

Electronic Arts Denmark ApS  
Havnegade39  
1058 København K

Telephone +45 7070 1070

# Electronic Arts Denmark ApS

Annual report 2015/16

The annual report was presented and adopted at the  
Company's annual general meeting

on 31 AUGUST 2016

Benjamin Kallbe  
chairman

CVR no. 26 93 06 34

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Electronic Arts Denmark ApS  
Annual report 2015/16  
CVR no. 26 93 06 34

## Contents

|   |    |
|---|----|
| Statement by the Board of Directors and the Executive Board | 2  |
| Independent auditor's report                                | 3  |
| Management's review   | 4  |
| Company details   | 4  |
| Financial statements 1 April 2015 – 31 March 2016           | 5  |
| Accounting policies   | 5  |
| Income statement  | 8  |
| Balance sheet   | 9  |
| Notes   | 10 |

Electronic Arts Denmark ApS  
Annual report 2015/16  
CVR no. 26 93 06 34

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Electronic Arts Denmark ApS for the financial year 1 April 2015 – 31 March 2016.

The annual report has been 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 assets, liabilities and financial position at 31 March 2016 and of the results of the Company's operations for the financial year 1 April 2015 – 31 March 2016.


Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report should be approved at the annual general meeting.


Copenhagen, 31 August 2016  
Executive Board:

  
Benjamin Ovgaard  
Halbe

Board of Directors:

  
Keith Alan Kallweit  
Chairman

  
Daniel Reynolds

  
Benjamin Ovgaard  
Halbe

Electronic Arts Denmark ApS  
Annual report 2015/16  
CVR no. 26 93 06 34

## Independent auditor's report

To the shareholder of Electronic Arts Denmark ApS

### Independent auditor's report on the financial statements

We have audited the financial statements of Electronic Arts Denmark ApS for the financial year 1 April 2015 – 31 March 2016. The financial statements comprise accounting policies, income statement, balance sheet 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 that 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 as to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company'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 evaluating 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 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 assets, liabilities and financial position at 31 March 2016 and of the results of the Company's activities for the financial year 1 April 2015 – 31 March 2016 in accordance with the Danish Financial Statements Act.

Copenhagen, 31 August 2016

**KPMG**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98



David Olafsson  
State Authorised  
Public Accountant

Electronic Arts Denmark ApS  
Annual report 2015/16  
CVR no. 26 93 06 34

## Management's review

### Company details

Electronic Arts Denmark ApS  
Havnegade 39  
1058 København K

Telephone: +45 7070 1070  
CVR no.: CVR no. 26 93 06 34  
Registered office: Copenhagen  
Financial year: 1 April 2015 – 31 March 2016

### Board of Directors

Keith Alan Kallweit  
Daniel Reynolds  
Benjamin Ovgaard Halbe

### Executive Board

Benjamin Ovgaard Halbe

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø  
Denmark

## **Financial statements 1 April 2015 – 31 March 2016**

### **Accounting policies**

The annual report of Electronic Arts Denmark ApS for the period 1 April 2015 – 31 March 2015/16 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### **Foreign currency translation**

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Non-current assets purchased in foreign currencies are measured at exchange rates at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### **Income statement**

#### **Revenue**

Revenue from the sale of goods is recognised in the income statement provided that transfer of risk to the buyer has taken place before year end and payments have been received or many with reasonable certainty be expected to be received.

Revenue is recognised excluding of VAT and less discounts and rebates relating to the sale.

#### **Consumption of goods**

Consumption of goods comprises expenses incurred to generate the revenue for the year.

#### **Other external expenses**

Other external expenses comprise expenses for distribution, sales, advertising, administration, premises, loss on debtors, operating lease, etc.

## Financial statements 1 April 2015 – 31 March 2016

### Accounting policies

#### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised exchange adjustments as well as surcharges and refunds under the on-account tax scheme, etc.

#### Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

### Balance sheet

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Prepayments are measured at amortised cost corresponding to nominal value.

#### Corporation tax and deferred tax

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

## Financial statements 1 April 2015 – 31 March 2016

### Accounting policies

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

### Liabilities

Liabilities are measured at net realisable value.



## Financial statements for the period 1 April 2015 – 31 March 2016

### Income statement

| DKK'000  | Note | 2015/16 | 2014/15 |
|--|------|---------|---------|
| <b>Revenue</b>                                     |      | 49,603  | 93,268  |
| Consumption of goods                               |      | -47,438 | -82,465 |
| Reimbursements from group entities                 |      | 6,263   | 12,194  |
| Other external expenses                            |      | -5,534  | -19,521 |
| <b>Gross profit</b>                                |      | 2,894   | 3,476   |
| Staff costs  | 2    | -2,199  | -2,100  |
| <b>Profit before financial income and expenses</b> |      | 695     | 1,376   |
| Financial income                                   |      | 3       | 14      |
| Financial expenses                                 |      | -21     | -12     |
| <b>Profit before tax</b>                           |      | 677     | 1,378   |
| Tax on profit for the year                         | 3    | -154    | -372    |
| <b>Profit for the year</b>                         |      | 523     | 1,006   |
| <br>   |      |         |         |
| <b>Proposed profit appropriation</b>               |      |         |         |
| Retained earnings                                  |      | 523     | 1,006   |
|  |      | 523     | 1,006   |

