

## **ANNUAL ACCOUNTS 2020**

Report

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On financial statements 2020

**Icecat N.V.  
AMSTERDAM**

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**Icecat N.V.**  
**Amsterdam**

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**1. MANAGEMENT BOARD REPORT**

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### **1.1 Management Board report**

During 2020, the annual revenues of Icecat increased by 8% to €9.8 million (2019: €9.1 million). The organic growth was somewhat hampered by the COVID-19 crisis, but our acquisition strategy paid off. In April 2020, we acquired toys and gaming data provider Cedemo, which contributed to growth from Q2-2020 onward. During 2020, the order intake developed from a complete standstill in Q1 2020 because of the COVID-19 crisis, to a healthy 20% annual growth in Q4.

The net profit increased strongly by 30% to € 1.8 million (2019: €1.4 million euro), mainly caused by the EBITDA increasing considerably by 28% to € 2.2 million (2019: €1.7 million), thanks to cost optimizations. As a percentage, the net result increased to 18% (2019: 15%) of revenues. Consequently, cash reserves have increased healthily to € 6.2 million (2019: € 5.1 million), despite acquisition costs of which an estimated €0.8 million was postponed to 2021.

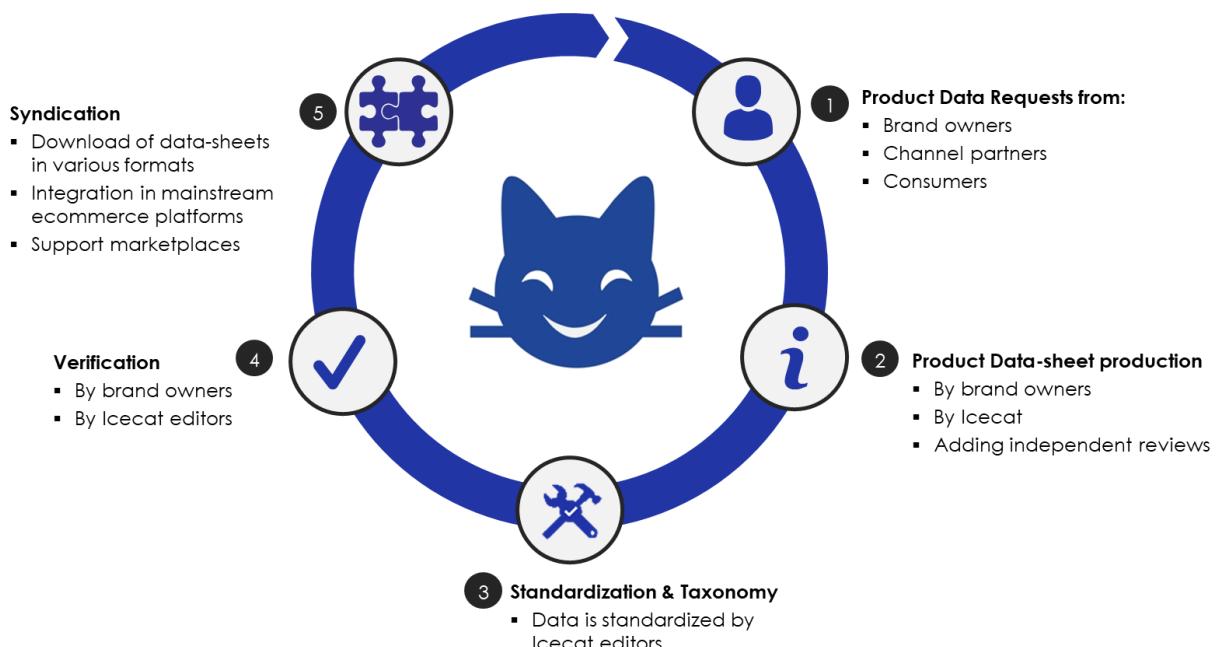
As of 2021, we have made a small adjustment to our business model whereby we strictly limit database access to the main categories to which a customer has formally subscribed. This leads to a higher number of upsell requests. It also reflects the situation that Icecat has become a serious provider not only in IT, Telecom and Consumer Electronics, but also in Toys, Games, Office, FMCG, Do-It-Yourself, Fashion, etc. etc.

The general financial strategy of Icecat is further focused on expanding its global footprint, continued fast-growth and operational excellence to optimize but not yet maximize profitability. Free cashflow is used to finance further acquisitions in the consolidating Product Information Management & Syndication (PIMS) market such. We're continuously looking into further options for acquiring competing and highly synergistic businesses, but notice that at the moment the M&A market is overheated.

The number of staff is 46 (2019: 46), and remote staff increased to 133 (2019: 122), so the total increased to 179 (2019: 168).

During 2020, Icecat was able to expand both its international and local business in The Netherlands. The share of international business is marginally changed to 65% (2019: 62%). Icecat expanded its product data activities in the Fashion, Toys & Entertainment, Health & Beauty, Do It Yourself and FMCG verticals. Further, Icecat continued to win PIMS deals, in which it successfully deployed its PIMS cloud solutions.

Participation Hatch (not consolidated) became cash-flow positive and profitable, and was expanding considerably by around 60% in terms of revenues to around €5 million in 2020.



#### *Business Flow Icecat Product Information Management and Syndication (PIMS)*

The fast-growth of Icecat resulted again in a FD Gazellen listing in 2020, see:

<https://iceclog.com/icecat-nominated-in-fd-gazellen-award-2020-for-the-third-time/>.

Further, Icecat is listed as a top 10 fast-growth data science company in the Netherlands (see <https://iceclog.com/icecat-in-sme-data-science-top-50-2020-for-second-year-in-a-row/>).

#### **Non-financial KPIs**

The key processes in Icecat's PIMS workflow are monitored through non-financial KPIs (Key Performance Indicators). During the COVID-19 year, Icecat's footprint was growing very fast. We saw the use of Icecat data grow by no less than 75% over the whole of 2020, compared to 2019. As a result, the number of downloads of product data-sheets expanded to about 10 billion.

The annual production was, during 2020, stable at 1.7 million new product data-sheets, whereby the number of brands that manually lists products in Icecat has grown by a factor of 10. See <https://iceclog.com/tenfold-increase-in-free-vendor-central-use-in-2020/>.

Further, the number of supported manufacturer brands increased by 43% to 43.5K, and the number of supported product categories grew by 27% to 7K. The number of unique monthly API connects expanded by 22% to 2K. The annual number of new user registrations jumped by 54% to 8.6K. To stress the global, multilingual nature of Icecat, the support of global languages increased by 15% to 69, among others because of the demand for regional Indian languages.

	2020	2019	Y-o-Y
Product Data-Sheet Downloads	9.8 Bio	5.6 Bio	75%
Product Data-Sheet Production	1.7 million	1.7 million	stable
Brands supported	43,464	30,490	43%
Categories supported	7,143	5,627	27%
New user registrations	8,565	5,573	54%
Unique monthly API connects (average)	2,008	1,646	22%
Supported languages (or locales)	69	60	15%

For more statistical backgrounds see: <https://iceclog.com/category/statistics/>.

### ***Innovation: One PIMS strategy***

The tech innovation of Icecat, and its daughter companies Iceshop, Syndy and Cedemo, have been focused during 2020 on improving its PIMS cloud services for manufacturer and merchant clients, integrations with Amazon and Google for clients, and improving the free Vendor Central service for retail clients. We formulated a One PIMS strategy, to strive for technical and operational synergies and a seamless service provisioning for external clients.

In 2020, we rolled out an online brand monitor. On the one hand, we use it for business intelligence services to customers, but on the other hand also for awarding Icecat Awards to brands and for generating traffic. In addition to the brand dashboard, we continue to invest in the Icecat portal, Icecat Vendor Central, interfaces to third parties (APIs), reviews syndication, and the PIM platforms of Syndy, Cedemo, and Iceshop, striving for technical and operational synergy. We call this the One PIMS strategy.

We formulated our 2021 roadmap here: <https://iceclog.com/icecat-service-roadmap-2021/>.

On average, Icecat and daughter companies coach 12 trainees (2019: 10), in the areas of tech, digital marketing, and online sales. This fosters a culture of innovation, an influx of fresh ideas and new staff on master or bachelor level, and relations with universities participating in the EU Erasmus program.

Icecat continues to qualify for Dutch R&D subsidies (Dutch: "WBSO") and the related profit tax break, i.e., the so-called innovation box (Dutch: "innovatiebox").

