

Billetto ApS

Trommesalen 5, 4. th.
1614 København V
Business Registration No
32569080

Annual report 2018

The Annual General Meeting adopted the annual report on 27.05.2019

Chairman of the General Meeting

Name: Peter Helbo Langsted

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Entity details

Entity

Billetto ApS
Trommesalen 5, 4. th.
1614 København V

Central Business Registration No (CVR): 32569080
Registered in: Copenhagen
Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Jacob Christian Bratting Pedersen, Chairman
Peer Bentzen
Patrick Borre Hansen
Per Mikael Jensen

Executive Board

Patrick Borre Hansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Billette ApS for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 27.05.2019

Executive Board

Patrick Borre Hansen

Board of Directors

Jacob Christian Bratting
Pedersen
Chairman

Peer Bentzen

Patrick Borre Hansen

Per Mikael Jensen

Independent auditor's report

To the shareholders of Billette ApS

Opinion

We have audited the financial statements of Billette ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 these 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 scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity's internal control.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR)
33963556

Henrik Wolff Mikkelsen
State Authorised Public Accountant
Identification No (MNE) mne33747

Nikolaj Frausing Borch
State Authorised Public Accountant
Identification No (MNE) mne44062

Management commentary

Primary activities

The Company's primary activity is the development and operation of an international full service ticketing platform.

Development in activities and finances

For the first time in the company's history Billetter is now EBITDA profitable on a group level. This improvement is due to the change in strategy towards core ticketing business which was effected at the end of 2017. The strategic focus of the Company is now this core business and management likewise expects a positive EBITDA on group level in 2019 and going forward.

This 2018 annual report for the main market Billetter Denmark (ApS) also signals group level profitability improvement as the negative EBITDA is brought down to DKK 1.164k compared to DKK 14.991k in 2017. The annual report for Billetter Denmark (ApS) for the period 1 January 2018 to 31 December 2018 shows a loss of DKK 5.791k and equity at 31 December of DKK (56.536)k. The result for the year is affected negatively by DKK 1,5 million related to a write-down of an intercompany receivable presented under other financial expenses.

Capital resources

The Company's budget shows sufficient cash to continue operating throughout 2019 and the Company is actively monitoring its capital resources. Due to the change in strategy, as mentioned above, Management expects the Company on a group level to stay profitable with a positive EBITDA. Furthermore, Management expects positive cash flows from the Company's primary activities for the full year of 2019.

The Company has lost its equity and is therefore affected by the rules of capital loss in the Danish Companies Act. Management expects to reestablish the Capital by future profits or by further equity investments from shareholders.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		7.181.937	2.302.743
Staff costs	1	(8.346.033)	(17.295.144)
Depreciation, amortisation and impairment losses	2	<u>(245.023)</u>	<u>(169.434)</u>
Operating profit/loss		(1.409.119)	(15.161.835)
Other financial income	3	899.179	625.927
Other financial expenses	4	<u>(6.683.631)</u>	<u>(20.781.655)</u>
Profit/loss before tax		(7.193.571)	(35.317.563)
Tax on profit/loss for the year	5	<u>1.402.538</u>	<u>3.048.042</u>
Profit/loss for the year		<u>(5.791.033)</u>	<u>(32.269.521)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(5.791.033)</u>	<u>(32.269.521)</u>
		<u>(5.791.033)</u>	<u>(32.269.521)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other fixtures and fittings, tools and equipment		251.897	465.141
Leasehold improvements		21.191	52.970
Property, plant and equipment	6	273.088	518.111
Investments in group enterprises		152.894	152.894
Other receivables		162.182	254.033
Fixed asset investments	7	315.076	406.927
Fixed assets		588.164	925.038
Trade receivables		639.854	205.420
Receivables from group enterprises		478.699	0
Other receivables		1.638.307	3.064.372
Income tax receivable		1.227.010	3.048.042
Prepayments		129.231	101.983
Receivables		4.113.101	6.419.817
Cash		6.531.646	7.646.456
Current assets		10.644.747	14.066.273
Assets		11.232.911	14.991.311

