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# *Simply.TV ApS*

Toftevang 14, DK-3400 Hillerød

## Annual Report for 2023

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CVR No. 33 06 72 32

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 2/7 2024

Morten Trolle  
Chairman of the  
general meeting



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# Management's statement

The Executive Board has today considered and adopted the Annual Report of Simply.TV ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Hillerød, 2 July 2024

**Executive Board**

Morten Trolle  
CEO

# Independent Practitioner's Extended Review Report

To the shareholder of Simply.TV ApS

## Conclusion

We have performed an extended review of the Financial Statements of Simply.TV ApS for the financial year 1 January - 31 December 2023, which comprise 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.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

## Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

# Independent Practitioner's Extended Review Report

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Hellerup, 2 July 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Flemming Eghoff

State Authorised Public Accountant

mne30221

Martin Birch

State Authorised Public Accountant

mne42825

## Company information

### The Company

Simply.TV ApS  
Toftevang 14  
3400 Hillerød

CVR No: 33 06 72 32

Financial period: 1 January - 31 December

Incorporated: 16 July 2010

Financial year: 14th financial year

Municipality of reg. office: Hillerød

### Executive Board

Morten Trolle

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income statement 1 January - 31 December

|   | Note | 2023             | 2022             |
|---|------|------------------|------------------|
|   |      | DKK              | DKK              |
| <b>Gross profit</b>                                     |      | <b>9,811,802</b> | <b>5,404,888</b> |
| Staff expenses  | 2    | -3,992,916       | -3,121,181       |
| Amortisation and impairment losses of intangible assets |      | -177,316         | -177,316         |
| <b>Profit/loss before financial income and expenses</b> |      | <b>5,641,570</b> | <b>2,106,391</b> |
| Financial income  | 3    | 644,621          | 85,887           |
| Financial expenses                                      | 4    | -786,173         | -356,624         |
| <b>Profit/loss before tax</b>                           |      | <b>5,500,018</b> | <b>1,835,654</b> |
| Tax on profit/loss for the year                         | 5    | -1,144,505       | -414,848         |
| <b>Net profit/loss for the year</b>                     |      | <b>4,355,513</b> | <b>1,420,806</b> |
| <br><b>Distribution of profit</b>                       |      |                  |                  |
|   |      | 2023             | 2022             |
|   |      | DKK              | DKK              |
| <b>Proposed distribution of profit</b>                  |      |                  |                  |
| Retained earnings                                       |      | 4,355,513        | 1,420,806        |
|   |      | <b>4,355,513</b> | <b>1,420,806</b> |

## Balance sheet 31 December

### Assets

|                                    | Note | 2023              | 2022              |
|------------------------------------|------|-------------------|-------------------|
|                                    |      | DKK               | DKK               |
| Completed development projects     |      | 1,054,307         | 1,231,623         |
| <b>Intangible assets</b>           | 6    | <b>1,054,307</b>  | <b>1,231,623</b>  |
| Deposits                           |      | 6,693             | 8,893             |
| <b>Fixed asset investments</b>     |      | <b>6,693</b>      | <b>8,893</b>      |
| <b>Fixed assets</b>                |      | <b>1,061,000</b>  | <b>1,240,516</b>  |
| Trade receivables                  |      | 4,131,542         | 1,831,319         |
| Receivables from group enterprises |      | 5,955,374         | 5,429,211         |
| Other receivables                  |      | 4,064             | 160,975           |
| Prepayments                        |      | 0                 | 38,674            |
| <b>Receivables</b>                 |      | <b>10,090,980</b> | <b>7,460,179</b>  |
| <b>Cash at bank and in hand</b>    |      | <b>5,067,951</b>  | <b>1,305,977</b>  |
| <b>Current assets</b>              |      | <b>15,158,931</b> | <b>8,766,156</b>  |
| <b>Assets</b>                      |      | <b>16,219,931</b> | <b>10,006,672</b> |



