

Keesing Danmark A/S

Arne Jacobsens Allé 17

2300 København S

CVR no. 89 96 43 18

Annual report for 2020

Adopted at the annual general meeting on 30 April
2021

Per Anders Juhlin
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Keesing Danmark A/S for the financial year 1 January - 31 December 2020.

The annual report is 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 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 30 April 2021

Executive board

Per Anders Juhlin
Director

Supervisory board

Philip Joris Alberdingk Thijm
Chairman

Jacob Hendrik Bouman

Per Anders Juhlin

Independent auditor's report on extended review

To the shareholder of Keesing Danmark A/S

Opinion

We have performed extended review of the financial statements of Keesing Danmark A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's 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 extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities 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.

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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

Independent auditor's report on extended review

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 30 April 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Thomas Frommelt Hertz
statsautoriseret revisor
MNE no. mne31543

Company details

The company

Keesing Danmark A/S
Arne Jacobsens Allé 17
2300 København S

CVR no.: 89 96 43 18

Reporting period: 1 January - 31 December 2020

Domicile: Copenhagen

Supervisory board

Philip Joris Alberdingk Thijm, chairman
Jacob Hendrik Bouman
Per Anders Juhlin

Executive board

Per Anders Juhlin, director

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

Management's review

Business review

The activity of the company is operation of publishing including production and sale of editorial material and other related services.

Financial review

The company's income statement for the year ended 31 December 2020 shows a profit of DKK 231.507, and the balance sheet at 31 December 2020 shows equity of DKK 3.204.746.

The company has lost more than 50% of the share capital. The management will according to the Danish Companies Act undertake actions that ensure the restoration hereof.

Significant events occurring after the end of the financial year

The Covid-19 outbreak and the actions taken by governments in most of the world to mitigate the effect is expected to have a minor impact on the Company's distribution of the revenue but on a general level the expectations are maintained.

Income statement

1 January 2020 - 31 December 2020

	Note	2020 DKK	2019 DKK
Gross profit		4.750.833	7.581.638
Staff costs	1	-3.664.315	-4.558.447
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-592.274</u>	<u>-219.587</u>
Profit/loss before net financials		494.244	2.803.604
Income from investments in subsidiaries	3	107.849	17.690
Financial income	4	0	22.637
Financial costs	5	<u>-218.289</u>	<u>-316.854</u>
Profit/loss before tax		383.804	2.527.077
Tax on profit/loss for the year	6	<u>-152.297</u>	<u>2.127.679</u>
Profit/loss for the year		<u>231.507</u>	<u>4.654.756</u>
Recommended appropriation of profit/loss			
Reserve for net revaluation under the equity method		0	17.690
Retained earnings		<u>231.507</u>	<u>4.637.066</u>
		<u>231.507</u>	<u>4.654.756</u>

Balance sheet at 31 December 2020

	Note	2020 DKK	2019 DKK
Assets			
Completed development projects		0	0
Intangible assets	7	0	0
Other fixtures and fittings, tools and equipment		2.253.046	462.629
Leasehold improvements		577.675	51.044
Tangible assets	8	2.830.721	513.673
Investments in subsidiaries	9	3.373.202	3.517.690
Deposits	10	334.660	87.602
Fixed asset investments		3.707.862	3.605.292
Total non-current assets		6.538.583	4.118.965
Work in progress		131.494	423.318
Prepayments for goods		241.670	526.758
Stocks		373.164	950.076
Trade receivables		3.757.054	3.271.809
Receivables from group enterprises		306.834	0
Other receivables		3.008	1.939
Deferred tax asset		1.975.381	2.127.679
Joint taxation contributions receivable		119.797	0
Prepayments		279.584	7.508
Receivables		6.441.658	5.408.935
Cash at bank and in hand		1.387.814	634.779
Total current assets		8.202.636	6.993.790
Total assets		14.741.219	11.112.755

Balance sheet at 31 December 2020

	Note	2020 DKK	2019 DKK
Equity and liabilities			
Share capital		7.347.232	7.347.232
Retained earnings		-4.142.486	-4.373.993
Equity	11	3.204.746	2.973.239
Lease obligations		1.205.665	0
Other payables		646.191	209.292
Total non-current liabilities	12	1.851.856	209.292
Lease obligation	12	691.302	49.245
Trade payables		1.584.085	952.442
Payables to group enterprises		4.385.305	4.676.252
Corporation tax		119.797	0
Other payables		2.486.274	1.705.483
Deferred income		417.854	546.802
Total current liabilities		9.684.617	7.930.224
Total liabilities		11.536.473	8.139.516
Total equity and liabilities		14.741.219	11.112.755
Rent and lease liabilities	13		
Contingent liabilities	14		
Related parties and ownership structure	15		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2020	7.347.232	-4.373.993	2.973.239
Net profit/loss for the year	0	231.507	231.507
Equity at 31 December 2020	7.347.232	-4.142.486	3.204.746

Notes

	2020 DKK	2019 DKK
1 Staff costs		
Wages and salaries	2.898.695	3.715.166
Pensions	697.995	728.151
Other social security costs	67.625	115.130
	3.664.315	4.558.447
 Average number of employees	 9	 13
	2020 DKK	2019 DKK
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation tangible assets	592.274	219.587
	592.274	219.587
	2020 DKK	2019 DKK
3 Income from investments in subsidiaries		
Share of profits of subsidiaries	414.760	324.601
Amortisation of goodwill	-306.911	-306.911
	107.849	17.690
	2020 DKK	2019 DKK
4 Financial income		
Other financial income	0	1.625
Exchange gains	0	21.012
	0	22.637

