



Blick Global Group



# YEAR-END REPORT

1 JANUARY – 31 DECEMBER 2020

## 2020 AS A WHOLE

- Total revenue KSEK 31,837 (16,845)\*. Net sales KSEK 21,884 (14,177).
- EBITDA KSEK 14,370 (-15,497). Adjusted EBITDA KSEK 5,370 (-15,497).
- EBITDA margin 66% (-109%). Adjusted EBITDA margin 25% (-109%).
- EBIT KSEK -1,709 (-30,624).
- Cash flow KSEK 1,453 (-2,646).
- Earnings per share SEK -0.02 (-0.34).

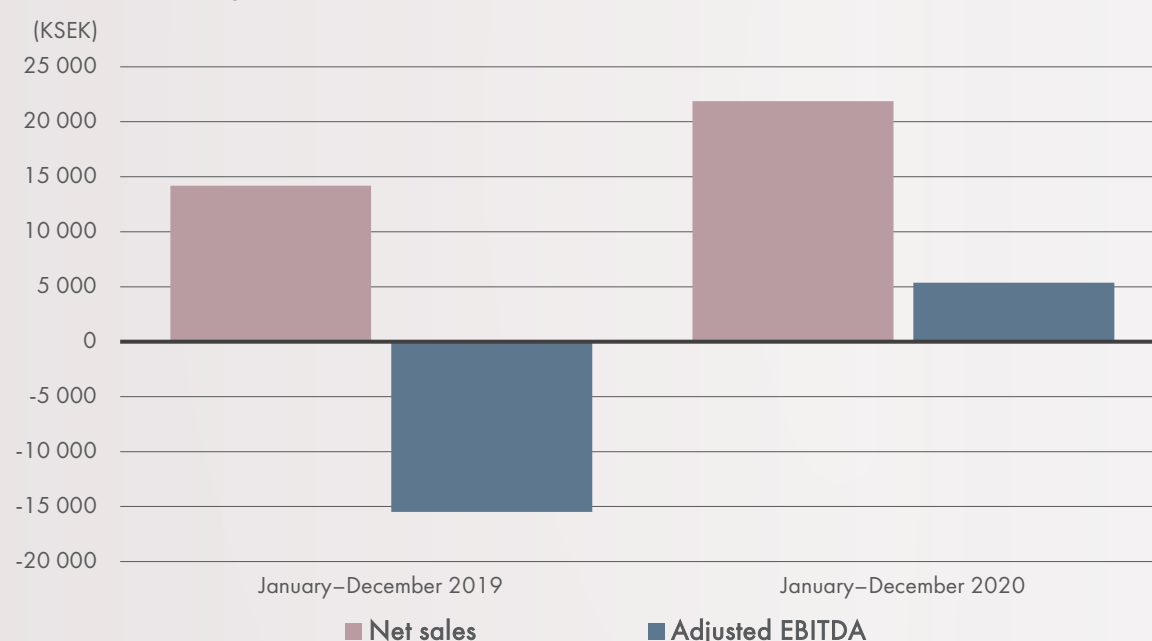
\* During Q4 2020, MSEK 9 was recognized as revenue out of the MSEK 29 set aside for additional considerations 1 and 2 in the Wiget Group AB acquisition.

## INTERIM PERIOD 1 OCTOBER–31 DECEMBER

- Total revenue KSEK 13,660 (5,110)\*. Net sales KSEK 4,462 (4,702).
- EBITDA KSEK 9,719 (-2,963). Adjusted EBITDA KSEK 719 (-2,963).
- EBITDA margin 218% (-63%). Adjusted EBITDA margin 16% (-63%).
- EBIT KSEK 5,664 (-12,218).
- Earnings per share SEK 0.03 (-0.10).

\* During Q4 2020, MSEK 9 was recognized as revenue out of the MSEK 29 set aside for additional considerations 1 and 2 in the Wiget Group AB acquisition.

## COMPARATIVES, 1 JANUARY–31 DECEMBER



## SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- The first additional consideration relating to the acquisition of Wiget Group AB was established at MSEK 14.8, of which MSEK 6.6 was paid in shares and MSEK 8.2 in promissory notes to the sellers.
- During 2020, MSEK 9 was recognized as revenue out of the MSEK 29 assigned to additional considerations 1 and 2 in the Wiget Group AB acquisition, leaving MSEK 5.2 as a provision for additional consideration 2.
- Bridge loans of MSEK 5.5 were extended for one year.
- During the quarter, a bridge loan of KSEK 870 was redeemed.
- The Company received MSEK 2 in proceeds from a directed new issue.
- Wiget Group increased media investments to continue the expansion of the performance-based business.

