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Blackwood Seven A/S
Livjægergade 17 B, 2.
2100 Copenhagen
Central Business Registration
No 32337422

Annual report 2018

The Annual General Meeting adopted the annual report on 05.06.2019

Chairman of the General Meeting

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Name: Ulrik Gabelgaard

Contents

Entity details

Entity
Blackwood Seven A/S
Livjægergade 17 B, 2.
2100 Copenhagen

Central Business Registration No: 32337422
Registered in: Copenhagen
Financial year: 01.01.2018 - 31.12.2018

Board of Directors
Patrick Johan Viktor Ståhle, Chairman
Christoph Wedegärtner
Jean Adophe Schmitt
Carl Erik Kjærsgaard
Jacob Christian Bratting Pedersen

Executive Board
Henrik Bjørn Rasmussen, CEO
Thomas Christian Bertelsen
Henrik Richard Hasselbalch Busch

Auditors
Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Blackwood Seven A/S for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations and cash flows for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 05.06.2019

Executive Board

Henrik Bjørn Rasmussen CEO	Thomas Christian Bertelsen	Henrik Richard Hasselbalch Busch

Board of Directors

Patrick Johan Viktor Ståhle Chairman	Christoph Wedegärtner	Jean Adophe Schmitt
Carl Erik Kjærsgaard	Jacob Christian Bratting Pedersen	

Independent auditor's report

To the shareholders of Blackwood Seven A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Blackwood Seven A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, 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 conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 05.06.2019

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification number (MNE) mne32127

Ane Sachs Aasand
State Authorised Public Accountant
Identification number (MNE) mne42783

Management commentary

	2018 DKK'000	2017 DKK'000	2016 DKK'000	2015 DKK'000	2014 DKK'000
Financial highlights					
Key figures					
Revenue	284.305	538.862	430.117	310.415	71.015
Gross profit/loss	67.324	69.447	31.089	5.868	(3.800)
Operating profit/loss	(111.827)	(118.401)	(53.879)	(28.684)	(16.455)
Net financials	(8.838)	(7.054)	(4.515)	(2.579)	(530)
Profit/loss for the year	(118.229)	(121.980)	(51.972)	(31.061)	(16.246)
Total assets	391.437	731.459	598.312	98.885	42.533
Investments in property, plant and equipment	159	1.011	695	971	84
Equity incl minority interests	31.515	19.202	112.009	9.688	7.024
Ratios					
Return on equity (%)	(466,2)	(185,9)	(85,4)	(371,7)	(219,6)
Equity ratio (%)	8,1	2,6	18,7	9,8	16,5
Profit margin	(23,7)	(21,9)	(12,5)	(9,2)	(23,2)

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios
Return on equity (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity incl minority interests}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity incl minority interests x 100}}{\text{Total assets}}$	The financial strength of the entity.
Profit margin	$\frac{\text{Operating profit x 100}}{\text{Revenue}}$	The entity's earnings capacity.

Management commentary

Primary activities

Blackwood Seven A/S is a media technology company with a media analytics platform by which advertisers will achieve optimal sales and marketing effects across all media channels through automated data modeling, planning and tracking of media in real time.

Development in activities and finances

The Company continues to see a strong market potential for its media analytics platform with interest in the market place.

The company decided to focus the future business only on software, which has resulted in divestment of the US and Danish media agency related activities in 2019. These activities have been written down to net realization price in the annual report for 2018.

Financial results (EBITDA) are in line with expectations due to accelerated investments agreed by the Board of Directors.

The Company’s capital situation has been improved in 2018 due to a debt conversion of DKK 49 million and a increase of capital amounting to DKK 76 million.

Outlook

With our constant investment in developing our platform, the Company expects to generate significantly improved results in 2019 compared to 2018. The Company is expecting earnings before interest, tax, depreciation and amortisation in the range of DKK -10 to -20 million depending on the level of investment in sales footprint and development activities.

Particular risks

Blackwood Seven A/S’ business and financial risks are closely related to the development in the economy in the markets we operate in.

Intellectual capital resources

Blackwood Seven A/S’ platform development places high demands on and deep insights in our development team’s knowledge in the field of technical, AI, and business development.