### ***Sustainable buying decisions***

Icecat updated its core mission to explicitly include sustainability: providing data to help consumers and professionals making *sustainable* buying decisions. Research has shown that the presence of sustainability labels in product data-sheets strongly influences buying decisions. During 2020, we expanded the support of GEN (global ecolabelling network) labels, when relevant for the product category. Further, we prepared the switch in 2021 to the updated, mandatory EU Energy Labels for home appliances and cars.

Internally, Icecat's small fleet of 15 lease cars consists now of 14 Full Electrical Vehicle (FEVs), and still 1 plug-in hybrid electrical vehicle (PHEV). We will soon phase out the last PHEV. Furthermore, the solar panels on the rooftop of the Dutch Nieuwegein office of Icecat takes care of the energy needs in that office including recharging cars. Also, the main hosting company we use for co-locating our servers are run by a company that is climate neutral.

Due to COVID-19, staff worked mostly remotely from home, temporarily reducing work-related travel dramatically. A balanced way of working has been already Icecat's policy since its inception. In the Amsterdam office, we have seven Icecat branded company bikes, which help to limit the use of cars for commuting and other short trips from and to the office, and also have a promotional value.

Icecat's outsourced operational and technical activities provide decent work to around 133 (2019: 122) remote editors, developers and operational staff, mainly located in Ukraine, indirectly providing stable income to families in a turbulent region that in the European context can be considered to be rapidly developing. Emigration among Icecat's remote hires is very low. Continuous innovation and productivity gains keep the high-skilled jobs interesting.

### ***Changes in competition***

The take-over of Cedemo in 2020, has strengthened Icecat's position in the Toys & Games vertical and reduces the competition in this top online vertical, that also has proven to be quite resilient during COVID-19 lockdowns.

In its core-vertical of product data for tech products, Icecat experiences that it's free Open Icecat model continues to be very successful and continues to discourage direct competitors. Based on a competitive comparison, Icecat is doing very well in terms of traffic and is even increasingly distancing itself from direct competitors such as CNET Content, GfK Utilize, Salsify and Syndigo. See <https://iceclog.com/according-to-similarweb-icecat-number-%20one-in-the-product-content-syndication-market/>.

Not surprisingly, a lot is changing in the market regarding our competitive landscape. Some "competitors" have become an Open Icecat integration partner in international projects. CNET Content has been sold to 1WorldSync, in which Battery Ventures invests. And Nielsen Brandbank has been sold to Advent as part of Nielsen Global Connect. We expect more such M&A activities during 2021 and see that as beneficial for Icecat. There is clearly more appetite for investments in the PIMS market.

We see that the changes in competition and the expansion of our online footprint translated into the rapid increase in spontaneous sign-ups from brands, retailers and online platforms that want to use Icecat.

The further opening up of major ecommerce marketplaces, such as the ones of Amazon, Alibaba, Google Shopping, and Facebook, for vendors to easily upload their product data through content partners, has moved Icecat's competitive edge to being a certified content partner of such marketplaces and building the most efficient rich media integrations. At the same time, this provides an opportunity to new entrants, like Salsify in the USA. Salsify has claimed a position as PIMS integrator in this new arena, mostly as competitor of classic PIM providers such as SAP Hybris, Oracle Commerce Cloud, and Stibo Step. It's likely, that over time this niche market of PIMS integrators will experience a shake-out. It also creates a new opportunity to strengthen Icecat's foothold in the USA. By providing free PIMS entry services, in the form of Icecat's free Vendor Central, Icecat is positioning itself for the long term.

### ***Icecat Depository Receipts (DRs)***

The Icecat share price ended in 2020 at €9.75 (2019: €10.01).

During 2020, the liquidity of Icecat on NPEX was lower 15,190 DRs in terms of traded DR volume (2019: 51,403). The difference is mainly explained by expiring put options on DRs in 2019. At the same time, the average DR price in 2020 was with €10.03 higher than in 2019 with €9.34.

The average income of Icecat per ordinary share 2020 increased to €0.18 (2019: €0.13).

The financial calendar for 2021 is maintained here: <https://iceclog.com/financial-calendar-icecat-n-v/>.

### ***External Auditor***

Due to changes in AFM licensing (requirements), the external auditor has changed from within HLB Den Hartog Accountants and Consultants B.V. from Calculations B.V. to group level, i.e., HLB Den Hartog Accountants and Consultants B.V., represented by register accountant, Steven ten Hagen. The new accountant expects to have finalized the audit by October 2021 at the latest. Later than normal, solely because of this change of auditor.

### ***Board and Remuneration***

There were no changes in the formal management board.

The shareholding of CEO Martijn Hoogeveen through iMerge B.V. had a holding of 291,580 DRs (Depository Receipts of Icecat shares) at the start of 2020, which increased to 303,780 per December 31, 2019 (Note: the increase is completely caused by the execution of a put option by an investor in behalf of Icecat).

The management fee of Netvalue, the holding of CEO Martijn Hoogeveen, has been modestly increased by 5% to 164K euro during 2019 as the principal focus of a main shareholder should be to continue to create shareholder value.

Emre Tan's gross salary was 115K euro during 2019 (+5% compared to one year earlier).

Icecat has still a one-tier board, for efficiency reasons, whereby the independent managing director of the trust office (Stichting Administratiekantoor Icecat) represents the interests of the investors in DRs in shareholder meetings, whereby the shareholder meeting has a supervisory function, and whereby Icecat board members do not participate in decision making or voting in case of a conflict of interest. As Icecat becomes bigger and more complex, planning the formal installation of a supervisory board or expanding the one-tier board with one or more independent directors has become an agenda point.

The following nominal changes took place in the board: Pieter van Herpen resigned as CIO after his final buyout from Syndy. Now Icecat own 100% of the share capital of Syndy B.V. Composition of the board per December 31, 2020: of the six members, two are non-native, one is female. The appointment policy is purely meritocratic.

### ***Business Risks incl COVID-19 effects***

During 2020, we were cautious regarding costs given the COVID-19 crisis, but we continued to invest in improving our platform services. On the one hand, the COVID-19 crisis led to more interest and investment from e-commerce clients. On the other hand, our retail clients were hit by lockdowns, and uncertainty led to a reduced demand in the first two quarters of 2020.

Regarding business risks, 2020 brought less dramatic changes than feared. The ongoing expansion and consolidation in the e-commerce market is accelerated, whereby global platforms like Amazon and Alibaba are increasingly dominant. Marketplaces, intermediaries through which retailers offer their goods to consumers, are becoming more important for major ecommerce players like Amazon, BOL, Zalando, Alibaba and others.

Further, the effects of the ongoing cannibalization of the physical retail market manifested itself in high-profile retail chains being under lockdown or go bankrupt. A trend that increasingly applies to any retail vertical.

The general economic conditions during 2020 were very unfavorable, because of the COVID-19 crisis, although the fears related to Brexit and US-centered trade conflicts subsided. The crisis mitigation measures of governments seemed to have staved off the risk of a full-blown depression. Thus far, the impact on Icecat and its daughter companies is limited to postponement of larger projects. The lockdowns mainly affect traditional retail, but leads to a further expansion of Icecat's main market: e-commerce. The pressure on the labor market has temporarily diminished, making it easier for Icecat to hire new marketing and sales staff. At the other hand, the salaries for high-skilled employees in Ukraine are on the rise.

Icecat's subscription based model at reasonable tariffs forms a good buffer for sudden demand shocks. It's observed that there is an increased interest in Icecat's free services, and that decisions for new Icecat purchases are sometimes postponed.

The inclusion of multiple PIMS solutions in the portfolio of Icecat pays off, as it led to better integrations of product content into the ecosystems of major clients. Nevertheless, there are many players on the PIMS market, and every high-end client has complex and changing requirements, which can be difficult to meet. In the PIMS market it's important to develop a strong and competitive brand. At the same time, many PIMS players are (potential) partners for Icecat.

The adoption of new or updated (EU) legal frameworks for copyrights in the digital age might continue to have some impact on the way that Icecat is organizing and operating its content syndication processes. Icecat didn't face any legal challenges during 2018 in this respect, but is closely monitoring changes in the legal environment. GDPR compliance had, apart from updating terms and conditions, a limited impact as Icecat is hardly exposed to the data of private persons, and already operates secure databases in its self-managed hosting facility.

Due to the tight labor market for staff with digital competences, Icecat might not always be able to quickly fill its job positions. Nevertheless, the COVID-19 crisis seems to have eased the labor market somewhat.

