

XSTREAM A/S

Borupvang 3, 2750 Ballerup

Company reg. no. 33 08 25 09

Annual report

1 February 2021 - 31 January 2022

The annual report was submitted and approved by the general meeting on the 8 July 2022.

Michael David Prinn
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the board of directors and the managing director have presented the annual report of XSTREAM A/S for the financial year 1 February 2021 - 31 January 2022.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 January 2022 and of the company's results of activities in the financial year 1 February 2021 – 31 January 2022.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Ballerup, 24 June 2022

Managing Director

Michael David Prinn

Board of directors

Kathleen Mary Mosher

Michael David Prinn

Elaine Ann Martel

Independent auditor's report on extended review

To the shareholders of XSTREAM A/S

Opinion

We have performed an extended review of the financial statements of XSTREAM A/S for the financial year 1 February 2021 to 31 January 2022, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 January 2022 and of the results of the company's activities for the financial year 1 February 2021 - 31 January 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to 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 section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Aabyhøj, 24 June 2022

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

John Lindholm Bode

State Authorised Public Accountant
mne32840

Company information

The company

XSTREAM A/S
Borupvang 3
2750 Ballerup

Company reg. no. 33 08 25 09
Established: 24 August 2010
Domicile: Ballerup
Financial year: 1 February - 31 January

Board of directors

Kathleen Mary Mosher
Michael David Prinn
Elaine Ann Martel

Managing Director

Michael David Prinn

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Søren Frichs Vej 36 L
8230 Aabyhøj

Management's review

The principal activities of the company

The Company's primary activities are development, sales, marketing and operation of an Online Video Platform and related activities for the OTT and TV Everywhere industry.

Uncertainties about recognition or measurement

The Company has significant deferred tax assets of DKK 5,483 concerning tax loss carryforwards which has not been recognised based on the uncertainty of the situation.

Development in activities and financial matters

The gross profit for the year totals DKK 4.281.005 against DKK 3.822.867 last year. Income or loss from ordinary activities after tax totals DKK 4.031.708 against DKK 3.720.142 last year.

Events occurring after the end of the financial year

The directors are of the opinion that the company remains a going concern and that COVID-19 will not have a significant impact on the future financial performance.

Other than the above, no events have occurred after the balance sheet date to this date, which influence the evaluation of this annual report.

Accounting policies

The annual report for XSTREAM A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue and other external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises and loss on receivables.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating to debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in

Dividend from equity investments in is recognised in the financial year in which the dividend is declared.

Accounting policies

Statement of financial position

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity investments in

Equity investments in are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accounting policies

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Income statement 1 February - 31 January

All amounts in DKK.

<u>Note</u>	<u>2021/22</u>	<u>2020/21</u>
Gross profit	4.281.005	3.822.867
Operating profit	4.281.005	3.822.867
Other financial income	-186.936	520.926
1 Other financial costs	-62.361	-623.651
Pre-tax net profit or loss	4.031.708	3.720.142
Net profit or loss for the year	4.031.708	3.720.142
Proposed appropriation of net profit:		
Transferred to retained earnings	4.031.708	3.720.142
Total allocations and transfers	4.031.708	3.720.142

Balance sheet at 31 January

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Non-current assets		
Equity investments in group enterprises	8.971	8.971
Deposits	4.774	4.635
Total investments	<u>13.745</u>	<u>13.606</u>
Total non-current assets	<u>13.745</u>	<u>13.606</u>
Current assets		
Trade receivables	2.279.411	1.909.262
Other receivables	12.972	0
Prepayments and accrued income	70.447	54.629
Total receivables	<u>2.362.830</u>	<u>1.963.891</u>
Cash on hand and demand deposits	<u>11.260.980</u>	<u>6.509.221</u>
Total current assets	<u>13.623.810</u>	<u>8.473.112</u>
Total assets	<u>13.637.555</u>	<u>8.486.718</u>

Balance sheet at 31 January

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	2.541.217	2.541.217
Retained earnings	1.829.091	-2.202.617
Total equity	<u>4.370.308</u>	<u>338.600</u>
 Liabilities other than provisions		
Prepayments received from customers	0	123.565
Trade payables	190.009	52.744
Payables to group enterprises	8.372.108	6.640.993
Other payables	705.130	1.330.816
Total short term liabilities other than provisions	<u>9.267.247</u>	<u>8.148.118</u>
 Total liabilities other than provisions	<u>9.267.247</u>	<u>8.148.118</u>
 Total equity and liabilities	<u>13.637.555</u>	<u>8.486.718</u>

2 Mortgages and securities

Notes

All amounts in DKK.

	<u>2021/22</u>	<u>2020/21</u>
1. Other financial costs		
Other financial costs	<u>62.361</u>	<u>623.651</u>
	<u>62.361</u>	<u>623.651</u>

2. Mortgages and securities

No securities has been granted as at 31 January 2022.