# CEO COMMENTS

STOCKHOLM, 26 FEBRUARY 2021

We are closing the books on a rather special year. The company took on a new direction in its activities, and trading began under the name Blick Global. In addition, a new Board of Directors was elected for the company last autumn. Our wholly-owned subsidiary Wiget had a strong beginning of 2020, and the sales forecast for the year was pretty much completed when the pandemic struck with full force. For us as a company, the focus shifted – from taking a plethora of decisions to taking few but wise decisions. From March onwards, virtually all sports was mothballed, and Wiget proceeded to shift the balance of its operations from the performance-based business with a focus on sports to the considerably broader volume-based product Marketplace, which is a global marketing network but with lower margins than the other products in Wiget's portfolio.

As the world saw a dramatic escalation of events, we pruned away previous structures and operations in Malta, leaving three companies in the group as matters stand at present. The agreement provided that the first additional consideration related to the Wiget acquisition would be settled in shares and cash. The shares have been allotted and the cash part was settled through the issuance of promissory notes to the previous owners, which enables us to pay using our own cash funds in the course of the year.

The second and third quarters were characterized by the day-to-day management of the pandemic's effect on our operations. This entailed that we were especially cautious with continuous media investments related to the performance business, which is a leg of the company that is completely dependent on campaign exposure to grow the player database. These campaigns are linked to Wiget's sharing of potential profits with its customers: iGaming operators and affiliate networks. Despite our restraint, both quarters developed fairly well – and when sports gradually started up again, we began to feel confident that we would be able to weather the storm and continue to develop to our full potential.

During the year, we were engaged in various discussions with attractive acquisition candidates. We have mainly focused on approaching companies in the iGaming sphere, but also companies in related, IT-driven sectors that we consider innovative and with a foundation in unique business concepts. It is Blick's ambition to carry out additional acquisitions, but for a number of reasons, we are giving the process some time. As important as the share price may be, we consider it to have even greater significance that the entrepreneurs behind the companies are able to see the value and potential of a merger with Blick and have a vision of how we can develop the listed company over a five-year horizon.

The fourth quarter was a quarter when we could reinvest in media. During the period, we opted to increase our media investments to the year's highest levels; this burdens the quarterly result but is expected to yield results throughout 2021. The mid-year reductions of campaign investments have also affected sales. Wiget spent a lot of effort implementing and testing its novel and refined products in the market. The pandemic has had a negative impact on the performance of these projects, in terms of our ability to go ahead with them at our preferred pace. It is very encouraging that Wiget during the fourth quarter was involved in more discussions than ever before with prospective customers; in combination with the already initiated activities, we are looking forward to 2021 with keen anticipation.

In a long-term perspective, we can recognize a turn of the tide following the very intense effort to clear away old structures and make room for new potential to emerge. This work now continues, with both organic and acquisition-based growth. Several of our customers have faced challenges during 2020, but we are also witnessing impressive results from several sports operators, particularly towards the end of the previous year. Our business is brought forward in time, as we mostly pursue performance-based activities that yield a return when our customers have performed well. That is also the reason why we once again were able to scale up investments to expand our customer base near the end of the year.

As I noted, 2020 was an extremely peculiar year and a time I will never forget. The challenges we faced as a small company notwithstanding, we managed to increase net sales by 54 percent on a year-by-year basis and turned a negative EBITDA of MSEK 15.5 in 2019 into a positive EBITDA of MSEK 5.3, excluding extraordinary items of MSEK 9. At the turn of the year, our cash balance was close to MSEK 2 after the servicing of bridge loans, etc. We have a grand vision for Blick, and we will probably never be truly content – but an improvement of our bottom line of almost MSEK 20 for the year as a whole is a testimony that we have turned the operations into a very exciting business. We are pleased with the way we managed to navigate between the challenges that the past year posed, and we note that our situation is completely different today compared with previous years.

Erik Ahlberg  
CEO Blick Global Group AB



## FIVE QUESTIONS TO WIGET GROUP ABOUT 2020

### **How many advertisers did Wiget work with last year?**

During the year, 86 advertisers used Wiget Marketplace, and in our performance-based business, we worked with 18 selected operators.

