

AOL Denmark Holdings ApS under frivillig likvidation

c/o Flemming Allan Nivaro, Gustav Adolfs Gade 5, 2. th., 2100 Copenhagen


Company reg. no. 34 04 41 71

Annual report

1 January - 31 December 2018

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The annual report was submitted and approved by the general meeting on the ~~14~~ 14 May 2019.



Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance EUR 146.940 is the same as the English amount of EUR 146,940, and that 23,5 % is the same as the English 23.5 %.

Liquidator's report

The liquidator has today presented the annual report of AOL Denmark Holdings ApS under frivillig likvidation for the financial year 1 January to 31 December 2018.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

I am of the opinion that the liquidator's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

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Copenhagen, ~~XX~~ May 2019

Liquidator



Joseph Nivaro
Liquidator

Independent auditor's report

To the shareholder of AOL Denmark Holdings ApS under frivillig likvidation

Opinion

We have audited the annual accounts of AOL Denmark Holdings ApS under frivillig likvidation for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts".

Independence

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 audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Liquidator's responsibilities for the annual accounts

The liquidator is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The liquidator is also responsible for such internal control as the liquidator determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used by the liquidator and the reasonableness of accounting estimates and related disclosures made by the liquidator.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the liquidator's review

The liquidator is responsible for the liquidator's review.

Our opinion on the annual accounts does not cover the liquidator's review, and we do not express any kind of assurance opinion on the liquidator's review.

In connection with our audit of the annual accounts, our responsibility is to read the liquidator's review and in that connection consider whether the liquidator's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report


Furthermore, it is our responsibility to consider whether the liquidator's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the liquidator's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the liquidator's review.

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Copenhagen, ~~14~~^{XX} May 2019

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Henrik Reedtz Petersen
State Authorised Public Accountant
MNE no. mne24830

Company data

The company

AOL Denmark Holdings ApS under frivillig likvidation
c/o Flemming Allan Nivaro
Gustav Adolfs Gade 5, 2. th.
2100 Copenhagen

Company reg. no.	34 04 41 71
Financial year:	1 January 2018 - 31 December 2018
Commencement of the liquidation:	21 December 2018

Liquidator

Joseph Nivaro, Gustav Adolfs Gade 5, 2. th.
2100 Copenhagen, Liquidator

Auditors

ERNST & YOUNG
Godkendt Revisionspartnerselskab
c/o Postboks 250, Osvald Helmuths Vej 4
DK-2000 Frederiksberg

Consolidated financial statements

The Company's financial statement is consolidated into Verizon Communications Inc.
Copies of the group financial statements of Verizon Communications Inc. are available to the public from Verizon Communications Inc.,
1095 Avenue of the Americas, New York, NY 10036, USA

Liquidator's review

The principal activities of the company

The company is dormant now. It was placed in liquidation on 21st December 2018. The company was a holding company and its primary activity was owning shares in companies in Denmark.

Uncertainties as to recognition or measurement

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31st December 2018 and the results of its operations for the financial year ended 31st December 2018 are not affected by unusual matters apart from the debt to equity conversion and debt forgiveness during the year.

Business review

The company's income statement for the year ended 31st December 2018 shows a loss of TEUR 109 and the balance sheet at 31st December 2018 shows equity of TEUR 146.

In March 2018, the company converted debt of TEUR 5.677 by way of capital conversion. In addition to this, the company sold its investment in Oath (Denmark) ApS to Oath (Netherlands) B.V. (formerly Yahoo! Netherlands B.V.), a related company within the same group. Proceeds of the sale amounting to EUR 378,545 was used as partial payment of its loan balance with AOL International Finance S.a.r.l during the second quarter in 2018. The remainder of this debt was forgiven. Additionally the debt to AOL Europe Holdings (2) & Cie S.e.n.c., the former shareholder, was also forgiven during the year.

All of the above transactions have resulted in positive equity for the company in 2018.

Significant events occurring after end of reporting period

There has been no significant events since the end of the reporting period.

Accounting policies used

The annual report for AOL Denmark Holdings ApS under frivillig likvidation have been presented in accordance with the provisions under the Danish Financial Statements Act concerning companies identified as class B enterprises with the modifications caused by the liquidation.

The most significant modifications caused by the liquidation

Assets and liabilities are measured at realisable values. As a result of the liquidation, all assets are recognised under current assets, whereas all liabilities are recognised as short-term liabilities.

Consequently, the measurements of assets and liabilities are not comparable with last year's measurements.

Except from the changes mentioned above, the accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

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.

Accounting policies used

The profit and loss account

Gross loss

The gross loss comprises other operating income, and external costs.

Other external expenses include expenses related to administration.

Net financials

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and losses.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a writedown is made to this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Accounting policies used

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account 1 January - 31 December

EUR in thousands.

Note	2018	2017
Gross loss	-55	-37
Other financial income	4	-3
Impairment losses on financial assets	0	-7.009
1 Other financial costs	-89	-316
Results before tax	-140	-7.365
2 Tax on ordinary results	31	-48
Results for the year	-109	-7.413
Proposed distribution of the results:		
Allocated from results brought forward	-109	-7.413
Distribution in total	-109	-7.413

Balance sheet 31 December

EUR in thousands.

Assets		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Fixed assets		
Investments in subsidiaries	<u>0</u>	<u>379</u>
Financial fixed assets in total	<u>0</u>	<u>379</u>
Fixed assets in total	<u>0</u>	<u>379</u>
Current assets		
Receivables from group companies	55	97
Deferred tax assets	21	0
Receivable corporate tax	<u>0</u>	<u>45</u>
Debtors in total	<u>76</u>	<u>142</u>
Available funds	<u>76</u>	<u>77</u>
Current assets in total	<u>152</u>	<u>219</u>
Assets in total	<u>152</u>	<u>598</u>

Balance sheet 31 December

EUR in thousands.

Equity and liabilities			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Equity			
3	Contributed capital	32	21
4	Results brought forward	114	-5.894
Equity in total		<u>146</u>	<u>-5.873</u>
Liabilities			
Debt to group companies		0	6.450
Other debts		6	21
Short-term liabilities in total		<u>6</u>	<u>6.471</u>
Liabilities in total		<u>6</u>	<u>6.471</u>
Equity and liabilities in total		<u>152</u>	<u>598</u>

5 Contingencies

Notes

EUR in thousands.

	<u>2018</u>	<u>2017</u>
1. Other financial costs		
Financial costs, group enterprises	83	316
Other financial costs	<u>6</u>	<u>0</u>
	<u>89</u>	<u>316</u>
2. Tax on ordinary results		
Tax of the results for the year, parent company	0	48
Adjustment for the year of deferred tax	<u>-31</u>	<u>0</u>
	<u>-31</u>	<u>48</u>

Notes

EUR in thousands.

	31/12 2018	31/12 2017
3. Contributed capital		
Contributed capital 1 January 2018	21	21
Transferred from distributed reserves	11	0
	<u>32</u>	<u>21</u>
4. Results brought forward		
Results brought forward 1 January 2018	-5.894	1.519
Loan forgiveness	6.117	0
Profit or loss for the year brought forward	-109	-7.413
	<u>114</u>	<u>-5.894</u>

5. Contingencies

Joint taxation

The company is jointly taxed with other Danish group entities of Verizon Communications Inc., and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.