

**Casino Odense K/S
Central Business Registration No
14920293
Claus Bergs Gade 7
5000 Odense C**

Annual report 2015

The Annual General Meeting adopted the annual report on 02.05.2016

Chairman of the General Meeting

Name: Per Clausen

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Entity details

Entity

Casino Odense K/S
Claus Bergs Gade 7
5000 Odense C

Central Business Registration No: 14920293

Founded: 27.12.1990

Registered in: Odense

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Karl Stoss

Alexander Tucek

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Tværkajen 5

Postboks 10

5100 Odense C

Statement by Management on the annual report

The Board of Directors have today considered and approved the annual report of Casino Odense K/S for the financial year 01.01.2015 - 31.12.2015.

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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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.

Odense, 02.05.2016

Board of Directors

Karl Stoss

Alexander Tucek

Independent auditor's reports

To the owners of Casino Odense K/S

Report on the financial statements

We have audited the financial statements of Casino Odense K/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

Independent auditor's reports

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Odense, 02.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Per Therkelsen

State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The company's principal activities have, like in the previous years, comprised running casino and other related activities.

Development in activities and finances

The net profit totals DKK 4,887 compared with DKK 1,705,658 the previous financial year. Net profit of the year is considered satisfactory.

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.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

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.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue 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 and is measured at fair value of the consideration fixed.

Accounting policies

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 write-downs 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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant 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 property, plant and equipment.

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.

Balance sheet

Property, plant and equipment

Land and buildings as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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:

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-5 years

Accounting policies

Leasehold improvements

10 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in associates

Investments in associates are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise future costs with unknown size and maturity date.

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.

Other financial liabilities

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

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Gross profit		11,434,927	12,074,435
Staff costs	1	(10,340,845)	(9,622,304)
Depreciation, amortisation and impairment losses		<u>(1,032,787)</u>	<u>(727,109)</u>
Operating profit/loss		61,295	1,725,022
Other financial income		75,031	91,688
Other financial expenses	2	<u>(131,439)</u>	<u>(111,052)</u>
Profit/loss for the year		<u>4,887</u>	<u>1,705,658</u>
 Proposed distribution of profit/loss			
Retained earnings		<u>4,887</u>	<u>1,705,658</u>
		<u>4,887</u>	<u>1,705,658</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Land and buildings		770,213	792,398
Other fixtures and fittings, tools and equipment		2,800,667	1,866,761
Leasehold improvements		574,411	766,099
Property, plant and equipment	3	<u>4,145,291</u>	<u>3,425,258</u>
Investments in associates		187,500	0
Deposits		1,600,000	1,600,000
Fixed asset investments		<u>1,787,500</u>	<u>1,600,000</u>
Fixed assets		<u>5,932,791</u>	<u>5,025,258</u>
Receivables from group enterprises		0	55,279
Other short-term receivables		434,530	626,650
Prepayments		213,818	364,808
Receivables		<u>648,348</u>	<u>1,046,737</u>
Cash		<u>3,563,043</u>	<u>4,553,110</u>
Current assets		<u>4,211,391</u>	<u>5,599,847</u>
Assets		<u><u>10,144,182</u></u>	<u><u>10,625,105</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital		1,300,000	1,300,000
Retained earnings		<u>5,306,783</u>	<u>5,801,896</u>
Equity		<u>6,606,783</u>	<u>7,101,896</u>
Other provisions		<u>1,720,133</u>	<u>1,282,422</u>
Provisions		<u>1,720,133</u>	<u>1,282,422</u>
Trade payables		422,208	458,029
Debt to group enterprises		205,884	145,870
Other payables		<u>1,189,174</u>	<u>1,636,888</u>
Current liabilities other than provisions		<u>1,817,266</u>	<u>2,240,787</u>
Liabilities other than provisions		<u>1,817,266</u>	<u>2,240,787</u>
Equity and liabilities		<u><u>10,144,182</u></u>	<u><u>10,625,105</u></u>
Contingent liabilities	4		
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Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	1,300,000	5,801,896	7,101,896
Other adjustments	0	(500,000)	(500,000)
Profit/loss for the year	0	4,887	4,887
Equity end of year	<u>1,300,000</u>	<u>5,306,783</u>	<u>6,606,783</u>

Notes

	2015 DKK	2014 DKK	
1. Staff costs			
Wages and salaries	8,322,273	8,187,974	
Pension costs	1,000,885	1,013,212	
Other social security costs	1,017,687	421,118	
	10,340,845	9,622,304	
	2015 DKK	2014 DKK	
2. Other financial expenses			
Other financial expenses	131,439	111,052	
	131,439	111,052	
	Land and buildings DKK	Other fix- tures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
3. Property, plant and equipment			
Cost beginning of year	1,859,249	12,554,981	2,690,331
Additions	0	1,752,821	0
Cost end of year	1,859,249	14,307,802	2,690,331
Depreciation and impairment losses beginning of the year	(1,066,851)	(10,688,220)	(1,924,232)
Depreciation for the year	(22,185)	(818,915)	(191,688)
Depreciation and impairment losses end of the year	(1,089,036)	(11,507,135)	(2,115,920)
Carrying amount end of year	770,213	2,800,667	574,411

4. Contingent liabilities

The company has entered into a rental contract which is non-terminable until the year of 2021. The annual rent is DKK 2,744k.

Notes

5. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Casinos Austria International GmbH, Rennweg 44, A 1038 Wien