Notes

	2020 DKK	2019 DKK
5 Financial costs		
Financial expenses, group entities	128.322	162.111
Other financial costs	29.944	10.033
Exchange loss	60.023	144.710
	218.289	316.854

	2020 DKK	2019 DKK
6 Tax on profit/loss for the year		
Deferred tax for the year	152.297	-2.127.679
	152.297	-2.127.679

7 Intangible assets

	Completed development projects
Cost at 1 January 2020	2.691.417
Cost at 31 December 2020	2.691.417
Impairment losses and amortisation at 1 January 2020	2.691.417
Impairment losses and amortisation at 31 December 2020	2.691.417
Carrying amount at 31 December 2020	0

Notes

8 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2020	803.640	153.716
Additions for the year	2.181.899	727.423
Disposals for the year	0	-81.861
Cost at 31 December 2020	<u>2.985.539</u>	<u>799.278</u>
Impairment losses and depreciation at 1 January 2020	341.011	102.672
Depreciation for the year	391.482	200.792
Reversal of impairment and depreciation of sold assets	0	-81.861
Impairment losses and depreciation at 31 December 2020	<u>732.493</u>	<u>221.603</u>
Carrying amount at 31 December 2020	<u>2.253.046</u>	<u>577.675</u>

Book value of leasing assets amounts to DKK 1.883.774 as of 31 December 2020.

	2020 DKK	2019 DKK
9 Investments in subsidiaries		
Cost at 1 January 2020	3.500.000	0
Additions for the year	0	3.500.000
Cost at 31 December 2020	<u>3.500.000</u>	<u>3.500.000</u>
Revaluations at 1 January 2020	17.690	0
Net profit/loss for the year	414.760	324.601
Received dividend	-252.337	0
Amortisation of goodwill	<u>-306.911</u>	<u>-306.911</u>
Revaluations at 31 December 2020	<u>-126.798</u>	<u>17.690</u>
Carrying amount at 31 December 2020	<u>3.373.202</u>	<u>3.517.690</u>

Book value of goodwill amounts to DKK 2.455.285 as of 31 December 2020.

Notes

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
PIB Features ApS	Copenhagen	100%	917.917	414.760

10 Fixed asset investments

	Deposits
Cost at 1 January 2020	87.602
Additions for the year	334.660
Disposals for the year	-87.602
Cost at 31 December 2020	334.660
Carrying amount at 31 December 2020	334.660

11 Equity

The share capital consists of:

	Nominal value
5 shares of DKK 100.000	500.000
1 shares of DKK 1.000.000	1.000.000
1 shares of DKK 3.000.000	3.000.000
1 shares of DKK 2.847.232	2.847.232
	7.347.232

Notes

12 Long term debt

	Debt at 1 January 2020	Debt at 31 December 2020	Instalment next year	Debt outstanding after 5 years
Lease obligations	0	1.205.665	691.302	0
Other payables	209.292	646.191	0	0
	209.292	1.851.856	691.302	0

13 Rent and lease liabilities

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	0	152.922

14 Contingent liabilities

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

15 Related parties and ownership structure

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the group:

Keesing Belgium NV, Deurne, Belgium

16 Accounting policies

The annual report of Keesing Danmark A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Accounting Standard on small enterprises as well as selected provisions as regards larger entities.

Notes

16 Accounting policies

The accounting policies applied are consistent with those of last year in addition to the changes in accounting policies listed below.

The annual report for 2020 is presented in DKK.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less costs of raw materials and consumables and other external expenses.

Notes

16 Accounting policies

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer.

Revenue from contracts with customers is recognized based on the transfer of control as after IFRS 15 occurs at the time when control over the delivered product / service is transferred to the customer.

The control is considered transferred when:

- there is a mandatory sales agreement,
- delivery took place before the end of the financial year,
- the selling price is determined, and
- the payment is received or can reasonably be expected to be received.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes

16 Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

On payment of joint taxation contributions, the current Danish income 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 been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Development projects, patents and licences

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under 'Reserve for development costs' that is reduced as the development projects are amortised and written down.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five years.

Tangible assets

Tangible Assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Notes

16 Accounting policies

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Plant and machinery	3-5 years
Right-of-use assets	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

The Company uses IFRS 16 when measuring and recognizing leases.

Leases are recognised at present value of the right of use received and liabilities for the payment obligations entered into for all leases in the balance sheet.

Lease payments are discounted at the implicit interest rate underlying the lease to the extent that this can be determined. Otherwise, discounting is at the incremental borrowing rate.

Right-of-use assets are measured at cost, which comprises the following:

- lease liability;
- lease payments made at or prior to delivery, less lease incentives received;
- initial direct costs and
- restoration obligations.

Right-of-use assets are depreciated over the term of the lease using the straightline method, normally a depreciation period of 3 - 10 years.

Notes

16 Accounting policies

The Company has used the relief options provided for leases of low-value assets and short-term leases (shorter than twelve months) and expense the payments in the income statement according to the straight-line method.

Extension and termination options exist for a number of leases, particularly for real estate. Such contract terms offer the Company the greatest possible flexibility in doing business. In determining lease terms, all facts and circumstances offering economic incentives for exercising extension options or not exercising termination options are taken into account. Changes due to the exercise or non-exercise of such options are considered in determining the lease term only if they are sufficiently probable.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and labour costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash comprises cash in hand and bank deposits.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Notes

16 Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.