

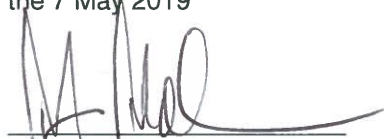
Studio 9 Denmark A/S

Havnen 1
8700 Horsens

Annual Report 2018

CVR no. 36018712

Annual General Meeting held
the 7 May 2019

A handwritten signature in black ink, appearing to be 'Mogens Madsen', written over a horizontal line.

Mogens Madsen
Chairman

Contents

Management's Statement	3
Independent Auditor's Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	11
Balance Sheet	12
Notes	14

Management's Statement

Today, Management has considered and adopted the Annual Report of Studio 9 Denmark A/S for the financial year 1 January 2018 - 31 December 2018.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January 2018 - 31 December 2018.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Horsens, 20 March 2019

Executive Board



Per Lykke

Supervisory Board



Troels Holch Povlsen
Chairman



Adam Christian Dantzer



Ho Kin Chung

Independent Auditor's Report

To the shareholders of Studio 9 Denmark A/S

Opinion

We have audited the financial statements of Studio 9 Denmark A/S for the financial year 1 January 2018 - 31 December 2018, which comprise an income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2018 and of the results of its operations for the financial year 1 January 2018 - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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.

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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- * Obtain an understanding of 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

Independent Auditor's Report

- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements 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 internal control which we identify during our audit.

Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Brande, 20 March 2019

Partner Revision
Statsautoriseret Revisionsaktieselskab
CVR-no. 15807776



Claus Lykke Jensen
State Authorised Public Accountant
ID: mne10776

Company details

Company	Studio 9 Denmark A/S Havnen 1 8700 Horsens CVR No. 36018712 Date of formation: 24 June 2014 Registered office: Horsens Financial year: 1 January 2018 - 31 December 2018
Supervisory Board	Troels Holch Povlsen, Chairman Adam Christian Dantzer Ho Kin Chung
Executive Board	Per Lykke
Auditors	Partner Revision Statsautoriseret Revisionsaktieselskab Torvegade 22 7330 Brande CVR no.: 15807776

Management's Review

The Company's principal activities

The Company's principal activities consist in manufacturing and trading and other related business.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2018 - 31 December 2018 shows a result of DKK 365.829 and the Balance Sheet at 31 December 2018 a balance sheet total of DKK 4.843.746 and an equity of DKK 3.201.067.

The financial year 1. januar 2018 - 31. december 2018 is the company's fifth financial year and the management consider the result satisfactory.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

Accounting Policies

Reporting Class

The Annual Report of Studio 9 Denmark A/S for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. Furthermore the company has adopted individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

Derivative financial instruments

Forward exchange contracts entered into to hedge future revenues and expenses, classified as and fulfilling the criteria for hedging, are measured at fair value at the balance sheet date, and value adjustments are recognised directly in equity. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively. Fair values of derivative financial instruments are calculated on the basis of current market data and generally accepted valuation methods.

Once the hedged transaction is realised, gains or losses incidental to such hedging transactions are transferred from the equity and recognised with the hedged item.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Revenue

Income from delivery of services is recognised as revenue as the service is delivered.

Cost of sales

Costs of sales comprise purchase of goods and service for resale.

Accounting Policies

Other external expenses

Other external expenses comprise expenses regarding sale, administration, premises and loss of debtors..

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Goodwill	4 years	0%
Other fixtures and fittings, tools and equipment	3-4 years	0%
Leasehold improvements	3 years	0%

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under amortisation.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax prepayment scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Intangible assets

Intangible assets (goodwill) are measured at cost less accumulated amortisation and impairment losses.

Goodwill is related to the purchase of an existing division with customers and expertise of employees. The period of amortisation is based on the management's experience on the pay back period of such investment.

Tangible assets

Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Accounting Policies

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Income Statement

	Note	2018 kr.	2017 kr.
Gross profit		7.169.270	6.604.592
Staff expenses	1	-6.464.537	-5.298.358
Depreciation of equipment and intangible assets		<u>-277.774</u>	<u>-260.623</u>
Profit from ordinary operating activities		426.959	1.045.611
Finance income	2	87.167	67.140
Finance expenses	3	<u>-14.498</u>	<u>-7.455</u>
Profit from ordinary activities before tax		499.628	1.105.296
Tax expense	4	<u>-133.799</u>	<u>-278.273</u>
Net profit		<u>365.829</u>	<u>827.023</u>
Proposed appropriation of net profit			
Retained earnings		<u>365.829</u>	<u>827.023</u>
Distribution of net profit		<u>365.829</u>	<u>827.023</u>