## Financial statements for the period 1 April 2015 – 31 March 2016

### Balance sheet

| DKK'000                                      | Note | 2015/16      | 2014/15       |
|--|------|--------------|---------------|
| <b>ASSETS</b>                                |      |              |               |
| <b>Current assets</b>                        |      |              |               |
| <b>Receivables</b>                           |      |              |               |
| Trade receivables                            |      | 0            | 8,707         |
| Receivables from group entities              |      | 0            | 3             |
| Other receivables                            |      | 45           | 45            |
| Corporation tax                              |      | 176          | 0             |
| Deferred tax assets                          | 3    | 72           | 227           |
|  |      | <u>293</u>   | <u>8,982</u>  |
| Cash at bank and in hand                     |      | 8,163        | 16,260        |
| <b>Total current assets</b>                  |      | <u>8,456</u> | <u>25,242</u> |
| <b>TOTAL ASSETS</b>                          |      | <u>8,456</u> | <u>25,242</u> |
| <br><b>EQUITY AND LIABILITIES</b>            |      |              |               |
| <b>Equity</b>                                |      |              |               |
|  | 4    |              |               |
| Share capital                                |      | 125          | 125           |
| Retained earnings                            |      | 5,729        | 5,206         |
| <b>Total equity</b>                          |      | <u>5,854</u> | <u>5,331</u>  |
| <br><b>Current liabilities</b>               |      |              |               |
| Trade payables                               |      | 24           | 832           |
| Payables to group entities                   |      | 293          | 6,905         |
| Corporation tax                              |      | 0            | 279           |
| Other payables                               |      | 2,285        | 11,895        |
| <b>Total liabilities</b>                     |      | <u>2,602</u> | <u>19,911</u> |
| <b>TOTAL EQUITY AND LIABILITIES</b>          |      | <u>8,456</u> | <u>25,242</u> |
| Contractual obligations, contingencies, etc. | 5    |              |               |
| Related parties                              | 6    |              |               |

## Financial statements 1 April 2015 – 31 March 2016

### Notes

#### 1 Main purpose

Electronic Arts Denmark ApS is a part of the Californian group Electric Art Inc.

The Group develops markets and publishes interactive software for advanced systems such as Sony Playstation2, Sony Playstation3, Microsoft XBOX, Microsoft XBOX 360, Nintendo DS, Nintendo Wii, personal computers, mobile phones and online games. Electronic Arts Denmark ApS sells and markets products from the Group to the Danish retail market.

The Company's activities have ceased during the accounting year. The shareholders are currently considering the options, one being to execute a solvent and voluntary liquidation of the Company.

| DKK'000                                   | 2015/16       | 2014/15           |              |
|---|---------------|-------------------|--------------|
| <b>2 Staff costs</b>                      |               |                   |              |
| Wages and salaries                        | 2,106         | 1,968             |              |
| Pensions                                  | 91            | 128               |              |
| Other social security costs               | 2             | 4                 |              |
|   | <u>2,199</u>  | <u>2,100</u>      |              |
| <b>3 Tax on profit for the year</b>       |               |                   |              |
| Tax for the year                          | 0             | 466               |              |
| Deferred tax for the year                 | -154          | -102              |              |
| Adjustment due to change in tax rate      | 0             | 26                |              |
| Adjustment of tax, previous years         | 0             | -18               |              |
|   | <u>-154</u>   | <u>372</u>        |              |
| <b>4 Equity</b>                           |               |                   |              |
| DKK'000                                   | Share capital | Retained earnings | Total        |
| Balance at 1 April 2015                   | 125           | 5,206             | 5,331        |
| Transferred; see the profit appropriation | 0             | 523               | 523          |
| Balance at 31 March 2016                  | <u>125</u>    | <u>5,729</u>      | <u>5,854</u> |

There have been no changes in the share capital during the last five years.

## Financial statements 1 April 2015 – 31 March 2016

### Notes

#### 5 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Company has operating lease commitments concerning company cars with residual instalments of DKK 0 thousand (2014/15: DKK 63 thousand) that fall due within one year and commitments of DKK 0 (2014/15: DKK 0) that fall due within 1-5 years.

The Company has operating lease liabilities concerning tenancy with residual instalments of DKK 0 thousand (2014/15: DKK 72 thousand) that fall due within one year and liabilities of DKK 0 (2014/15: DKK 0) that fall due within 1-5 years.

#### 6 Related party transactions

Electronic Arts Denmark ApS' related parties comprise the following:

##### Control

Electronic Arts Netherland B.V.  
c/o Electronic Arts Ltd.  
De Koumen 100  
6433 KE Hoensbroek  
The Netherlands

The main part of the Company's cost of sales derives from purchases made with Electronic Arts Netherland B.V. and other group entities.

Apart from the above, inside the Group there have been no other transactions with senior officers, significant shareholders, group entities or other related parties except for intercompany transactions and normal management remuneration, all on standard conditions.