

# SubReader Holding ApS

Sankt Gertruds Stræde 5  
1129 København K

CVR no. 40 63 31 89

## **Annual report 2020**

The annual report was presented and approved at the  
Company's annual general meeting on

17 June 2021

Torben Christian Garde Due  
Chairman

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**SubReader Holding ApS**  
Annual report 2020  
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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of SubReader Holding ApS for the financial year 1 January – 31 December 2020.

The annual report has been 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 assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 17 June 2021  
Executive Board:

\_\_\_\_\_  
Anders Bredgaard Thuesen

\_\_\_\_\_  
Alexander Gram Jensen

Board of Directors:

\_\_\_\_\_  
Anders Blauenfeldt  
Chairman

\_\_\_\_\_  
Torben Christian Garde Due

\_\_\_\_\_  
Christian Styrbæk Lillelund



## Independent auditor's report

### To the shareholders of SubReader Holding ApS

#### Opinion

We have audited the financial statements of SubReader Holding ApS for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and 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 that 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 in preparing the financial statements 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 as to 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 that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company 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.

## Independent auditor's report

- 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 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 use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to 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 the disclosures, and whether the financial statements represent 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 that we identify during our audit.

## Statement on the 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 assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility 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 our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 17 June 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Morten Høgh-Petersen  
State Authorised  
Public Accountant  
mne34283

**SubReader Holding ApS**  
Annual report 2020  
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## Management's review

### Company details

SubReader Holding ApS  
Sankt Gertruds Stræde 5  
1129 København K

CVR no.:	40 63 31 89
Established:	22 June 2019
Registered office:	Copenhagen
Financial year:	1 January – 31 December

### Board of Directors

Anders Blauenfeldt, Chairman  
Torben Christian Garde Due  
Christian Styrbæk Lillelund

### Executive Board

Anders Bredgaard Thuesen  
Alexander Gram Jensen

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø  
CVR no. 25 57 81 98

## **Management's review**

### **Operating review**

#### **Principal activities**

SubReader holding ApS serves the purpose of owning and controlling all shares in the subsidiary SubReader ApS.

#### **Development in activities and financial position**

The Company's income statement for 2020 shows a profit of DKK -65,657 as against DKK 0 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 3,249,343 as against DKK 2,100,000 at 31 December 2019.

The financial year was in line with forecast, and results for the year are considered satisfactory.

SubReader has had an eventful year in 2020. We concluded a fundraising round of 1.215m DKK in new equity, from previous investors, while inviting four new investors to the cap table. Furthermore, one of the investors, Anders Blauenfeldt, was welcomed as the new chairman of the board.

On top of the equity funding, the company acquired a matching loan from Vækstfonden, with the new Corona regulations, of 1.5m DKK.

With the funding in place, the company could welcome new employees across sales, marketing and development, to strengthen the company's product and marketing effort in Sweden.

#### **Events after the balance sheet date**

No events have occurred after the financial year-end which could significantly affect the Company's financial position

## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2020	22/6-31/12 2019
<b>Gross profit/loss</b>		-22,898	0
<b>Profit/loss before financial income and expenses</b>		-22,898	0
Other financial expenses		-42,759	0
<b>Profit/loss before tax</b>		-65,657	0
Tax on profit/loss for the year		0	0
<b>Profit/loss for the year</b>		-65,657	0
<b>Proposed profit appropriation/distribution of loss</b>			
Reserve for development costs		262,414	347,997
Retained earnings		-328,071	-347,997
		-65,657	0



## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	2020	2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Completed development projects		<u>1,030,036</u>	<u>693,608</u>
<b>Investments</b>			
Investments in associates		<u>2,100,000</u>	<u>2,100,000</u>
<b>Total fixed assets</b>		<u>3,130,036</u>	<u>2,793,608</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		75,470	0
Other receivables		84,107	0
Corporation tax		<u>172,166</u>	<u>98,152</u>
		<u>331,743</u>	<u>98,152</u>
<b>Cash at bank and in hand</b>		<u>1,498,479</u>	<u>0</u>
<b>Total current assets</b>		<u>1,830,222</u>	<u>98,152</u>
<b>TOTAL ASSETS</b>		<u><u>4,960,258</u></u>	<u><u>2,891,760</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	2020	2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		66,325	60,250
Reserves for development costs		610,411	347,997
Retained earnings		<u>2,572,607</u>	<u>1,691,753</u>
<b>Total equity</b>		<u>3,249,343</u>	<u>2,100,000</u>
<b>Provisions</b>			
Provisions for deferred tax		<u>172,166</u>	<u>98,152</u>
<b>Total provisions</b>		<u>172,166</u>	<u>98,152</u>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Other credit institutions		1,538,749	0
Payables to group entities		<u>0</u>	<u>693,608</u>
		<u>1,538,749</u>	<u>693,608</u>
<b>Total liabilities other than provisions</b>		<u>1,538,749</u>	<u>693,608</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>4,960,258</u></u>	<u><u>2,891,760</u></u>
<b>Contractual obligations, contingencies, etc.</b>	2		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	60,250	347,997	1,691,753	2,100,000
Capital increase	6,075	0	1,208,925	1,215,000
Transferred over the profit appropriation	<u>0</u>	<u>262,414</u>	<u>-328,071</u>	<u>-65,657</u>
<b>Equity at 31 December 2020</b>	<b><u>66,325</u></b>	<b><u>610,411</u></b>	<b><u>2,572,607</u></b>	<b><u>3,249,343</u></b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of SubReader Holding ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Income statement

#### Gross profit

Pursuant to Section 32 of the Financial Statements Act, the Company has decided only to disclose gross profit.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in associates measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

#### Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

### Balance sheet

#### Intangible assets

##### *Development projects*

Development costs and costs for internally generated rights are recognised in the income statement in the acquisition year.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred

#### Equity investments in associates

Equity investments in associates are measured at cost. In case of indication of impairment, and impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cash at bank and in hand

Cash comprises bank deposits.

##### Equity

###### *Reserve for development costs*

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

##### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

## **Financial statements 1 January – 31 December**

### **Notes**

#### **2 Contractual obligations, contingencies, etc.**

##### **Contingent liabilities**

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax.