

Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA

Søndergade 8-10, 7570 Vemb, Denmark

Company reg. no. 30 24 82 52

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 12 February 2021.

Jan Kjeldgård Mikkelsen
Chairman of the meeting

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 DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Medlem af:



 RevisorGruppen Danmark

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 1 January - 31 December 2020	
Accounting policies	7
Income statement	11
Statement of financial position	12
Statement of changes in equity	14
Notes	15

Management's report

The managing director has today presented the annual report of Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA for the financial year 1 January to 31 December 2020.

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

I consider the chosen accounting policies to be appropriate. In my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

In my opinion, the management's review contains a fair presentation of the matters covered in the review.

We recommend that the annual report be approved by the general meeting.

Vemb, 12 February 2021

Managing Director

Jan Kjeldgård Mikkelsen

Independent auditor's report

To the shareholders of Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA

Opinion

We have audited the annual accounts of Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA for the financial year 1 January to 31 December 2020, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity 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 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 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

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. 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, 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 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.

Independent auditor's report

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:

- 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 management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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

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.

Independent auditor's report

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.

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 Statements Act. We did not find any material misstatement in the management's review.

Silkeborg, 12 February 2021

Revisionshuset Tal & Tanker

Statsautoriseret revisionspartnerselskab
Company reg. no. 37 31 56 64

Kuno Hesel

State Authorised Public Accountant
mne33224

Company information

The company

Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA
Søndergade 8-10
7570 Vemb, Denmark

Company reg. no. 30 24 82 52
Domicile: Vemb
Financial year: 1 January - 31 December

Managing Director

Jan Kjeldgård Mikkelsen

Auditors

Revisionshuset Tal & Tanker, Statsautoriseret revisionspartnerselskab
Stagehøjvej 22
8600 Silkeborg

Bankers

Danske Bank, Dalgasgade 27, 1. sal, 7400 Herning

Management commentary

The principal activities of the company

The company's main activity is purchase and sale of special glasses.

Development in activities and financial matters

The gross profit for the year is DKK 17,7m against DKK 18,6m last year. The results from ordinary activities after tax are DKK 6,9m against DKK 7,0m last year. The management considers the results as satisfying.

Accounting policies

The annual report for Wiley X EMEA, Filial af Wiley X EMEA, LLC, USA is presented in accordance with regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. The report is presented with adjustments caused by the fact, that this is an internal annual report.

Foreign currency translation

Transactions in foreign currency are converted by using the exchange rate at the date of the transaction. Differences in the rate of exchange emerging between the rate at the date of transaction and the rate at the date of payment are included in the income statement as an item under net financials.

Receivables, payables, and other foreign currency monetary items are converted by using the closing rate. The difference between the closing rate and transaction rate is included in the income statement under financial income and expenses.

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

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The company will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of net turnover.

The net turnover is included in the income statement if delivery and risk is transferred to the buyer before the end of the year and if the income can be determined reliably and is expected to be paid. The net turnover is exclusive of VAT and is deducted of any discounts relating directly to the sales.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

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

Staff costs

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

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown includes depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Accounting policies

Financial income and expenses

Net financials includes interests as well as additions and reimbursements related to the Danish taxation laws. Financial income and expenses are included in the income statement with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year includes the current tax for the year and the changes in deferred tax, and it is included in the income statement 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 balance sheet

Property, plant, and equipment

Property, plant, and equipment are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful lifetime of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost includes acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is calculated on a linear basis and based on an evaluation of the expected useful lifetime:

	Useful life
Buildings	25 years
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are included as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price reduced by selling costs and the book value at the date of disposal. Profit or losses is included in the income statement as other operating income or other operating expenses.

Leases

Leases are treated as operational leasing. Payments in connection with operating leases and other rental agreements are included in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Accounting policies

Impairment loss relating to non-current assets

The book values of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If needed, depreciation tests will be carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is highest. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

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

Inventories

Inventories are measured at cost on the basis of measured average prices. In cases when the net realisable value is lower than the cost, the inventory is written down to this lower value.

Costs of goods for resale, raw materials, and consumables is calculated as acquisition costs plus delivery costs.

The net realisable value for inventories is calculated as the market price with deduction of completion costs and selling costs. The net realisable value is determined by the negotiability, obsolescence, and the development of the expected market price.

Receivables

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

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets includes incurred costs concerning the next financial year.

Available funds

Available funds includes cash at bank and in hand.

Accounting policies

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax included are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account. Tax receivable and tax liabilities are presented netto in the extent that deducting is legal and expected to be

Deferred tax is measured on the basis of temporary differences in assets and liabilities.

