



Adservice A/S

Rosenkrantzgade 23, 2.
8000 Aarhus C
CVR No. 30545532

Annual report 2022

The Annual General Meeting adopted the
annual report on 12.05.2023

Casper Grud

Chairman of the General Meeting

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Entity details

Entity

Adservice A/S
Rosenkrantzgade 23, 2.
8000 Aarhus C

Business Registration No.: 30545532
Registered office: Aarhus
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Casper Grud
Øystein Åsebø
Markus Joakim Bjernvall
Simon Fredrik Gustafson

Executive Board

Casper Grud, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus 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 Adservice A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

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.

Aarhus, 12.05.2023

Executive Board

Casper Grud

CEO

Board of Directors

Casper Grud

Øystein Åsebø

Markus Joakim Bjernvall

Simon Fredrik Gustafson

Independent auditor's report

To the shareholders of Adservice A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Adservice A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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.

Aarhus, 12.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Lena Lykkegård

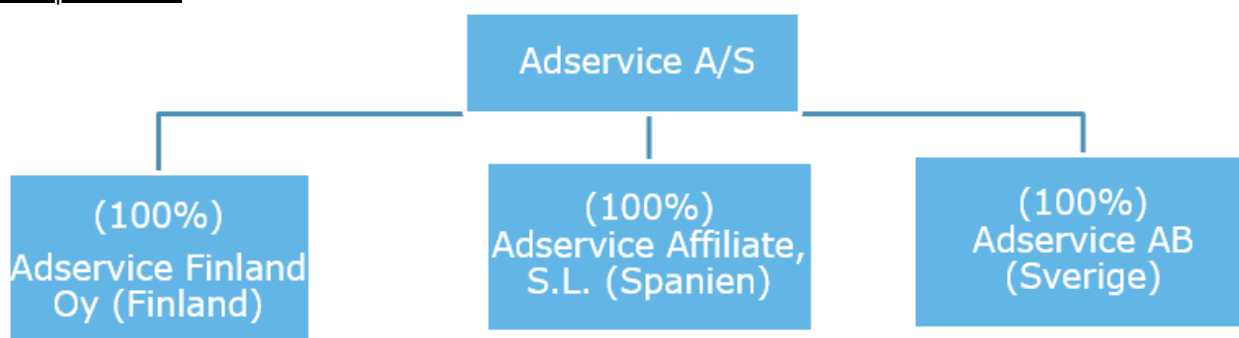
State Authorised Public Accountant
Identification No (MNE) mne47836

Management commentary

Financial highlights

| | 2022 DKK'000 | 2021 DKK'000 | 2020 DKK'000 | 2019 DKK'000 | 2018 DKK'000 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Key figures | | | | | |
| Gross profit/loss | 42,366 | 32,156 | 31,134 | 40,783 | 57,075 |
| Operating profit/loss | 25,677 | 16,500 | 13,153 | 16,916 | 33,640 |
| Net financials | (1,251) | 354 | (16) | (718) | (191) |
| Profit/loss for the year | 19,097 | 13,043 | 10,241 | 12,566 | 26,080 |
| Balance sheet total | 72,106 | 62,209 | 54,027 | 66,093 | 82,963 |
| Investments in property, plant and equipment | 77 | 43 | 35 | 181 | 501 |
| Equity | 38,561 | 32,467 | 27,124 | 28,884 | 38,318 |
| Ratios | | | | | |
| Return on equity (%) | 53.77 | 43.78 | 36.57 | 37.40 | 63.55 |
| Equity ratio (%) | 53.48 | 52.19 | 50.20 | 43.70 | 46.19 |

Group overview:



Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Balance sheet total

Primary activities

Adservice's primary activities are within the affiliate marketing industry. Adservice offers performance marketing solutions for advertisers and publishers who want to grow their business. The main part of this offering is our unique network of connections and industry-leading technology platform. We create solutions that drive results tailored to our clients' needs. Adservice have a strong focus on our core business which is building on more than a decade of know-how and experience.

Development in activities and finances

The Adservice group has in the financial year 2022 generated an operating profit of 25.7M DKK compared to 16.5M DKK in 2021. The management is satisfied with the result.

