

Hunters Video ApS

Hovedvejen 56, 2600 Glostrup

Company reg. no. 16 70 28 46

Annual report

2020

The annual report was submitted and approved by the general meeting on the 25 June 2021.

Sean Luxton
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Financial highlights	6
Management commentary	7
Financial statements 1 January - 31 December 2020	
Accounting policies	8
Income statement	12
Statement of financial position	13
Statement of changes in equity	15
Notes	16

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 %.

Management's report

Today, the managing director has presented the annual report of Hunters Video ApS for the financial year 2020.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Glostrup, 25 June 2021

Managing Director

Sean Luxton

Independent auditor's report

To the shareholders of Hunters Video ApS

Auditor's report on the financial statements

Opinion

We have audited the financial statements of Hunters Video ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Violation of the Danish Companies Act's provisions on loss of the share capital

The company has lost more than 50 % of the share capital, and is therefore subject to the rules of the Danish Companies Act § 119 (Selskabsloven). The management has not within the Danish Companies Act provided deadline secured that a general a general meeting is held and accounted for the company's financial position.

Glostrup, 25 June 2021

PKF Munkebo Vindelev

State Authorised Public Accountants
Company reg. no. 14 11 92 99

Kasper Vindelev
State Authorised Public Accountant
mne29389

Company information

The company	Hunters Video ApS Hovedvejen 56 2600 Glostrup
	Company reg. no. 16 70 28 46 Established: 11 January 1993 Domicile: Glostrup Municipality Financial year: 1 January - 31 December 28th financial year
Managing Director	Sean Luxton
Auditors	PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab Hovedvejen 56 2600 Glostrup
Bankers	Den Jyske Sparekasse, Borbergade 3, 7200 Grindsted
Parent company	KSE MOTV Holding, LLC 1000 Chopper Circle, Denver Colorado 80204 USA

Financial highlights

DKK in thousands.	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Income statement:					
Gross profit	-169	-181	-1.692	-4.744	4.804
Profit from operating activities	-169	-181	-21.928	-16.248	-2.576
Net financials	-1.473	-1.428	-1.433	-1.061	-1.702
Net profit or loss for the year	-1.642	-1.609	-23.361	-17.309	-3.630
Statement of financial position:					
Balance sheet total	185	815	907	30.690	36.569
Investments in property, plant and equipment	0	0	0	190	0
Equity	-37.554	-35.912	-34.303	4.719	22.029
Employees:					
Average number of full-time employees	0	0	1	10	0

Management commentary

The principal activities of the company

The object of the company is to carry on business recording and selling hunting and nature film and other activities related thereto as decided by the Board of Directors.

Development in activities and financial matters

The results from ordinary activities after tax totals DKK -1.642.000 against DKK -1.609.000 last year. Management considers the net profit or loss for the year less satisfactory.

The company has lost more than 50 % of the share capital, and is therefore subject to the rules of the Danish Companies Act § 119 (Selskabsloven). The management expects to reestablish the lost capital through future capital increases or remission of intergroup debts.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies

The annual report for Hunters Video 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.

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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Income statement

Gross loss

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

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs for sales, vehicle, premises and administration.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

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, realised and unrealised capital gains and losses concerning financial assets and liabilities.

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.

Statement of financial position

Intangible assets

Completed rights and rights in progress

Rights in progress comprise costs of production of movies which directly refer to the development of the movies.

Clearly defined and identifiable rights in progress are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales and administration. Other costs are recognised in the profit and loss account concurrently with their realisation.

Rights in progress recognised in the balance sheet are measured at cost with deduction of writedown.

Accounting policies

After completion of the development work of the movies, capitalised rights in progress are amortised on a straight-line basis over the estimated financial useful life. Usually, the amortisation period is 8 years.

Gain and loss from the sale of completed rights and rights in progress are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Gain or loss are recognised in the profit and loss account as other operating income or other operating expenses respectively.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with the deduction of expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Receivables

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

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.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Accounting policies

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

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.

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.

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.

Liabilities other than provisions

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

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross loss	-168.882	-181.164
Operating profit	-168.882	-181.164
Other financial income	308	808
1 Other financial costs	<u>-1.473.383</u>	<u>-1.429.095</u>
Pre-tax net profit or loss	-1.641.957	-1.609.451
Tax on net profit or loss for the year	<u>0</u>	<u>0</u>
Net profit or loss for the year	<u>-1.641.957</u>	<u>-1.609.451</u>
Proposed appropriation of net profit:		
Allocated from retained earnings	<u>-1.641.957</u>	<u>-1.609.451</u>
Total allocations and transfers	<u>-1.641.957</u>	<u>-1.609.451</u>

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Current assets		
3 Income tax receivables	0	0
Other receivables	11.809	50.384
Receivables from owners and management	0	8.275
Total receivables	<u>11.809</u>	<u>58.659</u>
Cash on hand and demand deposits	<u>172.824</u>	<u>756.461</u>
Total current assets	<u>184.633</u>	<u>815.120</u>
Total assets	<u>184.633</u>	<u>815.120</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	3.062.500	3.062.500
Retained earnings	-40.616.417	-38.974.460
Total equity	-37.553.917	-35.911.960
Liabilities other than provisions		
Payables to group enterprises	37.607.286	36.633.539
Other payables	131.264	93.541
Total short term liabilities other than provisions	37.738.550	36.727.080
Total liabilities other than provisions	37.738.550	36.727.080
Total equity and liabilities	184.633	815.120

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2019	3.062.500	-37.365.009	-34.302.509
Profit or loss for the year brought forward	<u>0</u>	<u>-1.609.451</u>	<u>-1.609.451</u>
Equity 1 January 2020	3.062.500	-38.974.460	-35.911.960
Profit or loss for the year brought forward	<u>0</u>	<u>-1.641.957</u>	<u>-1.641.957</u>
	<u>3.062.500</u>	<u>-40.616.417</u>	<u>-37.553.917</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Other financial costs		
Financial costs, group enterprises	1.453.220	1.400.529
Other financial costs	<u>20.163</u>	<u>28.566</u>
	<u>1.473.383</u>	<u>1.429.095</u>
	<u>31/12 2020</u>	<u>31/12 2019</u>
2. Concessions, patents, licenses, trademarks, and similar rights acquired		
Cost 1 January 2020	<u>6.115.735</u>	<u>6.115.735</u>
Cost 31 December 2020	<u>6.115.735</u>	<u>6.115.735</u>
Amortisation and writedown 1 January 2020	<u>-6.115.735</u>	<u>-6.115.735</u>
Amortisation and writedown 31 December 2020	<u>-6.115.735</u>	<u>-6.115.735</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>0</u>
3. Income tax receivables		
Income tax receivables 1 January 2020	0	22.000
Paid corporate tax concerning last year	<u>0</u>	<u>-22.000</u>
Income tax receivables concerning previous years	0	0
	<u>0</u>	<u>0</u>
4. Contingencies		
Contingent assets		
A deffered tax of t.DKK 12.689 has not been recognized in the balance sheet, as it is uncertain, when it can be utilized in future earnings.		