In order to continuously develop the best-in-the-market software, we have a clear strategy for recruiting and retaining highly skilled employees.

Environmental performance

Blackwood Seven A/S is environmentally responsible and works continuously to limit the environmental impact of corporate operations.

Management commentary

Research and development activities

The Company has developed a real-time AI powered software platform which automates customer specific media planning and allocation. The Company's software tracks customers' historic marketing spends, sales impacts and a wide range of exogenous parameters providing visibility into the effectiveness of specific marketing channels and measuring returns on investment based on its customers' target KPIs. Covering both online and offline media channels, Blackwood Seven's cloud-based technology allows marketeers to regain control of media planning and use media investment as a significant business driver.

The Company has in 2018 continued to invest in the scalability of the business model. The Company has built out an in-silico data scientist (HamiltonAI) capable of operating the modeling framework and cutting down time to market by a factor 5. This allows the Company to focus on building product wide features and spend less time on customer specific support. Further, the Company's data pipeline and data contracts with customers have been further enhanced and documented easing the process of onboarding.

Statutory report on corporate social responsibility

The Company complies with all legal requirements in terms of social responsibility, environmental considerations, human rights and combat against corruption. Due to the size and limited resources of the organisation, the Company has not prepared separate CSR policies and thus, involvement in corporate social responsibilities is not reported separately in the management commentary.

Business model

With our constant investment in developing our platform, the Company expects to generate significantly improved results in 2019 compared to 2018. We have had an average of 135 employees across locations in 4 countries.

Our risk landscape

We operate primarily in Europe, and thus we face a high level of regulations in relation to environment and employee relations. We are highly aware of complying with all relevant regulatory requirements across the EU market, including regarding environment and climate protection, social and labour rights and financial legislation.

We do not assess that we operate in areas, locations and an industry, where there are major risks related to human rights, labour rights, the environment and anti-corruption and we have not encountered any incidents of this nature.

Policies, activities and results

The company is fully aware of UN's 'Global Compact' and we strive to work in correspondence with the ten principles stated herein with a focus on respecting human rights, labour rights, the environment and working against corruption in all its forms. The company has not, however, implemented individual, formalised policies for these areas, as the company has assessed that there are no significant risks within the company's business operations and supply chain. The low risk associated with the industry, locations and size of company allows management to have a good oversight of activities and therefore management has found no need to implement specific policies.

Management commentary

Statutory report on the underrepresented gender
The legislation aims to increase the share of the underrepresented gender in all of the Company's management levels. The Company will seek to increase the share of female board members and leaders in managing positions over the next three years. The gender composition is considered fulfilled when 25-50% is represented in managing positions.

To support this development, the Company has established recruitment procedures securing that candidates of both genders are considered when hiring or promoting for management positions. All employments will still be based on an overall assessment of who is best suited for the job.

There were no female candidates in 2018, so the goal for the proportion of women on the board has not been reached.

Events after the balance sheet date
The Company has divested its US and Danish media agency activities in May 2019.

Following the divestment, a capital increase of €1.5m took place in May 2019 with participation from Jolt Targeted Opportunities FPCI, Cipio, Vækstfonden and Sunstone Capital to support and scale Blackwood's media analytics platform sales.

Consolidated income statement for 2018

	Notes	2018 DKK	2017 DKK
Revenue	1	284.304.671	538.861.804
Other operating income		1.236.520	810.844
Cost of sales		(175.448.557)	(418.578.700)
Other external expenses	2	(42.768.170)	(51.647.221)
Gross profit/loss		**67.324.464**	**69.446.727**
Staff costs	3	(91.211.429)	(129.261.839)
Depreciation, amortisation and impairment losses	4	(87.939.925)	(58.586.288)
Operating profit/loss		**(111.826.890)**	**(118.401.400)**
Other financial income		234.516	1.871
Other financial expenses		(9.072.021)	(7.056.020)
Profit/loss before tax		**(120.664.395)**	**(125.455.549)**
Tax on profit/loss for the year	5	2.435.528	3.475.583
Profit/loss for the year	6	**(118.228.867)**	**(121.979.966)**

