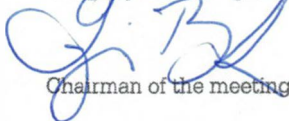


Final Cut For Real ApS

Forbindelsesvej 7, 2100 København Ø
CVR no. 32 77 80 70

Annual report for 2018

This annual report has been adopted at the
company's annual general meeting on



Chairman of the meeting

| | |
|--|---------|
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The company

Final Cut For Real ApS
Forbindelsesvej 7
2100 København Ø
Tel.: 35 43 60 43
Fax: 35 43 60 44
Registered office: København Ø
CVR no.: 32 77 80 70
Financial year: 01.01 - 31.12

Executive Board

Janus Billeskov Jansen
Signe Byrge Sørensen

Board Of Directors

Janus Billeskov Jansen
Joshua Lincoln Oppenheimer
Signe Byrge Sørensen
Anne Helene Köhncke

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.01.18 - 31.12.18 for Final Cut For Real ApS.

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

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.18 and of the results of the the company's activities for the financial year 01.01.18 - 31.12.18.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, May 9, 2019

Executive Board



Janus Billeskov Jansen



Signe Byrge Sørensen

Board Of Directors



Janus Billeskov Jansen
Chairman



Joshua Lincoln Oppenheimer

Signe Byrge Sørensen



Anne Helene Köhncke



To the capital owner of Final Cut For Real ApS**Opinion**

We have audited the financial statements of Final Cut For Real ApS for the financial year 01.01.18 - 31.12.18, which comprise the income statement, balance sheet, statement of changes in equity and notes, inclusive of accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.18 and of the results of the company's operations for the financial year 01.01.18 - 31.12.18 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 "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' 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.

Statement regarding the management's review

Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the 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 in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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 skepticism throughout the audit. We also:

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

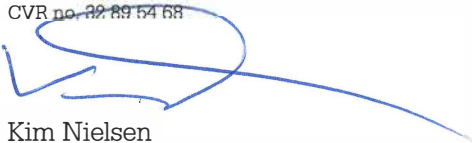
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Soeborg, Copenhagen, May 9, 2019

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68



Kim Nielsen
State Authorized Public Accountant
MNE-no. mne29417

Primary activities

The company's activities comprise production and trade in film and video.

Development in activities and financial affairs

The income statement for the period 01.01.18 - 31.12.18 shows a profit/loss of DKK 369,816 against DKK 87,678 for the period 01.01.17 - 31.12.17. The balance sheet shows equity of DKK 1,082,120.

The management considers the net profit for the year to be satisfactory.

Final Cut for Real still consists of the four producers: Signe Byrge Sørensen, Anne Köhncke, Monica Hellström and Heidi Elise Christensen plus post producer Maria Kristensen, financial controller Korthe Lund Barfod and part time technical assistant Lars Michael Reiff. In 2018 we also still had editing assistant Waltteri Vanhanen with us. Additionally in 2018 we had Mauricio González-Aranda as production assistant plus 1-2 interns per term. Most importantly, we worked with a number of directors and a group of freelance film workers connected to each of their projects.

Festivals and releases

The year 2018 started well with THE DISTANT BARKING OF DOGS by Simon Lereng Wilmont winning the Dragon Award in Gothenburg. This film then went on to tour the festival circuit all year, winning 15 other awards, of which four were Oscar qualifying. It also got nominated for a number of awards including The European Film Award. In December the film was shortlisted for the Oscars. In January our US co-production STRONG ISLAND won 3 Cinema Eye Honors and was Oscar nominated. In February our Canadian co-production WHAT WALAA WANTS had its world premiere at Berlin after a very hectic finishing period. Main character Walaa and director Christy Garland managed to come to Berlin for the premiere. This film also toured the festival circuit all year. It won four prizes including the Margaret Mead Award and was selected amongst the top 10 of TIFF features in Canada in 2018. Our co-production ANGELS ARE MADE OF LIGHT had its world premiere at Telluride and Toronto. Our older film LAND OF THE FREE was nominated for a Robert award. And THE NILE HILTON INCIDENT, by Tarik Saleh won five Swedish national awards.