### **What proportion of net sales did your three largest customers account for?**

Our largest customer represented approximately 42 percent of sales, the second largest 18 percent, and the third about 12 percent. Our three largest customers were thus responsible for 72 percent of the total. During 2021, we will continue our effort to broaden the customer base in order to reduce the dependency on a small number of major advertisers. Our strategy from the outset has been to lay a solid foundation with a number of strong global operators and broaden it with local operators over time.

### **What was the percentage breakdown of net sales between the performance business and Marketplace?**

The performance business accounted for 52 percent and Marketplace for 48 percent.

### **How many players are there in Wiget's player database?**

At the end of the year, we had about 15,000 players in the database, which means that we grew by approximately 3,000 players over the course of the year. This is an increase that correlates with the amount of money we have allocated to media spend during the period. It is important to underline that we do not consider the number of players in itself to be a very relevant parameter; it rather comes down to what kind of players we are able to generate for our customers. For us, finding high-value players is the priority, not amassing a player volume just because it looks good on paper.

### **How many product tests are underway right now with operators and affiliates?**

We are currently running 10 new customer tests in our performance-based business and two comprehensive tests with an Ace customer and a React customer.

# WIDGET GROUP

## GLOBAL CUSTOMER ACQUISITION AND OPTIMIZATION OF ADVERTISING CAMPAIGNS

Widget Group's business operations involve the delivery of innovative and leading marketing solutions to its advertisers within global customer acquisition and optimization of advertising campaigns. The Company focuses primarily on display media, which makes Widget a unique operator amidst the other iGaming affiliates. Over the years, Widget has developed all of its technology in-house and today possesses an array of proprietary technology platforms that can handle large-scale media campaigns and data analysis. The platforms are now productized to assist iGaming operators as well as their affiliates in their online-marketing campaigns.

The pricing models that Widget applies are based in part on performance and in part on clicks and impressions. This gives the company's advertisers a lot of flexibility in how they pay, and at the same time allows Widget to ensure the correct, risk-adjusted pricing model for each individual advertiser. For the performance-based clients, Widget works with revenue share and CPA (Cost Per Action). Other advertisers are offered CPC (Cost Per Click) and CPM (Cost Per Mille/impressions). With the aid of correct data analysis and knowledge of the clients, the company is able to determine the most profitable pricing model over time for the company. Widget has a number of competitive advantages, but the following stand out in particular:

### TRANSPARENCY

In display media, transparency can be a major issue. Advertisers are not always aware of what they are buying when they make programmatic media purchases. In addition, there is an uncertainty about what they really pay their different partners. With the help of Widget, advertisers can increase the transparency of all media purchases that are made through Widget's platforms and achieve a better understanding of how to make the most of their budgets.

### ONE PARTNER WITH A SINGLE FOCUS

Today, many display networks are working on account of both their publishers and their advertisers. That means that advertisers often are overpaying for the traffic they purchase, since the network that conveys the traffic want to keep the publishers happy as well. Widget's focus, on the other hand, is solely on utilizing its technology to maximize the ROI of the

advertisers. Advertisers that choose Widget as their primary partner can hence be assured that their budgets never are used as a tool to help publishers meet their earnings targets.

### STREAMLINING OF PURCHASES

Many media sellers today are using third party platforms of a very general nature, devoid of specialization. As Widget has built its platforms specifically for iGaming operators, iGaming advertisers can streamline their campaigns by aggregating all their media purchases to Widget. This entails that Widget's data analysis and functionality revolves entirely around the needs of iGaming operators rather than the needs of advertisers in general.

### TECHNOLOGY PLATFORMS

At the heart of Widget Group lies the Company's technology platforms, built up and refined over the course of seven years. Widget's technology empowers an entirely unique product offered to iGaming operators as well as their affiliates. Widget's technology offers an extremely wide global reach together with powerful optimization and data analysis. Since the Company's technology is developed entirely in-house, Widget can easily implement additional functionality and adapt the technology to the changing needs and objectives of iGaming operators.

Unlike general media partners, Widget's focus on iGaming has enabled the identification of a number of key functions and integrations over the year, which will consolidate the technology's unique position on the market. With the help of the Company's DMP (Data Management Platform), our customers are offered entirely new kinds of in-depth data analyses, which subsequently can be utilized in the marketing campaigns.

