-49.487
Results before tax	507.049	-7.548.786
2 Tax on ordinary results	-40.768	91.455
Results for the year	466.281	-7.457.331
 Proposed distribution of the results:		
Allocated to results brought forward	466.281	0
Allocated from results brought forward	0	-7.457.331
Distribution in total	466.281	-7.457.331



Balance sheet 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Fixed assets			
3	Equity investments in group enterprises	8.091.280	7.769.539
	Financial fixed assets in total	<u>8.091.280</u>	<u>7.769.539</u>
	Fixed assets in total	<u>8.091.280</u>	<u>7.769.539</u>
Current assets			
	Amounts owed by group enterprises	2.264.674	2.292.191
	Deferred tax assets	182.378	223.146
	Receivable corporate tax	62	62
	Debtors in total	<u>2.447.114</u>	<u>2.515.399</u>
	Other securities and equity investments	2.431	2.352
	Securities in total	<u>2.431</u>	<u>2.352</u>
	Available funds	<u>81</u>	<u>0</u>
	Current assets in total	<u>2.449.626</u>	<u>2.517.751</u>
	Assets in total	<u>10.540.906</u>	<u>10.287.290</u>



Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
4	Contributed capital	260.000	260.000
5	Share premium account	5.155.056	5.155.056
6	Results brought forward	-5.762.910	-6.229.190
	Equity in total	-347.854	-814.134
Liabilities			
	Debt to associated enterprises	7.557.775	7.857.775
	Long-term liabilities in total	7.557.775	7.857.775
	Gæld til pengeinstitutter	0	123
	Debt to group enterprises	73.275	73.275
	Other debts	3.257.710	3.170.251
	Short-term liabilities in total	3.330.985	3.243.649
	Liabilities in total	10.888.760	11.101.424
	Equity and liabilities in total	10.540.906	10.287.290
7	Mortgage and securities		
8	Contingencies		

Notes

All amounts in DKK.

	2019	2018
1. Other financial costs		
Other financial costs	19	49.487
	19	49.487
2. Tax on ordinary results		
Year's deferred tax regulation	40.768	-91.455
	40.768	-91.455
3. Equity investments in group enterprises		
1 January 2019	22.666.709	12.666.709
Additions during the year	0	10.000.000
Cost 31 December 2019	22.666.709	22.666.709
1 January 2019	-14.897.170	-7.764.087
Profit or loss for the year before depreciation on goodwill	321.741	-7.133.083
Revaluation 31 December 2019	-14.575.429	-14.897.170
Book value 31 December 2019	8.091.280	7.769.539

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity DKK	Results for the year DKK	Book value at Nimbus Film Holding ApS DKK
Nimbus Film ApS, Frederiksberg	100 %	7.916.321	327.678	-7.916.321
Nimbus Film Sales ApS, Frederiksberg	100 %	174.959	-5.937	-174.959
		8.091.280	321.741	-8.091.280

4. Contributed capital

Contributed capital 1 January 2019	260.000	260.000
	260.000	260.000

Notes

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
5. Share premium account		
Share premium account 1 January 2019	5.155.056	0
Additions during the year	<u>0</u>	<u>5.155.056</u>
	<u>5.155.056</u>	<u>5.155.056</u>
6. Results brought forward		
Results brought forward 1 January 2019	-6.229.191	1.228.141
Profit or loss for the year brought forward	<u>466.281</u>	<u>-7.457.331</u>
	<u>-5.762.910</u>	<u>-6.229.190</u>

7. Mortgage and securities

The company provides security for the subsidiary Nimbus Film ApS 'intermediary with its bank connection. The security is not expected to incur expenses for the company.

8. Contingencies

Contingent liabilities

The company does not incur guarantee, guarantee or other contingent liabilities than those stated in the accounts.

The company has issued general guarantees regarding rights for produced films and ongoing film productions. The obligations are not expected to incur expenses for the company.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.