Our student documentary DREAMING MURAKAMI by Nitesh Anjaan had a huge Danish premiere at the Black Diamond during CPH:DOX, a screening that was simulcast to appr. 30 libraries around the country. The film ended up having the biggest audience number of all films at CPH:DOX that year. We launched LAND OF THE FREE in April with a special screening with one of the characters Cezanne present at the Danish Film Institute. Then the film went on air at DR. In September THAT SUMMER by Göran Olsson had its Danish premiere at Cinemateket and was screened at DR. During CPH:PIX we also premiered our

second fiction co-production GOOD FAVOUR by Rebecca Daly.

Projects in development and production

We continue to have more international projects than Danish ones. In 2018 Monica Hellström continued to work on the development of the animated documentary film FLEE, directed by Jonas Poher Rasmussen. She, Jonas and editor Janus Billeskov Jansen managed to complete the animatic for the film. She also continued completing Sun Hee Engelstoft's new documentary FORGET ME NOT, which is set in South Korea as well as a Danish project called TELTLEJREN/THE CAMP. Finally, Monica began developing a new Danish project called LIGHT IN DARKNESS, directed by Cille Hannibal.

Anne Köhncke worked on a number of films with directors including Carl Olsson (PATRIMONIUM and A PLACE ABOVE THE SKY), Frida and Lasse Barkfors (SCHOOL SHOOTERS), and Anders Jepsen (OF MEN AND BOYS).

Heidi Elise Christensen continued producing Vibeke Bryld's film about faith, superstition and mythology in Thy and, with Signe Byrge Sørensen, she is working with Estephan Wagner and Marianne Hougen-Moraga on a film in called THE ART OF REPRESSION, and with Jon Bang Carlsen on his next American project.

Signe continued developing a feature by Joshua Oppenheimer called THE END. They managed to complete the second version of the script with script writer Rasmus Heisterberg. She is also working with Rami Farah on A COMEDIAN IN A SYRIAN TRAGEDY and ON SCREEN OF RECORD. With Camilla Nielsson, she developed a film in Rwanda called SINGAPORE IN AFRICA and one in Zimbabwe called DEMOCRATS II. Finally, Signe worked with journalist Nils Giversen on developing the project WHO WAS OMAR?

We pitched DEMOCRATS II at Nordisk Forum, where THE ART OF REPRESSION was selected as an Observer+ project. We pitched 3 projects at IDFA - DEMOCRATS II at the central pitch, SCHOOLSHOOTERS at the round table and FORGET ME NOT at the rough cut sessions.

Further education, new technology and company development.

In terms of further education Signe finished the European fiction co-production course ACE in 2018. Signe was afterwards elected to the ACE board. Maria and Vibeke Bryld attended the CPH:DOX Lab, with their project HUSH. This is one of two VR projects in development that we are currently involved in. The other one is connected to FLEE.

In 2018 Signe also went through a company development course organized by the public entity Væksthuset. This involved about 7 consultancy sessions, 2 times 2 full seminar days. This also involved Anne for some of the consultancy sessions and we did a number of the exercises together as a whole team. We also had a two day company seminar where we tried to evaluate and improve our daily procedures and collaboration.

In February we added additional production facilities to our office, which means that we now have 3 editing rooms available.

Subsequent events

No important events have occurred after the end of the financial year.

Treasury shares

| | Cost- /Salesprice DKK | Nominal value DKK | Percent of capital |
|---|-----------------------------|-------------------------|-----------------------|
| Holding of treasury shares pr. 01.01.18 | | 0 | 0% |
| Additions during the year | 119,000 | 37,500 | 30% |
| Capital reduction | -37,500 | -37,500 | -30% |
| Total as at 31.12.18 | | 0 | 0% |

Income statement

| Note | 2018 DKK | 2017 DKK |
|--|-------------------|-------------------|
| Revenue | 13,854,874 | 14,257,933 |
| Costs of raw materials and consumables | -12,292,767 | -13,183,478 |
| Other external expenses | -254,691 | -115,810 |
| Gross profit | 1,307,416 | 958,645 |
| 1 Staff costs | -714,740 | -745,512 |
| Profit/loss before depreciation, amortisation, write-downs and impairment losses | 592,676 | 213,133 |
| Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment | -70,857 | -92,440 |
| Profit/loss before net financials | 521,819 | 120,693 |
| Financial expenses | -21,709 | -6,104 |
| Profit/loss before tax | 500,110 | 114,589 |
| Tax on profit or loss for the year | -130,294 | -26,911 |
| Profit/loss for the year | 369,816 | 87,678 |
| Proposed appropriation account | | |
| Retained earnings | 369,816 | 87,678 |
| Total | 369,816 | 87,678 |