The tax ruling for the innovation box ended in 2017, and Icecat has asked for a new ruling. It doesn't seem to be a priority for the tax authority to provide new innovation box rulings. It might be that, eventually, in a new ruling a different application of the innovation box is agreed upon, which might lead to a somewhat higher or lower profit tax (Dutch "vpb").

Amsterdam, April 28, 2021,

Martijn J. Hoogeveen  
Emre Tan Altinok

Board of Icecat

**Icecat N.V.**  
**Amsterdam**

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**2. CONSOLIDATED ACCOUNTS**

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**2.1 Consolidated balance sheet as of December 31, 2020**  
*(After proposal appropriation of result)*

		31-12-2020	31-12-2019
		€	€
<b>ASSETS</b>			
<b><u>Fixed assets</u></b>			
<b>Intangible fixed assets</b>			
Customer portfolio	1	<u>3,179,092</u>	<u>443,266</u>
		3,179,092	443,266
<b>Tangible fixed assets</b>			
Land and buildings	2	2,452	3,382
ICT hardware and other equipment		<u>332,098</u>	<u>233,145</u>
		334,550	236,527
<b>Financial fixed assets</b>			
Participations in group companies (equity value)	3	4,594,932	4,540,932
Participations in affiliated companies	4	4,099,790	4,099,790
Deferred tax	5	228,500	65,981
Right-to-use (lease)	6	521,779	235,654
Other amounts receivable	7	<u>347,443</u>	<u>334,802</u>
		9,792,444	9,277,159
<b><u>Current assets</u></b>			
<b>Receivables</b>			
Trade debtors	9	2,395,129	2,268,369
Receivables from group companies		28,768	-
Other receivables and accrued assets	10	<u>210,002</u>	<u>376,070</u>
		2,633,899	2,644,439
<b>Cash</b>	11	6,173,685	5,130,424
<b>Total assets</b>		<u><u>22,113,670</u></u>	<u><u>17,731,815</u></u>

		31-12-2020	31-12-2019
		€	€
<b>LIABILITIES</b>			
<b>Group equity</b>	12	15,699,702	12,965,820
<b>Long-term liabilities</b>			
Lease liabilities		359,605	235,654
<b>Short-term liabilities</b>			
Trade creditors	13	147,462	134,432
Liabilities to group companies	14	75,122	214,625
Taxes and social security premiums	15	721,991	509,611
Other liabilities and accrued expenses	16	<u>5,109,788</u>	<u>3,671,673</u>
		6,054,363	4,530,341
<b>Total liabilities</b>		<u><u>22,113,670</u></u>	<u><u>17,731,815</u></u>

## 2.2 Consolidated statement of income for the year 2020

		2020	2019
		€	€
<b>Net Turnover</b>	17	9,787,993	9,084,108
Cost of sales		<u>-704,160</u>	<u>-870,252</u>
<b>Gross margin</b>		9,083,833	8,213,856
Expenses work contracted out and other external expenses	18	204,587	234,067
Personnel expenses	19	3,282,970	2,721,489
Depreciation of intangible and tangible fixed assets		124,391	118,822
Other operating expenses	20	<u>3,319,323</u>	<u>3,452,367</u>
<b>Total operating expenses</b>		<u>6,931,271</u>	<u>6,526,745</u>
<b>Operating result</b>		2,152,562	1,687,111
Revenues of receivables from fixed assets and securities		-	-
Interest and similar expenses		<u>-65,200</u>	<u>-12,372</u>
<b>Financial income and expense</b>		<u>-65,200</u>	<u>-12,372</u>
<b>Consolidated result from operational activities before taxation</b>		2,087,362	1,674,739
Taxation	21	<u>-301,635</u>	<u>-303,852</u>
Share in result from participations		1,785,727	1,370,887
<b>Net consolidated result after taxation</b>		<u>-</u>	<u>1,558</u>
		<u>1,785,727</u>	<u>1,372,445</u>

As there is no other comprehensive income, net income is equal to the total of comprehensive income. The net result, and therefore the comprehensive income are fully attributable to the shareholders.

### 2.3 Consolidated cash flow statement for the year 2020

The figures below are stated x € 1,000

#### **Cash flow from operating activities**

Operating result	2,152	1,180
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#### *Adjustments for*

Depreciation of intangible and tangible fixed assets	124	119
Result from participations not through participations	-	-
	124	119

#### *Changes in working capital*

Trade debtors	-208	-354
Receivables from associated companies	-29	-
Other accounts receivable	166	-152
Accounts payable (excluding banks)	<u>1,606</u>	<u>479</u>
	1,535	-27
<b>Cash flow from operating activities</b>	<b>3,811</b>	<b>1,272</b>

Interest received	-	-
Interest paid	-65	-12
Taxation	<u>-113</u>	<u>-195</u>
	-178	-207
<b>Cash flow from operating activities</b>	<b>3,633</b>	<b>1,065</b>

#### **Cash flow from investment activities**

Investments in intangible assets	-1,879	-
Investments in tangible assets	-222	-65
Investments in financial fixed assets	-515	-272
Disposal of tangible fixed assets	18	-
<b>Cash flow from investment activities</b>	<b>-2,598</b>	<b>-337</b>

#### **Cash flow from financing activities**

Receipts from issuance of share capital	9	-
Share premium in financial year	-	-
Dividend paid	-	-
Movement banks	-	-
<b>Cash flow from financing activities</b>	<b>9</b>	<b>-</b>
<b>Movements cash</b>	<b>1,044</b>	<b>728</b>

	2020	2019
	€	€
<b>Turnover movement cash and cash equivalents</b>		
Balance as at beginning of financial year	5,130	4,402
Movements during financials year	1,044	728
Balance at financial year end	<u>6,174</u>	<u>5,130</u>

## 2.4 Notes to the financial statements of the consolidated annual report

### Entity information

#### Registered address and registration number trade register

The actual address of Icecat N.V. is De Liesbosch 12D, 3439 LC in Nieuwegein, the registered seat is Amsterdam (J. Geesinkweg 125, 1114 AB). Icecat N.V. is registered at the trade register under number 30259744.

### General notes

#### The most important activities of the entity

The activities of Icecat N.V., having its legal seat at Amsterdam, and its group companies, primarily consist of developing and exploiting open content media companies.

#### Disclosure of group structure

Icecat N.V. is part of a group. The head of this group is Netvalue B.V., having its legal seat in Bilthoven. The financial statements of Icecat N.V. are not included in the consolidated financial statements of Netvalue B.V., due to exemption for small legal entities.

#### Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Icecat N.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide transparency, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

#### Disclosure of consolidation

In the consolidated financial statements 2020 of Icecat N.V. are included the financial figures of Iceshop B.V., having its legal seat in Utrecht (business seat: Nieuwegein), Icecat International B.V., Icecat Nederland B.V., both companies with legal seat in Nieuwegein (incorporated in 2017), Syndy B.V., Icecat Content Sourcing OÜ (business seat: Tallinn, Estonia) and Icecat Ukraine LLC (business seat: Kiev, Ukraine). In 2019 the shares of Syndy B.V. were acquired by Icecat N.V. on the basis of an cash and exchange of shares transaction. The shares of Syndy B.V. have been acquired with effect from January 1, 2019.

In the 2019 annual accounts, the participating interests Icecat Content Sourcing OÜ and Icecat Ukraine LLC are not consolidated. These participations have been consolidated in the 2020 annual accounts. The comparative figures for 2019 have been adjusted accordingly.

#### The policies for consolidation

The accounting policies of group companies and other consolidated entities have been changed where necessary, in order to align them to the prevailing group accounting policies.

#### The reason for not consolidating a subsidiary

The following subsidiaries are not consolidated, due to lack of predominant control / minor importance:

- Hatch B.V., Amsterdam

### **Disclosure of related party transactions**

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also entities which can control the company are considered to be a related party. In addition, statutory directors, other key management of Icecat N.V. or the ultimate parent corporation and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.

### **General accounting principles**

#### **The accounting standards used to prepare the financial statements**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements. These financial statements are presented in €, the company's functional currency.

#### **Disclosure of fair value information when the report is prepared on historical cost basis**

Some accounting principles demand determination of the fair value of both financial and non-financial assets and liabilities. Fair value is therefore determined for each relevant section as written below.

Determination of fair value is categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

#### **Foreign currency translation for the balance sheet**

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the consolidated statement of income and expenses, unless hedge accounting is applied.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

### **Financial instruments**

In the context of financial risk management Icecat N.V. has identified the following risks:

#### Currency risk

Icecat N.V. operates internationally and the sales in foreign currency is less than 1%. The effects on equity and results are calculated at the balance sheet data.

