
Simply.TV ApS

Toftevang 14, DK-3400 Hillerød

Annual Report for 2022

CVR No. 33 06 72 32

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 7/7 2023

Morten Trolle
Chairman of the
general meeting



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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 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

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

Hillerød, 7 July 2023

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 2022, 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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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, 7 July 2023

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: 16 July 2010

Financial year: 13th financial year

Municipality of reg. office: Hillerød

Executive Board

Morten Trolle

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Income statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
Gross profit		5,404,888	2,166,905
Staff expenses	2	-3,121,181	-1,659,773
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-177,316	-187,805
Profit/loss before financial income and expenses		2,106,391	319,327
Financial income	3	85,887	464
Financial expenses	4	-356,624	-12,750
Profit/loss before tax		1,835,654	307,041
Tax on profit/loss for the year	5	-414,848	-67,552
Net profit/loss for the year		1,420,806	239,489

Distribution of profit

	2022	2021
	DKK	DKK
Proposed distribution of profit		
Retained earnings	1,420,806	239,489
	1,420,806	239,489

Balance sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Completed development projects		1,231,623	1,408,939
Intangible assets	6	1,231,623	1,408,939
Deposits		8,893	2,200
Fixed asset investments		8,893	2,200
Fixed assets		1,240,516	1,411,139
Trade receivables		1,831,319	551,535
Receivables from group enterprises		5,429,211	0
Other receivables		160,975	45,148
Corporation tax receivable from group enterprises		0	14,655
Prepayments		38,674	0
Receivables		7,460,179	611,338
Cash at bank and in hand		1,305,977	343,627
Current assets		8,766,156	954,965
Assets		10,006,672	2,366,104

Balance sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		80,000	80,000
Reserve for development costs		960,666	1,098,972
Retained earnings		1,969,090	409,978
Equity		3,009,756	1,588,950
Provision for deferred tax		249,921	174,549
Provisions		249,921	174,549
Payables to group enterprises		186,667	0
Payables to owners and Management		186,033	0
Other payables		5,300,000	0
Long-term debt	7	5,672,700	0
Prepayments received from customers		0	51,034
Trade payables		113,347	121,741
Payables to group enterprises	7	414,408	317,079
Payables to owners and Management		140,338	6,083
Payables to group enterprises relating to corporation tax		167,042	0
Other payables	7	239,160	106,668
Short-term debt		1,074,295	602,605
Debt		6,746,995	602,605
Liabilities and equity		10,006,672	2,366,104
Key activities	1		
Contingent assets, liabilities and other financial obligations	8		
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Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	80,000	1,098,972	409,978	1,588,950
Depreciation, amortisation and impairment for the year	0	-138,306	138,306	0
Net profit/loss for the year	0	0	1,420,806	1,420,806
Equity at 31 December	80,000	960,666	1,969,090	3,009,756

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

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Wages and salaries	3,077,745	1,631,542
Pensions	7,219	0
Other social security expenses	36,217	28,231
	<u>3,121,181</u>	<u>1,659,773</u>
Average number of employees	<u>5</u>	<u>4</u>

3. Financial income

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Interest received from group enterprises	8,930	0
Other financial income	1,561	0
Exchange gains	75,396	464
	<u>85,887</u>	<u>464</u>

4. Financial expenses

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Interest paid to group enterprises	18,651	5,624
Other financial expenses	166,094	3,917
Other financial expenses	155,042	0
Exchange loss	16,837	3,209
	<u>356,624</u>	<u>12,750</u>

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK
5. Income tax expense		
Current tax for the year	339,476	82,757
Deferred tax for the year	75,372	-15,205
	<u>414,848</u>	<u>67,552</u>

6. Intangible fixed assets

	<u>Completed development 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	364,216
Amortisation for the year	<u>177,316</u>
Impairment losses and amortisation at 31 December	<u>541,532</u>
Carrying amount at 31 December	<u>1,231,623</u>
Amortised over	<u>10 years</u>

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

Notes to the Financial Statements

7. Long-term debt

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:

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	186,667	0
Long-term part	<u>186,667</u>	<u>0</u>
Within 1 year	102,472	0
Other short-term debt to group enterprises	311,936	317,079
Short-term part	<u>414,408</u>	<u>317,079</u>
	<u>601,075</u>	<u>317,079</u>
Payables to owner and Management		
After 5 years	0	0
Between 1 and 5 years	186,033	0
Long-term part	<u>186,033</u>	<u>0</u>
Within 1 year	102,124	0
Other short-term debt to owners and Management	38,214	6,083
Short-term part	<u>140,338</u>	<u>6,083</u>
	<u>326,371</u>	<u>6,083</u>
Other payables		
After 5 years	0	0
Between 1 and 5 years	5,300,000	0
Long-term part	<u>5,300,000</u>	<u>0</u>
Within 1 year	0	0
Other short-term payables	239,160	106,668
	<u>5,539,160</u>	<u>106,668</u>

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	DKK	DKK

8. Contingent assets, liabilities and other financial obligations

Charges and security

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	0
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Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	<u>3,501</u>	<u>3,300</u>
	<u>3,501</u>	<u>3,300</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 2022 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 2022 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

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.

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.

Notes to the Financial Statements

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, 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 Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

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.

Notes to the Financial Statements

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
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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.

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.

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.

Notes to the Financial Statements

Financial debts

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