Profit/loss for the year in relation to expected developments

In 2022, Adservice achieved a solid financial performance in line with management's expectations outlined in the previous year's outlook. The company's strong focus on tech improvements for both the advertiser and publisher experience on the Adservice platform has contributed to establishing it as one of the best and most innovative platforms on the market. This focus on technological advancements has driven growth across all markets and played a key role in achieving the expected EBITDA within the range of 20-30 million DKK for the year. The positive results in 2022 validate the company's strategic direction and reinforce our commitment to continue investing in technology to drive further growth and improve the platform's capabilities.

Outlook

Adservice has a strong focus on tech, which can improve both the Advertiser and publisher experience on the Adservice platform and is now one of the best and most innovative platforms on the market.

The Adservice Group expects to grow in 2023 in all markets and to have an EBITDA within 27-37 Mio DKK.

Use of financial instruments

The group has activities in Danish kroner, as well as Norwegian and Swedish kroner and euros. The group tries to balance both income and costs in local currency. The group does not use exchange rate hedging. The group has no official policy for this.

The group has no significant interest-bearing debt, and thus does not bear a significant interest rate risk.

Knowledge resources

Adservice is helping our local education community with resources, training, and knowledge. A donation that has been more significant in 2022.

Environmental performance

Adservice is focused on only having a small negative impact on our environment. Daily we try to minimize the use of paper, plastic, and energy consumption.

Research and development activities

Research and development activities consists primarily of the development of the ACT platform which are recognised in the profit and loss statement.

Events after the balance sheet date

On January 30th 2023, after the balance sheet date, Adservice was acquired by Adtraction Group AB, a leading company in the affiliate marketing industry. This acquisition represents a significant milestone for Adservice and demonstrates the value of our innovative platform and market position. The collaboration with Adtraction is

expected to strengthen both companies' offerings and create new growth opportunities by leveraging synergies and combining resources, knowledge, and technology. This strategic move is anticipated to provide an enhanced experience for our advertisers, publishers, and partners, while reinforcing our commitment to delivering innovative and effective performance marketing solutions.

Consolidated income statement for 2022

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|-------------------|-------------------|
| Gross profit/loss | 1 | 42,365,791 | 32,155,757 |
| Staff costs | 2 | (16,315,326) | (15,150,490) |
| Depreciation, amortisation and impairment losses | 3 | (373,514) | (505,433) |
| Operating profit/loss | | 25,676,951 | 16,499,834 |
| Other financial income | | 2,196,979 | 2,319,558 |
| Other financial expenses | | (3,448,050) | (1,965,621) |
| Profit/loss before tax | | 24,425,880 | 16,853,771 |
| Tax on profit/loss for the year | 4 | (5,328,801) | (3,810,667) |
| Profit/loss for the year | 5 | 19,097,079 | 13,043,104 |

Consolidated balance sheet at 31.12.2022

Assets

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|-------------------|-------------------|
| Acquired rights | | 0 | 0 |
| Intangible assets | 6 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 114,775 | 158,456 |
| Leasehold improvements | | 13,077 | 266,074 |
| Property, plant and equipment | 7 | 127,852 | 424,530 |
| Deposits | | 379,410 | 379,410 |
| Financial assets | 8 | 379,410 | 379,410 |
| Fixed assets | | 507,262 | 803,940 |
| Trade receivables | | 31,383,107 | 27,598,180 |
| Receivables from group enterprises | | 118,225 | 1,729,551 |
| Deferred tax | 9 | 29,000 | 0 |
| Other receivables | | 2,589,162 | 1,902,085 |
| Joint taxation contribution receivable | | 889,090 | 0 |
| Prepayments | 10 | 31,320 | 35,693 |
| Receivables | | 35,039,904 | 31,265,509 |
| Cash | | 36,559,088 | 30,139,340 |
| Current assets | | 71,598,992 | 61,404,849 |
| Assets | | 72,106,254 | 62,208,789 |

Equity and liabilities

| | Notes | 2022 DKK | 2021 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 500,000 | 500,000 |
| Translation reserve | | (3,666) | 0 |
| Retained earnings | | 38,064,409 | 18,967,258 |
| Proposed dividend for the financial year | | 0 | 13,000,000 |
| Equity | | 38,560,743 | 32,467,258 |
| Deferred tax | 9 | 0 | 15,000 |
| Provisions | | 0 | 15,000 |
| Trade payables | | 32,725,294 | 26,273,223 |
| Joint taxation contribution payable | | 0 | 2,296,189 |
| Other payables | | 820,217 | 1,157,119 |
| Current liabilities other than provisions | | 33,545,511 | 29,726,531 |
| Liabilities other than provisions | | 33,545,511 | 29,726,531 |
| Equity and liabilities | | 72,106,254 | 62,208,789 |
| Unrecognised rental and lease commitments | 12 | | |
| Transactions with related parties | 13 | | |
| Subsidiaries | 14 | | |

