

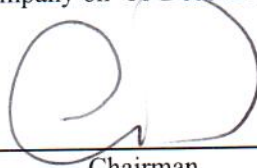
24-7 Entertainment ApS

**Gothersgade 12,3.
1123 Copenhagen K**

CVR no. 29 83 46 28

Annual report 2015/16

The annual report was presented and
adopted at the annual general meeting of
the Company on 16 December 2016



Chairman

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of 24-7 Entertainment ApS for the financial year 1 October 2015 - 30 September 2016.

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

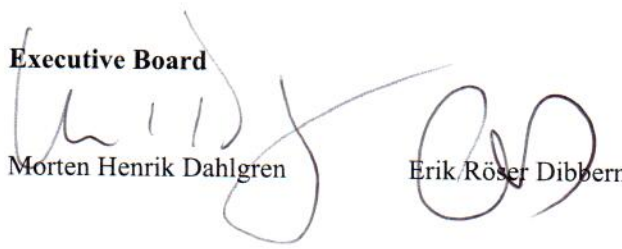
It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2016 and of the result of the Company's operations for the financial year 1 October 2015 - 30 September 2016.

In our opinion, the Management's review includes a fair review of the development in the Company's operations and financial conditions, the results for the year and the Company's financial position.

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

Copenhagen, 16 December 2016

Executive Board


Morten Henrik Dahlgren


Erik Röser Dibbern

Independent auditor's report

To the Shareholder of 24-7 Entertainment ApS

Independent auditor's report on the financial statements

We have audited the financial statements of 24-7 Entertainment ApS for the financial year 1 October 2015 - 30 September 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 30 September 2016 and of the results of the Company's operations for the financial year 1 October 2015 - 30 September 2016 in accordance with the Danish Financial Statements Act.

Independent auditor's report

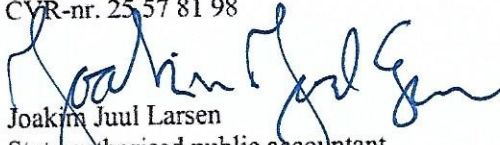
Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 16 December 2016

KPMG

Statsautoriseret Revisionspartnerselskab
CVR-nr. 25 57 81 98


Joakim Juul Larsen
State authorised public accountant

Management's review

Company details

Company

24-7 Entertainment ApS
Gothersgade 12,3.
1123 Copenhagen K

Telephone: +45 36 95 89 59

CVR no.: 29 83 46 28

Financial period: 1 October - 30 September

Established: 18 December 2006

Municipality of reg. office: Copenhagen

Executive Board

Morten Henrik Dahlgren
Erik Röser Dibbern

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 Copenhagen

General meeting

The annual general meeting will be held on 16 December 2016.

Management's review

Operating review

Principal activity

As in previous years, the Company's principal activities have included developing technical business-to-business solutions for online and mobile distribution of digital media.

Development in the year

The profit for the year amounts to DKK 2,214,638 which in Management's opinion is satisfactory. Management expects a profit for the coming years.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Financial statements 1 October 2015 - 30 September 2016

Accounting Policies

The annual report of 24-7 Entertainment ApS for 2015/16 has been prepared in accordance with the provisions applying to reporting class B enterprises 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 difference arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

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 at 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

Income from the sale of services, is recognised in the income statement provided that transfer of risk to the buyer have taken place and that the income may be reliably measured and is expected to be received.

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

Net revenue and certain costs are shown jointly in accordance with section 32 of the Danish Financial Statements Act.

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.

Other external costs

Other external costs include cost for distribution, sale, advertising, administration, costs of premises, bad debts, etc.

Financial statements 1 October 2015 - 30 September 2016

Accounting Policies

Financial income and expenses

Financial income and expenses comprise interest income and interest expense, capital gains and losses and losses on receivables, debts and transactions in foreign currency as well as surcharges and refunds under the on-account scheme, etc.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for us.

The basis of depreciation, which is calculated as cost less any residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Tools and equipment	3-5	years
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Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Financial statements 1 October 2015 - 30 September 2016

Accounting Policies

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.

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.

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. 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 in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement and in equity.

Liabilities other than provisions

Liabilities are measured at net realisable value.