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		334.230	334.230
Retained earnings		<u>(56.870.719)</u>	<u>(51.079.686)</u>
Equity		<u>(56.536.489)</u>	<u>(50.745.456)</u>
Payables to shareholders and management		<u>48.134.907</u>	<u>40.976.025</u>
Non-current liabilities other than provisions	8	<u>48.134.907</u>	<u>40.976.025</u>
Current portion of long-term liabilities other than provisions	8	1.206.061	2.201.669
Payables to other credit institutions		72.049	512.798
Trade payables		457.478	946.705
Payables to group enterprises		2.520.708	1.918.265
Other payables		<u>15.378.197</u>	<u>19.181.305</u>
Current liabilities other than provisions		<u>19.634.493</u>	<u>24.760.742</u>
Liabilities other than provisions		<u>67.769.400</u>	<u>65.736.767</u>
Equity and liabilities		<u>11.232.911</u>	<u>14.991.311</u>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	334.230	(51.079.686)	(50.745.456)
Profit/loss for the year	0	(5.791.033)	(5.791.033)
Equity end of year	334.230	(56.870.719)	(56.536.489)

Notes

	2018	2017
	DKK	DKK
1. Staff costs		
Wages and salaries	7.635.722	16.053.990
Pension costs	281.393	424.353
Other social security costs	138.962	241.718
Other staff costs	289.956	575.083
	8.346.033	17.295.144
 Average number of employees	 16	 31
 2. Depreciation, amortisation and impairment losses	 2018	 2017
	DKK	DKK
Depreciation of property, plant and equipment	245.023	169.434
	245.023	169.434
 3. Other financial income	 2018	 2017
	DKK	DKK
Financial income arising from group enterprises	724.976	625.783
Exchange rate adjustments	174.203	144
	899.179	625.927
 4. Other financial expenses	 2018	 2017
	DKK	DKK
Financial expenses from group enterprises	1.786.236	16.872.495
Other interest expenses	4.448.045	3.503.233
Exchange rate adjustments	447.370	404.762
Other financial expenses	1.980	1.165
	6.683.631	20.781.655
 5. Tax on profit/loss for the year	 2018	 2017
	DKK	DKK
Current tax	(1.402.538)	(3.048.042)
	(1.402.538)	(3.048.042)

Notes

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
6. Property, plant and equipment		
Cost beginning of year	777.673	153.618
Cost end of year	777.673	153.618
Depreciation and impairment losses beginning of year	(312.532)	(100.648)
Depreciation for the year	(213.244)	(31.779)
Depreciation and impairment losses end of year	(525.776)	(132.427)
Carrying amount end of year	251.897	21.191

	Invest- ments in group enterprises DKK	Other receivables DKK
7. Fixed asset investments		
Cost beginning of year	152.894	254.033
Disposals	0	(91.851)
Cost end of year	152.894	162.182
Carrying amount end of year	152.894	162.182

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
Investments in group enterprises comprise:					
Billette AS	Norway	AS	100,0	137.633	46.137
Billette UK Ltd.	United Kingdom	Ltd	100,0	(18.346.950)	15.047
Billette AB	Sweden	AB	100,0	554.273	(89.710)

Notes

	Due within 12 months 2018 DKK	Due within 12 months 2017 DKK	Due after more than 12 months 2018 DKK
8. Liabilities other than provisions			
Payables to shareholders and management	1.206.061	2.201.669	48.134.907
	1.206.061	2.201.669	48.134.907

	2018 DKK	2017 DKK
9. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	225.314	323.960

10. Contingent liabilities

The Company has issued a letter of support towards its subsidiary Billetter UK Limited, whereby it undertakes the obligation to provide financial support to Billetter UK Limited until May 2019.

11. Assets charged and collateral

A floating charge of nominally DKK 4.000k has been provided towards Vækstfonden as collateral for loans.

The company has entered into an agreement whereby it is not allowed to pay out dividends to its shareholders without prior consent from Vækstfonden.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

Revenue

The Company acts as an agent in relation to sale of tickets for event organizers, and therefore revenue is comprised of commission income, which is recognized in the income statement, when the services have been delivered. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs directly related to revenue

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-4 years
Leasehold improvements	4 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Other payables includes debt towards event organizers.