Consolidated balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Completed development projects		20.053.483	17.791.667
Goodwill		30.939.202	109.280.817
Intangible assets	7	**50.992.685**	**127.072.484**
Other fixtures and fittings, tools and equipment		582.445	1.292.949
Leasehold improvements		11.142	40.808
Property, plant and equipment	8	**593.587**	**1.333.757**
Deposits		354.341	413.846
Fixed asset investments	9	**354.341**	**413.846**
Fixed assets		**51.940.613**	**128.820.087**
Trade receivables		85.147.160	163.776.632
Deferred tax		418.000	452.000
Other receivables		2.296.742	5.193.801
Income tax receivable		4.539.445	4.967.205
Prepayments	10	736.883	1.695.255
Receivables		**93.138.230**	**176.084.893**
Cash	11	**246.358.491**	**426.553.718**
Current assets		**339.496.721**	**602.638.611**
Assets		**391.437.334**	**731.458.698**

Consolidated balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Contributed capital		77.713.911	4.302.116
Reserve for development expenditure		20.053.478	17.791.667
Retained earnings		(66.252.472)	(2.891.987)
Equity		**31.514.917**	**19.201.796**
Deferred tax		0	811.291
Provisions		**0**	**811.291**
Convertible and dividend-yielding debt instruments	12	0	40.242.422
Other payables		37.515.437	45.885.540
Non-current liabilities other than provisions	13	**37.515.437**	**86.127.962**
Current portion of long-term liabilities other than provisions	13	17.935.586	36.067.166
Prepayments received from customers		1.399.022	585.116
Trade payables		288.212.720	568.389.634
Income tax payable		0	1.657.195
Other payables		12.244.869	17.356.438
Deferred income	14	2.614.783	1.262.100
Current liabilities other than provisions		**322.406.980**	**625.317.649**
Liabilities other than provisions		**359.922.417**	**711.445.611**
Equity and liabilities		**391.437.334**	**731.458.698**
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Mortgages and securities	18		
Transactions with related parties	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2018

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK
Equity beginning of year	4.302.116	0	17.791.667	(2.891.987)
Increase of capital	77.713.911	47.435.586	0	47.435.586
Decrease of capital	(4.302.116)	0	0	4.302.116
Other equity postings	0	0	0	5.392.490
Transfer to reserves	0	(47.435.586)	(8.992.363)	(2.261.811)
Profit/loss for the year	0	0	11.254.174	(118.228.866)
Equity end of year	**77.713.911**	**0**	**20.053.478**	**(66.252.472)**

	Total DKK
Equity beginning of year	19.201.796
Increase of capital	172.585.083
Decrease of capital	0
Other equity postings	5.392.490
Transfer to reserves	(58.689.760)
Profit/loss for the year	(106.974.692)
Equity end of year	**31.514.917**

Consolidated cash flow statement for 2018

	Notes	2018 DKK	2017 DKK
Operating profit/loss		(128.078.628)	(118.401.400)
Amortisation, depreciation and impairment losses		102.880.127	58.586.288
Working capital changes	15	(200.084.289)	210.308.857
Cash flow from ordinary operating activities		**(225.282.790)**	**150.493.745**
Financial income received		234.518	1.871
Financial income paid		(9.072.021)	(4.608.860)
Income taxes refunded/(paid)		2.435.528	3.123.462
Cash flows from operating activities		**(231.684.765)**	**149.010.218**
Acquisition etc of intangible assets		(11.254.174)	(21.350.000)
Acquisition etc of property, plant and equipment		(158.760)	(1.010.781)
Acquisition of fixed asset investments		(652)	(59.206)
Cash flows from investing activities		**(11.413.586)**	**(22.419.987)**
Loans raised		12.195.650	63.933.151
Instalments on loans etc		(25.664.722)	(28.437.218)
Cash increase of capital		76.372.196	29.752.054
Cash flows from financing activities		**62.903.124**	**65.247.987**
Increase/decrease in cash and cash equivalents		**(180.195.227)**	**191.838.218**
Cash and cash equivalents beginning of year		426.553.718	234.715.500
Cash and cash equivalents end of year		**246.358.491**	**426.553.718**