#### Interest rate risk

Long term and bank debt are not applicable within Icecat N.V.

Current liabilities and receivables in affiliated companies, the fee applicable interest rate at that time, which is reflected in the figures at the balance sheet date.

#### Credit risk

Receivables whose due date has passed more than 100 days, a provision of 100% will be made without VAT. The provision accounts receivables at the end of 2020 is EUR 259K (2019: 347K).

#### Liquidity risk

Icecat N.V. manages its liquidity risk with cash provided from operating activities being the primary source of liquidity.

Based on the current operating performance and liquidity position, the Company believes that cash provided by operating activities and available cash balances will be sufficient for working capital, capital expenditures, interest payments, dividends for the next 12 months and the foreseeable future.

All financial liabilities held at the reporting date, for which payments are already contractually agreed, have been included. Amounts in foreign currency have been translated using the reporting date closing rate.

### **Accounting principles**

#### **ICT hardware and other equipment**

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

Tangible fixed assets are capitalized if the economic ownership held by the company, and its group companies, is governed by a financial lease agreement. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the result over the term of the financial lease agreement.

#### **Impairment of ICT hardware and other equipment**

Assets with a long life should be tested for impairment in the case of changes or circumstances arising that lead to an indication that the carrying amount of the asset will not be recovered. The recoverability of assets in use is determined by comparing the carrying amount of an asset with the estimated present value of the future net cash flows which the asset is expected to generate.

If the carrying amount of an asset exceeds the estimated present value of the future cash flows, impairment is charged to the difference between the carrying amount and the recoverable amount.

#### **Financial assets**

##### Participations in group companies

Participations in group companies are companies over which Icecat N.V. has the power to control. These participations for using the equity method.

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*Other participations (net asset value)*

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by Icecat N.V.. Associated companies with a negative net equity value are valued at nil.

If the company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

*Other participations (fair value)*

Where no significant influence is exercised, associated companies are valued under the fair value method, but not lower than a nil value.

If the company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

*Deferred tax*

Insofar as applicable for deductible tax losses, a deferred tax asset is recognized on the balance sheet.

*Right-to-use (Leases)*

Implementation of IFRS 16 results in the recognition of an asset and a liability on the balance sheet. The value of the asset and the liability is the same. The value of the asset and the liability are calculated on the basis of the lease terms still to be expected on the balance sheet date for the lease contracts concluded at that time. Interest is not taken into account. The valuation of the asset and the liability is at nominal value. The lease costs that are allocated annually are recognized in the income statement. The implementation of IFRS 16 has no effect on the equity and the net result of the company.

The term of the lease contracts has been taken into account. Long-term lease obligations (more than 12 months after the balance sheet date) are included under financial fixed assets (right-to-use) and long-term liabilities (liability) and short-term lease obligations under receivables and short-term debts, respectively.

*Other amounts receivable*

Upon initial recognition the receivables from and loans to associated companies and other receivables are valued at fair value and then valued at amortized cost, which equals the face value, after deduction of any provisions.

**Impairment of financial assets**

Assets with a long life should be tested for impairment in the case of changes or circumstances arising that lead to an indication that the carrying amount of the asset will not be recovered. The recoverability of assets in use is determined by comparing the carrying amount of an asset with the estimated present value of the future net cash flows which the asset is expected to generate.

If the carrying amount of an asset exceeds the estimated present value of the future cash flows, impairment is charged to the difference between the carrying amount and the recoverable amount.

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### **Receivables**

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

### **Cash and cash equivalents**

Cash and cash equivalents are valued at face value. If cash is not freely available this is taken into account for the valuation.

Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities.

### **Equity**

When Icecat N.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### **Current other payables**

Upon initial recognition other payables are recognised at fair value. After initial recognition other payables are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

### **Accounting principles for determining the result**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

### **Revenue recognition**

Revenues from services are recognized in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

### **Depreciation of ICT hardware and other equipment**

Depreciation of other fixed assets is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses upon disposal of a business asset are included in depreciation.

### **Income tax expense**

Tax on the result is calculated based on the result before tax in the consolidated statement of income and expenses, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result.

### **Cash flow statement**

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents.  
Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement under cash flow from operating activities.

Corporate income taxes, interest paid, interest received and dividends received are presented under the cash flow from operating activities. Issuance of share capital and dividends paid are presented under the cash flow from financing activities.

The cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. The payment of lease terms on account of the financial lease contract is considered as an expenditure of financing activities as far as it concerns redemptions and as an expenditure of operational activities as far as it concerns interest.

## 2.5 Notes to the consolidated balance sheet

### Fixed assets

#### 1 Intangible fixed assets

	Customer portfolio €
Balance as of January 1, 2020	
Purchase value	443,266
Accumulated depreciation	-
Book value as of January 1, 2020	<u>443,266</u>
Movements	
Investments	2,735,826
Depreciation	-
Disposal purchase value	-
Disposal accumulated depreciation	-
Balance movements	<u>2,735,826</u>
Balance as of December 31, 2020	
Purchase value	3,179,092
Accumulated depreciation	-
Book value as of December 31, 2020	<u>3,179,092</u>
Depreciation percentages	<u>0</u>

During 2020, Icecat N.V. has acquired a customer portfolio of Cedemo S.A.. There is no periodic amortization on this acquisition. The management assesses annually whether an impairment loss is applicable.

**2 Tangible fixed assets**

	ICT hardware and other equipment
	€
Balance as of January 1, 2020	
Purchase value	688,118
Accumulated depreciation	<u>451,591</u>
Book value as of January 1, 2020	<u>236,527</u>
Movements	
Investments	222,414
Depreciation	-124,391
Disposal purchase value	-18,326
Disposal accumulated depreciation	<u>18,326</u>
Balance movements	<u>98,023</u>
Balance as of December 31, 2020	
Purchase value	892,206
Accumulated depreciation	<u>557,656</u>
Book value as of December 31, 2020	<u>334,550</u>
Depreciation percentages	<u>20</u>

### **3 Financial fixed assets**

	Participations in group companies	Other participations (net asset (equity value))	Other amounts receivable	Total
	€	€	€	€
Balance as of January 1, 2020				
Principal value	4,540,932	4,099,790	334,902	8,975,624
Balance as of January 1, 2020	<u>4,540,932</u>	<u>4,099,790</u>	<u>334,902</u>	<u>8,975,624</u>
Movements				
Goodwill (purchases 2020)	54,000	-	-	54,000
Other movements	-	-	12,541	12,541
Result	-	-	-	-
Balance movements	<u>54,000</u>	<u>-</u>	<u>12,541</u>	<u>66,541</u>
Balance as of December 31, 2020				
Principal value	4,594,932	4,099,790	347,443	9,042,165
Balance as of December 31, 2020	<u>4,594,932</u>	<u>4,099,790</u>	<u>347,443</u>	<u>9,042,165</u>

### **4 Participations in group companies (equity value)**

	31-12-2020	31-12-2019
	€	€
Iceshop B.V.	2,959,704	2,959,704
Syndy B.V.	1,635,228	1,581,228
	<u>4,594,932</u>	<u>4,540,932</u>

	2020 €	2019 €
<b>Iceshop B.V.</b>		
Book value as of January 1	2,959,704	2,959,704
Investments in participation (goodwill)	-	-
Book value as of December 31	<u>2,959,704</u>	<u>2,959,704</u>

	2020 €	2019 €
<b>Syndy B.V.</b>		
Book value as of January 1	1,581,228	1,542,502
Investments in participation	54,000	38,726
Profit/(Loss) of participation	-	-
Book value as of December 31	<u>1,635,228</u>	<u>1,581,228</u>

## 5 Participations in affiliated companies

	31-12-2020 €	31-12-2019 €
Hatch B.V. (42.72%)	<u>4,099,790</u>	<u>4,099,790</u>

	2020 €	2019 €
<b>Hatch B.V.</b>		
Balance as of January 1		
Purchase value	4,099,790	3,931,200
Book value as of January 1	<u>4,099,790</u>	<u>3,931,200</u>
Balance movements	-	<u>168,590</u>
Balance as of December 31		
Purchase value	4,099,790	4,099,790
Book value as of December 31	<u>4,099,790</u>	<u>4,099,790</u>

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€

## 6 Deferred tax

Book value as of January 1	65,981	-
Mutation	162,519	65,981
Book value as of December 31	<u>228,500</u>	<u>65,981</u>

The deferred tax concern the deductible losses of Syndy B.V..