Deferred tax assets are included at the value in which they are expected to be realisable, either by settlement against tax of future earnings or by deduction in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured according to 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 other than provisions

Other liabilities as payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	17.671.443	18.585.274
1 Staff costs	-8.735.885	-9.427.106
Depreciation and writedown relating to tangible fixed assets	-97.808	-134.864
Operating profit	8.837.750	9.023.304
Other financial income	5.209	15.837
2 Other financial costs	-50.225	-1.968
Pre-tax net profit or loss	8.792.734	9.037.173
Tax on ordinary results	-1.938.404	-1.991.708
Net profit or loss for the year	6.854.330	7.045.465
Proposed appropriation of net profit:		
Dividend for the financial year	5.000.000	8.000.000
Transferred to retained earnings	1.854.330	0
Allocated from retained earnings	0	-954.535
Total allocations and transfers	6.854.330	7.045.465

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Non-current assets		
Property	2.241.364	2.304.831
Other fixtures and fittings, tools and equipment	152.710	233.781
Total property, plant, and equipment	<u>2.394.074</u>	<u>2.538.612</u>
Total non-current assets	<u>2.394.074</u>	<u>2.538.612</u>
Current assets		
Manufactured goods and trade goods	4.841.214	4.544.429
Prepayments for goods	2.691.464	0
Total inventories	<u>7.532.678</u>	<u>4.544.429</u>
Trade debtors	6.901.912	1.091.873
Accrued income and deferred expenses	265.285	327.682
Total receivables	<u>7.167.197</u>	<u>1.419.555</u>
Available funds	<u>7.758.210</u>	<u>7.711.629</u>
Total current assets	<u>22.458.085</u>	<u>13.675.613</u>
Total assets	<u>24.852.159</u>	<u>16.214.225</u>

This document has esignatur Agreement-ID: 944c5156zj241688078

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity and liabilities		
Equity		
Contributed capital	3.893.194	3.893.194
Results brought forward	6.946.940	5.092.610
Proposed dividend for the financial year	5.000.000	0
Total equity	<u>15.840.134</u>	<u>8.985.804</u>
Provisions		
Provisions for deferred tax	17.884	10.156
Total provisions	<u>17.884</u>	<u>10.156</u>
Liabilities other than provisions		
Bank debts	54.962	43.944
Prepayments received from customers	210.430	83.266
Trade creditors	2.210.907	446.508
Debt to group enterprises	301.656	51.188
Corporate tax	1.793.676	1.870.690
Other debts	4.422.510	4.722.669
Total short term liabilities other than provisions	8.994.141	7.218.265
Total liabilities other than provisions	<u>8.994.141</u>	<u>7.218.265</u>
Total equity and liabilities	<u>24.852.159</u>	<u>16.214.225</u>

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January 2020	3.893.194	5.092.610	0	8.985.804
Profit or loss for the year brought forward	<u>0</u>	<u>1.854.330</u>	<u>5.000.000</u>	<u>6.854.330</u>
	<u>3.893.194</u>	<u>6.946.940</u>	<u>5.000.000</u>	<u>15.840.134</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	8.031.135	8.677.704
Pension costs	592.118	631.128
Other costs for social security	<u>112.632</u>	<u>118.274</u>
	<u>8.735.885</u>	<u>9.427.106</u>
Average number of employees	<u>19</u>	<u>18</u>
2. Other financial costs		
Other financial costs	<u>50.225</u>	<u>1.968</u>
	<u>50.225</u>	<u>1.968</u>

3. Contingencies

Contingent liabilities

Leasing liabilities

The company has entered into operational leasing contracts with an average annual leasing payment of DKK 119.736. The leasing contracts have 19 months left to run, and the total outstanding leasing payment DKK 189.582.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Jan Kjeldgård Mikkelsen

Som Dirigent NEM ID
PID: 9208-2002-2-646714054207
Tidspunkt for underskrift: 12-02-2021 kl.: 12:55:39
Underskrevet med NemID

Jan Kjeldgård Mikkelsen

Som Direktør NEM ID
PID: 9208-2002-2-646714054207
Tidspunkt for underskrift: 12-02-2021 kl.: 12:55:39
Underskrevet med NemID

Kuno Hesel

Som Statsautoriseret revisor NEM ID
På vegne af Revisionshuset Tal & Tanker
RID: 23656268
Tidspunkt for underskrift: 12-02-2021 kl.: 12:57:17
Underskrevet med NemID

This document has esignatur Agreement-ID: 944c5156zj241688078

This document is signed with esignatur. Embedded in the document is the original agreement document and a signed data object for each signatory. The signed data object contains a mathematical hash value calculated from the original agreement document, which secures that the signatures is related to precisely this document only. Prove for the originality and validity of signatures can always be lifted as legal evidence.

The document is locked for changes and all cryptographic signature certificates are embedded in this PDF. The signatures therefore comply with all public recommendations and laws for digital signatures. With esignatur's solution, it is ensured that all European laws are respected in relation to sensitive information and valid digital signatures. If you would like more information about digital documents signed with esignatur, please visit our website at www.esignatur.dk.