

## **ISSUU ApS**

Gasværksvej 16, 3.  
1656 Copenhagen V  
Central Business Registration No  
29831084

## **Annual report 2016**

The Annual General Meeting adopted the annual report on 04.05.2017

### **Chairman of the General Meeting**

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Name: Rolf Michael Ussing

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## Entity details

### Entity

ISSUU ApS

Gasværksvej 16, 3.

1656 Copenhagen V

Central Business Registration No: 29831084

Registered in: Copenhagen

Financial year: 01.01.2016 - 31.12.2016

### Board of Directors

Joseph Alexander Hyrkin, Chairman

Rolf Michael Ussing

### Executive Board

Rolf Michael Ussing, Chief Executive Officer

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

0900 Copenhagen C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ISSUU ApS for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 04.05.2017

### Executive Board

Rolf Michael Ussing  
Chief Executive Officer

### Board of Directors

Joseph Alexander Hyrkin  
Chairman

Rolf Michael Ussing

# Independent auditor's report

## To the shareholders of ISSUU ApS

### Opinion

We have audited the financial statements of ISSUU ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

## Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial statements Act.

## Independent auditor's report

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

Copenhagen, 04.05.2017

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Søren Strandby

State Authorised Public Accountant

## Management commentary

### Primary activities

The Company's primary activities comprise development and providing of internet services.

### Development in activities and finances

The Company's operating profit for the year and its financial position at year-end are shown in the following income statement for 01.01.2016 - 31.12.2016 and the balance sheet at 31.12.2016.

The income statement shows a profit of DKK 11,653 thousand and equity stands at DKK 7,082 thousand.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



## Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Revenue		46.931.108	43.757.123
Other external expenses		<u>(11.072.972)</u>	<u>(7.600.810)</u>
<b>Gross profit/loss</b>		<b>35.858.136</b>	<b>36.156.313</b>
Staff costs	1	(23.874.208)	(27.693.618)
Depreciation, amortisation and impairment losses	2	<u>(136.458)</u>	<u>(242.072)</u>
<b>Operating profit/loss</b>		<b>11.847.470</b>	<b>8.220.623</b>
Other financial income	3	157.157	0
Other financial expenses	4	<u>(454)</u>	<u>(2.920.490)</u>
<b>Profit/loss before tax</b>		<b>12.004.173</b>	<b>5.300.133</b>
Tax on profit/loss for the year	5	<u>(351.521)</u>	<u>1.110.417</u>
<b>Profit/loss for the year</b>		<b>11.652.652</b>	<b>6.410.550</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>11.652.652</u>	<u>6.410.550</u>
		<b>11.652.652</b>	<b>6.410.550</b>

## Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Acquired intangible assets		41.667	91.667
<b>Intangible assets</b>	6	<b>41.667</b>	<b>91.667</b>
Other fixtures and fittings, tools and equipment		52.635	98.534
<b>Property, plant and equipment</b>	7	<b>52.635</b>	<b>98.534</b>
Investments in group enterprises		185.860	0
Other receivables		854.932	818.543
<b>Fixed asset investments</b>	8	<b>1.040.792</b>	<b>818.543</b>
<b>Fixed assets</b>		<b>1.135.094</b>	<b>1.008.744</b>
Trade receivables		0	73.596
Receivables from group enterprises		6.923.379	100.384
Other receivables		301.002	326.288
<b>Receivables</b>		<b>7.224.381</b>	<b>500.268</b>
<b>Cash</b>		<b>2.470.743</b>	<b>1.632.319</b>
<b>Current assets</b>		<b>9.695.124</b>	<b>2.132.587</b>
<b>Assets</b>		<b>10.830.218</b>	<b>3.141.331</b>

## Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		413.207	413.207
Retained earnings		6.668.675	(4.983.977)
<b>Equity</b>		<b><u>7.081.882</u></b>	<b><u>(4.570.770)</u></b>
Trade payables		585.841	644.329
Payables to group enterprises		0	2.883.600
Income tax payable		351.521	0
Other payables		2.810.974	4.184.172
<b>Current liabilities other than provisions</b>		<b><u>3.748.336</u></b>	<b><u>7.712.101</u></b>
<b>Liabilities other than provisions</b>		<b><u>3.748.336</u></b>	<b><u>7.712.101</u></b>
<b>Equity and liabilities</b>		<b><u>10.830.218</u></b>	<b><u>3.141.331</u></b>

Mortgages and securities

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## Statement of changes in equity for 2016

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	413.207	(4.983.977)	(4.570.770)
Profit/loss for the year	0	11.652.652	11.652.652
<b>Equity end of year</b>	<b>413.207</b>	<b>6.668.675</b>	<b>7.081.882</b>

## Notes

	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	22.033.268	25.925.882
Pension costs	1.538.966	1.503.413
Other social security costs	301.974	264.323
	<b>23.874.208</b>	<b>27.693.618</b>
Number of employees at balance sheet date	<b>38</b>	<b>40</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	50.000	50.000
Depreciation of property, plant and equipment	86.458	192.072
	<b>136.458</b>	<b>242.072</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>3. Other financial income</b>		
Exchange rate adjustments	124.649	0
Other financial income	32.508	0
	<b>157.157</b>	<b>0</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>4. Other financial expenses</b>		
Exchange rate adjustments	318	2.678.323
Other financial expenses	136	242.167
	<b>454</b>	<b>2.920.490</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>5. Tax on profit/loss for the year</b>		
Tax on current year taxable income	351.521	0
Adjustment concerning previous years	0	(1.110.417)
	<b>351.521</b>	<b>(1.110.417)</b>

## Notes

	<b>Acquired intangible assets DKK</b>
	<u>DKK</u>
<b>6. Intangible assets</b>	
Cost beginning of year	250.000
<b>Cost end of year</b>	<u><b>250.000</b></u>
Amortisation and impairment losses beginning of year	(158.333)
Amortisation for the year	<u>(50.000)</u>
<b>Amortisation and impairment losses end of year</b>	<u><b>(208.333)</b></u>
<b>Carrying amount end of year</b>	<u><b>41.667</b></u>
	<b>Other fixtures and fittings, tools and equipment DKK</b>
	<u>DKK</u>
<b>7. Property, plant and equipment</b>	
Cost beginning of year	1.506.499
Additions	<u>40.559</u>
<b>Cost end of year</b>	<u><b>1.547.058</b></u>
Depreciation and impairment losses beginning of the year	(1.407.965)
Depreciation for the year	<u>(86.458)</u>
<b>Depreciation and impairment losses end of the year</b>	<u><b>(1.494.423)</b></u>
<b>Carrying amount end of year</b>	<u><b>52.635</b></u>

## Notes

	<b>Investments in group enterprises DKK</b>	<b>Other receivables DKK</b>
<b>8. Fixed asset investments</b>		
Cost beginning of year	0	818.543
Additions	185.860	36.389
<b>Cost end of year</b>	<b>185.860</b>	<b>854.932</b>
<b>Carrying amount end of year</b>	<b>185.860</b>	<b>854.932</b>

### 9. Mortgages and securities

The bank deposit of DKK 300 thousand has been provided as security for a loan granted by the Entity's banker.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

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

### Income statement

#### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.



## Accounting policies

### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

### Depreciation, amortisation and impairment losses

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

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies etc.

### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

### Balance sheet

#### Intellectual property rights etc

Intellectual property rights etc. comprise acquired related intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

#### Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Estimated useful lives and residual values are reassessed annually.

## Accounting policies

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

### **Investments in group enterprises**

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

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

### **Cash**

Cash comprises bank deposits.

### **Other financial liabilities**

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

### **Income tax receivable or payable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.