### DATA COLLECTION

The backbone of all of Widget's technology is the Company's DMP. All the data that is continuously collected from various campaigns is gathered there, and following advanced analysis, it can be reactivated in later media purchases. The result is that campaigns through Widget's platforms give operators a whole different level of control over their various audiences and a far more efficient recruitment and reactivation of customers.



# FINANCIAL INFORMATION

1 JANUARY – 31 DECEMBER 2020

## Consolidated income statement

<i>Amounts in KSEK</i>	<i>2020-10-01 - 2020-12-31</i>	<i>2019-10-01 - 2019-12-31</i>	<i>2020-01-01 - 2020-12-31</i>	<i>2019-01-01 - 2019-12-31</i>
Net sales	4,462	4,702	21,884	14,177
Other income	9,040	-44	9,322	217
Capitalized work on own account	158	452	631	2,451
<b>Total income</b>	<b>13,660</b>	<b>5,110</b>	<b>31,837</b>	<b>16,845</b>
Other external charges	-2,376	-5,624	-12,290	-21,009
Personnel costs	-1,565	-2,449	-5,177	-11,333
<b>EBITDA</b>	<b>9,719</b>	<b>-2,963</b>	<b>14,370</b>	<b>-15,497</b>
Depreciation/amortization	-4,016	-4,571	-16,020	-10,061
Impairment losses	-39	-4,684	-59	-5,066
<b>EBIT</b>	<b>5,664</b>	<b>-12,218</b>	<b>-1,709</b>	<b>-30,624</b>
Net financial result	-1,494	-2,325	-1,416	-411
<b>Profit or loss before tax</b>	<b>4,170</b>	<b>-14,543</b>	<b>-3,125</b>	<b>-31,035</b>
Taxes	-257	-279	224	-279
<b>Profit or loss for the period</b>	<b>3,913</b>	<b>-14,822</b>	<b>-2,901</b>	<b>-31,314</b>
Earnings per share	0.03	-0.10	-0.02	-0.34
Number of shares	161,470,577	145,930,588	161,470,577	145,930,588
EBITDA	9,719	-2,963	14,370	-15,497
EBIT	5,664	-12,218	-1,709	-30,624
Profit or loss for the period	3,913	-14,822	-2,901	-31,314

## Condensed consolidated balance sheet

<i>Amounts in KSEK</i>	<i>2020-12-31</i>	<i>2019-12-31</i>
<b>Fixed assets</b>		
Intangible fixed assets		
Capitalized development expenditure	11,315	13,805
Goodwill	44,948	57,790
Licensing	0	76
<b>Total intangible fixed assets</b>	<b>56,263</b>	<b>71,671</b>
Tangible fixed assets		
Equipment, tools, fixtures and fittings	30	70
<b>Total tangible fixed assets</b>	<b>30</b>	<b>70</b>
<b>Total fixed assets</b>	<b>56,293</b>	<b>71,741</b>
<b>Current assets</b>		
Accounts receivable	2,088	2,575
Other receivables	291	1,856
Prepayments and accrued income	161	223
<b>Total current assets</b>	<b>2,540</b>	<b>4,654</b>
<b>Cash and bank</b>	<b>1,821</b>	<b>368</b>
<b>TOTAL ASSETS</b>	<b>60,654</b>	<b>76,763</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	17,949	16,222
Other contributed capital	20,886	44,858
Profit or loss for the period	-2,901	-31,314
<b>Total equity</b>	<b>35,934</b>	<b>29,766</b>
<b>Provisions</b>		
Provisions for taxes	2,287	2,889
Other provisions	5,251	29,000
<b>Total provisions</b>	<b>7,538</b>	<b>31,889</b>
<b>Current liabilities</b>		
Accounts payable	1,147	2,194
Other current liabilities	14,045	9,313
Accruals and deferred income	1,990	3,601
<b>Total current liabilities</b>	<b>17,182</b>	<b>15,108</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>60,654</b>	<b>76,763</b>