Notes to consolidated financial statements

	2018 DKK	2017 DKK
1. Revenue		
Denmark	176.537.260	149.692.660
Other EU-countries	18.204.501	301.935.900
North America	85.836.335	86.466.153
Other countries	3.726.575	767.091
	284.304.671	**538.861.804**

	2018 DKK	2017 DKK
2. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	441.985	383.000
Other assurance engagements	62.000	85.000
Tax services	256.960	721.275
Other services	576.133	471.182
	1.337.078	**1.660.457**

	2018 DKK	2017 DKK
3. Staff costs		
Wages and salaries	85.683.736	110.766.664
Other social security costs	4.579.466	5.093.951
Other staff costs	948.227	13.401.224
	91.211.429	**129.261.839**
Average number of employees	**133**	**183**

	Remuneration of management 2018 DKK	Remuneration of management 2017 DKK
Executive Board	3.892.647	5.561.295
	3.892.647	**5.561.295**

Notes to consolidated financial statements

	2018 DKK	2017 DKK
4. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	28.287.610	22.852.394
Impairment losses on intangible assets	59.046.368	35.047.668
Depreciation of property, plant and equipment	605.947	686.226
	87.939.925	**58.586.288**

	2018 DKK	2017 DKK
5. Tax on profit/loss for the year		
Tax on current year taxable income	(2.435.528)	(3.538.583)
Change in deferred tax for the year	0	63.000
	(2.435.528)	**(3.475.583)**

	2018 DKK	2017 DKK
6. Proposed distribution of profit/loss		
Retained earnings	(118.228.867)	(121.979.966)
	(118.228.867)	**(121.979.966)**

	Completed develop-ment projects DKK	Goodwill DKK
7. Intangible assets		
Cost beginning of year	59.372.952	149.833.582
Additions	11.254.179	0
Cost end of year	**70.627.131**	**149.833.582**
Amortisation and impairment losses beginning of year	(41.581.285)	(40.552.765)
Impairment losses for the year	0	(59.046.368)
Amortisation for the year	(8.992.363)	(19.295.247)
Amortisation and impairment losses end of year	**(50.573.648)**	**(118.894.380)**
Carrying amount end of year	**20.053.483**	**30.939.202**

Notes to consolidated financial statements

7. Intangible assets (continued)

Completed development projects

The Blackwood Seven platform, including features for data collection and storage, for data analysis, predictive modeling, and media buying, is our Company's most significant intangible asset. The cost of having developed it mainly comprises man hours spent by our internal staff supplemented by significant resources spent on external expert consultants.

The Engineering and Product Management regularly assess the value of this asset based on the future market potential and our growth expectations.

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve-ments DKK
8. Property, plant and equipment		
Cost beginning of year	2.697.047	217.811
Exchange rate adjustments	58.098	0
Additions	158.760	0
Disposals	(1.487.553)	0
Cost end of year	**1.426.352**	**217.811**
Depreciation and impairment losses beginning of the year	(1.404.098)	(177.003)
Exchange rate adjustments	(19.842)	0
Depreciation for the year	(576.281)	(29.666)
Reversal regarding disposals	1.156.314	0
Depreciation and impairment losses end of the year	**(843.907)**	**(206.669)**
Carrying amount end of year	**582.445**	**11.142**

	Deposits DKK
9. Fixed asset investments	
Cost beginning of year	413.846
Additions	652
Disposals	(60.157)
Cost end of year	**354.341**
Carrying amount end of year	**354.341**

10. Prepayments

Prepayments recognised under assets comprise expenses incurred related to the subsequent financial year.

Notes to consolidated financial statements

11. Cash and cash equivalents

Cash related to media payables comprises DKK 216,443,823.

12. Convertible, profit-yielding or dividend-yielding long-term debt instruments

Blackwood Seven A/S has in May 2018 converted all convertible loans as part of new external funding having taken place.

	Instalments within 12 months 2018 DKK	Instalments within 12 months 2017 DKK	Instalments beyond 12 months 2018 DKK
13. Liabilities other than provisions			
Convertible and dividend-yielding debt instruments	0	0	0
Other payables	17.935.586	36.067.166	37.515.437
	17.935.586	**36.067.166**	**37.515.437**

14. Short-term deferred income

Deferred income comprises income received to be recognised in the subsequent financial year.

