
Simply.TV ApS

Toftevang 14, DK-3400 Hillerød

Annual Report for 2021

CVR No. 33 06 72 32

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 22/6 2022

Morten Trolle
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Practitioner's Extended Review Report	2
Management's Review	
Company information	4
Management's review	5
Financial Statements	
Income statement 1 January 2021 - 31 December 2021	6
Balance sheet 31 December 2021	7
Statement of changes in equity	9
Notes to the Financial Statements	10

Management's statement

The Executive Board has today considered and adopted the Financial Statements of Simply.TV ApS for the financial year 1 January - 31 December 2021.

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 2021 of the Company and of the results of the Company operations for 2021.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Hillerød, 22 June 2022

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 2021, 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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.

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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent Practitioner's Extended Review Report

In connection with our extended review of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Hellerup, 22 June 2022

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
DK-3400 Hillerød

CVR No: 33 06 72 32

Financial period: 1 January - 31 December

Incorporated: 6 July 2010

Financial year: 12th financial year

Municipality of reg. office: Hillerød

Executive board

Morten Trolle

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's review

Key activities

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

Development in the year

The income statement of the Company for 2021 shows a profit of DKK 239,489, and at 31 December 2021 the balance sheet of the Company shows positive equity of DKK 1,588,950.

In the Financial Statements 2020, provision for deferred tax DKK 189,754 was not included. In the Financial Statements for 2021, the comparative figures for 2020 have been corrected.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2021 of the Company and the results of the activities and cash flows of the Company for the financial year for 2021 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021	2020
		DKK	DKK
Gross profit		2,166,905	771,109
Staff expenses	1	-1,659,773	-543,412
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-187,805	-200,442
Profit/loss before financial income and expenses		319,327	27,255
Financial income		464	2,022
Financial expenses	2	-12,750	-11,801
Profit/loss before tax		307,041	17,476
Tax on profit/loss for the year	3	-67,552	60,954
Net profit/loss for the year		239,489	78,430

Distribution of profit

	2021	2020
	DKK	DKK
Proposed distribution of profit		
Retained earnings	239,489	78,430
	239,489	78,430

Balance sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Completed development projects		1,408,939	1,591,047
Intangible assets	4	1,408,939	1,591,047
Other fixtures and fittings, tools and equipment		0	5,697
Property, plant and equipment		0	5,697
Deposits		2,200	2,200
Fixed asset investments		2,200	2,200
Fixed assets		1,411,139	1,598,944
Trade receivables		551,535	179,416
Other receivables		45,148	6,084
Corporation tax receivable from group enterprises		14,655	250,959
Receivables		611,338	436,459
Cash at bank and in hand		343,627	370,455
Current assets		954,965	806,914
Assets		2,366,104	2,405,858

Balance sheet 31 December

Liabilities and equity

	Note	2021	2020
		DKK	DKK
Share capital		80,000	80,000
Reserve for development costs		1,098,972	1,241,017
Retained earnings		409,978	28,439
Equity		1,588,950	1,349,456
Provision for deferred tax		174,549	189,754
Provisions		174,549	189,754
Prepayments received from customers		51,034	51,034
Trade payables		121,741	58,230
Payables to group enterprises		317,079	562,414
Payables to owners and Management		6,083	0
Other payables		106,668	194,970
Short-term debt		602,605	866,648
Debt		602,605	866,648
Liabilities and equity		2,366,104	2,405,858
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	80,000	1,241,016	218,199	1,539,215
Net effect of correction of material misstatements	0	0	-189,754	-189,754
Adjusted equity at 1 January	80,000	1,241,016	28,445	1,349,461
Depreciation, amortisation and impairment for the year	0	-142,044	142,044	0
Net profit/loss for the year	0	0	239,489	239,489
Equity at 31 December	80,000	1,098,972	409,978	1,588,950

Notes to the Financial Statements

	<u>2021</u>	<u>2020</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	1,631,542	537,509
Other social security expenses	28,231	5,903
	<u>1,659,773</u>	<u>543,412</u>
Average number of employees	<u>4</u>	<u>2</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2. Financial expenses		
Interest paid to group enterprises	5,624	6,409
Other financial expenses	3,917	3,259
Exchange loss	3,209	2,133
	<u>12,750</u>	<u>11,801</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
3. Income tax expense		
Current tax for the year	82,757	-250,708
Deferred tax for the year	-15,205	189,754
	<u>67,552</u>	<u>-60,954</u>

Notes to the Financial Statements

4. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	1,773,155
Cost at 31 December	1,773,155
Impairment losses and amortisation at 1 January	182,108
Amortisation for the year	182,108
Impairment losses and amortisation at 31 December	364,216
Carrying amount at 31 December	1,408,939
Amortised over	10 years

Development costs comprise wages that are used in creating the platform that the company provides. Therefore the development project are the ones generating revenue for the Company.

2021	2020
DKK	DKK

5. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	3,300	6,600
	3,300	6,600

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

6. Accounting policies

The Annual Report of Simply.TV ApS for 2021 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 2021 are presented in DKK.

Correction of material misstatements

In the Financial Statements 2020, provision for deferred tax DKK 189,754 was not included. In the Financial Statements for 2021, the comparative figures for 2020 have been corrected.

The comparative figures for 2020 have been corrected as follows:

The retained earnings in the equity have been reduced with DKK 189,754 as well as the profit after tax in the net profit for the year. Provision for deferred tax has increased with DKK 189,754.

These corrections have the following effect in the Financial Statements for 2021:

The equity at 1 January 2021 has been reduced with DKK 189,754 and the provision for deferred tax at 1 January 2021 has been increased with DKK 189,754.

The intercompany account with Group Companies was in 2020 presented as a long-term debt. In 2021 this intercompany account is presented as short-term debt. This has also been corrected in the figures for 2020.

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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Notes to the Financial Statements

Income statement

Net sales

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.

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 and 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, depreciation and impairment of intangible assets and property, plant and equipment.

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 parent company . 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.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
--	-----------

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

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.

Notes to the Financial Statements

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.

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 debts

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