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€

## 7 Right-to-use (lease)

Book value as of January 1	235.654	-
First adoption IFRS 16	-	235,654
Mutation	<u>286,125</u>	<u>-</u>
Book value as of December 31	<u>521,779</u>	<u>235,654</u>

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€

## 8 Other amounts receivable

Loans receivable	332,516	319,875
Rent deposit	14,927	14,927
	<u>347,443</u>	<u>334,802</u>

The loans receivable concern the financing of purchase of shares by the Managing Director (E.T. Altinok). Interest rate of the loan is EURIBOR + 4.2% per annum. Provided security for the repayment of the loan: option for lender to offer shares to other shareholders at fair market value.

## Current assets

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€

## 9 Trade debtors

Trade debtors	2,654,581	2,615,218
Provision for doubtful debts	-259,452	-346,849
	<u>2,395,129</u>	<u>2,268,369</u>

The concentration of credit risk with respect to receivables is limited. Icecat N.V. does not hold any significant collateral on its receivables. Management believes there is no further credit risk provision required in excess of the normal impairment, based on the aging analysis performed as of December 31, 2020.

	2020	2019
	€	€
<b>10 Other receivables and accrued income</b>		
Other receivables	210,002	376,070
	<u>210,002</u>	<u>376,070</u>

**Other receivables**

Prepayments and other receivables	210,002	376,060
	<u>210,002</u>	<u>376,070</u>

**11 Cash**

Of the cash and cash equivalents as of December 31, 2020 and December 31, 2019, no amounts were restricted.

## **12 Group equity**

The shareholder equity is explained in the notes to the non-consolidated balance sheet.

### **Earnings per share**

The calculation of net income per share attributable to common shareholders is based on the following data:

Net income attributable to common shareholders for the purposes of earnings per share	1,854,219	1,372,445
Weighted average number of common shares for the purpose of earnings per share	10,511,635	10,443,633
Earnings per share attributable to common shareholders	<hr/> <hr/> <hr/> 0.18	<hr/> <hr/> <hr/> 0.13

### **Shareholder information 2020**

The shareholders of Icecat N.V. are:

Name:	Number of shares:
iMerge B.V.	8,315,603
Stichting Administratiekantoor (STAK) Icecat	690,830
E-nvest B.V.	365,000
SA Rocks	1,072,200
Cedemo S.A.M.	90,257
<b>Total shares</b>	<b>10,533,890</b>

### **Shareholder information 2019**

The shareholders of Icecat N.V. are:

Name:	Number of shares:
iMerge B.V.	8,315,603
Stichting Administratiekantoor (STAK) Icecat	690,830
E-nvest B.V.	365.000
SA Rocks	1,072,200
<b>Total shares</b>	<b>10,443,633</b>

**Short-term liabilities**

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>13 Trade creditors</b>		
Trade creditors	<u>147,462</u>	<u>134,432</u>
<b>14 Liabilities to group companies</b>		
iMerge B.V.	<u>75,122</u>	<u>214,625</u>
	<u>75,122</u>	<u>214,625</u>
<b>15 Taxes and social security premiums</b>		
Value added tax	154,151	116,321
Wage tax	74,066	83,471
Corporation tax	<u>493,774</u>	<u>309,819</u>
	<u>721,991</u>	<u>509,611</u>
<b>16 Other liabilities and accrued expenses</b>		
Instalment invoiced in advance	3,466,670	3,001,648
Other payables	115,313	80,870
Tantiemes	212,128	203,538
Holiday allowance	102,198	90,391
Outstanding Holidays	164,982	122,881
Audit and consultancy costs	27,500	26,300
Short-term lease liabilities	162,174	140,285
Purchase price to be paid	857,040	-
Other accruals	1,783	5,760
	<u>5,109,788</u>	<u>3,671,673</u>

## **Off-balance-sheet rights, obligations and arrangements**

### **Buy back obligations**

The company has the conditional obligation to buy back shares from investors till an (maximum) amount of € 681,800.

### **Proposal appropriation of result**

The management of the company proposes to appropriate the result as follows:

The appropriation of profit for the year 2020 in the amount of € 1,785,727 will be added to in full to the other reserves.

This proposal needs to be determined by the General Meeting, but has already been processed in anticipation in the annual accounts 2020 for the company.

**2.6 Notes to the consolidated statement of income**

	2020	2019
	€	€
<b><u>17 Net Turnover</u></b>		
Turnover Netherlands	3,377,453	3,439,633
Turnover International	<u>6,410,540</u>	<u>5,644,475</u>
	<u>9,787,993</u>	<u>9,084,108</u>

**18 Expenses work contracted out and other external expenses**

Cost of work contracted out	<u>204,857</u>	<u>234,067</u>
<hr/>		
	2020	2019

**19 Personnel expenses**

Wages and salaries Netherlands	2,511,818	2,340,440
Wages and salaries International	561,436	174,981
Social security premiums and other social liabilities / insurance	<u>209,716</u>	<u>206,068</u>
	<u>3,282,970</u>	<u>2,721,489</u>
<hr/>		
	2020	2019

**Remuneration of directors**

Remuneration of directors	279,000	265,000
Remuneration of former directors	-	-
Total remuneration of directors and former directors	<u>279,000</u>	<u>265,000</u>

**Average number of employees**

2020

	Active the Netherlands	within the Netherlands	Active outside the Netherlands	Total
Average number of employees 2019		45,00	1,00	46,00
	Active the Netherlands	within the Netherlands	Active outside the Netherlands	Total
Average number of employees		45,00	1,00	46,00
	<u>2020</u>	<u>2019</u>		
	€	€		

**Social security premiums and other social liabilities / insurance**

Social security charges	209,716	206,672
Other social liabilities / insurance	-	6,377
	<u>209,716</u>	<u>213,049</u>

**Related party transactions for the year 2020**

	<u>Sales to related parties</u> €	<u>Purchases from related parties</u> €	<u>Amounts receivable from related parties</u> €	<u>Amounts payable to related parties</u> €
<b>Parent :</b> iMerge B.V.	-	-	-	75,122
<b>Subsidiaries:</b> Icecat Ukraine LLC	-	-	-	-
Icecat Content Sourcing OÜ	-	-	-	1,039,865
Iceshop B.V.	48,427	127,140	-	-
Syndy B.V.	-	31,000	-	-
Icecat International B.V.	-	109,800	-	-
Icecat Nederland B.V.	-	647,798	-	-
<b>Associated companies:</b> Hatch B.V.		249,294	-	-
<b>Total</b>	<u>297,721</u>	<u>915,738</u>	<u>-</u>	<u>1,114,987</u>

The interest rate which is calculated on the receivables and payables is in conformity with the market rate.

**20 Other operating expenses**

Other staff expenses	576,889	678,840
Housing expenses	183,147	185,465
Selling expenses	233,669	601,149
Car expenses	234,801	186,118
Office expenses	242,558	188,485
Other expenses	1,684,026	1,455,770
Management fee	164,233	156,540
	<hr/>	<hr/>
	3,319,323	3,452,367

**21 Taxation**

Income tax expense from current financial year	-301,635	-303,852
	<hr/>	<hr/>

**Icecat N.V.**  
**Amsterdam**

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**3. NON-CONSOLIDATED ACCOUNTS**

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**3.1 Non-consolidated balance sheet as of December 31, 2020**  
*(After proposal appropriation of result)*

		31-12-2020	31-12-2019
		€	€
<b>ASSETS</b>			
<b><u>Fixed assets</u></b>			
<b>Intangible fixed assets</b>			
Customer portfolio	22	<u>2,735,826</u>	-
		2,735,826	-
<b>Tangible fixed assets</b>	23		
Land and buildings		2,452	3,382
ICT hardware and other equipment		<u>317,438</u>	<u>218,132</u>
		319,890	221,514
<b>Financial fixed assets</b>	24	11,118,744	10,333,109
<b><u>Current assets</u></b>			
<b>Receivables</b>			
Trade debtors	25	2,194,061	1,982,088
Receivables from associated companies	26	2,766,292	840
Other receivables and accrued assets	27	<u>95,152</u>	<u>145,142</u>
		5,055,505	2,128,070
<b>Cash</b>		2,922,092	4,659,650
<b>Total assets</b>		<u><u>22,152,057</u></u>	<u><u>17,342,343</u></u>