## Balance sheet 31 December

### Liabilities and equity

|  | Note | 2023              | 2022              |
|--|------|-------------------|-------------------|
|  |      | DKK               | DKK               |
| Share capital  |      | 80,000            | 80,000            |
| Reserve for development costs                                  |      | 822,359           | 960,666           |
| Retained earnings  |      | 6,462,910         | 1,969,090         |
| <b>Equity</b>  |      | <b>7,365,269</b>  | <b>3,009,756</b>  |
| <br>   |      |                   |                   |
| Provision for deferred tax                                     |      | 218,937           | 249,921           |
| <b>Provisions</b>  |      | <b>218,937</b>    | <b>249,921</b>    |
| <br>   |      |                   |                   |
| Payables to group enterprises                                  |      | 186,667           | 186,667           |
| Payables to owners and Management                              |      | 186,033           | 186,033           |
| Other payables   |      | 5,300,000         | 5,300,000         |
| <b>Long-term debt</b>  | 7    | <b>5,672,700</b>  | <b>5,672,700</b>  |
| <br>   |      |                   |                   |
| Trade payables   |      | 249,159           | 113,347           |
| Payables to group enterprises                                  | 7    | 614,354           | 414,408           |
| Payables to owners and Management                              | 7    | 189,037           | 140,338           |
| Payables to group enterprises relating to corporation tax      |      | 1,259,573         | 167,042           |
| Other payables   | 7    | 650,902           | 239,160           |
| <b>Short-term debt</b>   |      | <b>2,963,025</b>  | <b>1,074,295</b>  |
| <br>   |      |                   |                   |
| <b>Debt</b>  |      | <b>8,635,725</b>  | <b>6,746,995</b>  |
| <br>   |      |                   |                   |
| <b>Liabilities and equity</b>                                  |      | <b>16,219,931</b> | <b>10,006,672</b> |
| <br>   |      |                   |                   |
| Key activities   | 1    |                   |                   |
| Contingent assets, liabilities and other financial obligations | 8    |                   |                   |
| Accounting Policies  | 9    |                   |                   |

## Statement of changes in equity

|  | Share capital | Reserve for development costs | Retained earnings | Total            |
|--|---------------|-------------------------------|-------------------|------------------|
|  | DKK           | DKK                           | DKK               | DKK              |
| Equity at 1 January                                    | 80,000        | 960,666                       | 1,969,090         | 3,009,756        |
| Depreciation, amortisation and impairment for the year | 0             | -138,307                      | 138,307           | 0                |
| Net profit/loss for the year                           | 0             | 0                             | 4,355,513         | 4,355,513        |
| <b>Equity at 31 December</b>                           | <b>80,000</b> | <b>822,359</b>                | <b>6,462,910</b>  | <b>7,365,269</b> |

# Notes to the Financial Statements

## 1. Key activities

The company's activity consist in developing and planning internal projects and related business.

## 2. Staff Expenses

|                                | 2023             | 2022             |
|--------------------------------|------------------|------------------|
|                                | DKK              | DKK              |
| Wages and salaries             | 3,941,124        | 3,077,745        |
| Pensions                       | 4,679            | 7,219            |
| Other social security expenses | 47,113           | 36,217           |
|                                | <u>3,992,916</u> | <u>3,121,181</u> |
| <br>                           |                  |                  |
| Average number of employees    | <u>5</u>         | <u>5</u>         |

## 3. Financial income

|  | 2023           | 2022          |
|--|----------------|---------------|
|  | DKK            | DKK           |
| Interest received from group enterprises | 490,538        | 8,930         |
| Other financial income                   | 87,812         | 1,561         |
| Exchange gains                           | 66,271         | 75,396        |
|  | <u>644,621</u> | <u>85,887</u> |

## 4. Financial expenses

|                                    | 2023           | 2022           |
|------------------------------------|----------------|----------------|
|                                    | DKK            | DKK            |
| Interest paid to group enterprises | 26,934         | 18,651         |
| Other financial expenses           | 631,674        | 321,136        |
| Exchange loss                      | 127,565        | 16,837         |
|                                    | <u>786,173</u> | <u>356,624</u> |

## Notes to the Financial Statements

|   | <u>2023</u>             | <u>2022</u>           |
|---|-------------------------|-----------------------|
|   | DKK                     | DKK                   |
| <b>5. Income tax expense</b>                |                         |                       |
| Current tax for the year                    | 1,169,519               | 339,476               |
| Deferred tax for the year                   | -30,984                 | 75,372                |
| Adjustment of tax concerning previous years | 5,970                   | 0                     |
|   | <u><b>1,144,505</b></u> | <u><b>414,848</b></u> |