Consolidated statement of changes in equity for 2022

| | Contributed capital DKK | Translation reserve DKK | Retained earnings DKK | Proposed dividend for the financial year DKK | Total DKK |
|---------------------------|-------------------------------|-------------------------------|-----------------------------|--|-------------------|
| Equity beginning of year | 500,000 | 0 | 18,967,258 | 13,000,000 | 32,467,258 |
| Ordinary dividend paid | 0 | 0 | 0 | (13,000,000) | (13,000,000) |
| Exchange rate adjustments | 0 | 0 | 72 | 0 | 72 |
| Value adjustments | 0 | (3,666) | 0 | 0 | (3,666) |
| Profit/loss for the year | 0 | 0 | 19,097,079 | 0 | 19,097,079 |
| Equity end of year | 500,000 | (3,666) | 38,064,409 | 0 | 38,560,743 |

Consolidated cash flow statement for 2022

| | Notes | 2022 DKK | 2021 DKK |
|---|-------|---------------------|--------------------|
| Operating profit/loss | | 25,676,951 | 16,499,834 |
| Amortisation, depreciation and impairment losses | | 373,514 | 505,433 |
| Working capital changes | 11 | 3,255,270 | (4,628,138) |
| Cash flow from ordinary operating activities | | 29,305,735 | 12,377,129 |
| Financial income received | | 2,196,979 | 2,319,558 |
| Financial expenses paid | | (3,448,050) | (1,965,621) |
| Taxes refunded/(paid) | | (8,558,080) | (4,093,394) |
| Cash flows from operating activities | | 19,496,584 | 8,637,672 |
| Acquisition etc. of property, plant and equipment | | (76,836) | (56,773) |
| Acquisition of fixed asset investments | | 0 | (25,748) |
| Cash flows from investing activities | | (76,836) | (82,521) |
| Free cash flows generated from operations and investments before financing | | 19,419,748 | 8,555,151 |
| Dividend paid | | (13,000,000) | (7,700,000) |
| Cash flows from financing activities | | (13,000,000) | (7,700,000) |
| Increase/decrease in cash and cash equivalents | | 6,419,748 | 855,151 |
| Cash and cash equivalents beginning of year | | 30,139,340 | 29,284,189 |
| Cash and cash equivalents end of year | | 36,559,088 | 30,139,340 |
| Cash and cash equivalents at year-end are composed of: | | | |
| Cash | | 36,559,088 | 30,139,340 |
| Cash and cash equivalents end of year | | 36,559,088 | 30,139,340 |

Notes to consolidated financial statements

1 Gross profit/loss

The gross profit contains DKK 283.371 in 2021 from the fixed cost compensation of support schemes set up as a result of the spread and outbreak of COVID-19. There is no other operating income in 2022.

2 Staff costs

| | 2022 | 2021 |
|---------------------------------------|-------------------|-------------------|
| | DKK | DKK |
| Wages and salaries | 14,057,836 | 13,699,668 |
| Pension costs | 1,416,661 | 954,638 |
| Other social security costs | 613,668 | 463,156 |
| Other staff costs | 227,161 | 33,028 |
| | 16,315,326 | 15,150,490 |
| Average number of full-time employees | 27 | 24 |

| | Remuneration | Remuneration |
|--|---------------------|---------------------|
| | of manage- | of manage- |
| | ment | ment |
| | 2022 | 2021 |
| | DKK | DKK |
| Total amount for management categories | 1,867,051 | 2,770,586 |
| | 1,867,051 | 2,770,586 |

Remuneration of the management is comprised with reference to the Danish GAAP Act section 98 b.

