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Genius Sports Network ApS

**Spotorno Alle 8 st.
2630 Taastrup**

CVR no. 36 70 87 51

Annual report 2018

The annual report has been presented and approved on the Company's ordinary general meeting on **12/6 2019**



Chairman of general meeting



Morison KSi
Independent member

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COMPANY DETAILS

Reporting entity	Genius Sports Network ApS Spotorno Alle 8 st. 2630 Taastrup	
	CVR no.:	36 70 87 51
	Date of foundation:	April 10, 2015
	Registered office:	Taastrup
	Reporting period:	1 January 2018 - 31 December 2018
Board of Directors	Mark Adrian Locke, chairman Stephen Edward Gardner	
Executive Board	Stephen Edward Gardner, director	
Company auditors	Kallermann Revision A/S - statsautoriseret revisionsfirma Stationspladsen 1 og 3 3000 Helsingør	
	CVR no.:	30 19 52 64

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive Board have today considered and approved the annual report for the financial year 1 January - 31 December 2018 for Genius Sports Network ApS.

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 Company's financial position at 31 December 2018 and of its financial performance for the financial year 1 January - 31 December 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.

Taastrup, 15 April 2019

Executive board

Stephen Edward Gardner
director

Board of Directors

Mark Adrian Locke
chairman



Stephen Edward Gardner

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Genius Sports Network ApS

Opinion

We have audited the Financial Statements of Genius Sports Network ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Company. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2018 and of the result of the Company's operations for the financial year 1 January - 31 December 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 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty concerning going concern

Without qualifying our opinion, we refer to the annual report note 1 and the Management's review "Outlook", which states that the Company's Management has made sure, that the financing of the operations for the coming year has been guaranteed.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

INDEPENDENT AUDITOR'S REPORT

resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Elsinore, 15 April 2019

Kallermann Revision A/S - statsautoriseret revisionsfirma

CVR no. 30 19 52 64



Peter Kallermann

State Authorized Public Accountant

MNE no.: mne8285



Frantz Slisz

State Authorized Public Accountant

MNE no.: mne34380

MANAGEMENT'S REVIEW**Primary activities**

The primary activities comprise collecting and reselling sports data.

Uncertainty relating to recognition and measurement

The financial report is not affected by uncertainty in recognition and measurement.

Development in activities and finances

The result for the year shows a loss of 5.930.505 DKK'000, which is considered to be unsatisfactory. The equity amounts to -28.242.266 DKK at 31 December 2018.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Outlook

Genius Sports Group Limited has declared to supply sufficient liquidity, so that the Company at least may continue operations the next 12 months, and they will not demand existing receivables settled before the Company's financial situation has been improved.

On basis of this statement of support and the Management's evaluation of the Company's possibilities of future revenue it is the Management's opinion, that the Company may continue its operations, and the annual report is presented according to the going concern principles.

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ACCOUNTING POLICIES

This annual report of Genius Sports Network ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with additional choice of a few rules from class C enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Income is recognised in the income statement when earned, hereunder valuation adjustment concerning financial assets and liabilities. Costs are also recognised in the income statement, hereunder depreciations and amortisations.

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 Company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Company 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 Company, and the value of the liabilities 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.

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 one 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.

Information on omission of consolidated financial statement

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

INCOME STATEMENT

Revenue

Revenue deducted other external costs is summarized in the income statement as gross profit according to the rules in the Danish Financial Statements Act, section 32.

Revenue from the sale of services is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

External expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, operational costs etc.

ANNUAL REPORT

ACCOUNTING POLICIES

Staff costs

Staff costs comprise salaries and wages including holiday pay and pensions as well as social security costs, etc for the Company's staff. Received compensations from the authorities have been deducted in staff costs.

Other operating income and expenses

Other operating income and expenses comprise income and expenses of a secondary nature as viewed in relation to the Company's primary activities.

Income and expenses from investments in group enterprises and associates

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.

Financial income and expenses

These items comprise interest income and expenses, financial costs concerning financial leasing, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, amortisation premium or allowance on mortgage debt etc as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity. The tax share recognized in the income statement, and which is attached to the year's extraordinary result, is attributed hereto, whereas the remaining share is attributed to the year's ordinary result.

The Company is included in the Danish rules on mandatory joint taxation in Genius Sports Group Danmark ApS-koncernens Danish subsidiaries. Subsidiaries are included in the joint taxation from the time they are included in the consolidated accounts and on to the time, when they no longer are part of the consolidated accounts.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies with tax losses receive joint taxation contributions from other companies that have used the tax losses to reduce their own taxable profit.

