

Annual report for the period 1 January 2022 to 30 June 2023

Bookboon ApS

Falkoner Alle 1, 2., 2000 Frederiksberg

CVR no. 28 85 24 44

(18th Financial year)

Adopted at the annual general meeting on 24
January 2024

Johan Ingerslev
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Bookboon ApS for the financial year 1 January 2022 - 30 June 2023.

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 company's financial position at 30 June 2023 and of the results of the company's operations for the financial year 1 January 2022 - 30 June 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Frederiksberg, 24 January 2024

Executive board

Marko Perisic

Supervisory board

Adam John Witherow Brown
chairman

Robert Hugh Binns

Michael James Audis

Independent auditor's report

To the shareholder of Bookboon ApS

Opinion

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 June 2023 and of the results of the company's operations for the financial year 1 January 2022 - 30 June 2023 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Bookboon ApS for the financial year 1 January 2022 - 30 June 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ('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 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 Statements Act. We did not identify any material misstatement of 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 the 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, 24 January 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Leif Ulbæk Jensen
State Authorised Public Accountant
MNE no. mne23327

Jakob Thisted Binder
State Authorised Public Accountant
MNE no. mne42816

Company details

The company

Bookboon ApS
Falkoner Alle 1, 2.
2000 Frederiksberg

Telephone: +45 3543 3366

CVR no.: 28 85 24 44

Reporting period: 1 January 2022 - 30 June 2023

Incorporated: 1 January 2005

Financial year: 18th financial year

Domicile: Frederiksberg

Supervisory board

Adam John Witherow Brown, chairman
Robert Hugh Binns
Michael James Audis

Executive board

Marko Perisic

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's review

Business review

The key business of Bookboon is Digital Learning within Soft skills and Business Skills.

Financial review

The company's income statement for the year ended 30 June 2023 shows a loss of DKK 650.558, and the balance sheet at 30 June 2023 shows equity of DKK 3.085.008.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Anvendt regnskabspraksis

The Annual Report of Bookboon ApS for 2022/23 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 are consistent with those of last year.

The annual report for 2022/23 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Anvendt regnskabspraksis

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, expenses for authors' fee and others and other external expenses.

Revenue

Revenue from contracts with customers are recognized based on transfer of control as interpreted based on IFRS 15 either at the point in time, where control transfers to the customer or over time as the control passes to the customer. Revenue and related costs regarding services are recognized transferred to customers over time in the terms of the agreements.

Revenue recognition requires an agreement with the client which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected.

For multi-element contracts, the basis for revenue recognition is an assessment of the standalone selling prices for the identified performance obligations, including rebates discounts and allowances.

Revenue from contracts with customers are recognized based on transfer of control either at the point in time, where control transfers to the customer or over time as the control passes to the customer.

Revenue from the sale of digital and audio books and advertisement is recognised when the control have been transferred to the customer.

Anvendt regnskabspraksis

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

Expenses for authors' fee and others

Expenses for author's fee and others include royalties and other payments.

Other external expenses

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

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation 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 that relate to the financial year. Net financials include interest income and expenses as well as realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions.

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 wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Tangible assets

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

Anvendt regnskabspraksis

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-4 years	0 %
Leasehold improvements	4 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Other investments

Fixed asset investments consist of deposit regarding lease agreement.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Anvendt regnskabspraksis

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Resultatopgørelse 1 January 2022 - 30 June 2023

	<u>Note</u>	<u>2022/23</u> DKK (18 months)	<u>2021</u> DKK
Gross profit		18.206.673	6.271.179
Staff costs	1	-16.789.768	-3.849.572
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-82.231</u>	<u>-90.529</u>
Profit/loss before net financials		1.334.674	2.331.078
Financial income	3	547.533	509.745
Financial costs	4	<u>-749.251</u>	<u>-206.281</u>
Profit/loss before tax		1.132.956	2.634.542
Tax on profit/loss for the year	5	<u>-1.783.514</u>	<u>-579.585</u>
Profit/loss for the year		<u>-650.558</u>	<u>2.054.957</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-650.558</u>	<u>2.054.957</u>
		<u>-650.558</u>	<u>2.054.957</u>

Balance 30 June 2023

	<u>Note</u>	<u>2022/23</u> DKK (18 months)	<u>2021</u> DKK
Assets			
Other fixtures and fittings, tools and equipment	6	<u>166.165</u>	<u>111.900</u>
Tangible assets		<u>166.165</u>	<u>111.900</u>
Deposits	7	<u>184.183</u>	<u>161.300</u>
Fixed asset investments		<u>184.183</u>	<u>161.300</u>
Total non-current assets		<u>350.348</u>	<u>273.200</u>
Trade receivables		33.238.708	11.531.421
Receivables from group		23.254.519	20.496.246
Other receivables		384.793	229.662
Deferred tax asset		0	152.874
Corporation tax		0	53.570
Prepayments		<u>317.441</u>	<u>7.015.690</u>
Receivables		<u>57.195.461</u>	<u>39.479.463</u>
Cash at bank and in hand		<u>4.304.354</u>	<u>7.840.880</u>
Total current assets		<u>61.499.815</u>	<u>47.320.343</u>
Total assets		<u>61.850.163</u>	<u>47.593.543</u>