		31-12-2020	31-12-2019
		€	€
<b>LIABILITIES</b>			
<b>Shareholder equity</b>	28		
Issued share capital	29	105,339	104,436
Share premium reserve	30	5,378,691	4,431,894
General reserve	31	<u>10,215,271</u>	<u>8,429,490</u>
		15,699,247	12,965,820
<b>Long-term liabilities</b>			
Lease liabilities		188,338	91,108
<b>Short-term liabilities</b>			
Trade creditors	32	94,778	96,427
Liabilities to group companies	33	1,113,322	720,004
Taxes and social security premiums	34	326,034	245,080
Other liabilities and accrued expenses	35	<u>4,730,338</u>	<u>3,223,904</u>
		6,264,472	4,285,415
<b>Total liabilities</b>		<u><u>22,152,057</u></u>	<u><u>17,342,343</u></u>

### 3.2 Non-consolidated statement of income for the year 2020

		2020	2019
		€	€
<b>Net Turnover</b>	36	8,741,301	7,833,303
Cost of sales		<u>-725,138</u>	<u>-795,710</u>
<b>Gross margin</b>		8,016,163	7,037,593
Expenses work contracted out and other external expenses		193,586	122,575
Personnel expenses	37	2,594,668	2,030,266
Depreciation of intangible and tangible fixed assets		118,342	111,179
Other operating expenses	38	<u>3,382,678</u>	<u>3,494,701</u>
<b>Total operating expenses</b>		<u>6,289,274</u>	<u>5,758,721</u>
<b>Operating result</b>		1,726,889	1,278,872
Revenues of receivables from fixed assets and securities		-	-
Interest and similar expenses		<u>-7,190</u>	<u>-3,256</u>
<b>Financial income and expense</b>		<u>-7,190</u>	<u>-3,256</u>
<b>Result from operational activities before taxation</b>		1,719,699	1,275,616
Taxation		<u>-318,882</u>	<u>-235,155</u>
Share in result from participations	39	<u>1,400,817</u>	<u>1,040,461</u>
<b>Net result after taxes</b>		<u>384,910</u>	<u>331,984</u>
		<u><u>1,785,727</u></u>	<u><u>1,372,445</u></u>

As there is no other comprehensive income, net income is equal to the total of comprehensive income. The net result, and therefore the comprehensive income are fully attributable to the shareholders.

### 3.3 Non-consolidated cash flow statement for the year 2020

The figures below are stated x € 1,000

#### Cash flow from operating activities

Operating result	1,727	1,279
<i>Adjustments for</i>		
Depreciation of intangible and tangible fixed assets	118	111
Result from participations not through participations	-	-
	118	111

#### Changes in working capital

Trade debtors	-212	-331
Receivables from associated companies	-2,845	-1
Other accounts receivable	50	-108
Accounts payable (excluding banks)	<u>2,059</u>	<u>91</u>
	-948	-349

#### Cash flow from operating activities

Interest received	-	-
Interest paid	-7	-3
Taxation	<u>-319</u>	<u>-235</u>
	-326	-238

#### Cash flow from operating activities

Investments in intangible assets	-1,879	-
Investments in tangible assets	-216	-60
Investments in financial fixed assets	-228	-206
Disposal of tangible fixed assets	5	-
<b>Cash flow from investment activities</b>	<b>-2,318</b>	<b>-266</b>

#### Cash flow from financing activities

Receipts from issuance of share capital	9	-
Share premium in financial year	-	-
Dividend paid	-	-
Movement banks	-	-
<b>Cash flow from financing activities</b>	<b>9</b>	<b>-</b>
<b>Movements cash</b>	<b><u>-1,738</u></b>	<b><u>537</u></b>

	2020	2019
	€	€
<b>Turnover movement cash and cash equivalents</b>		
Balance as at beginning of financial year	4,660	4,123
Movements during financials year	<u>-1,738</u>	<u>537</u>
Balance at financial year end	<u><u>2,922</u></u>	<u><u>4,660</u></u>

### 3.4 Notes to the financial statements of the non-consolidated annual report

#### Entity information

##### Registered address and registration number trade register

The registered and actual address of Icecat N.V. is De Liesbosch 12d, 3439 LC in Nieuwegein, another registered seat is Amsterdam (J. Geesinkweg 125, 1114 AB). Icecat N.V. is registered at the trade register under number 30259744.

#### General notes

##### The most important activities of the entity

The activities of Icecat N.V., having its legal seat at Amsterdam, and its group companies, primarily consist of developing and exploiting open content media companies.

##### Disclosure of group structure

Icecat N.V. is part of a group. The head of this group is Netvalue B.V., having its legal seat in Bilthoven. The financial statements of Icecat N.V. are not included in the consolidated financial statements of Netvalue B.V., due to exemption for small legal entities.

##### Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Icecat N.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide transparency, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

#### General accounting principles

##### The accounting standards used to prepare the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements. These financial statements are presented in €, the company's functional currency.

##### Disclosure of fair value information when the report is prepared on historical cost basis

Some accounting principles demand determination of the fair value of both financial and non-financial assets and liabilities. Fair value is therefore determined for each relevant section as written below.

Determination of fair value is categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the

asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

#### **Foreign currency translation for the balance sheet**

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the non-consolidated statement of income and expenses, unless hedge accounting is applied.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

#### **Financial instruments**

In the context of financial risk management Icecat N.V. has identified the following risks:

##### **Currency risk**

Icecat N.V. operates internationally and the sales in foreign currency is less than 1%. The effects on equity and results are calculated at the balance sheet data.

##### **Interest rate risk**

Long term and bank debt are not applicable within Icecat N.V.

Current liabilities and receivables in affiliated companies, the fee applicable interest rate at that time, which is reflected in the figures at the balance sheet date.

##### **Credit risk**

Receivables whose due date has passed more than 100 days, a provision of 100% will be made without VAT. The provision accounts receivables at the end of 2020 is EUR 234K (2019: 311K).

##### **Liquidity risk**

Icecat N.V. manages its liquidity risk with cash provided from operating activities being the primary source of liquidity.

Based on the current operating performance and liquidity position, the Company believes that cash provided by operating activities and available cash balances will be sufficient for working capital, capital expenditures, interest payments, dividends for the next 12 months and the foreseeable future.

All financial liabilities held at the reporting date, for which payments are already contractually agreed, have been included. Amounts in foreign currency have been translated using the reporting date closing rate.

#### **Accounting principles**

##### **ICT hardware and other equipment**

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

Tangible fixed assets are capitalized if the economic ownership held by the company, and its group companies, is governed by a financial lease agreement. The commitment arising from the financial lease agreement is accounted for as a liability. The interest included in the future lease instalments is charged to the result over the term of the financial lease agreement.

### **Impairment of ICT hardware and other equipment**

Assets with a long life should be tested for impairment in the case of changes or circumstances arising that lead to an indication that the carrying amount of the asset will not be recovered. The recoverability of assets in use is determined by comparing the carrying amount of an asset with the estimated present value of the future net cash flows which the asset is expected to generate.

If the carrying amount of an asset exceeds the estimated present value of the future cash flows, impairment is charged to the difference between the carrying amount and the recoverable amount.

### **Financial assets**

#### *Participations in group companies*

Participations in group companies are companies over which Icecat N.V. has the power to control. These participations for using the equity method.

#### *Other participations (net asset value)*

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by Icecat N.V.. Associated companies with a negative net equity value are valued at nil.

If the company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

#### *Other participations (fair value)*

Where no significant influence is exercised, associated companies are valued under the fair value method, but not lower than a nil value.

If the company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

#### *Right-to-use (Leases)*

Implementation of IFRS 16 results in the recognition of an asset and a liability on the balance sheet. The value of the asset and the liability is the same. The value of the asset and the liability are calculated on the basis of the lease terms still to be expected on the balance sheet date for the lease contracts concluded at that time. Interest is not taken into account. The valuation of the asset and the liability is at nominal value. The lease costs that are allocated annually are recognized in the income statement. The implementation of IFRS 16 has no effect on the equity and the net result of the company.

The term of the lease contracts has been taken into account. Long-term lease obligations (more than 12 months after the balance sheet date) are included under financial fixed assets (right-to-use) and long-term liabilities (liability) and short-term lease obligations under receivables and short-term debts, respectively.

#### *Other amounts receivable*

Upon initial recognition the receivables from and loans to associated companies and other receivables are valued at fair value and then valued at amortized cost, which equals the face value, after deduction of any provisions.

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### **Impairment of financial assets**

Assets with a long life should be tested for impairment in the case of changes or circumstances arising that lead to an indication that the carrying amount of the asset will not be recovered. The recoverability of assets in use is determined by comparing the carrying amount of an asset with the estimated present value of the future net cash flows which the asset is expected to generate.