BALANCE SHEET

Intangible assets

Development costs and costs relating to internally developed rights are recognized in the income statement as costs in the acquisition year.

Basis of deduction, which is cost with deduction of depreciations, is spread on a straight-line basis using the estimated useful lives of the assets, but maximum 10 years.

Property, plant and equipment

Fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less estimated residual value after the end of useful life.

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

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ACCOUNTING POLICIES

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment, 5 years
Leasehold improvements, 5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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

Assets with a cost price under the tax limit concerning accelerated depreciation of small assets are recognised as costs in the income statement in the acquisition year.

Investments in subsidiaries

Investments in subsidiaries and associates are recognised and measured under the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or less unamortised positive, or negative, goodwill and plus or less unrealised intra-group profits or losses.

The Company's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and less or plus amortisation of group goodwill.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity.

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 provisions for bad debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

Dividends

Proposed dividend for the financial year is measured under the equity. Proposed dividend is measured as an obligation at the time of adoption on the General Meeting. Dividend paid during the year is shown under the equity.

Provisions

Other provisions comprise anticipated costs of nonrecourse guarantee commitments, returns, decided and published restructurings etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

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ACCOUNTING POLICIES

Tax payables and deferred tax

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 on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

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 is measured on basis of the tax rules and tax rates which are valid when deferred tax is expected to be current tax. Changes in deferred tax as a consequence of changes in tax rates are recognised in the income statement. The current tax rate is 22 per cent.

Liabilities other than provisions

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

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INCOME STATEMENT FOR 2018

	Notes	2018 DKK	2017 DKK
Gross loss		-719.209	5.968.512
Staff costs	2	-2.609.733	-2.524.650
Depreciation, amortisation and impairment losses		-746.914	-838.140
Other operating expenses		-615.649	0
Profit from ordinary operating activities		-4.691.505	2.605.722
Income from investments in group enterprises		996.796	856.485
Financial income		3.664.062	26.566
Financial expenses	3	-1.528.858	-1.746.264
Profit from ordinary activities before tax		-1.559.505	1.742.509
Tax	4	-4.371.000	-149.000
PROFIT FOR THE YEAR		-5.930.505	1.593.509
Proposed distribution of results:			
Reserve for net revaluation according to equity method		-232.572	548.022
Retained earnings		-5.697.933	1.045.487
		-5.930.505	1.593.509

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BALANCE OF 31 DECEMBER 2018

	Notes	2018 DKK	2017 DKK
ASSETS			
Development projects in progress		668.202	1.141.446
Intangible assets	5	668.202	1.141.446
Fixtures, fittings, tools and equipment		0	100.652
Leasehold improvements		0	788.667
Equipment	6	0	889.319
Investments in group enterprises		1.225.578	1.458.150
Deposits, investments and receivables		302.478	278.230
Long-term investments and receivables	7	1.528.056	1.736.380
FIXED ASSETS		2.196.258	3.767.145
Trade receivables		14.402.289	6.755.391
Receivables from group enterprises		28.200.038	11.500
Current deferred tax assets		2.200.000	6.571.000
Other receivables		44.288	25.838
Deferred income assets		104.212	309.331
Receivables		44.950.827	13.673.060
Cash and cash equivalents		1.140.560	3.116.052
CURRENT ASSETS		46.091.387	16.789.112
ASSETS		48.287.645	20.556.257

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BALANCE OF 31 DECEMBER 2018

	Notes	2018 DKK	2017 DKK
EQUITY AND LIABILITIES			
Contributed capital		50.000	50.000
Reserve for net revaluation according to equity method		1.206.500	1.439.072
Retained earnings		-29.498.766	-23.800.833
EQUITY		-28.242.266	-22.311.761
Other payables		0	20.234.405
Long-term liabilities other than provisions	8	0	20.234.405
Trade payables		25.831	545.755
Payables to group enterprises		67.255.900	17.708.962
Other payables		4.245.318	3.758.607
Prepayments of work in progress		5.002.862	620.289
Short-term liabilities other than provisions		76.529.911	22.633.613
LIABILITIES OTHER THAN PROVISIONS		76.529.911	42.868.018
EQUITY AND LIABILITIES		48.287.645	20.556.257
Uncertainties relating to going concern	1		
Investments in enterprises	9		
Contingent liabilities	10		
Mortgages and collaterals	11		
Liabilities under leases	12		

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STATEMENT OF CHANGES IN EQUITY FOR 2018

	2018 DKK	2017 DKK
Contributed capital:		
Capital, 1 January 2018	50.000	50.000
Capital, 31 December 2018	50.000	50.000
Reserve for net revaluation according to equity method:		
Equity, beginning balance	1.439.072	891.050
Increase of equity	0	548.022
Decrease of equity	-232.572	0
Equity, ending balance	1.206.500	1.439.072
Retained earnings:		
Retained earnings, 1 January 2018	-23.800.833	-24.846.320
Increase	0	1.045.487
Decrease	-5.697.933	0
Retained earnings, 31 December 2018	-29.498.766	-23.800.833
Equity, 31 December 2018	-28.242.266	-22.311.761

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NOTES

1. Uncertainties relating to going concern

Genius Sports Group Limited has declared to supply sufficient liquidity, so that the Company at least may continue operations the next 12 months, and they will not demand existing receivables settled before the Company's financial situation has been improved.

