

# Billetlugen A/S

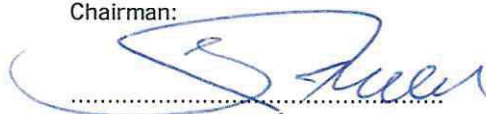
Bryggernes Plads 17, 1799 København V

CVR no. 29 41 32 74

## Annual report 2019

Approved at the Company's annual general meeting on

Chairman:

A handwritten signature in blue ink, appearing to read 'S. Juul', is written over a horizontal dotted line. The signature is stylized and cursive.

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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 2019.

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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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,  
Executive Board:



Jens Bøge Arnesen

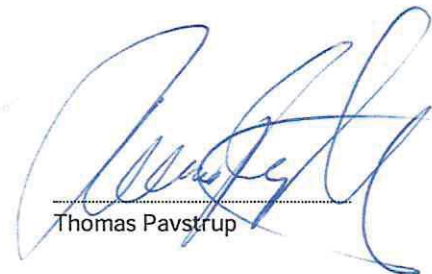
Board of Directors:



Christian Alexander Ruoff  
Chairman



Andreas Grandinger



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 2019, 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 2019, and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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,  
KPMG  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98



Kim Schmidt  
State Authorised Public Accountant  
mne34552

## Management's review

### Company details

Name	Billetlugen A/S
Address, Postal code, City	Bryggernes Plads 17, 1799 København V
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 Andreas Grandinger 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 2019 were as expected.

The Company has in 2020 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 2020.

### Events after the balance sheet date

After the reporting period, the global outbreak of coronavirus (COVID-19) has had a negative impact on the Company's activity and for 2020, the Company will be impacted by significant loss of revenue due to COVID-19 impacting the ticketing and event industry. In order to cope, the Company are using all possible government support packages and have ensured additional funding from its Parent Company. The Company has in 2020 established additional intercompany loan facilities to ensure cash throughout 2020. In addition the Company has received a letter of support from its Parent Company stating that 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 2020.

There are no other materials events after the reporting period to be disclose.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2019	2018
	Gross profit	18,779	25,480
4	Staff costs	-25,629	-25,353
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-291	-766
	Profit/loss before net financials	-7,141	-639
5	Financial income	0	50
6	Financial expenses	-283	-233
	Profit/loss before tax	-7,424	-822
7	Tax for the year	-502	0
	Profit/loss for the year	-7,926	-822
	Recommended appropriation of profit/loss	-7,926	-822
	Retained earnings/accumulated loss	-7,926	-822



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2019	2018
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	1,292	314
		<u>1,292</u>	<u>314</u>
	Investments		
	Other receivables	619	0
		<u>619</u>	<u>0</u>
	Total fixed assets	<u>1,911</u>	<u>314</u>
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	901	0
		<u>901</u>	<u>0</u>
	Receivables		
	Trade receivables	4,406	6,945
	Receivables from group entities	20,764	24,578
	Deferred tax assets	0	502
	Other receivables	1,558	3,613
		<u>26,728</u>	<u>35,638</u>
	Cash	182	206
	Total non-fixed assets	<u>27,811</u>	<u>35,844</u>
	TOTAL ASSETS	<u>29,722</u>	<u>36,158</u>
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	500	500
	Retained earnings	-355	1,171
	Total equity	<u>145</u>	<u>1,671</u>
	Liabilities other than provisions		
9	Non-current liabilities other than provisions		
	Other payables	666	0
		<u>666</u>	<u>0</u>
	Current liabilities other than provisions		
	Prepayments received from customers	3,081	3,118
	Trade payables	2,274	1,253
	Payables to group entities	157	446
10	Other payables	23,399	29,670
		<u>28,911</u>	<u>34,487</u>
	Total liabilities other than provisions	<u>29,577</u>	<u>34,487</u>
	TOTAL EQUITY AND LIABILITIES	<u>29,722</u>	<u>36,158</u>
1	Accounting policies		
2	Going concern uncertainties		
3	Events after the balance sheet date		
11	Contractual obligations and contingencies, etc.		
12	Related parties		

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2018	500	1,993	2,493
Transfer through appropriation of loss	0	-822	-822
Equity at 1 January 2019	500	1,171	1,671
Transfer through appropriation of loss	0	-7,926	-7,926
Contribution from group	0	6,400	6,400
Equity at 31 December 2019	500	-355	145

The Company has lost more than 50% of its share capital. According to the Danish Financial Statements Act, Management has initiated measures to ensure the share capital is restored through expected capital increases from its parent company in 2020.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Billetlugen A/S for 2019 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 has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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 profit

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.

##### 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 entity is jointly taxed with other group entities. 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.

##### Investments

Other receivables classified as Investments includes deposits paid by the Company.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability and development in the expected selling price.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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.

#### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

#### Other payables

Other liabilities are measured at net realisable value.

#### Prepayments received from customers

Prepayments received from customers relates to sold gift cards which are recognised upon redemption.

#### 2 Going concern uncertainties

The Company has in 2020 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 2020.

#### 3 Events after the balance sheet date

After the reporting period, the global outbreak of coronavirus (COVID-19) has had a negative impact on the Company's activity and for 2020, the Company will be impacted by significant loss of revenue due to COVID-19 impacting the ticketing and event industry. In order to cope, the Company are using all possible government support packages and have ensured additional funding from its Parent Company. The Company has in 2020 established additional intercompany loan facilities to ensure cash throughout 2020. In addition the Company has received a letter of support from its Parent Company stating that 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 2020.

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	2019	2018			
4 Staff costs					
Wages/salaries	23,235	23,067			
Pensions	1,921	1,881			
Other social security costs	465	379			
Other staff costs	8	26			
	<u>25,629</u>	<u>25,353</u>			
Average number of full-time employees	<u>42</u>	<u>44</u>			
5 Financial income					
Exchange adjustments	0	49			
Other financial income	0	1			
	<u>0</u>	<u>50</u>			
6 Financial expenses					
Interest expenses, group entities	199	169			
Other financial expenses	84	64			
	<u>283</u>	<u>233</u>			
7 Tax for the year					
Deferred tax adjustments in the year	502	0			
	<u>502</u>	<u>0</u>			
8 Share capital					
Analysis of changes in the share capital over the past 5 years:					
DKK'000	2019	2018	2017	2016	2015
Opening balance	500	500	5,000	5,000	5,000
Capital reduction	0	0	-4,500	0	0
	<u>500</u>	<u>500</u>	<u>500</u>	<u>5,000</u>	<u>5,000</u>
9 Non-current liabilities other than provisions					
Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.					
DKK'000	2019	2018			
10 Other payables					
Wages/salaries, salary taxes, social security contributions, etc.	34	42			
Holiday pay accrual	1,710	2,088			
Other accrued expenses	21,655	27,540			
	<u>23,399</u>	<u>29,670</u>			

Other accrued expenses includes debt towards event organisers and other accrued expenses. At 31 December 2019, debt towards event organizers amounts to DKK 17,477 thousand (31 December 2018: DKK 24,299 thousand).

Financial statements 1 January - 31 December

Notes to the financial statements

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

Other contingent liabilities	<u>929</u>	<u>1,626</u>
	<u>929</u>	<u>1,626</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.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	<u>4,410</u>	<u>0</u>
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12 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	Bryggerens Plads 17, 1799 Copenhagen V, Denmark