

Billetlugen A/S

Mosedalvej 14, 2500 Valby

CVR no. 29 41 32 74

Annual report 2018

Approved at the Company's annual general meeting on 21 May 2019

Chairman:

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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 2018.

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 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

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, 21 May 2019
Executive Board:



Jens Bøge Arnesen

Board of Directors:



Christian Alexander Ruoff
Chairman



Oliver Främke



Thomas Pavstrup

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 2018, 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 2018, and of the results 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 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, 21 May 2019

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Niels Vendelbo
State Authorised Public Accountant
mne34532



Naja B. Olsen
State Authorised Public Accountant
mne41387

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	Christian Alexander Ruoff, Chairman Oliver Främke Thomas Pavstrup
Executive Board	Jens Bøge Arnesen

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 2018 were as expected.

The Company has in 2019 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 2019.

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	2018	2017
	Gross margin	25,480	22,047
3	Staff costs	-25,353	-24,318
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-766	-163
	Profit/loss before net financials	-639	-2,434
4	Financial income	50	2
5	Financial expenses	-233	-291
	Profit/loss for the year	<u>-822</u>	<u>-2,723</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-822</u>	<u>-2,723</u>
		<u>-822</u>	<u>-2,723</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	314	0
	Leasehold improvements	0	670
		<u>314</u>	<u>670</u>
	Total fixed assets	<u>314</u>	<u>670</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	6,945	5,084
	Receivables from group entities	24,578	28,890
	Receivables from associates	0	1,101
6	Deferred tax assets	502	502
	Other receivables	3,613	4,029
		<u>35,638</u>	<u>39,606</u>
	Cash	206	38
	Total non-fixed assets	<u>35,844</u>	<u>39,644</u>
	TOTAL ASSETS	<u>36,158</u>	<u>40,314</u>
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	500	500
	Retained earnings	1,171	1,993
	Total equity	<u>1,671</u>	<u>2,493</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Prepayments received from customers	3,118	2,778
	Trade payables	1,253	2,494
	Payables to group entities	446	632
8	Other payables	29,670	31,917
		<u>34,487</u>	<u>37,821</u>
	Total liabilities other than provisions	<u>34,487</u>	<u>37,821</u>
	TOTAL EQUITY AND LIABILITIES	<u>36,158</u>	<u>40,314</u>

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

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
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 1 January 2018	500	1,993	2,493
Transfer through appropriation of loss	0	-822	-822
Equity at 31 December 2018	500	1,171	1,671

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Billetlugen A/S for 2018 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.

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

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.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

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)

Depreciation and impairment

The item comprises depreciation and impairment of 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
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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.

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.

Other payables

Other liabilities are measured at net realisable value.

2 Going concern uncertainties

The Company has in 2019 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 2019.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	<u>2018</u>	<u>2017</u>
3 Staff costs		
Wages/salaries	23,067	22,100
Pensions	1,881	1,741
Other social security costs	379	404
Other staff costs	<u>26</u>	<u>73</u>
	<u>25,353</u>	<u>24,318</u>
Average number of full-time employees	<u>44</u>	<u>50</u>
4 Financial income		
Exchange adjustments	49	2
Other financial income	<u>1</u>	<u>0</u>
	<u>50</u>	<u>2</u>
5 Financial expenses		
Interest expenses, group entities	169	188
Other financial expenses	<u>64</u>	<u>103</u>
	<u>233</u>	<u>291</u>

6 Deferred tax assets

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

7 Share capital

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

DKK'000	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	500	5,000	5,000	5,000	5,000
Capital reduction	<u>0</u>	<u>-4,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>500</u>	<u>500</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2018	2017
8 Other payables		
Wages/salaries, salary taxes, social security contributions, etc.	42	39
Holiday pay accrual	2,547	2,583
Other accrued expenses	27,081	29,295
	<u>29,670</u>	<u>31,917</u>

Other accrued expenses includes debt towards event organisers and other accrued expenses. At 31 December 2018, debt towards event organizers amounts to DKK 24,299 thousand (31 December 2017: DKK 28,094 thousand).

9 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK'000	2018	2017
Other contingent liabilities	1,626	2,114
	<u>1,626</u>	<u>2,114</u>

The Company is jointly taxed with its parent, Eventim Scandinavia 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 2016 onwards as well as withholding taxes on interest, royalties and dividends.

Financial statements 1 January - 31 December

Notes to the financial statements

10 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>
Eventim Scandinavia A/S	Mosedalvej 14, 2500 Valby, Denmark