Balance Sheet as of 31 December

	Note	2018 kr.	2017 kr.
Assets			
Goodwill	5	<u>0</u>	<u>247.279</u>
Intangible assets		<u>0</u>	<u>247.279</u>
Fixtures, fittings, tools and equipment	6	187.890	133.751
Leasehold improvements	7	<u>0</u>	<u>0</u>
Property, plant and equipment		<u>187.890</u>	<u>133.751</u>
Fixed assets		<u>187.890</u>	<u>381.030</u>
Short-term trade receivables		255.667	333.982
Short-term receivables from group enterprises		704.382	139.984
Current deferred tax		89.316	71.459
Short-term tax receivables		120.872	100.694
Other short-term receivables		202.433	270.799
Deferred income		<u>56.716</u>	<u>67.582</u>
Receivables		<u>1.429.386</u>	<u>984.500</u>
Cash and cash equivalents		<u>3.226.470</u>	<u>3.494.906</u>
Current assets		<u>4.655.856</u>	<u>4.479.406</u>
Assets		<u>4.843.746</u>	<u>4.860.436</u>

Balance Sheet as of 31 December

	Note	2018 kr.	2017 kr.
Liabilities and equity			
Contributed capital	8	1.000.000	1.000.000
Retained earnings	9	<u>2.201.067</u>	<u>2.054.200</u>
Equity		<u>3.201.067</u>	<u>3.054.200</u>
Trade payables		137.073	418.283
Payables to group enterprises		11.961	16.244
Other payables		<u>1.493.645</u>	<u>1.371.709</u>
Short-term liabilities other than provisions		<u>1.642.679</u>	<u>1.806.236</u>
Liabilities other than provisions within the business		<u>1.642.679</u>	<u>1.806.236</u>
Liabilities and equity		<u>4.843.746</u>	<u>4.860.436</u>
Contingent liabilities	10		
Collaterals and assets pledged as security	11		

Notes

	2018 kr.	2017 kr.
1. Staff expenses		
Wages and salaries	5.700.963	4.707.255
Post-employment benefit expense	405.464	294.018
Social security contributions	73.008	56.846
Other employee expense	285.102	240.239
	<u>6.464.537</u>	<u>5.298.358</u>
Average number of employees	<u>14</u>	<u>13</u>
2. Finance income		
Other finance income	<u>87.167</u>	<u>67.140</u>
	<u>87.167</u>	<u>67.140</u>
3. Finance expenses		
Other finance expenses	<u>14.498</u>	<u>7.455</u>
	<u>14.498</u>	<u>7.455</u>
4. Tax expense		
Tax on taxable income	140.848	271.898
Adjustment of deferred tax	-17.857	-17.161
Payment of foreign tax	10.808	23.536
	<u>133.799</u>	<u>278.273</u>

Notes

	2018 kr.	2017 kr.
5. Goodwill		
Cost at 1 January	989.115	989.115
Cost at 31 December	989.115	989.115
Depreciation and amortisation at 1 January	-741.836	-494.558
Amortisation for the year	-247.279	-247.278
Impairment losses and amortisation at 31 December	-989.115	-741.836
Carrying amount at 31 December	0	247.279
6. Fixtures, fittings, tools and equipment		
Cost at 1 January	162.127	31.827
Addition during the year, incl. improvements	113.884	130.300
Cost at 31 December	276.011	162.127
Depreciation and amortisation at 1 January	-28.376	-15.032
Amortisation for the year	-59.745	-13.344
Impairment losses and amortisation at 31 December	-88.121	-28.376
Carrying amount at 31 December	187.890	133.751
7. Leasehold improvements		
Cost at 1 January	84.373	84.373
Cost at 31 December	84.373	84.373
Depreciation and amortisation at 1 January	-84.373	-84.373
Impairment losses and amortisation at 31 December	-84.373	-84.373
Carrying amount at 31 December	0	0

Notes

	2018 kr.	2017 kr.
8. Contributed capital		
Balance at 1 January	<u>1.000.000</u>	<u>1.000.000</u>
Balance at 31 December	<u>1.000.000</u>	<u>1.000.000</u>

The contributed capital consists of 1,000 shares of DKK 1,000 and no shares have special rights.

The share capital has remained unchanged for the last 5 years.

9. Retained earnings

Balance at 1 January	2.054.199	1.227.177
Profit for the year	365.829	827.023
Hedging instruments to fair value 31 December 2018	<u>-218.961</u>	<u>0</u>
Balance at 31 December	<u>2.201.067</u>	<u>2.054.200</u>

10. Contingent liabilities**Derivative financial instruments**

To hedge the risk of future fluctuations in foreign exchange rates the company has on 31 December 2018 engaged in forward exchange contracts and swaps, not exceeding the sale of t. USD 1.505. Compared to the exchange rates on 31 December 2018 the forwards have a net negative value of 281 t. DKK, which is recognised under equity and in the balance under Other short-term receivables if positive and Other payables if negative.

No other contingent liabilities exist at the balance sheet date.

11. Collaterals and assets pledges as security

The company has entered into a lease agreement for office facilities. The annual rent is 302 t. DKK. The lease agreement can be terminated with six months notice.

No other securities or mortgages exist at the balance sheet date.