

# **TrueCommerce Holding ApS**

**c/o TrueCommerce Denmark ApS, Banevænget 13, 2., 3460 Birkerød**

**Company reg. no. 35 40 08 85**

## **Annual report**

**1 January - 31 December 2019**

The annual report was submitted and approved by the general meeting on the 30 June 2020.

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**Edward Flint Seaton**  
Chairman of the meeting

## Contents

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	<u>Page</u>
<b>Reports</b>	
Management's report	1
Independent auditor's report	2
<b>Management commentary</b>	
Company information	5
Financial highlights	6
Management commentary	7
<b>Financial statements 1 January - 31 December 2019</b>	
Accounting policies	8
Income statement	11
Statement of financial position	12
Notes	14

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 %.

## **Management's report**

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Today, the executive board has presented the annual report of TrueCommerce Holding ApS for the financial year 1 January - 31 December 2019 of TrueCommerce Holding ApS.

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 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

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 by the general meeting.

Birkerød, 30 June 2020

### **Executive board**

Michael John Cornell

Edward Flint Seaton

## **Independent auditor's report**

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### **To the shareholder of TrueCommerce Holding ApS**

#### **Opinion**

We have audited the financial statements of TrueCommerce Holding ApS for the financial year 1 January - 31 December 2019, 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.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have 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 provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless 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 audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, 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 can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Independent auditor's report**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 management commentary**

Management is responsible for the management commentary.

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

## **Independent auditor's report**

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In connection with our audit of 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 audit, 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 management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 30 June 2020

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36

**Jacob Helly Juell-Hansen**

State Authorised Public Accountant  
mne36169

## Company information

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### **The company**

TrueCommerce Holding ApS  
c/o TrueCommerce Denmark ApS  
Banevænget 13, 2.  
3460 Birkerød

Company reg. no. 35 40 08 85  
Financial year: 1 January - 31 December

### **Executive board**

Michael John Cornell  
Edward Flint Seaton

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

### **Parent company**

Truecommerce EDI Acquisition Co.

### **Subsidiary**

TrueCommerce Denmark ApS, Birkerød

## Financial highlights

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DKK in thousands.	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Income statement:</b>					
Gross profit	-55	-66	-74	-91	-67
Profit from ordinary operating activities	-55	-66	-74	-91	-67
Net financials	-5.026	-7.600	10.243	-6.186	-13.368
Net profit or loss for the year	-4.119	-5.559	9.507	-6.277	-13.435
<b>Statement of financial position:</b>					
Balance sheet total	140.591	139.193	139.186	139.205	139.265
Equity	21.792	25.911	31.470	21.963	28.241
<b>Key figures in %:</b>					
Solvency ratio	15,5	18,6	22,6	15,8	20,3
Return on equity	-17,3	-19,4	35,6	-25,0	-38,4

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

$$\text{Solvency ratio} = \frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$$

$$\text{Return on equity} = \frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$$



## **Management commentary**

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### **The principal activities of the company**

The business foundation of the company is owning shares in other companies.

### **Uncertainties about recognition or measurement**

The company's investment in group enterprises is subject to uncertainty regarding the recognized value at 31 December 2019. The investment is recognized at cost.

As at 31 December 2019 the management have prepared an impairment test of the recognized investment. Based on the assumptions used no indications of impairment was identified. However, changes to the assumptions used can create indications of impairment. Thus, the value of the investment is subject to some uncertainty.

### **Development in activities and financial matters**

The result from ordinary activities after tax totals DKK -4.119.000 against DKK -5.559.000 last year. The result is in line with management's expectations.

### **Events occurring after the end of the financial year**

No events have occurred subsequent to the balance sheet date, which would material impact on the financial position of the company.

## Accounting policies

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The annual report for TrueCommerce Holding ApS 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 Danish kroner (DKK).

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of TrueCommerce Holding ApS and its group enterprises are included in the consolidated financial statements for TrueCommerce Networks Holdings LLC.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of TrueCommerce Networks Holdings LLC.

### 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.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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.

## Accounting policies

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### Income statement

#### Gross loss

Other external costs comprise costs for administration.

#### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Dividend from equity investment in group enterprise is recognised in the financial year in which the dividend is declared.

#### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

### Statement of financial position

#### Investments

##### Equity investment in group enterprise

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

#### Available funds

Available funds comprise cash at bank.

#### Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

## **Accounting policies**

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TrueCommerce Holding ApS is jointly taxed with the Danish group companies and acts, in this respect, as the administration company. According to the rules of joint taxation, TrueCommerce Holding ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities other than provisions**

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

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross loss</b>	<b>-54.500</b>	<b>-66.250</b>
1 Other financial costs	<u>-5.025.979</u>	<u>-7.600.077</u>
<b>Pre-tax net profit or loss</b>	<b>-5.080.479</b>	<b>-7.666.327</b>
2 Tax on net profit or loss for the year	<u>961.114</u>	<u>2.107.028</u>
<b>Net profit or loss for the year</b>	<b><u>-4.119.365</u></b>	<b><u>-5.559.299</u></b>
<b>Proposed appropriation of net profit:</b>		
Allocated from retained earnings	<u>-4.119.365</u>	<u>-5.559.299</u>
<b>Total allocations and transfers</b>	<b><u>-4.119.365</u></b>	<b><u>-5.559.299</u></b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Assets</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>			
3	Equity investment in group enterprise	<u>139.185.597</u>	<u>139.185.597</u>
	Total investments	<u>139.185.597</u>	<u>139.185.597</u>
	<b>Total non-current assets</b>	<b><u>139.185.597</u></b>	<b><u>139.185.597</u></b>
<b>Current assets</b>			
	Cash on hand and demand deposits	<u>1.405.097</u>	<u>7.749</u>
	<b>Total current assets</b>	<b><u>1.405.097</u></b>	<b><u>7.749</u></b>
	<b>Total assets</b>	<b><u>140.590.694</u></b>	<b><u>139.193.346</u></b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Equity</b>			
4	Contributed capital	80.000	80.000
5	Retained earnings	21.711.535	25.830.900
	<b>Total equity</b>	<b>21.791.535</b>	<b>25.910.900</b>
<b>Liabilities other than provisions</b>			
	Trade payables	78.875	57.500
	Payables to group enterprises	118.310.448	110.532.070
	Income tax payable	409.836	2.692.876
	Total short term liabilities other than provisions	118.799.159	113.282.446
	<b>Total liabilities other than provisions</b>	<b>118.799.159</b>	<b>113.282.446</b>
	<b>Total equity and liabilities</b>	<b>140.590.694</b>	<b>139.193.346</b>
<b>6</b>	<b>Contingencies</b>		
<b>7</b>	<b>Related parties</b>		

## Notes

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All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Other financial costs</b>		
Financial costs, group enterprises	2.166.350	2.697.315
Other financial costs	<u>2.859.629</u>	<u>4.902.762</u>
	<b><u>5.025.979</u></b>	<b><u>7.600.077</u></b>
<b>2. Tax on net profit or loss for the year</b>		
Tax on net profit or loss for the year	-3.068.142	-2.107.028
Adjustment of tax for previous years	<u>2.107.028</u>	<u>0</u>
	<b><u>-961.114</u></b>	<b><u>-2.107.028</u></b>



## Notes

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All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>3. Equity investment in group enterprise</b>		
Cost 1 January 2019	<u>139.185.597</u>	<u>139.185.597</u>
<b>Carrying amount, 31 December 2019</b>	<b><u>139.185.597</u></b>	<b><u>139.185.597</u></b>

### Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity DKK	Results for the year DKK	Carrying amount, TrueCommerc e Holding ApS DKK
TrueCommerce Denmark ApS, Birkerød	100 %	81.190.467	20.278.682	139.185.597
<b>4. Contributed capital</b>				
Contributed capital 1 January 2019			<u>80.000</u>	<u>80.000</u>
			<b><u>80.000</u></b>	<b><u>80.000</u></b>
<b>5. Retained earnings</b>				
Retained earnings 1 January 2019			25.830.900	31.390.199
Retained earnings for the year			<u>-4.119.365</u>	<u>-5.559.299</u>
			<b><u>21.711.535</u></b>	<b><u>25.830.900</u></b>

## 6. Contingencies

### Contingent assets

The company has a tax loss-carryforward of approx. mDKK 21 at 31 December 2019. The tax value of this has not been recognized in the balance sheet at 31 December 2019 due to uncertainty on the timely usage of this. The tax value of the loss-carryforward in mDKK 4,6.

### Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

## Notes

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All amounts in DKK.

### 6. Contingencies (continued)

#### Joint taxation (continued)

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withholding taxes etc. may result in changes in the company's liabilities.

### 7. Related parties

#### Consolidated financial statements

The company is included in the consolidated financial statements of TrueCommerce Networks Holdings LLC.