

Pixel.TV ApS

Rådmandsgade 45A, 1., DK-2200 København N

CVR no. 30 80 67 78



Annual report 2015/16

Approved at the annual general meeting of shareholders on 30 November 2016

Chairman:

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Mark Fjeldal Dalsgaard Nielsen



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Management's review

The Board of Directors and the Executive Board have today discussed and approved the annual report of Pixel.TV ApS for the financial year 1 July 2015 - 30 June 2016.

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 2016 and of the results of the Company's operations for the financial year 1 July 2015 - 30 June 2016.

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

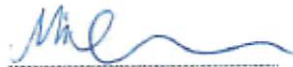
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 10 November 2016
Executive Board:

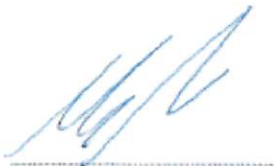


Thomas Bense

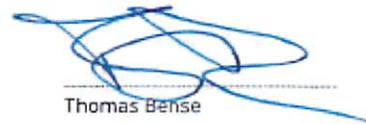
Board of Directors:



Mike Secher Dalsgaard
Nielsen



Mark Fjeldal Dalsgaard
Nielsen



Thomas Bense



Daniel Juhl Mogensen

Independent auditors' report

To the shareholders of Pixel.TV ApS

Independent auditors' report on the financial statements

We have audited the financial statements of Pixel.TV ApS for the financial year 1 July 2015 - 30 June 2016, which comprise an 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.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 June 2016 and of the results of its operations for the financial year 1 July 2015 - 30 June 2016 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aalborg, 10 November 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Allan Terp

State Authorised Public Accountant


Martin Bøgsted

State Authorised Public Accountant

Management's review

Company details

Name	Pixel.TV ApS
Address, Postal code, City	Rådmandsgade 45A, 1., DK-2200 København N
CVR no.	30 80 67 78
Established	17 August 2007
Registered office	Copenhagen
Financial year	1 July 2015 - 30 June 2016
Website	www.pixel.tv
E-mail	kontakt@pixel.tv
Board of Directors	Mike Secher Dalsgaard Nielsen Mark Fjeldal Dalsgaard Nielsen Thomas Bense Daniel Juhl Mogensen
Executive Board	Thomas Bense
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A, P O Box 710, 9100 Aalborg, Denmark



Management's review

Management commentary

Business review

The Company's is primarily engaged in broadcasting and productions regarding to electronic games and therewith related activities.

Financial review

The Company reported a profit of DKK 161 thousand as against DKK 81 thousand in 2014/15. Management considers the results to be satisfactory.

The total assets in the Company represented DKK 758 thousand at 30 June 2016, and the total equity amounts to DKK 257 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements for the period 1 July 2015 - 30 June 2016

Income statement

Note	DKK'000	2015/16	2014/15
	Gross margin	1,117	825
2	Staff costs	-890	-705
	Depreciation and impairment of property, plant and equipment	-18	-8
	Profit before net financials	209	112
3	Financial expenses	-5	-6
	Profit before tax	204	106
4	Tax for the year	-43	-25
	Profit for the year	161	81
	 Proposed profit appropriation		
	Retained earnings	161	81
		161	81

Financial statements for the period 1 July 2015 - 30 June 2016

Balance sheet

Note	DKK'000	2015/16	2014/15
	ASSETS		
	Non-current assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	0	18
		<u>0</u>	<u>18</u>
	Investments		
	Other receivables	19	19
		<u>19</u>	<u>19</u>
	Total non-current assets	<u>19</u>	<u>37</u>
	Current assets		
	Receivables		
	Trade receivables	456	327
	Receivables from associates	60	0
	Deferred tax assets	7	5
	Other receivables	0	20
	Deferred income	4	0
		<u>527</u>	<u>352</u>
	Cash at bank and in hand	<u>212</u>	<u>111</u>
	Total current assets	<u>739</u>	<u>463</u>
	TOTAL ASSETS	<u>758</u>	<u>500</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	125	125
	Retained earnings	132	-29
	Total equity	<u>257</u>	<u>96</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	12	9
	Income taxes payable	45	0
	Other payables	444	395
		<u>501</u>	<u>404</u>
	Total liabilities other than provisions	<u>501</u>	<u>404</u>
	TOTAL EQUITY AND LIABILITIES	<u>758</u>	<u>500</u>

1 Accounting policies

Financial statements for the period 1 July 2015 - 30 June 2016

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 July 2015	125	-29	96
Profit/loss for the year	0	161	161
Equity at 30 June 2016	125	132	257

The Company's share capital has remained DKK 125 thousand since it was established in 2007.

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

1 Accounting policies

Pixel.TV ApS' annual report for 2015/16 has been prepared in accordance with the provisions which apply to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Revenue

Revenue is recognized in the income statement provided that delivery and transfer of risk to the buyer have taken place and that the income can be reliably measured and is expected to be received. Revenue is measured at fair value of the agreed consideration ex. VAT. All discounts granted are recognized in revenue.

Gross margin

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

External expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to et entity's employees. The item is net of refunds made by public authorities.

Depreciation of property, plant and equipment

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment	5 years
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Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses arising from the sale of items of property, plant and equipment are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities comprising amounts owed to credit institutions, trade payables and payables to group enterprises are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

DKK'000	<u>2015/16</u>	<u>2014/15</u>
2 Staff costs		
Wages/salaries	866	682
Other social security costs	<u>24</u>	<u>23</u>
	<u>890</u>	<u>705</u>
3 Financial expenses		
Interest expenses, associates	1	2
Other financial expenses	<u>4</u>	<u>4</u>
	<u>5</u>	<u>6</u>
4 Tax for the year		
Estimated tax charge for the year	45	0
Deferred tax adjustments in the year	<u>-2</u>	<u>25</u>
	<u>43</u>	<u>25</u>