

Billetto ApS

Trommesalen 5,5th

1613 København V

Central Business Registration No

32569080

Annual report 2016

The Annual General Meeting adopted the annual report on 28.02.2017

Chairman of the General Meeting

Name: Charlotte Bender

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Entity details

Entity

Billetter ApS
Trommesalen 5,5th
1613 København V

Central Business Registration No: 32569080

Registered in: København

Financial year: 01.10.2016 - 31.12.2016

Website: www.billetter.dk

Board of Directors

Thomas John Sehested, chairman
Erik Black Sørensen
Patrick Borre Hansen
Jakob Fuhr Hansen
Peer Bentzen

Executive Board

Patrick Borre Hansen

Bank

Danske Bank
Holmens Kanal 2
1090 København K

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 Billetto ApS for the financial year 01.10.2016 - 31.12.2016.

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 31.12.2016 and of the results of its operations for the financial year 01.10.2016 - 31.12.2016.

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, 27.02.2017

Executive Board

Patrick Borre Hansen

Board of Directors

Thomas John Sehested
chairman

Erik Black Sørensen

Patrick Borre Hansen

Jakob Fuhr Hansen

Peer Bentzen

Independent auditor's report

To the shareholders of Billetter ApS

Opinion

We have audited the financial statements of Billetter ApS for the financial year 01.10.2016 - 31.12.2016, 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 31.12.2016 and of the results of its operations and cash flows for the financial year 01.10.2016 - 31.12.2016 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, 27.02.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Jacob Simonsen

State Authorised Public Accountant

Management commentary

Primary activities

The company's primary activity is to operate with development, trade and services and associated operations.

Development in activities and finances

The annual report for the period 1 October 2016 to 31 December 2016 shows a loss of DKK 5.813k and equity at 31 December of DKK (18.476)k.

The result was anticipated by management.

The Company has altered its financial year which previously ran from 1 October to 30 September. The financial year is now from 1 January to 31 December. The conversion period is from 1 October 2016 to 31 December 2016. As such, the current financial year is only comprised of 3 months, whereas the comparative figures are for a full 12 month financial year.

Capital resources

The company is actively monitoring its capital resources. At the end of 2016 the Company has sufficient resources to continue with the current business model until the end of the second quarter of 2017. If the Company changes the business model and focuses on the core business, instead of growth, it is Management's opinion that the Company would be able to be profitable before the end of 2017, and that the current resources are sufficient to facilitate this change in business model.

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 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015/16 DKK'000</u>
Gross loss		(695.113)	(3.978)
Staff costs	2	(4.194.691)	(13.118)
Depreciation, amortisation and impairment losses	3	<u>(28.103)</u>	<u>(57)</u>
Operating profit/loss		(4.917.907)	(17.153)
Other financial income	4	161.020	712
Other financial expenses	5	<u>(1.056.163)</u>	<u>(4.491)</u>
Profit/loss before tax		(5.813.050)	(20.932)
Tax on profit/loss for the year	6	<u>0</u>	<u>1.471</u>
Profit/loss for the year		<u>(5.813.050)</u>	<u>(19.461)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(5.813.050)</u>	<u>(19.461)</u>
		<u>(5.813.050)</u>	<u>(19.461)</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015/16 DKK'000</u>
Other fixtures and fittings, tools and equipment		236.473	44
Leasehold improvements		8.123	14
Property, plant and equipment	7	244.596	58
Investments in group enterprises		152.894	153
Other receivables		264.003	264
Fixed asset investments	8	416.897	417
Fixed assets		661.493	475
Trade receivables		221.257	22
Receivables from group enterprises		15.232.330	14.922
Other receivables		4.761.679	4.072
Income tax receivable		1.470.895	2.917
Prepayments		49.306	0
Receivables		21.735.467	21.933
Cash		14.926.547	4.493
Current assets		36.662.014	26.426
Assets		37.323.507	26.901