Financial statements 1 October 2015 - 30 September 2016

Income statement

	<u>Note</u>	<u>2015/16</u> DKK	<u>2014/15</u> DKK
Gross profit		29,335,931	25,221,414
Staff costs	1	-25,367,813	-21,970,869
Earnings before interest taxes, depreciation and amortisation		3,968,118	3,250,545
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	5,6	-1,169,005	-851,833
Profit before financial income and expenses		2,799,113	2,398,712
Financial income	2	387	0
Financial expenses	3	-20,286	-63,952
Profit before tax		2,779,214	2,334,760
Tax on profit for the year	4	-564,576	-609,033
Profit for the year		<u>2,214,638</u>	<u>1,725,727</u>
Proposed profit appropriation			
Retained earnings		<u>2,214,638</u>	<u>1,725,727</u>
		<u>2,214,638</u>	<u>1,725,727</u>

Financial statements 1 October 2015 - 30 September 2016

Balance sheet

	<u>Note</u>	<u>2015/16</u> DKK	<u>2014/15</u> DKK
Assets			
Rights		91,423	0
Intangible assets	5	<u>91,423</u>	<u>0</u>
Other fixtures and fittings, tools and equipment		1,978,221	1,756,780
Property, plant & equipment	6	<u>1,978,221</u>	<u>1,756,780</u>
Deposits		419,814	401,295
Fixed asset investments		<u>419,814</u>	<u>401,295</u>
Fixed assets		<u>2,489,458</u>	<u>2,158,075</u>
Receivables from subsidiaries		5,273,122	985,451
Other receivables		1,320,268	1,986,872
Deferred tax asset		116,241	34,827
Receivables		<u>6,709,631</u>	<u>3,007,150</u>
Cash at bank and in hand		<u>2,039,691</u>	<u>3,808,671</u>
Currents assets		<u>8,749,322</u>	<u>6,815,821</u>
TOTAL ASSETS		<u><u>11,238,780</u></u>	<u><u>8,973,896</u></u>

Financial statements 1 October 2015 - 30 September 2016

Balance sheet

	<u>Note</u>	<u>2015/16</u> DKK	<u>2014/15</u> DKK
Equity and liabilities			
Share capital		125,000	125,000
Retained earnings		<u>7,054,922</u>	<u>4,840,282</u>
Equity	7	<u>7,179,922</u>	<u>4,965,282</u>
Trade payables		411,348	767,578
Corporation tax		1,036,192	829,325
Other payables		<u>2,611,318</u>	<u>2,411,711</u>
Current liabilities		<u>4,058,858</u>	<u>4,008,614</u>
Total liabilities		<u>4,058,858</u>	<u>4,008,614</u>
TOTAL EQUITY AND LIABILITIES		<u><u>11,238,780</u></u>	<u><u>8,973,896</u></u>
Contractual obligations, contingencies, etc	8		
Related party disclosures	9		

Financial statements 1 October 2015 - 30 September 2016

Notes

	<u>2015/16</u>	<u>2014/15</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	24,130,339	20,558,285
Pensions	161,633	151,581
Other social security costs	86,641	74,160
Other staff costs	989,200	1,186,843
	<u>25,367,813</u>	<u>21,970,869</u>
2 Financial income		
Exchange gains	387	0
	<u>387</u>	<u>0</u>
3 Financial expenses		
Other financial costs	19,202	22,179
Exchange loss	1,084	41,773
	<u>20,286</u>	<u>63,952</u>
4 Tax on profit for the year		
Current tax for the year	645,990	583,194
Deferred tax for the year	-81,414	25,839
	<u>564,576</u>	<u>609,033</u>

Financial statements 1 October 2015 - 30 September 2016

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5 Intangible assets

	Rights
	DKK
Cost at 1 October 2015	0
Additions for the year	116,171
Cost at 30 September 2016	<u>116,171</u>
Impairment losses and amortisation at 1 October 2015	0
Amortisation for the year	24,748
Impairment losses and amortisation at 30 September 2016	<u>24,748</u>
at 30 September 2016	<u><u>91,423</u></u>

6 Property, plant & equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 October 2015	4,195,050
Additions for the year	1,462,771
Disposals for the year	-97,073
Cost at 30 September 2016	<u>5,560,748</u>
Impairment losses and depreciation at 1 October 2015	2,438,270
Depreciation for the year	1,144,257
Impairment losses and depreciation at 30 September 2016	<u>3,582,527</u>
at 30 September 2016	<u><u>1,978,221</u></u>

Financial statements 1 October 2015 - 30 September 2016

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7 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 October 2015	125,000	4,840,284	4,965,284
Net profit/loss for the year	0	2,214,638	2,214,638
Equity at 30 September 2016	125,000	7,054,922	7,179,922

The share capital consists of 1,250 shares of a nominal value of DKK 100 each.

There have been no changes in the share capital during the last 5 years.

8 Contractual obligations, contingencies, etc

At 30 September 2016, the Company has rental obligations amounting to DKK 648,818 (2014/15: DKK 657,939), equivalent to 6 months' notice.

9 Related party disclosures

Controlling interest

24-7 Entertainment ApS' related parties comprise the following:

24-7 Entertainment GmbH, who is the principal shareholder.

24-7 Entertainment ApS is a part of the consolidated financial statements of 24-7 Entertainment.

GmbH is included in the consolidated financial statements of the ultimate parent company Metro AG. The consolidated financial statements for Metro AG Group can be obtained at the Company's website, www.metrogroup.de.