If the carrying amount of an asset exceeds the estimated present value of the future cash flows, impairment is charged to the difference between the carrying amount and the recoverable amount.

### **Receivables**

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

### **Cash and cash equivalents**

Cash and cash equivalents are valued at face value. If cash is not freely available this is taken into account for the valuation.

Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities.

### **Equity**

When Icecat N.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### **Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

### **Accounting principles for determining the result**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

### **Revenue recognition**

Revenues from services are recognized in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

### **Depreciation of ICT hardware and other equipment**

Depreciation of other fixed assets is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

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Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses upon disposal of a business asset are included in depreciation.

#### **Income tax expense**

Tax on the result is calculated based on the result before tax in the non-consolidated statement of income and expenses, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result.

#### **Cash flow statement**

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents.  
Cash equivalents can be considered to be highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement under cash flow from operating activities.

Corporate income taxes, interest paid, interest received and dividends received are presented under the cash flow from operating activities. Issuance of share capital and dividends paid are presented under the cash flow from financing activities.

The cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. The payment of lease terms on account of the financial lease contract is considered as an expenditure of financing activities as far as it concerns redemptions and as an expenditure of operational activities as far as it concerns interest.

### 3.5 Notes to the balance sheet

#### Fixed assets

##### 22 Intangible fixed assets

	Customer portfolio €
Balance as of January 1, 2020	
Purchase value	-
Accumulated depreciation	<u>-</u>
Book value as of January 1, 2020	<u>-</u>
Movements	
Investments	2,735,826
Depreciation	-
Disposal purchase value	-
Disposal accumulated depreciation	<u>-</u>
Balance movements	<u>2,735,826</u>
Balance as of December 31, 2020	
Purchase value	2,735,826
Accumulated depreciation	<u>-</u>
Book value as of December 31, 2020	<u>2,735,826</u>

During 2020, Icecat N.V. has acquired a customer portfolio of Cedemo S.A.. There is no periodic amortization on this acquisition. The management assesses annually whether an impairment loss is applicable.

**23 Tangible fixed assets**

	ICT hardware and other equipment	€
Balance as of January 1, 2020		
Purchase value	653,018	
Accumulated depreciation	431,504	
Book value as of January 1, 2020	<u>221,514</u>	
Movements		
Investments	216,718	
Depreciation	-118,342	
Disposal purchase value	-5,076	
Disposal accumulated depreciation	<u>5,076</u>	
Balance movements	<u>98,376</u>	
Balance as of December 31, 2020		
Purchase value	864,660	
Accumulated depreciation	544,770	
Book value as of December 31, 2020	<u>319,890</u>	

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>24 Financial fixed assets</b>		
Participations in group companies (Equity Value)	5,845,333	5,405,342
Participations in affiliated companies	4,099,790	4,099,790
Other amounts receivable	1,173,621	751,010
	<u>11,118,744</u>	<u>10,256,142</u>

**Financial fixed assets**

	Participations in group companies (equity value) €	Other participations (net asset value) €	Other amounts receivable €	Total €
Balance as of January 1, 2020				
Principal value	5,405,342	4,099,790	827,977	10,333,109
Balance as of January 1, 2020	<u>5,405,342</u>	<u>4,099,790</u>	<u>827,977</u>	<u>10,333,109</u>
Movements				
Goodwill (investments 2020)	54,000	-	-	54,000
Corrections	1,081	-	-	1,081
Balance movements	-	-	345,644	345,644
Result	<u>384,910</u>	<u>-</u>	<u>-</u>	<u>384,910</u>
Balance movements	<u>439,991</u>	<u>-</u>	<u>345,644</u>	<u>785,635</u>
Balance as of December 31, 2020				
Principal value	5,845,333	4,099,790	1,173,621	11,118,744
Balance as of December 31, 2020	<u>5,845,333</u>	<u>4,099,790</u>	<u>1,173,621</u>	<u>11,118,744</u>

	31-12-2020	31-12-2019
	€	€
<b>Participations in group companies (Equity Value)</b>		
Icecat Ukraine LLC	5,104	5,104
Iceshop B.V.	3,261,228	3,272,533
Icecat International B.V.	-1,448	1
Icecat Nederland B.V.	82,825	47,552
Syndy B.V.	1,308,659	1,304,358
Icecat Content Sourcing OÜ	<u>1,188,965</u>	<u>775,794</u>
	<u><u>5,845,333</u></u>	<u><u>5,405,342</u></u>
	2020	2019
	€	€
<b>Icecat Ukraine LLC</b>		
Book value as of January 1	5,104	5,104
Balance movements	-	-
Book value as of December 31	<u>5,104</u>	<u>5,104</u>
	2020	2019
	€	€
<b>Iceshop B.V.</b>		
Book value as of January 1	3,272,533	3,196,671
Investments in participation	-	-
Profit/(Loss) of participation	<u>-11,305</u>	<u>75,862</u>
Book value as of December 31	<u>3,261,228</u>	<u>3,272,533</u>
	2020	2019
	€	€
<b>Icecat International B.V.</b>		
Book value as of January 1	1	1
Investments in participation	-	-
Profit/(Loss) of participation	<u>-1,449</u>	<u>-</u>
Book value as of December 31	<u>-1,448</u>	<u>1</u>

	2020 €	2019 €
<b>Icecat Nederland B.V.</b>		
Book value as of January 1	47,552	4,979
Investments in participation	-	-
Profit/(Loss) of participation	35,273	42,573
Book value as of December 31	<u>82,825</u>	<u>47,552</u>
<b>Syndy B.V.</b>		
Book value as of January 1	1,304,358	1,489,239
Investments in participation	54,000	-
Corrections	1,081	-
Profit/(Loss) of participation	-50,780	-184,881
Book value as of December 31	<u>1,308,659</u>	<u>1,304,358</u>
<b>Icecat Content Sourcing OÜ</b>		
Book value as of January 1	775,794	377,364
Investments in participation	-	-
Profit/(Loss) of participation	413,171	398,430
Book value as of December 31	<u>1,188,965</u>	<u>775,794</u>
<b>Participations in affiliated companies</b>		
Hatch B.V.	<u>4,099,790</u>	<u>4,099,790</u>

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>Other receivables</b>		
Net wages	-	8,064
Prepayments and other receivables	<u>95,152</u>	<u>137,078</u>
	<u><u>95,152</u></u>	<u><u>145,142</u></u>

**Current assets**

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>25 Trade debtors</b>		
Trade debtors	2,427,808	2,293,151
Provision for doubtful debts	-233,747	-311,063
	<u>2,194,061</u>	<u>1,982,088</u>

The concentration of credit risk with respect to receivables is limited. Icecat N.V. does not hold any significant collateral on its receivables. Management believes there is no further credit risk provision required in excess of the normal impairment, based on the aging analysis performed as of December 31, 2020.

	<u>2020</u> €	<u>2019</u> €
<b>Provision for doubtful debts</b>		
Balance as of January 1	311,063	98,010
Written-off amounts during the year	-170,318	-188,989
Allocation to the result	93,002	402,042
Balance as of December 31	<u>233,747</u>	<u>311,063</u>

**26 Receivables from associated companies**

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
Iceshop B.V.	760,211	-
Icecat Nederland B.V.	1,966,210	-
Icecat International B.V.	1,725	840
Syndy B.V.	9,378	-
Hatch B.V.	28,768	-
	<u>2,766,292</u>	<u>840</u>

**27 Other receivables and accrued income**

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
Other receivables	95,152	145,142
	<u>95,152</u>	<u>145,142</u>

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>Other receivables</b>		
Net wages	-	8,064
Prepayments and other receivables	<u>95,152</u>	<u>137,078</u>
	<u>95,152</u>	<u>145,142</u>

## **28 Shareholder equity**

Movements in equity were as follows:

	Issued capital €	share premium reserve €	General reserve €	Total €
Balance as of January 1, 2020	104,436	4,431,894	8,429,490	12,965,820
Result for the year	-	-	1,785,727	1,785,727
Addition in financial year	-	946,797	-	946,797
Share issue	903	-	-	903
Balance as of December 31, 2020	<u>105,339</u>	<u>5,378,691</u>	<u>10,215,217</u>	<u>15,699,247</u>

## **29 Issued share capital**

	Shares A €
Balance as of January 1, 2020	104,436
Share issue	903
Balance as of December 31, 2020	<u>105,339</u>