On basis of this statement of support and the Management's evaluation of the Company's possibilities of future revenue it is the Management's opinion, that the Company may continue its operations, and the annual report is presented according to the going concern principles.

	2018 DKK	2017 DKK
2. Staff costs		
Wages and salaries	2.342.706	2.104.168
Post-employment benefit expense	256.695	276.855
Social security contributions	10.332	10.404
Other employee expense	0	133.223
Employee benefits expense	2.609.733	2.524.650
 Average number of employees	 5	 5
3. Other finance expenses		
Interest expense assigned to group enterprises	1.327.028	569.359
Other interest expenses	51.476	1.148.232
Exchange rate loss	150.354	28.673
Other finance expenses	1.528.858	1.746.264
4. Tax		
Adjustments for deferred tax	4.371.000	358.000
Adjustments for current tax of prior period	0	-209.000
Tax expense on ordinary activities	4.371.000	149.000
5. Intangible assets		
Development projects in progress:		
Intangible assets, gross, beginning balance	2.366.219	2.366.219
Intangible assets, gross, ending balance	2.366.219	2.366.219
 Accumulated impairment losses and amortisation of intangible assets	 -1.224.773	 -751.529
Amortisation of intangible assets	-473.244	-473.244
Accumulated impairment losses and amortisation of intangible assets	-1.698.017	-1.224.773
 Intangible assets, ending balance	 668.202	 1.141.446

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	2018 DKK	2017 DKK
6. Property, plant and equipment		
Equipment:		
Cost, 1 January 2018	208.250	208.250
Disposals	-208.250	0
Cost, 31 December 2018	0	208.250
Accumulated depreciation, 1 January 2018	-107.598	-65.946
Depreciation	0	-41.652
Impairment losses and depreciations	-31.238	0
Reversals of impairment losses and depreciation	138.836	0
Accumulated depreciation, 31 December 2018	0	-107.598
Fixtures, fittings, tools and equipment, 31 December 2018	0	100.652
Leasehold improvements:		
Property, plant and equipment, gross, beginning balance	1.616.211	1.616.211
Disposals of property, plant and equipment	-1.616.211	0
Property, plant and equipment, gross, ending balance	0	1.616.211
Accumulated depreciation, 1 January 2018	-827.544	-504.300
Depreciation	0	-323.244
Impairment losses and depreciations	-242.432	0
Reversals of impairment losses and depreciation	1.069.976	0
Accumulated depreciation, 31 December 2018	0	-827.544
Property, plant and equipment, ending balance	0	788.667
7. Investments		
Investments in group enterprises:		
Investments, gross, beginning balance	19.078	19.078
Investments, gross, ending balance	19.078	19.078
Accumulated revaluations of investments, beginning balance	1.439.072	891.050
Profit (loss) related to investments (revaluation)	996.796	856.485
Dividend income related to investments (revaluations)	-1.229.368	-308.463
Accumulated revaluations of investments, ending balance	1.206.500	1.439.072
Long-term investments and receivables, ending period	1.225.578	1.458.150
8. Long-term liabilities		
Long-term liabilities after 5 years amounts to 0 DKK.		
9. Investments in enterprises		
Subsidiary 1:		
Related entity name: Inplay EOOD		
Registered office: Bulgaria		
Equity interest in subsidiary company	100,00%	100,00%
Equity	1.225.578	1.458.150
Profit (loss)	977.718	856.485

ANNUAL REPORT**NOTES****10. Contingent liabilities**

The Group's Danish companies are jointly and several liable for tax of the Group's jointly tax income.

11. Mortgages and collaterals

There are no mortgages or collaterals.

12. Liabilities under leases

The company has entered into rental agreements and lease contracts with an average annual lease payment of 142 DKK'000.

The lease contracts have a residual term of 6-33 months with a total residual lease payment of 175 DKK'000.

The Company has entered into lease commitments at the balance sheet date with a total of 2,250 DKK'000 in non-cancellable period ending 31 September 2021.