## Consolidated cash flow statement

<i>Amounts, in, KSEK</i>	<i>2020-01-01 - 2020-12-31</i>	<i>2019-01-01 - 2019-12-31</i>
<b>Cash, flow, from, operating, activities</b>		
Profit, or, loss, after, financial, items	-3,125	-31,035
Adjustments, for, items, not, included, in, cash, flow	7,079	13,998
Income, tax, paid	-378	436
<b>Cash, flow, from, operating, activities, before, change, in, working, capital</b>	<b>3,576</b>	<b>-16,601</b>
<b>Cash, flow, from, change, in, working, capital</b>		
Change, in, current, receivables	2,115	-3,805
Change, in, current, liabilities	-4,257	10,493
<b>Cash, flow, from, operating, activities</b>	<b>1,434</b>	<b>-9,913</b>
<b>Investing, activities</b>		
Investments, in, intangible, assets	-631	-2,892
Investments, in, tangible, assets	0	0
Investments, in, financial, assets	0	-36,229
Disposal, of, tangible, assets	0	0
<b>Cash, flow, from, investing, activities</b>	<b>-631</b>	<b>-39,121</b>
<b>Financing, activities</b>		
New, issue	2,000	44,382
Warrants	0	6
Raised, loans	0	8,000
Amortization	-1,350	-6,000
<b>Cash, flow, from, financing, activities</b>	<b>650</b>	<b>46,388</b>
<b>Cash, flow, for, the, period</b>	<b>1,453</b>	<b>-2,646</b>
<b>Changes, in, cash, and, cash, equivalents</b>		
Cash, and, cash, equivalents, at, the, beginning, of, the, period	368	3,022
Exchange, rate, difference, on, cash, and, cash, equivalents	0	-8
<b>Cash, and, cash, equivalents, at, the, end, of, the, period</b>	<b>1,821</b>	<b>368</b>

## The Parent Company's income statement

<i>Amounts in KSEK</i>	<i>2020-10-01 - 2020-12-31</i>	<i>2019-10-01 - 2019-12-31</i>	<i>2020-01-01 - 2020-12-31</i>	<i>2019-01-01 - 2019-12-31</i>
Net sales	250	343	921	708
Other income	0	0	0	100
<b>Total income</b>	<b>250</b>	<b>343</b>	<b>921</b>	<b>808</b>
Other external charges	-483	-568	-1,723	-1,782
Personnel costs	-1,137	-757	-3,903	-3,946
<b>EBITDA</b>	<b>-1,370</b>	<b>-982</b>	<b>-4,705</b>	<b>-4,920</b>
Depreciation/amortization	-9	-36	-36	-36
<b>EBIT</b>	<b>-1,379</b>	<b>-1,018</b>	<b>-4,741</b>	<b>-4,956</b>
Impairment of assets	-662	-18,756	-661	-21,284
Net financial result	-842	-673	-736	-28
<b>Profit or loss before tax</b>	<b>-2,883</b>	<b>-20,447</b>	<b>-6,138</b>	<b>-26,268</b>
Year-end appropriations	5,510	175	5,510	175
Taxes	0	0	0	0
<b>Profit or loss for the period</b>	<b>2,627</b>	<b>-20,272</b>	<b>-628</b>	<b>-26,093</b>
EBITDA	-1,370	-982	-4,705	-4,920
EBIT	-1,379	-1,018	-4,741	-4,956
Profit or loss for the period	2,627	-20,272	-628	-26,093

## The Parent Company's condensed balance sheet

<i>Amounts in KSEK</i>	<i>2020-12-31</i>	<i>2019-12-31</i>
<b>Fixed assets</b>		
Intangible fixed assets		
Licensing	0	76
<b>Total intangible fixed assets</b>	<b>0</b>	<b>76</b>
Tangible fixed assets		
Equipment	30	0
<b>Total tangible fixed assets</b>	<b>30</b>	<b>0</b>
Financial assets		
Participations in Group companies	66,829	75,840
Receivables from Group companies	0	0
<b>Total financial assets</b>	<b>66,829</b>	<b>75,840</b>
<b>Total fixed assets</b>	<b>66,859</b>	<b>75,916</b>
<b>Current assets</b>		
Other receivables	42	46
Prepayments and accrued income	153	76
<b>Total current assets</b>	<b>195</b>	<b>122</b>
<b>Cash and bank</b>	<b>0</b>	<b>19</b>
<b>TOTAL ASSETS</b>	<b>67,054</b>	<b>76,057</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	17,949	16,222
Other contributed capital	28,298	47,159
Profit or loss for the period	-627	-26,093
<b>Total equity</b>	<b>45,620</b>	<b>37,288</b>
<b>Provisions</b>		
Other provisions	5,251	29,000
<b>Total provisions</b>	<b>5,251</b>	<b>29,000</b>
<b>Current liabilities</b>		
Accounts payable	177	260
Liabilities to Group companies	904	1,420
Other current liabilities	13,387	6,435
Accruals and deferred income	1,715	1,654
<b>Total current liabilities</b>	<b>16,183</b>	<b>9,769</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>67,054</b>	<b>76,057</b>