Balance 30 June 2023

	<u>Note</u>	<u>2022/23</u> DKK (18 months)	<u>2021</u> DKK
Equity and liabilities			
Share capital		178.571	178.571
Retained earnings		<u>2.906.437</u>	<u>3.556.995</u>
Equity		<u>3.085.008</u>	<u>3.735.566</u>
Trade payables		1.482.779	8.061.828
Payables to group		14.845.725	15.609.921
Joint taxation contributions payable		1.630.640	776.567
Other payables		5.365.311	528.872
Deferred income		<u>35.440.700</u>	<u>18.880.789</u>
Total current liabilities		<u>58.765.155</u>	<u>43.857.977</u>
Total liabilities		<u>58.765.155</u>	<u>43.857.977</u>
Total equity and liabilities		<u>61.850.163</u>	<u>47.593.543</u>
Contingent liabilities	8		
Related parties and ownership structure	9		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity	178.571	3.556.995	3.735.566
Net profit/loss for the year	0	-650.558	-650.558
Equity	<u>178.571</u>	<u>2.906.437</u>	<u>3.085.008</u>

Notes

	<u>2022/23</u> DKK (18 months)	<u>2021</u> DKK
1 Staff costs		
Wages and salaries	15.825.549	3.280.715
Pensions	815.407	421.218
Other social security costs	148.812	73.838
Other staff costs	0	73.801
	<u>16.789.768</u>	<u>3.849.572</u>
Number of fulltime employees on average	<u>13</u>	<u>9</u>
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation tangible assets	<u>82.231</u>	<u>90.529</u>
	<u>82.231</u>	<u>90.529</u>
3 Financial income		
Interest received from group enterprises	284.841	255.111
Other financial income	0	112
Exchange adjustments	<u>262.692</u>	<u>254.522</u>
	<u>547.533</u>	<u>509.745</u>
4 Financial costs		
Interest paid to group enterprises	0	154.554
Other financial costs	295.808	51.727
Exchange loss	<u>453.443</u>	<u>0</u>
	<u>749.251</u>	<u>206.281</u>

Notes

	<u>2022/23</u>	<u>2021</u>
	DKK (18 months)	DKK
5 Tax on profit/loss for the year		
Current tax for the year	1.630.640	592.724
Deferred tax for the year	<u>152.874</u>	<u>-13.139</u>
	<u>1.783.514</u>	<u>579.585</u>

6 Tangible assets

	<u>Other fixtures and fittings, tools and equipment</u>
Cost	454.303
Additions for the year	<u>136.496</u>
Cost	<u>590.799</u>
Impairment losses and depreciation	342.403
Depreciation for the year	<u>82.231</u>
Impairment losses and depreciation	<u>424.634</u>
Carrying amount	<u>166.165</u>

Notes

7 Fixed asset investments

	<u>Deposits</u>
Cost	161.300
Additions for the year	<u>22.883</u>
Cost	<u>184.183</u>
Carrying amount	<u>184.183</u>

8 Contingent liabilities

The following assets have been placed as security with bankers:

Company charge of a total of DKK 5,000,000 which provides security in receivables and property, plant and equipment at a total carrying amount of DKK 0 (2021: DKK 13,212,241).

The company has entered a rent agreement with a total obligation of DKK 141,000 (2021: DKK 188,000) during the non-cancellation period.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Tax is disclosed in the Annual Report of Bookboon Corporate A/S, which is the management company for the joint taxation purposes. Moreover, the 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 and ownership structure

Controlling interest

BookBoon Corporate A/S (majority shareholder)

Ownership structure

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital: Bookboon Corporate A/S

Notes

9 Related parties and ownership structure (Fortsat)

Consolidated financial statements

The Company is included in the Group Annual Report of the Parent Company of the smallest and largest group: Bookbook Corporate A/S

The group report of the immediate parent, BookBoon Corporate A/S, can be obtained at the following address:

BookBoon Corporate A/S
Falkoner Alle 1,2.
DK-2000 Frederiksberg

The group report of the ultimate parent, Access UK Ltd, can be obtained at the following address:

Access UK Ltd
Armstrong Building Oakwood Drive, Loughborough University Science & Enterprise Park,
Loughborough, England, LE11 3QF