## **30 Share premium reserve**

Balance as of January 1	4,431,894	4,431,894
New shares issued	946,797	-
Paid out during the financial year	-	-
Balance as of December 31	<u>5,378,691</u>	<u>4,431,894</u>

	2020 €	2019 €
<b>31 General reserve</b>		
Balance as of January 1	8,429,490	7,057,045
Appropriation of result	1,785,727	1,372,445
Dividend	-	-
Balance as of December 31	<u>10,215,217</u>	<u>8,429,490</u>
<b><u>Short-term liabilities</u></b>		
	<u>31-12-2020 €</u>	<u>31-12-2019 €</u>
<b>32 Trade creditors</b>		
Trade creditors	<u>94,778</u>	<u>96,427</u>
	<u>31-12-2020 €</u>	<u>31-12-2019 €</u>
<b>33 Liabilities to group companies</b>		
iMerge B.V.	73,457	213,457
Icecat Content Sourcing OÜ	1,039,865	489,307
Syndy B.V.	-	17,240
	<u>1,113,322</u>	<u>720,004</u>
	<u>31-12-2020 €</u>	<u>31-12-2019 €</u>
<b>34 Taxes and social security premiums</b>		
Value added tax	88,850	58,972
Wage tax	39,611	43,601
Corporation tax	<u>197,573</u>	<u>142,507</u>
	<u>326,034</u>	<u>245,080</u>

	<u>31-12-2020</u> €	<u>31-12-2019</u> €
<b>35 Other liabilities and accrued expenses</b>		
Instalment invoiced in advance	3,177,741	2,755,003
Other payables	221,057	61,170
Tantiemes	200,223	165,088
Holiday allowance	48,276	46,844
Outstanding Holidays	108,439	92,542
Audit and consultancy costs	27,500	26,300
Lease liabilities (short-term)	88,503	76,957
Purchase price to be paid	857,040	-
Other accruals	1,559	-
	<hr/> <u>4,730,338</u>	<hr/> <u>3,223,904</u>

#### **Off-balance-sheet rights, obligations and arrangements**

##### **Buy back obligations**

The company has the conditional obligation to buy back shares from investors till an (maximum) amount of € 631,800.

##### **Proposal appropriation of result**

The management of the company proposes to appropriate the result as follows:

The appropriation of profit for the year 2020 in the amount of € 1,785,727 will be added to in full to the other reserves.

This proposal needs to be determined by the General Meeting, but has already been processed in anticipation in the annual accounts 2020 for the company.

### 3.6 Notes to the non-consolidated statement of income

	2020	2019
	€	€
<b><u>36 Net Turnover</u></b>		
Turnover Netherlands	2,449,780	2,334,993
Turnover International	<u>6,291,521</u>	<u>5,498,310</u>
	<u>8,741,301</u>	<u>7,833,303</u>
	2020	2019
	€	€

### 37 Personnel expenses

Wages and salaries Netherlands	1,956,529	1,742,924
Wages and salaries International	561,436	174,981
Social security premiums and other social liabilities / insurance	76,703	112,361
	<u>2,594,668</u>	<u>2,030,266</u>

#### Remuneration of directors

Remuneration of directors	279,000	265,000
Remuneration of former directors	-	-
Total remuneration of directors and former directors	<u>279,000</u>	<u>265,000</u>

#### Average number of employees

2020	Number
Average number of employees	23,00
<hr/>	
2019	Number
Average number of employees	26,00
<hr/>	
	2020
	€

#### Social security premiums and other social liabilities / insurance

Social security charges	76,703	112,361
Other social liabilities / insurance	-	-
	<u>76,703</u>	<u>112,361</u>

	2020	2019
	€	€

**38 Other operating expenses**

Other staff expenses	291,803	416,520
Housing expenses	145,974	138,803
Selling expenses	204,180	543,977
Car expenses	171,614	148,351
Office expenses	222,373	178,115
Other expenses	2,182,501	1,912,395
Management fee	<u>164,233</u>	<u>156,540</u>
	<u>3,382,678</u>	<u>3,494,701</u>

	2020	2019
	€	€

**39 Share in result from participations**

Result Iceshop B.V.	-11,305	75,862
Result Icecat Nederland B.V.	35,273	42,573
Result Icecat International B.V.	-1,449	-
Result Syndy B.V.	-50,780	-184,881
Result Icecat Content Sourcing OÜ	<u>413,171</u>	<u>398,430</u>
	<u>384,910</u>	<u>331,984</u>

Amsterdam, October 6, 2021

M.J. Hoogeveen  
Director

E.T. Altinok  
Director

Icecat N.V.  
Amsterdam

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4. OTHER INFORMATION

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#### **4. OTHER INFORMATION**

##### *4.1 Independent auditor's report*

For the auditor's report we refer you to the following pages.



## INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Icecat N.V.

### A. Report on the audit of the financial statements 2020 included in the annual report

#### Our opinion

We have audited the financial statements 2020 of Icecat N.V., based in Nieuwegein.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Icecat N.V. as at 31 December 2020, and of its result and its cash flows for 2020 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the consolidated and company statement of financial position as at 31 December 2020;
2. the following statements for 2020:
  - the consolidated and company income statement, the consolidated and company statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Icecat N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

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HLB Den Hartog Accountants & Consultants is gevestigd te Rotterdam en staat ingeschreven in het Handelsregister bij de KvK onder nummer 24444102. Uitsluitend HLB Den Hartog Accountants & Consultants geldt als opdrachtnemer. Op haar dienstverleiding zijn de Algemene Voorwaarden van HLB Nederland Accountants & Consultants B.V. van toepassing, waarin onder meer een beperking van de aansprakelijkheid en een aanwijzing van de bevoegde rechter zijn opgenomen. Deze Algemene Voorwaarden zijn te raadplegen via [www.hlb-denhartog.nl](http://www.hlb-denhartog.nl) en zijn gedeponeerd bij de KvK onder nummer 33238606.

HLB Den Hartog is a member of HLB International, the global advisory and accounting network.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

### C. Description of responsibilities regarding the financial statements

#### Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

#### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



- concluding on the appropriateness of management's use of the going concern basis of accounting, 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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

Rotterdam, October 6, 2021

HLB den Hartog Accountants & Consultants

Signed by S.T.M. ten Hagen RA

## INVESTMENT DISCLAIMER

### Important information

This annual report (the "Document") contains a description of some important subjects regarding Icecat N.V. (alone or together with her daughter companies, "Icecat" or "Company"). This Document, which is not complete, is distributed in behalf of Icecat and Icecat is responsible for the accuracy of information included. The information contained in this Document is accurate only as of the date of this Document, regardless of the time of delivery of the Document. Icecat however, points out that this Document gives only a limited view of its activities and its subsidiaries. Therefore, this document is an inappropriate basis for taking a decision to invest in the depository receipts of ordinary shares of Icecat as issued by Stichting Administratiekantoor Icecat (the "DRs"), and as currently listed at NPEX. Regarding the decision to buy or sell DRs, a potential investor should exclusively base himself or herself on information included in the prospectus, and all subsequently distributed information, and not just on information in this Document. Market information or expectations or forward looking statements in so far expressed in this Document don't form a sound basis for investment decisions. This Document doesn't form an offer or an invitation to buy DRs, in particular the (citizens and territories of the) United States, Canada, Japan and Australia are excluded. The DRs are not allowed to be offered or sold in the United States or in behalf of persons in the United States as defined in Regulation S conforming to the U.S. Securities Act 1933, as changed ("Securities Act"), unless they are registered conforming the Securities Act or are exempted from registration under any exception term to it. Icecat has not registered DRs as such and is not planning an initial public offering of DRs of Shares in the United States.

### Investment Risks

Investing in products like (depository receipts of) shares involves risks. The results of the company or companies in which you invest can be disappointing. This is also true for the results of Icecat. The DRs might not be tradable on a public market, and there might not be an active and liquid market for the DRs. Further, there is the possibility that you will not receive dividends. Potential investors, before deciding to buy Depository Receipts, should read the prospectus and subsequent communications carefully. In particular, they should read the sections related to risks in investing in the DRs, as included in the chapter "Risk Factors" of the prospectus. Before a potential investor decides to trade DRs, it is advised to consult a professional financial advisor. This Document contains statements about the future that are based on current strategies, and current strategies, assessments, and expectations about the future of Icecat with regard to external developments. These statements will include assumptions, risks and uncertainties, that can change after the date of publication of this Document.

The value of your investment in DRs can fluctuate. Results of the past, don't provide a guarantee for future results. For further information, please see <https://www.npex.nl/en/platform/icecat/documents>.