## The Parent Company's cash flow statement

<i>Amounts in KSEK</i>	<i>2020-01-01 - 2020-12-31</i>	<i>2019-01-01 - 2019-12-31</i>
<b>Cash flow from operating activities</b>		
Profit or loss after financial items	-6,138	-26,093
Adjustments for items not included in cash flow	75	21,320
Income tax paid	0	15
<b>Cash flow from operating activities before change in working capital</b>	<b>-6,063</b>	<b>-4,758</b>
<b>Cash flow from change in working capital</b>		
Change in current receivables	-73	-15,427
Change in current liabilities	-43	8,187
<b>Cash flow from operating activities</b>	<b>-6,179</b>	<b>-11,998</b>
<b>Investing activities</b>		
Investments in financial assets	0	-36,229
<b>Cash flow from investing activities</b>	<b>0</b>	<b>-36,229</b>
<b>Financing activities</b>		
New issue	2,000	44,382
Group contributions	5,510	0
Warrants	0	6
Raised loans	0	8,000
Amortization	-1,350	-6,000
<b>Cash flow from financing activities</b>	<b>6,160</b>	<b>46,388</b>
<b>Cash flow for the period</b>	<b>-19</b>	<b>-1,839</b>
<b>Changes in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period	19	1,858
Exchange rate difference on cash and cash equivalents	0	0
<b>Cash and cash equivalents at the end of the period</b>	<b>0</b>	<b>19</b>

## Indicators for the Group

	2020-01-01 - 2020-12-31	2019-01-01 - 2019-12-31
EBIT margin	-8%	-216%
EBITDA margin	66%	-109%
Adjusted EBITDA margin	25%	-109%
Solidity	59%	39%
Return on equity	8%	-105%
Earnings per share, SEK	-0.02	-0.34
Equity per share, SEK	0.21	0.20
Number of shares at the beginning of the period	145,930,588	42,780,074
Number of shares at the end of the period	161,470,577	145,930,588
Average number of shares during the period	148,145,655	91,047,103

### Definitions of indicators

EBIT margin	EBIT as a percentage of net sales
EBITDA margin	EBITDA as a percentage of net sales
Adjusted EBITDA margin	EBITDA as a percentage of net sales adjusted for exceptional items affecting comparability*
Solidity	Equity as a percentage of total assets
Return on equity	Profit or loss after taxes divided by the average equity
Earnings per share, SEK	Profit or loss after taxes divided by the average number of shares
Equity per share, SEK	Equity divided by the number of shares outstanding

\* Exceptional items in this statement refer to the recognition as income of a previous provision of MSEK 9, which is recognized as other income.

# ACCOUNTING POLICIES

## BLICK GLOBAL GROUP AB (PUBL)

The financial statements in this interim report have been prepared in accordance with the Swedish Annual Accounts Act. The financial statements are presented in KSEK. Amounts within parentheses refer to the corresponding period in the preceding year.

### EQUITY

The Group's equity amounted to KSEK 35,934 (29,766) at the end of the period.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to KSEK 1,821 (368) at the end of the period. Cash and cash equivalents are defined as bank balances and receivables due from payment providers for unsettled customer deposits.

### AUDIT

The report has not been reviewed by the company's auditors.

### UPCOMING PUBLICATION DATES

The report for Q1 2021 will be published on 28 April 2021. The Company will hold its Annual General Meeting in June 2021, in Stockholm, Sweden. Financial statements for the Annual General Meeting will be available on the Company's website [www.blickglobalgroup.com](http://www.blickglobalgroup.com) three weeks prior to the general meeting.

### DIVIDEND

The Board of Directors does not intend to propose a dividend.

Stockholm, Sweden, 26 February 2021.

### BLICK GLOBAL GROUP AB (PUBL) – THE BOARD OF DIRECTORS

Johannes Thomhave, Chairman | Soheil Amorpour, Director | Erik Fischbeck, Director | Marcus Petersson, Director

### FOR ADDITIONAL INFORMATION

Erik Ahlberg, CEO

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