

# Billetlugen A/S

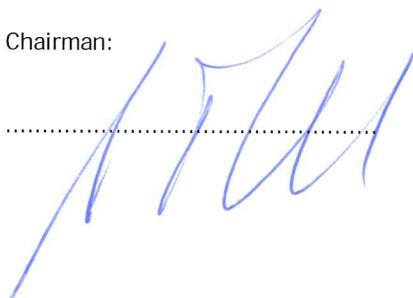
Mosedalvej 14, 2500 Valby

CVR no. 29 41 32 74

## Annual report 2017

Approved at the Company's annual general meeting on 15 March 2018

Chairman:

  
.....

## Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

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

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Billetlugen A/S for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

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 be approved at the annual general meeting.

Copenhagen, 15 March 2018  
Executive Board:

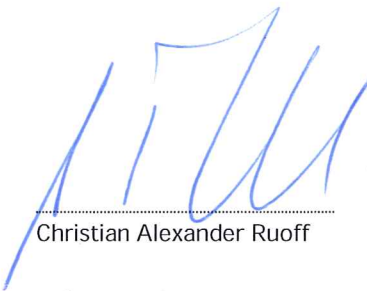


Kasper Rudi Busch Lund

Board of Directors:



Asger Flygare Bech-  
Thomsen  
Chairman



Christian Alexander Ruoff



Oliver Främke



Michael Wahl

## Independent auditor's report

To the shareholder of Billetlugen A/S

### Opinion

We have audited the financial statements of Billetlugen A/S for the financial year 1 January - 31 December 2017, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 financial position of the Company at 31 December 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### Management's responsibilities 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 responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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.

## Independent auditor's report

- 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 note 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 15 March 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Niels Vendelbo

State Authorised Public Accountant

MNE no.: mne34532

## Management's review

### Company details

Name	Billetlugen A/S
Address, Postal code, City	Mosedalvej 14, 2500 Valby
CVR no.	29 41 32 74
Established	1 March 2006
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Asger Flygare Bech-Thomsen, Chairman Christian Alexander Ruoff Oliver Främke Michael Wahl
Executive Board	Kasper Rudi Busch Lund

## Management's review

### Business review

Billetlugen A/S supplies technical infrastructure to the entertainment industry in Denmark, Sweden and Norway. The Company also operates the internet websites billetlugen.dk, eventim.se and eventim.no.

### Financial review

The activities in 2017 were as expected.

Management of the Company has also received letter of comfort covering 2018 to ensure that the Company is able to satisfy its liabilities when they mature. On this basis, the Executive Board and the Board of Directors consider the preconditions for going concern as fulfilled.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2017	2016
	Gross margin	22,047	5,397
3	Staff costs	-24,318	-24,247
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-163	-2,291
	Profit/loss before net financials	-2,434	-21,141
4	Financial income	2	4
5	Financial expenses	-291	-350
	Profit/loss before tax	-2,723	-21,487
6	Tax for the year	0	1,414
	Profit/loss for the year	<u>-2,723</u>	<u>-20,073</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-2,723</u>	<u>-20,073</u>



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2017	2016
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	0	25
	Leasehold improvements	670	0
		<u>670</u>	<u>25</u>
	Total fixed assets	<u>670</u>	<u>25</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	5,084	7,185
	Receivables from group entities	28,890	14,626
	Receivables from associates	1,101	4,848
7	Deferred tax assets	502	502
	Income taxes receivable	0	1,146
	Other receivables	4,029	6,495
		<u>39,606</u>	<u>34,802</u>
	Cash	38	0
	Total non-fixed assets	<u>39,644</u>	<u>34,802</u>
	TOTAL ASSETS	<u>40,314</u>	<u>34,827</u>
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	500	5,000
	Retained earnings	1,993	-13,584
	Total equity	<u>2,493</u>	<u>-8,584</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Prepayments received from customers	2,778	5,523
	Trade payables	2,494	1,367
	Payables to group entities	632	0
	Payables to associates	0	295
9	Other payables	31,917	36,226
		<u>37,821</u>	<u>43,411</u>
	Total liabilities other than provisions	<u>37,821</u>	<u>43,411</u>
	TOTAL EQUITY AND LIABILITIES	<u>40,314</u>	<u>34,827</u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 10 Contractual obligations and contingencies, etc.
- 11 Related parties

## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2016	5,000	-4,664	336
Transfer through appropriation of loss	0	-20,073	-20,073
Contribution from group	0	11,153	11,153
Equity at 1 January 2017	5,000	-13,584	-8,584
Capital reduction	-4,500	4,500	0
Transfer through appropriation of loss	0	-2,723	-2,723
Contribution from group	0	13,800	13,800
Equity at 31 December 2017	500	1,993	2,493

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Billetlugen A/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of presenting a statement of changes in equity in accordance with the provisions applying to reporting class C entities.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rate at the date of the transaction.

Receivables, payables and other monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rate at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

#### Income statement

##### Revenue

The Company acts as an agent in relation to sale of tickets for venues and therefore, revenue comprises commission income (booking fees etc.) which is recognised in the income statement, when the services has been delivered.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Gross margin

The items revenue, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

##### External expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

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

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Other liabilities

Other liabilities are measured at net realisable value.

#### 2 Going concern uncertainties

The Company has in 2018 received a letter of support from its parent company. In case of financial difficulties of the Company, the parent company intends to pay all liabilities and expenses as they fall due until 31 December 2018.

DKK'000	2017	2016
3 Staff costs		
Wages/salaries	22,100	22,190
Pensions	1,741	1,586
Other social security costs	404	337
Other staff costs	73	134
	<u>24,318</u>	<u>24,247</u>
Average number of full-time employees	<u>50</u>	<u>49</u>
4 Financial income		
Exchange adjustments	<u>2</u>	<u>4</u>
	<u>2</u>	<u>4</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000		2017	2016
5	Financial expenses		
	Interest expenses, group entities	188	234
	Other financial expenses	103	116
		<u>291</u>	<u>350</u>
6	Tax for the year		
	Estimated tax charge for the year	0	-1,146
	Deferred tax adjustments in the year	0	-268
		<u>0</u>	<u>-1,414</u>

### 7 Deferred tax assets

Deferred tax assets relates only to temporary difference related to intangible and tangible assets.

### 8 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK'000	2017	2016	2015	2014	2013
Opening balance	5,000	5,000	5,000	5,000	5,000
Capital reduction	-4,500	0	0	0	0
	<u>500</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

DKK'000		2017	2016
9	Other payables		
	Wages/salaries, salary taxes, social security contributions, etc.	39	43
	Holiday pay accrual	2,583	2,155
	Other accrued expenses	29,295	34,028
		<u>31,917</u>	<u>36,226</u>

Other accrued expenses includes debt towards event organisers and other accrued expenses. At 31 December 2017, debt towards event organizers amounts to DKK 28,094 thousand (31 December 2016: DKK 31,813 thousand).

### 10 Contractual obligations and contingencies, etc.

#### Other contingent liabilities

DKK'000	2017	2016
Other contingent liabilities	2,114	5,874
	<u>2,114</u>	<u>5,874</u>

The Company is jointly taxed with its parent, Venuepoint Holding A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2017 onwards as well as withholding taxes on interest, royalties and dividends.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 11 Related parties

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
CTS Eventim AG & Co. KGaA	Contrescarpe 75 A, 28195 Bremen, Germany

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Venuepoint Holding A/S	Mosedalvej 14, 2500 Valby, Denmark