3 Depreciation, amortisation and impairment losses

| | 2022 | 2021 |
|---|----------------|----------------|
| | DKK | DKK |
| Depreciation on property, plant and equipment | 373,514 | 505,433 |
| | 373,514 | 505,433 |

4 Tax on profit/loss for the year

| | 2022 | 2021 |
|--------------------------------------|------------------|------------------|
| | DKK | DKK |
| Current tax | 5,372,801 | 3,705,232 |
| Change in deferred tax | (44,000) | (9,000) |
| Adjustment concerning previous years | 0 | 114,435 |
| | 5,328,801 | 3,810,667 |

5 Proposed distribution of profit/loss

| | 2022 | 2021 |
|--|-------------------|-------------------|
| | DKK | DKK |
| Ordinary dividend for the financial year | 0 | 13,000,000 |
| Extraordinary dividend distributed in the financial year | 0 | (7,700,000) |
| Retained earnings | 19,097,079 | 7,743,104 |
| | 19,097,079 | 13,043,104 |

6 Intangible assets

| | Acquired rights DKK |
|---|------------------------------------|
| Cost beginning of year | 429,877 |
| Cost end of year | 429,877 |
| Amortisation and impairment losses beginning of year | (429,877) |
| Amortisation and impairment losses end of year | (429,877) |
| Carrying amount end of year | 0 |

7 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK | Leasehold improvements DKK |
|---|---|---|
| Cost beginning of year | 2,148,877 | 1,581,069 |
| Additions | 76,836 | 0 |
| Cost end of year | 2,225,713 | 1,581,069 |
| Depreciation and impairment losses beginning of year | (1,990,421) | (1,314,995) |
| Depreciation for the year | (120,517) | (252,997) |
| Depreciation and impairment losses end of year | (2,110,938) | (1,567,992) |
| Carrying amount end of year | 114,775 | 13,077 |

8 Financial assets

| | Deposits DKK |
|------------------------------------|-------------------------|
| Cost beginning of year | 379,410 |
| Cost end of year | 379,410 |
| Carrying amount end of year | 379,410 |

9 Deferred tax

| | 2022 DKK | 2021 DKK |
|-------------------------------|---------------------|---------------------|
| Property, plant and equipment | 29,000 | (15,000) |
| Deferred tax | 29,000 | (15,000) |

| Changes during the year | 2022 DKK | 2021 DKK |
|------------------------------------|---------------------|---------------------|
| Beginning of year | (15,000) | (24,000) |
| Recognised in the income statement | 44,000 | 9,000 |
| End of year | 29,000 | (15,000) |

| Deferred tax has been recognised in the balance sheet as follows | 2022 DKK | 2021 DKK |
|---|---------------------|---------------------|
| Deferred tax assets | 29,000 | 0 |
| Deferred tax liabilities | 0 | (15,000) |
| | 29,000 | (15,000) |

Deferred tax assets

Deferred tax consist of temporary differences between tangible assets.

10 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

11 Changes in working capital

| | 2022 DKK | 2021 DKK |
|--|---------------------|---------------------|
| Increase/decrease in receivables | (2,856,305) | (6,050,992) |
| Increase/decrease in trade payables etc. | 6,111,575 | 1,422,854 |
| | 3,255,270 | (4,628,138) |

12 Unrecognised rental and lease commitments

| | 2022 DKK | 2021 DKK |
|---|---------------------|---------------------|
| Total liabilities under rental or lease agreements until maturity | 411,000 | 393,000 |

13 Transactions with related parties

No transactions with related parties were made in the financial year, which were not made on an arm's length basis.

14 Subsidiaries

| | Registered in | Corporate form | Ownership % |
|--------------------------|----------------------|-----------------------|--------------------|
| Adservice Finland Oy | Finland | Oy | 100.00 |
| Adservice Affiliate S.L. | Spain | S.L. | 100.00 |
| Adservice AB | Sweden | AB | 100.00 |

Parent income statement for 2022

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|-------------------|-------------------|
| Gross profit/loss | 1 | 37,253,481 | 28,926,551 |
| Staff costs | 2 | (11,755,879) | (12,131,343) |
| Depreciation, amortisation and impairment losses | 3 | (368,656) | (501,383) |
| Operating profit/loss | | 25,128,946 | 16,293,825 |
| Income from investments in group enterprises | | 480,453 | 196,126 |
| Other financial income | | 2,196,979 | 2,319,558 |
| Other financial expenses | | (3,442,389) | (1,965,135) |
| Profit/loss before tax | | 24,363,989 | 16,844,374 |
| Tax on profit/loss for the year | 4 | (5,266,910) | (3,801,270) |
| Profit/loss for the year | 5 | 19,097,079 | 13,043,104 |