## 6. Intangible fixed assets

|   | <u>Completed<br/>development<br/>projects</u> |
|---|---|
|   | DKK   |
| Cost at 1 January                                 | <u>1,773,155</u>                              |
| Cost at 31 December                               | <u>1,773,155</u>                              |
| Impairment losses and amortisation at 1 January   | 541,532                                       |
| Amortisation for the year                         | <u>177,316</u>                                |
| Impairment losses and amortisation at 31 December | <u>718,848</u>                                |
| <b>Carrying amount at 31 December</b>             | <u><b>1,054,307</b></u>                       |
| Amortised over                                    | <u>10 years</u>                               |

The development project consists of costs incurred, aimed at developing the platform of Simply.TV. Simply.TV's platform is made from an algorithm to perform customer suggestion and provide meta data analysis. The platform form the basis of a large part of the Company's existing business, hence, there are markets and customers for the products.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 10 year.

## Notes to the Financial Statements

|   | <u>2023</u>             | <u>2022</u>             |
|---|-------------------------|-------------------------|
|   | DKK                     | DKK                     |
| <b>7. Long-term debt</b>  |                         |                         |
| Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. |                         |                         |
| The debt falls due for payment as specified below:  |                         |                         |
| <b>Payables to group enterprises</b>  |                         |                         |
| After 5 years   | 0                       | 0                       |
| Between 1 and 5 years   | 186,667                 | 186,667                 |
| Long-term part  | <u>186,667</u>          | <u>186,667</u>          |
| Within 1 year   | 116,929                 | 102,472                 |
| Other short-term debt to group enterprises  | 497,425                 | 311,936                 |
|   | <u><b>801,021</b></u>   | <u><b>601,075</b></u>   |
| <b>Payables to owner and Management</b>   |                         |                         |
| After 5 years   | 0                       | 0                       |
| Between 1 and 5 years   | 186,033                 | 186,033                 |
| Long-term part  | <u>186,033</u>          | <u>186,033</u>          |
| Within 1 year   | 117,916                 | 102,124                 |
| Other short-term debt to owners and Management  | 71,121                  | 38,214                  |
|   | <u><b>375,070</b></u>   | <u><b>326,371</b></u>   |
| <b>Other payables</b>   |                         |                         |
| After 5 years   | 0                       | 0                       |
| Between 1 and 5 years   | 5,300,000               | 5,300,000               |
| Long-term part  | <u>5,300,000</u>        | <u>5,300,000</u>        |
| Other short-term payables   | 650,902                 | 239,160                 |
|   | <u><b>5,950,902</b></u> | <u><b>5,539,160</b></u> |

## Notes to the Financial Statements

|  | <u>2023</u>   | <u>2022</u>  |
|--|---------------|--------------|
|  | DKK           | DKK          |
| <b>8. Contingent assets, liabilities and other financial obligations</b>                                   |               |              |
| <b>Charges and security</b>  |               |              |
| The following assets have been placed as security with bankers:  |               |              |
| Company charge, with security in simple claims from sales, inventory, fixtures and equipment and goodwill. | 5,300,000     | 5,300,000    |
| <b>Rental and lease obligations</b>  |               |              |
| Lease obligations under operating leases. Total future lease payments:                                     |               |              |
| Within 1 year  | 18,461        | 3,501        |
|  | <u>18,461</u> | <u>3,501</u> |

### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Morten Trolle ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 9. Accounting policies

The Annual Report of Simply.TV ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Incentive schemes

The value of share-based payment, including share option and warrant plans that do not involve an outflow of cash and cash equivalents, offered to the Executive Board and a number of senior employees is not recognised in the income statement. The most significant conditions of the share option plans are disclosed in the notes.

## Income statement

### Revenue

Revenue from services is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

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

# Notes to the Financial Statements

## Direct expenses

Direct expenses comprise costs for contract work, AWS services, domain costs and other costs consumed to achieve the revenue for the year.

## Other external expenses

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

## Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

## Staff expenses

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

## Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of intangible assets.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.



# Notes to the Financial Statements

## Balance sheet

### Intangible fixed assets

#### *Development projects*

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 10 year.

### Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

If so, the asset is written down to its lower recoverable amount.

### Other fixed asset investments

Other fixed asset investments consist of deposits

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

## Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial liabilities**

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.