	2018 DKK	2017 DKK
15. Change in working capital		
Increase/decrease in receivables	82.947.660	20.817.408
Increase/decrease in trade payables etc	(283.569.467)	188.709.469
Other changes	537.518	781.980
	(200.084.289)	**210.308.857**

	2018 DKK	2017 DKK
16. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	**16.207.859**	**14.453.430**

	2018 DKK	2017 DKK
17. Contingent liabilities		
Recourse and non-recourse guarantee commitments	10.000.000	10.000.000
Contingent liabilities in total	**10.000.000**	**10.000.000**

18. Mortgages and securities

Blackwood Seven A/S has given the buyer of Densou Media A/S a specific indemnity of up to DKK 3.9 million.

Notes to consolidated financial statements

Blackwood Seven A/S has issued an all money mortgage totalling DKK 14 million providing company charge in operating fixtures and equipment as well as goodwill, domain names and rights providing security for balances with Blackwood Seven A/S lenders. The carrying amount of the pledged assets amounts to DKK 80,131 thousand.

19. Transactions with related parties

No transactions with related parties were made in 2018 that were not made on an arm’s length basis.

	Registered in	Corpo-rate form	Equity inte-rest %
20. Subsidiaries			
Blackwood Seven Danmark A/S	Denmark	A/S	100,0
Blackwood Seven Germany GmbH	Germany	GmbH	100,0
Blackwood Seven Spain SLU	Spain	SLU	100,0
Blackwood Seven US Inc.	USA	Inc.	100,0
Blackwood Seven UK Ltd.	United Kingdom	Ltd.	100,0

According to §264 (3) HGB (Germany), the subsidiary, Blackwood Seven Germany GmbH, is exempted from a financial audit, disclosure of financial statements, preparation of notes and preparation of a management report.

Parent income statement for 2018

	Notes	2018 DKK	2017 DKK
Revenue	2	8.584.988	2.243.461
Other operating income		8.293.418	388.218
Other external expenses		(24.928.326)	(40.707.603)
Gross profit/loss		**(8.049.920)**	**(38.075.924)**
Staff costs	3	(23.413.951)	(27.893.070)
Depreciation, amortisation and impairment losses	4	(9.037.923)	(28.072.856)
Operating profit/loss		**(40.501.794)**	**(94.041.850)**
Income from investments in group enterprises		(74.758.420)	(41.107.230)
Other financial income	5	214.141	423.907
Financial expenses from group enterprises		(174.765)	(104.214)
Other financial expenses	6	(6.262.783)	(6.935.361)
Profit/loss before tax		**(121.483.621)**	**(141.764.748)**
Tax on profit/loss for the year	7	2.476.000	4.697.000
Profit/loss for the year	8	**(119.007.621)**	**(137.067.748)**

Parent income statement for 2018

	Notes	2018 DKK	2017 DKK
Completed development projects		20.053.483	17.791.667
Intangible assets	9	**20.053.483**	**17.791.667**
Other fixtures and fittings, tools and equipment		0	6.767
Leasehold improvements		2.015	40.808
Property, plant and equipment	10	**2.015**	**47.575**
Investments in group enterprises		19.534.007	20.958.290
Deposits		226.325	226.325
Fixed asset investments	11	**19.760.332**	**21.184.615**
Fixed assets		**39.815.830**	**39.023.857**
Trade receivables		789.266	0
Receivables from group enterprises		11.373.938	62.471.165
Other receivables		55.000	275.725
Income tax receivable		2.476.000	4.697.000
Prepayments	12	237.688	248.873
Receivables		**14.931.892**	**67.692.763**
Cash		**25.383.733**	**9.178.876**
Current assets		**40.315.625**	**76.871.639**
Assets		**80.131.455**	**115.895.496**