Parent balance sheet at 31.12.2022

Assets

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|-------------------|-------------------|
| Acquired rights | | 0 | 0 |
| Intangible assets | 6 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 114,775 | 158,456 |
| Leasehold improvements | | 3,592 | 251,731 |
| Property, plant and equipment | 7 | 118,367 | 410,187 |
| Investments in group enterprises | | 1,101,891 | 625,032 |
| Deposits | | 379,410 | 379,410 |
| Financial assets | 8 | 1,481,301 | 1,004,442 |
| Fixed assets | | 1,599,668 | 1,414,629 |
| Trade receivables | | 31,350,935 | 27,247,498 |
| Receivables from group enterprises | | 118,225 | 1,729,551 |
| Deferred tax | 9 | 29,000 | 0 |
| Other receivables | | 2,402,658 | 1,835,280 |
| Joint taxation contribution receivable | | 889,090 | 0 |
| Prepayments | 10 | 16,577 | 21,729 |
| Receivables | | 34,806,485 | 30,834,058 |
| Cash | | 35,077,487 | 29,520,925 |
| Current assets | | 69,883,972 | 60,354,983 |
| Assets | | 71,483,640 | 61,769,612 |

Equity and liabilities

| | Notes | 2022 DKK | 2021 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 500,000 | 500,000 |
| Translation reserve | | (3,666) | 0 |
| Reserve for net revaluation according to equity method | | 1,027,561 | 547,036 |
| Retained earnings | | 37,036,848 | 18,420,222 |
| Proposed dividend for the financial year | | 0 | 13,000,000 |
| Equity | | 38,560,743 | 32,467,258 |
| Deferred tax | 9 | 0 | 15,000 |
| Provisions | | 0 | 15,000 |
| Trade payables | | 32,580,328 | 26,014,087 |
| Joint taxation contribution payable | | 0 | 2,296,189 |
| Other payables | | 342,569 | 977,078 |
| Current liabilities other than provisions | | 32,922,897 | 29,287,354 |
| Liabilities other than provisions | | 32,922,897 | 29,287,354 |
| Equity and liabilities | | 71,483,640 | 61,769,612 |
| Unrecognised rental and lease commitments | 11 | | |
| Contingent liabilities | 12 | | |
| Related parties with controlling interest | 13 | | |
| Transactions with related parties | 14 | | |

Parent statement of changes in equity for 2022

| | Contributed capital DKK | Translation reserve DKK | Reserve for net revaluation according to the equity method DKK | Retained earnings DKK | Proposed dividend for the year DKK |
|---------------------------|----------------------------|----------------------------|---|--------------------------|---------------------------------------|
| Equity beginning of year | 500,000 | 0 | 547,036 | 18,420,222 | 13,000,000 |
| Ordinary dividend paid | 0 | 0 | 0 | 0 | (13,000,000) |
| Exchange rate adjustments | 0 | 0 | 72 | 0 | 0 |
| Value adjustments | 0 | (3,666) | 0 | 0 | 0 |
| Profit/loss for the year | 0 | 0 | 480,453 | 18,616,626 | 0 |
| Equity end of year | 500,000 | (3,666) | 1,027,561 | 37,036,848 | 0 |

| | Total DKK |
|---------------------------|-------------------|
| Equity beginning of year | 32,467,258 |
| Ordinary dividend paid | (13,000,000) |
| Exchange rate adjustments | 72 |
| Value adjustments | (3,666) |
| Profit/loss for the year | 19,097,079 |
| Equity end of year | 38,560,743 |

Notes to parent financial statements

1 Gross profit/loss

The gross profit contains DKK 283.371 in 2021 from the fixed cost compensation of support schemes set up as a result of the spread and outbreak of COVID-19. There is no other operating income in 2022.

2 Staff costs

| | 2022 | 2021 |
|---------------------------------------|-------------------|-------------------|
| | DKK | DKK |
| Wages and salaries | 10,144,090 | 11,159,205 |
| Pension costs | 1,209,490 | 764,684 |
| Other social security costs | 175,138 | 174,426 |
| Other staff costs | 227,161 | 33,028 |
| | 11,755,879 | 12,131,343 |
| Average number of full-time employees | 20 | 19 |

| | Remuneration | Remuneration |
|--|---------------------|---------------------|
| | of Manage- | of Manage- |
| | ment | ment |
| | 2022 | 2021 |
| | DKK | DKK |
| Total amount for management categories | 1,867,051 | 2,770,586 |
| | 1,867,051 | 2,770,586 |

Remuneration of the management is comprised with reference to the Danish GAAP Act section 98 b.