Balance sheet at 31.12.2016

	Notes	2016 DKK	2015/16 DKK'000
Contributed capital		334.231	331
Share premium		30.329.634	30.330
Retained earnings		(49.139.800)	(43.327)
Equity		(18.475.935)	(12.666)
Payables to shareholders and management		32.765.322	17.416
Non-current liabilities other than provisions	9	32.765.322	17.416
Current portion of long-term liabilities other than provisions	9	976.455	958
Payables to other credit institutions		148.640	0
Trade payables		609.888	671
Payables to group enterprises		676.074	0
Other payables		20.623.063	20.522
Current liabilities other than provisions		23.034.120	22.151
Liabilities other than provisions		55.799.442	39.567
Equity and liabilities		37.323.507	26.901
Going concern	1		
Contingent liabilities	10		
Mortgages and securities	11		

Statement of changes in equity for 2016

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	331.039	30.329.634	(43.326.750)	(12.666.077)
Increase of capital	3.192	0	0	3.192
Profit/loss for the year	0	0	(5.813.050)	(5.813.050)
Equity end of year	334.231	30.329.634	(49.139.800)	(18.475.935)

Notes

1. Going concern

The company is actively monitoring its capital resources. At the end of 2016 the Company has sufficient resources to continue with the current business model until the end of the second quarter of 2017. If the Company changes the business model and focuses on the core business, instead of growth, it is Management's opinion that the Company would be able to be profitable before the end of 2017, and that the current resources are sufficient to facilitate this change in business model.

	2016	2015/16
	DKK	DKK'000
2. Staff costs		
Wages and salaries	4.137.352	12.912
Other social security costs	57.339	206
	4.194.691	13.118
Average number of employees	33	

	2016	2015/16
	DKK	DKK'000
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	28.103	57
	28.103	57

	2016	2015/16
	DKK	DKK'000
4. Other financial income		
Financial income arising from group enterprises	149.234	655
Interest income	0	28
Exchange rate adjustments	11.786	29
	161.020	712

	2016	2015/16
	DKK	DKK'000
5. Other financial expenses		
Interest expenses	816.063	2.256
Exchange rate adjustments	240.100	2.235
	1.056.163	4.491

Notes

	2016 DKK	2015/16 DKK'000
6. Tax on profit/loss for the year		
Tax on current year taxable income	0	(1.471)
	0	(1.471)
	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
7. Property, plant and equipment		
Cost beginning of year	183.442	90.060
Addition through business combinations etc	214.840	0
Cost end of year	398.282	90.060
Depreciation and impairment losses beginning of the year	(139.334)	(76.309)
Depreciation for the year	(22.475)	(5.628)
Depreciation and impairment losses end of the year	(161.809)	(81.937)
Carrying amount end of year	236.473	8.123
	Investment s in group enterprises DKK	Other receivables DKK
8. Fixed asset investments		
Cost beginning of year	152.894	264.003
Cost end of year	152.894	264.003
Carrying amount end of year	152.894	264.003

Notes

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Investments in group enterprises comprise:					
Billetter AS	Norway	AS	100,0	186.108	75.717
Billetter UK Ltd.	Britain	Ltd.	100,0	(16.293.675)	(7.288.756)
Billetter AB	Sweden	AB	100,0	0	0

Above numbers are based on the most recent annual report presented by the subsidiaries. Billetter AB have not yet presented its first annual report. The numbers for Billetter UK are based on draft Financial Statements at 30 September 2016.

	<u>Instalments within 12 months 2016 DKK</u>	<u>Instalments within 12 months 2015/16 DKK'000</u>	<u>Instalments beyond 12 months 2016 DKK</u>
9. Liabilities other than provisions			
Payables to shareholders and management	976.455	958	32.765.322
	976.455	958	32.765.322

10. Contingent liabilities

The Company lease on premises can be terminated with six month' notice. The monthly rent is currently DKK 14.408.

11. Mortgages and securities

A Floating charge of up to 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 former 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.

Non-comparability

The Company have altered its financial year which previously ran from 1 October to 30 September. The financial year is now from 1 January to 31 December. The conversion period is from 1 October 2016 to 31 December 2016. As such, the current financial year is only comprised of 3 months, whereas the comparative figures are for a full 12 month financial year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, direct costs associated with revenue and other external expenses.

Accounting policies

Revenue

Revenue from the sale of services are recognized in the income statement when delivery is made to the buyer. Revenue is recognized 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.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

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

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation 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 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 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.

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.

Accounting policies

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements 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.

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 and 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.

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.