Parent balance sheet at 31.12.2018

	Notes	2018 DKK	2017 DKK
Contributed capital	13	77.713.911	4.302.116
Reserve for development expenditure		20.053.478	17.791.667
Retained earnings		(82.119.011)	(17.979.771)
Equity		**15.648.378**	**4.114.012**
Convertible and dividend-yielding debt instruments	14	0	40.242.422
Other payables		17.532.113	29.951.371
Non-current liabilities other than provisions	15	**17.532.113**	**70.193.793**
Current portion of long-term liabilities other than provisions	15	17.935.586	16.787.054
Trade payables		801.346	2.494.623
Payables to group enterprises		19.820.191	18.102.047
Other payables		7.604.575	4.203.967
Deferred income	16	789.266	0
Current liabilities other than provisions		**46.950.964**	**41.587.691**
Liabilities other than provisions		**64.483.077**	**111.781.484**
Equity and liabilities		**80.131.455**	**115.895.496**
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	17		
Mortgages and securities	18		
Transactions with related parties	19		

Parent statement of changes in equity for 2018

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK
Equity beginning of year	4.302.116	0	17.791.667	(17.979.771)
Increase of capital	77.713.911	47.435.586	0	47.435.586
Decrease of capital	(4.302.116)	0	0	4.302.116
Other equity postings	0	0	0	5.392.490
Transfer to reserves	0	(47.435.586)	(8.992.363)	(2.261.811)
Profit/loss for the year	0	0	11.254.174	(119.007.621)
Equity end of year	**77.713.911**	**0**	**20.053.478**	**(82.119.011)**

	Total DKK
Equity beginning of year	4.114.012
Increase of capital	172.585.083
Decrease of capital	0
Other equity postings	5.392.490
Transfer to reserves	(58.689.760)
Profit/loss for the year	(107.753.447)
Equity end of year	**15.648.378**

Notes to parent financial statements

1. Events after the balance sheet date

The Company has divested its US and Danish media agency activities in May 2019. Following the divestment, a capital increase of €1.5m took place in May 2019 with participation from Jolt Targeted Opportunities FPCI, Cipio, Vækstfonden and Sunstone Capital to support and scale Blackwood's media analytics platform sales.

	2018 DKK	2017 DKK
2. Revenue		
Denmark	4.858.988	297.940
Other EU-countries	0	1.178.430
Other countries	3.726.000	767.091
	8.584.988	**2.243.461**

	2018 DKK	2017 DKK
3. Staff costs		
Wages and salaries	22.546.272	27.232.509
Other social security costs	298.163	246.635
Other staff costs	569.516	413.926
	23.413.951	**27.893.070**
Average number of employees	**40**	**35**

	2018 DKK	2017 DKK
4. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	8.992.363	3.558.333
Impairment losses on intangible assets	0	24.461.019
Depreciation of property, plant and equipment	45.560	53.504
	9.037.923	**28.072.856**

	2018 DKK	2017 DKK
5. Other financial income		
Financial income arising from group enterprises	0	90.547
Exchange rate adjustments	214.141	333.360
	214.141	**423.907**

Notes to parent financial statements

	2018 DKK	2017 DKK
6. Other financial expenses		
Interest expenses	110.410	516.856
Exchange rate adjustments	37.544	645.166
Other financial expenses	6.114.829	5.773.339
	6.262.783	**6.935.361**

	2018 DKK	2017 DKK
7. Tax on profit/loss for the year		
Tax on current year taxable income	(2.476.000)	(4.697.000)
	(2.476.000)	**(4.697.000)**

	2018 DKK	2017 DKK
8. Proposed distribution of profit/loss		
Retained earnings	(119.007.621)	(137.067.748)
	(119.007.621)	**(137.067.748)**

	Completed develop-ment projects DKK
9. Intangible assets	
Cost beginning of year	59.372.952
Additions	11.254.179
Cost end of year	**70.627.131**
Amortisation and impairment losses beginning of year	(41.581.285)
Amortisation for the year	(8.992.363)
Amortisation and impairment losses end of year	**(50.573.648)**
Carrying amount end of year	**20.053.483**

Completed development projects
The Blackwood Seven platform, including features for data collection and storage, for data analysis, predictive modeling, and media buying, is our company's most significant intangible asset. The cost of having developed it mainly comprises man hours spent by our internal staff supplemented by significant resources spent on external expert consultants.