3 Depreciation, amortisation and impairment losses

| | 2022 | 2021 |
|---|----------------|----------------|
| | DKK | DKK |
| Depreciation on property, plant and equipment | 368,656 | 501,383 |
| | 368,656 | 501,383 |

4 Tax on profit/loss for the year

| | 2022 | 2021 |
|--------------------------------------|------------------|------------------|
| | DKK | DKK |
| Current tax | 5,310,910 | 3,695,835 |
| Change in deferred tax | (44,000) | (9,000) |
| Adjustment concerning previous years | 0 | 114,435 |
| | 5,266,910 | 3,801,270 |

5 Proposed distribution of profit and loss

| | 2022 DKK | 2021 DKK |
|--|-------------------|-------------------|
| Ordinary dividend for the financial year | 0 | 13,000,000 |
| Extraordinary dividend distributed in the financial year | 0 | (7,700,000) |
| Retained earnings | 19,097,079 | 7,743,104 |
| | 19,097,079 | 13,043,104 |

6 Intangible assets

| | Acquired rights DKK |
|---|---------------------------|
| Cost beginning of year | 429,877 |
| Cost end of year | 429,877 |
| Amortisation and impairment losses beginning of year | (429,877) |
| Amortisation and impairment losses end of year | (429,877) |
| Carrying amount end of year | 0 |

7 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK | Leasehold improvements DKK |
|---|--|----------------------------------|
| Cost beginning of year | 2,148,877 | 1,561,631 |
| Additions | 76,836 | 0 |
| Cost end of year | 2,225,713 | 1,561,631 |
| Depreciation and impairment losses beginning of year | (1,990,421) | (1,309,900) |
| Depreciation for the year | (120,517) | (248,139) |
| Depreciation and impairment losses end of year | (2,110,938) | (1,558,039) |
| Carrying amount end of year | 114,775 | 3,592 |

8 Financial assets

| | Investments in group enterprises DKK | Deposits DKK |
|------------------------------------|---|-----------------|
| Cost beginning of year | 77,996 | 379,410 |
| Exchange rate adjustments | (3,666) | 0 |
| Cost end of year | 74,330 | 379,410 |
| Revaluations beginning of year | 547,036 | 0 |
| Exchange rate adjustments | 72 | 0 |
| Share of profit/loss for the year | 480,453 | 0 |
| Revaluations end of year | 1,027,561 | 0 |
| Carrying amount end of year | 1,101,891 | 379,410 |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

9 Deferred tax

| | 2022 DKK | 2021 DKK |
|-------------------------------|---------------|-----------------|
| Property, plant and equipment | 29,000 | (15,000) |
| Deferred tax | 29,000 | (15,000) |

| Changes during the year | 2022 DKK | 2021 DKK |
|------------------------------------|---------------------|---------------------|
| Beginning of year | (15,000) | (24,000) |
| Recognised in the income statement | 44,000 | 9,000 |
| End of year | 29,000 | (15,000) |

Deferred tax assets

Deferred tax consist of temporary differences between tangible assets.

10 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

11 Unrecognised rental and lease commitments

| | 2022 DKK | 2021 DKK |
|---|-------------|-------------|
| Total liabilities under rental or lease agreements until maturity | 353,000 | 353,000 |

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which 25. Maj Holding ApS serves as the administration company.

According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc. for the jointly taxed entities, limited to the equity interest by which the Entity participates in the Group, and also secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

13 Related parties with controlling interest

As of the balance date

25. Maj Holding ApS, 8240 Risskov, have controlling interest in the company, since possessing the majority of the shares in the company.

Casper Grud, 8240 Risskov, have controlling interest in 25. Maj Holding ApS, as he posses all the shares in the company.

As of the date of the general meeting

Adtraction Group AB, Biblioteksgatan 29

114 35 Stockholm, Sverige

Org. No.: 559303-4753

Adtraction Group AB have controlling interest in the company.

14 Transactions with related parties

No transactions with related parties were made in the financial year, which were not made on an arm's length basis.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intragroup income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and external expenses.

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 operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Costs of sales

Costs of sales includes the direct cost on the revenue including expenses for publishers, direct suppliers etc.

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 writedowns of receivables recognised in current assets.

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

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation 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.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises dividends, transactions in foreign currencies, etc.

Other financial expenses

Other financial expenses comprise interest expenses, 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.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights comprises the hosted website adservice.com

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 and leasehold improvements 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:

| | Useful life |
|--|--------------------|
| Other fixtures and fittings, tools and equipment | 4 years |
| Leasehold improvements | 5 years |

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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 recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

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

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions payable or receivable

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.