| ASSETS | | 31.12.18 | 31.12.17 |
|---------------|--|-------------------|-------------------|
| | | DKK | DKK |
| Note | | | |
| | Other fixtures and fittings, tools and equipment | 130,256 | 155,079 |
| 2 | Total property, plant and equipment | 130,256 | 155,079 |
| | Total non-current assets | 130,256 | 155,079 |
| | Work in progress | 14,484,461 | 12,664,327 |
| | Total inventories | 14,484,461 | 12,664,327 |
| | Trade receivables | 3,436,078 | 1,790,362 |
| | Other receivables | 0 | 222,215 |
| | Total receivables | 3,436,078 | 2,012,577 |
| | Cash | 5,477,717 | 7,492,824 |
| | Total current assets | 23,398,256 | 22,169,728 |
| | Total assets | 23,528,512 | 22,324,807 |

| EQUITY AND LIABILITIES | | 31.12.18 | 31.12.17 |
|-------------------------------|---------------------------------------|-------------------|-------------------|
| | | DKK | DKK |
| Note | | | |
| | Share capital | 125,000 | 125,000 |
| | Retained earnings | 957,120 | 668,804 |
| | Total equity | 1,082,120 | 793,804 |
| | Provisions for deferred tax | 10,295 | 30,550 |
| | Total provisions | 10,295 | 30,550 |
| | Payables to other credit institutions | 5,223 | 0 |
| | Prepayments received from customers | 17,791,900 | 17,102,936 |
| | Trade payables | 4,080,046 | 4,236,395 |
| | Income taxes | 113,956 | 25,156 |
| | Other payables | 444,972 | 135,966 |
| | Total short-term payables | 22,436,097 | 21,500,453 |
| | Total payables | 22,436,097 | 21,500,453 |
| | Total equity and liabilities | 23,528,512 | 22,324,807 |

Statement of changes in equity

| Figures in DKK | Share capital | Retained earnings |
|--|---------------|-------------------|
| Statement of changes in equity for 01.01.18 - 31.12.18 | | |
| Balance pr. 01.01.18 | 125,000 | 668,804 |
| Capital increase | 37,500 | 0 |
| Capital reduction | -37,500 | 37,500 |
| Purchase of treasury shares | 0 | -119,000 |
| Net profit/loss for the year | 0 | 369,816 |
| Balance as at 31.12.18 | 125,000 | 957,120 |

| | 2018 DKK | 2017 DKK |
|---|----------------|----------------|
| 1. Staff costs | | |
| Wages and salaries | 5,766,077 | 4,813,601 |
| Other social security costs | 460,885 | 358,795 |
| Other staff costs | 165,422 | 149,871 |
| Staff costs recognised in assets | -5,677,644 | -4,576,755 |
| Total | 714,740 | 745,512 |
| Average number of employees during the year | 14 | 11 |

2. Property, plant and equipment

| Figures in DKK | Other fixtures and fittings, tools and equipment |
|--|---|
| Cost pr. 01.01.18 | 936,159 |
| Additions during the year | 62,673 |
| Disposals during the year | -22,266 |
| Cost as at 31.12.18 | 976,566 |
| Depreciation and impairment losses pr. 01.01.18 | -781,080 |
| Depreciation during the year | -70,857 |
| Reversal of depreciation of and impairment losses on disposed assets | 5,627 |
| Depreciation and impairment losses as at 31.12.18 | -846,310 |
| Carrying amount as at 31.12.18 | 130,256 |

3. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

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

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

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

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

3. Accounting policies - continued -

GOVERNMENT GRANTS

Government grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for government grants are expensed. Government grants are recognised under revenue.

INCOME STATEMENT

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from the sale of services is recognised as delivery takes place. Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

3. Accounting policies - continued -

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

| | Useful life, year | Residual value DKK |
|---|-------------------------|--------------------------|
| Other plant, fixtures and fittings, tools and equipment | 5 | 0 |

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

3. Accounting policies - continued -

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

3. Accounting policies - continued -

Inventories

The cost of work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest on loans to finance production is not included in the cost.

The net realisable value of inventories/Work in progress is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

Acquisition costs and consideration for treasury shares as well as dividends therefrom are recognised directly in equity under retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences

3. Accounting policies - continued -

between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.