The Engineering and Product Management regularly assess the value of this asset based on the future market potential and our growth expectations.

Notes to parent financial statements

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve-ments DKK
10. Property, plant and equipment		
Cost beginning of year	67.915	217.811
Cost end of year	**67.915**	**217.811**
Depreciation and impairment losses beginning of the year	(61.148)	(177.003)
Depreciation for the year	(6.767)	(38.793)
Depreciation and impairment losses end of the year	**(67.915)**	**(215.796)**
Carrying amount end of year	**0**	**2.015**

	Investments in group enterprises DKK	Deposits DKK
11. Fixed asset investments		
Cost beginning of year	50.881.591	226.325
Additions	73.334.137	0
Cost end of year	**124.215.728**	**226.325**
Revaluations beginning of year	45.888.348	0
Revaluations end of year	**45.888.348**	**0**
Impairment losses beginning of year	(75.811.649)	0
Exchange rate adjustments	850.273	0
Share of profit/loss for the year	(15.783.566)	0
Impairment losses for the year	(59.825.127)	0
Impairment losses end of year	**(150.570.069)**	**0**
Carrying amount end of year	**19.534.007**	**226.325**

12. Prepayments

Prepayments recognised under assets comprise expenses incurred related to the subsequent financial year.

Notes to parent financial statements

	Number	Par value DKK	Nominal value DKK
13. Contributed capital			
B shares	54.037.196	1	54.037.196
C shares	14.560.388	1	14.560.388
D Shares	9.116.327	1	9.116.327
	77.713.911		**77.713.911**

14. Convertible, profit-yielding or dividend-yielding long-term debt instruments

Blackwood Seven A/S has in May 2018 converted all convertible loans as part of new external funding having taken place.

	Instalments within 12 months 2018 DKK	Instalments within 12 months 2017 DKK	Instalments beyond 12 months 2018 DKK
15. Liabilities other than provisions			
Convertible and dividend-yielding debt instruments	0	0	0
Other payables	17.935.586	16.787.054	17.532.113
	17.935.586	**16.787.054**	**17.532.113**

16. Deferred income

Deferred income comprises income received to be recognised in the subsequent financial year.

	2018 DKK	2017 DKK
17. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	**374.335**	**611.771**

18. Mortgages and securities

Blackwood Seven A/S has given the buyer of Densou Media A/S a specific indemnity of up to DKK 3.9 million.

Blackwood Seven A/S has issued an all money mortgage totalling DKK 14 million providing company charge in operating fixtures and equipment as well as goodwill, domain names and rights providing security for balances with Blackwood Seven A/S lenders. The carrying amount of the pledged assets amounts to DKK 80,131 thousand.

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2015 for income taxes etc. for the jointly taxed companies and from 13 May 2014 also for obligations, if any, relating to the withholding of tax on royalties and dividends for these companies.

Notes to parent financial statements

19. Transactions with related parties

No transactions with related parties were made in 2018 that were not made on an arm's length basis.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to the consolidated financial statements and parent financial statements are consistent with those applied last year except for adjustments amounting to a DKK 37 million change in total assets for the parent company. Profit/loss for the year and equity has not been affected by the changes.

The adjustment of the 2016 figures is booked to correct the presentation of the ownership structure of the US group. In 2016 the Blackwood Seven A/S treated the acquisition of the equity in Two Nil LCC incorrectly as made directly by Blackwood Seven A/S instead of the holding company Blackwood Seven US, Inc. Hence, net assets primarily consisting of goodwill and intercompany was reflected as gross amounts instead of the net equity value of Blackwood Seven US, Inc.

The annual report is presented in Danish currency (DKK).

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses

Accounting policies

on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date.

Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate of the time of acquisition or the time of any subsequent revaluation or write-down. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement
Revenue
Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Amortisation, depreciation and impairment losses relating to intangible assets and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income
Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Accounting policies

Balance sheet

Goodwill

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 7 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

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

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects, protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. The amortisation periods used are 3 years.

Accounting policies

Property, plant and equipment
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

Estimated useful lives and residual values are reassessed annually.

Items of equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 7 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Accounting policies

Income tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.