



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Nimbus Film ApS

Vesterbrogade 149, st. b9., 1620 København V

Company reg. no. 24 21 86 78

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 19 June 2024.

Birgitte Hald

Chairman of the meeting

Notes:

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



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Management's statement

Today, the Executive Board has approved the annual report of Nimbus Film ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and 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, 19 June 2024

Executive board

Bo Ehrhardt

Birgitte Hald



Independent auditor's report

To the Shareholders of Nimbus Film ApS

Opinion

We have audited the financial statements of Nimbus Film ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit 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 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 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 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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 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.



Independent auditor's report

In connection with our audit 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 audit, 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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 19 June 2024

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

John Mikkelsen

State Authorised Public Accountant
mne26748



Company information

The company

Nimbus Film ApS
Vesterbrogade 149, st. b9.
1620 København V

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Web site www.nimbusfilm.dk/
E mail nimbus@nimbusfilm.dk

Company reg. no. 24 21 86 78
Established: 1 June 1999
Domicile: Copenhagen
Financial year: 1 January - 31 December

Executive board

Bo Ehrhardt
Birgitte Hald

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Østbanegade 123
2100 København Ø

Parent company

Nimbus Film Holding ApS



Management's review

The principal activities of the company

The company's object is to produce, develop and distribute films and administer rights.

Development in activities and financial matters

The company recorded two feature films, both of which will premiere in 2024. 'FULD AF KÆRLIGHED' (Christina Rosendahl) and 'KONTRA' (Jonas Risvig).

The company has been affected by the development and production stop at TV stations and streaming services as a result of a conflict with the rights organisation CREATE Denmark. As a consequence, the company has adjusted the development of feature films in parallel with the development of the TV series that were already underway.

In August, the company also carried out a major cut on the expenditure side, including premises costs and wages.

The company thus realised a result before financial items of TDKK -3,379. The result before tax is TDKK -3,385 The result after tax is TDKK -3,379. The result is not satisfactory.

The company's balance sheet at the end of the year amounts to TDKK 11,444 of which TDKK 1,985 are film rights. Equity at the end of the year totalled TDKK -167.

The ultimate shareholders have affirmed their commitment to ensuring ongoing liquidity provision to the company in the future.

Expected developments

In 2024, the company expects to greenlight 2 new films and continue developing 2 new TV series for TV2 and Netflix. The latter in collaboration with Tall & Small, of which the company acquired 1/3 as of 1.1.2023.

In addition, the company has a number of new series and films in development.



Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	5.854.673	1.249.250
1 Staff costs	-7.251.778	-9.977.957
Amortisation and impairment of intangible assets	-1.982.261	-7.730.447
Operating profit	-3.379.366	-16.459.154
Other financial income	14.510	47.496
2 Other financial costs	-20.487	-57.071
Pre-tax net profit or loss	-3.385.343	-16.468.729
Tax on net profit or loss for the year	6.387	65.252
Net profit or loss for the year	-3.378.956	-16.403.477
Proposed distribution of net profit:		
Allocated from retained earnings	-3.378.956	-16.403.477
Total allocations and transfers	-3.378.956	-16.403.477



Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
3 Concessions, patents, licenses, trademarks, and similar rights acquired	1.985.376	3.946.974
Total intangible assets	<u>1.985.376</u>	<u>3.946.974</u>
4 Investment in participating interest	12.500	12.500
5 Deposits	<u>860.656</u>	<u>523.672</u>
Total investments	<u>873.156</u>	<u>536.172</u>
Total non-current assets	<u>2.858.532</u>	<u>4.483.146</u>
Current assets		
Trade receivables	225.073	2.172.548
Contract work in progress	0	604.939
Receivables from subsidiaries	100	100
Deferred tax assets	3.032.848	3.032.848
Tax receivables from subsidiaries	6.387	65.252
Other receivables	1.590.355	3.790.143
Prepayments and accrued income	<u>105.125</u>	<u>464.919</u>
Total receivables	<u>4.959.888</u>	<u>10.130.749</u>
Other financial instruments and equity investments	<u>14.520</u>	<u>13.539</u>
Total investments	<u>14.520</u>	<u>13.539</u>
Cash on hand and demand deposits	<u>3.610.769</u>	<u>6.441.106</u>
Total current assets	<u>8.585.177</u>	<u>16.585.394</u>
Total assets	<u>11.443.709</u>	<u>21.068.540</u>



Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	208.000	208.000
Retained earnings	-375.324	-31.535
Total equity	-167.324	176.465
Liabilities other than provisions		
Prepayments received from customers	1.302.088	2.611.117
Prepayments received from customers concerning work in progress for the account of others	1.099.103	0
Trade payables	689.045	2.150.203
Payables to group enterprises	2.489.560	5.558.852
Other payables	6.031.237	10.571.903
Total short term liabilities other than provisions	<u>11.611.033</u>	<u>20.892.075</u>
Total liabilities other than provisions	11.611.033	20.892.075
Total equity and liabilities	11.443.709	21.068.540

6 Charges and security



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	208.000	7.471.942	7.679.942
Profit or loss for the year brought forward	0	-16.403.477	-16.403.477
Capital increase	0	8.900.000	8.900.000
Equity 1 January 2023	208.000	-31.535	176.465
Profit or loss for the year brought forward	0	-343.789	-343.789
	208.000	-375.324	-167.324



Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	6.170.911	8.960.089
Pension costs	1.077.212	1.009.607
Other costs for social security	<u>3.655</u>	<u>8.261</u>
	<u>7.251.778</u>	<u>9.977.957</u>
Average number of employees	<u>27</u>	
2. Other financial costs		
Other financial costs	<u>20.487</u>	<u>57.071</u>
	<u>20.487</u>	<u>57.071</u>
3. Concessions, patents, licenses, trademarks, and similar rights acquired		
Cost 1 January 2023	77.203.594	71.984.458
Additions during the year	<u>20.663</u>	<u>5.219.136</u>
Cost 31 December 2023	<u>77.224.257</u>	<u>77.203.594</u>
Amortisation and writedown 1 January 2023	-73.256.620	-65.526.172
Amortisation for the year	-1.982.261	-2.716.140
Writedown for the year	<u>0</u>	<u>-5.014.308</u>
Amortisation and writedown 31 December 2023	<u>-75.238.881</u>	<u>-73.256.620</u>
Carrying amount, 31 December 2023	<u>1.985.376</u>	<u>3.946.974</u>
4. Investment in participating interest		
Cost 1 January 2023	<u>12.500</u>	<u>12.500</u>
Carrying amount, 31 December 2023	<u>12.500</u>	<u>12.500</u>



Notes

All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
5. Deposits		
Cost 1 January 2023	523.672	503.833
Additions during the year	<u>336.984</u>	<u>19.839</u>
Cost 31 December 2023	<u>860.656</u>	<u>523.672</u>
Carrying amount, 31 December 2023	<u>860.656</u>	<u>523.672</u>

6. Charges and security

As mortgage, TDKK 13.000, the company has provided security in company assets. This security comprises film rights. The debt is TDKK 0.



Accounting policies

The annual report for Nimbus Film 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 DKK.

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.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists



Accounting policies

- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises and loss on receivables.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in group enterprises and associates as well as participating interest

Dividend from investments in group enterprises and associates as well as participating interest 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 current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).



Accounting policies

Statement of financial position

Intangible assets

Development projects, patents, and licences

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement under amortisation and writedown for impairment.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises, associates og participating interest are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Investments in group enterprises and associates as well as participating interest

Investments in group enterprises and associates as well as participating interest are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.



Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost. Writedown takes place to the recoverable amount if this value is lower than the carrying amount.



Accounting policies

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Nimbus Film 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.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Bo Ehrhardt

Navnet returneret af dansk MitID var:

Bo Ehrhardt

Direktør

ID: 0709b252-0307-4f5d-9851-72a26aa550f2

Tidspunkt for underskrift: 26-06-2024 kl.: 15:03:57

Underskrevet med MitID



Birgitte Hald

Navnet returneret af dansk MitID var:

Birgitte Hald

Direktør

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Tidspunkt for underskrift: 26-06-2024 kl.: 14:38:27

Underskrevet med MitID



John Mikkelsen

Navnet returneret af dansk MitID var:

John Mikkelsen

Revisor

På vegne af Christensen Kjærulff Statsautoriseret Revisions...

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Tidspunkt for underskrift: 27-06-2024 kl.: 12:14:42

Underskrevet med MitID



Birgitte Hald

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Birgitte Hald

Dirigent

ID: 6bddd79-0e7e-4e6f-9a1a-7bd4deec7e01

Tidspunkt for underskrift: 27-06-2024 kl.: 15:48:11

Underskrevet med MitID



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