

Oath (Denmark) ApS
c/o Harbour House, Sundkrogsgade 21, 2100 Copenhagen

Company reg. no. 25 90 33 15

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 15 May 2024.

Joseph Nivaro
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2023	
Accounting policies	7
Income statement	12
Balance sheet	13
Notes	15

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of Oath (Denmark) ApS (the "Company") for the financial year 1 January - 31 December 2023.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

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

Copenhagen, 8 May 2024

Sole Director

Michel Hubertus Paulus Teheux

Independent auditor's report

To the Shareholder of Oath (Denmark) ApS

Opinion

We have audited the financial statements of Oath (Denmark) ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.
- 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 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.

Independent auditor's report

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 Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 8 May 2024

EY
Godkendt Revisionspartnerselskab

Company reg. no. 30 70 02 28

Henrik Reedtz
State Authorised Public Accountant
mne24830

Company information

The company

Oath (Denmark) ApS
c/o Harbour House
Sundkrogsgade 21
2100 Copenhagen

Company reg. no. 25 90 33 15
Domicile: Copenhagen
Financial year: 1 January 2023 - 31 December 2023

Managing Director

Michel Hubertus Paulus Teheux

Auditors

EY
Godkendt Revisionspartnerselskab
c/o Postboks 250,
Dirch Passers Allé 36
2000 Frederiksberg

Management's review

The principal activities of the company

The Company's principal activity is marketing of products related to Internet based marketing videos and online advertising in Denmark.

The recipient of these services is Yahoo EMEA Limited, a company registered and existing in the Republic of Ireland. This marketing services agreement with Yahoo EMEA Limited terminated effective 1 January 2024 after which the Company became dormant.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The Company's financial position at 31 December 2023 and the results of its operations for the financial year ended 31 December 2023 are not affected by any unusual matters.

Business review

The Company's income statement for the year ended 31 December 2023 shows a profit of TEUR 103 and the balance sheet at 31 December 2023 shows equity of TEUR 4,523.

In February 2023, Yahoo announced plans to transform Yahoo's Ad tech division, Yahoo for Business, to set it up for long-term success. Yahoo for Business is now narrowing its focus and future investments solely on its flagship DSP business, which has a strong market position and high-growth potential. The new division is called Yahoo Advertising. At the same time, Yahoo sunset its SSP, while shifting its Native Advertising efforts to the partnership with Taboola in November 2022.

As a result of these changes, the Company has terminated its marketing agreement with Yahoo EMEA Limited effective 1 January 2024 and the Company has become dormant.

Management considers the Company's financial performance in the year satisfactory.

Significant events after the financial year

There are no significant events to report.

Accounting policies

The annual report for Oath (Denmark) ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises and elective choice of certain provisions applying to reporting class C entities.

The annual report is presented in euro (EUR). The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the Company and the value of the liability can be reliably measured.

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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Income statement

Gross profit

Gross profit comprises the revenue less operating expenses.

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition. Income from the rendering of services, are recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Income from supply of services is recognized as revenue with reference to the stage of completion.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Operating expenses

Operating expenses comprise costs relating to the Company's primary activities incurred in the year, including expenses relating to administration, premises, lease payments under operating leases, marketing, etc.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning 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.

Dividend from equity investments in group enterprises is recognised in the financial year in which the dividend is declared. Distributions of dividend where the dividend exceeds the profit for the year or where the carrying amount of the Company's investments in the subsidiary exceeds the carrying amount of the subsidiary's net asset value will be evidence of impairment, meaning that an impairment test must be conducted.

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

Accounting policies

Tax of the results for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The Company is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities.

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

The balance sheet

Property, plant, and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Fixtures and fittings, tools and equipment	3-5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Writedown of non-current assets

The carrying amount of property, plant and equipment and investments in subsidiaries is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the carrying amount and the recoverable amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets.

Accounting policies

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporate tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Accounting policies

According to the rules of joint taxation, the Company is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities are measured at amortised cost, which is usually equivalent to nominal value.

Other liabilities are measured at net realisable value.

Income statement 1 January - 31 December

EUR thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	653	2.426
1 Staff costs	-566	-2.181
Depreciation and writedown relating to fixed assets	-9	-12
Operating profit	78	233
Other financial income	56	3
Other financial expenses	-6	-32
Pre-tax net profit or loss	128	204
2 Tax on ordinary results	-25	-65
Result for the year	103	139
Proposed distribution of net profit:		
Transferred to retained earnings	103	139
Total allocations and transfers	103	139

Balance sheet at 31 December

EUR thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
Other plants, operating assets, and fixtures and furniture	0	20
Total property, plant, and equipment	0	20
Investments in subsidiaries	13	13
Deposits	0	50
Total investments	13	63
Total non-current assets	13	83
Current assets		
Receivables from group companies	4.338	3.433
Receivable corporate tax	0	10
Other debtors	71	73
Total receivables	4.409	3.516
Cash and cash equivalents	198	1.279
Total current assets	4.607	4.795
Total assets	4.620	4.878

Balance sheet at 31 December

EUR thousand.

Equity and liabilities			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Equity			
3	Contributed capital	70	70
4	Retained earnings	4.453	4.350
	Total equity	4.523	4.420
Provisions			
	Provisions for deferred tax	0	1
	Total provisions	0	1
Liabilities other than provisions			
	Trade creditors	1	46
	Corporate tax	11	0
	Income tax payable to subsidiaries	7	4
	Other payables	78	407
	Total short term liabilities other than provisions	97	457
	Total liabilities other than provisions	97	457
	Total equity and liabilities	4.620	4.878

5 Contingencies

6 Information on the parent company

Notes

EUR thousand.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	525	2.068
Other costs for social security	<u>41</u>	<u>113</u>
	<u>566</u>	<u>2.181</u>
Average number of employees	<u>4</u>	<u>11</u>
2. Tax on ordinary results		
Tax of the results for the year	26	66
Adjustment for the year of deferred tax	<u>-1</u>	<u>-1</u>
	<u>25</u>	<u>65</u>
3. Contributed capital		
Contributed capital 1 January 2023	<u>70</u>	<u>70</u>
	<u>70</u>	<u>70</u>
4. Retained earnings		
Retained earnings 1 January 2023	4.350	4.145
Group contribution	0	66
Profit or loss for the year brought forward	<u>103</u>	<u>139</u>
	<u>4.453</u>	<u>4.350</u>

Notes

EUR thousand.

5. Contingencies

Joint Taxation

The Company is jointly taxed with Danish group companies. Hence, the Company has unlimited joint and several liability for payment of Danish corporation taxes. Any subsequent corrections of the income subject to joint taxation may entail that the Company's liability will increase.

There is an ongoing tax audit in the Company. The case concerns the valuation placed on the Company's intangible assets transferred to a group company AOL Europe Holdings (2) & Cie S.e.n.c, Luxembourg in May 2012. The Company has appealed the assessment. The Company is confident that it will ultimately win the appeal on the basis that the original valuation of 2012 was reasonable. If the appeal is unsuccessful, the Company may be required to pay estimate amount of €13,702,991 calculated as at 31 December 2023 in Income tax, penalties and interest.

Operating lease commitments

The Company has entered into rent agreements at the following amounts: the lease in 2024 has an average monthly payment of DKK 69,959, totaling DKK 209,876 for the year, the lease terminated in March in 2024 with no extensions.

6. Information on the parent company

Oath (Denmark) ApS is a wholly-owned subsidiary of Yahoo Netherlands B.V. The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up and or which the Company is a member at year end is College Parent L.P. whose principal place of business is 770 Broadway, 9th Floor, NY 10003, USA and is a limited partnership formed in the state of Delaware, United States of America.