
Digital Media Innovations Denmark ApS

c/o Intertrust (Denmark) ApS, Sundkrogsgade 21, DK-2100
Cph Ø

Annual Report for 2023

CVR No. 39 42 43 55

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/5 2024

Emil Skov
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Digital Media Innovations Denmark ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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

Copenhagen, 28 May 2024

Executive Board

Louis Brucculeri
Executive Officer

Robert Emmett Mannix
Executive Officer

Board of Directors

Louis Brucculeri
Chairman

Robert Emmett Mannix

The Independent Practitioner's Review Report

To the shareholder of Digital Media Innovations Denmark ApS

We have reviewed the Financial Statements of Digital Media Innovations Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

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.

Practitioner's responsibility

Our responsibility is to express a conclusion on the Financial Statements. We conducted our review in accordance with the International Standard on Engagements to Review Historical Financial Statements and the additional requirements applicable in Denmark. This requires us to conclude whether anything has come to our attention that causes us to believe that the Financial Statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard on Engagements to Review Historical Financial Statements is a limited assurance engagement. The practitioner performs procedures primarily consisting of making inquiries of Management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly we do not express an audit opinion on the Financial Statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Financial Statements do not give a true and fair view of the Company's financial position at 31 December 2023 and of the Company's operations for the financial year 1 January - 31 December 2023, in accordance with the Danish Financial Statements Act.

Hellerup, 28 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Lauritsen

statsautoriseret revisor

mne34342

Company information

The Company	Digital Media Innovations Denmark ApS c/o Intertrust (Denmark) ApS Sundkrogsgade 21 DK-2100 Cph Ø CVR No: 39 42 43 55 Financial period: 1 January - 31 December Incorporated: 20 March 2018 Financial year: 6th financial year Municipality of reg. office: Copenhagen
Board of Directors	Louis Brucculeri, chairman Robert Emmett Mannix
Executive Board	Louis Brucculeri Robert Emmett Mannix
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		596,165	1,400,282
Staff expenses	2	-549,868	-1,294,673
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-1,764,635	-882,490
Profit/loss before financial income and expenses		-1,718,338	-776,881
Financial expenses	4	-9,279	-383,782
Profit/loss before tax		-1,727,617	-1,160,663
Tax on profit/loss for the year	5	-344,246	255,349
Net profit/loss for the year		-2,071,863	-905,314
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-2,071,863	-905,314
		-2,071,863	-905,314

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Acquired licenses		0	0
Goodwill		0	1,764,635
Intangible assets	6	0	1,764,635
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	7	0	0
Deposits	8	23,260	20,240
Fixed asset investments		23,260	20,240
Fixed assets		23,260	1,784,875
Receivables from group enterprises		121,421	213,414
Other receivables		128,046	158,942
Deferred tax asset	9	0	345,346
Corporation tax		160,000	159,518
Prepayments		49,611	49,558
Receivables		459,078	926,778
Cash at bank and in hand		711,910	1,346,914
Current assets		1,170,988	2,273,692
Assets		1,194,248	4,058,567

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		50,002	50,002
Retained earnings		968,825	3,040,688
Equity		1,018,827	3,090,690
Trade payables		1,340	130,592
Payables to group enterprises		0	732,846
Other payables	10	174,081	104,439
Short-term debt		175,421	967,877
Debt		175,421	967,877
Liabilities and equity		1,194,248	4,058,567
Key activities	1		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	50,002	3,040,688	3,090,690
Net profit/loss for the year	0	-2,071,863	-2,071,863
Equity at 31 December	50,002	968,825	1,018,827

Notes to the Financial Statements

1. Key activities

The company acts as a reseller and service provider to other entities within the Digital Media Innovations Group of entities. According to the Group's intra-Group pricing agreement, Digital Media Innovations Denmark ApS has received a marketbased margin. The Company's income is therefore comprised of compensation from affiliate companies, which are regulated in a cost-plus agreement established on market terms.

	2023	2022
	DKK	DKK
2. Staff Expenses		
Wages and salaries	515,117	1,088,026
Other social security expenses	30,162	84,319
Other staff expenses	4,589	122,328
	<u>549,868</u>	<u>1,294,673</u>
Average number of employees	<u>1</u>	<u>2</u>

	2023	2022
	DKK	DKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	441,159	882,317
Depreciation of property, plant and equipment	0	173
Impairment of intangible assets	1,323,476	0
	<u>1,764,635</u>	<u>882,490</u>

	2023	2022
	DKK	DKK
4. Financial expenses		
Interest paid to group enterprises	0	206,372
Exchange adjustments, expenses	9,275	160,727
Exchange loss	4	16,683
	<u>9,279</u>	<u>383,782</u>

Notes to the Financial Statements

	2023	2022
	DKK	DKK
5. Income tax expense		
Deferred tax for the year	345,346	-255,349
Adjustment of tax concerning previous years	-1,100	0
	<u>344,246</u>	<u>-255,349</u>

6. Intangible fixed assets

	Acquired licenses	Goodwill
	DKK	DKK
Cost at 1 January	376	4,411,588
Cost at 31 December	<u>376</u>	<u>4,411,588</u>
Impairment losses and amortisation at 1 January	376	2,646,953
Impairment losses for the year	0	1,323,476
Amortisation for the year	0	441,159
Impairment losses and amortisation at 31 December	<u>376</u>	<u>4,411,588</u>
Carrying amount at 31 December	<u>0</u>	<u>0</u>

7. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	46,417
Cost at 31 December	<u>46,417</u>
Impairment losses and depreciation at 1 January	46,417
Impairment losses and depreciation at 31 December	<u>46,417</u>
Carrying amount at 31 December	<u>0</u>

Notes to the Financial Statements

8. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	20,240
Additions for the year	3,020
Cost at 31 December	<u>23,260</u>
Carrying amount at 31 December	<u>23,260</u>

9. Deferred tax asset

	2023	2022
	DKK	DKK
Deferred tax asset at 1 January	345,346	89,998
Amounts recognised in the income statement for the year	380,074	255,348
Amounts recognised in equity for the year	-725,420	0
Deferred tax asset at 31 December	<u>0</u>	<u>345,346</u>

10. Other payables

	2023	2022
	DKK	DKK
Other short-term payables	174,081	104,439
	<u>174,081</u>	<u>104,439</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
11. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Rental and lease obligations	34,890	31,380

Deferred tax

Management has in 2023 decided to write off the tax assets, with a current value of th.DKK 725 due to uncertainty about the use within the next 3-5 years.

At the balance sheet date, the Company has no other contingent assets, liabilities or financial obligations.

12. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of:

<u>Name</u>	<u>Place of registered office</u>
West-Olympus, LLC	Delaware, USA

Notes to the Financial Statements

13. Accounting policies

The Annual Report of Digital Media Innovations Denmark ApS for 2023 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 2023 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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 transaction date rates 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

Revenue

Revenue from the sale of goods 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.

Notes to the Financial Statements

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

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

Balance sheet

Intangible fixed assets

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and amortised on a straight-line basis over its useful economic life, which is assessed as five years.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 years.

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.

Notes to the Financial Statements

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

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 subsequent fiscal years.

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.

Financial liabilities

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