



Billetto ApS

Trommesalen 5, 4.
1614 København V
CVR No. 32569080

Annual report 2021

The Annual General Meeting adopted the
annual report on 25.05.2022

Samuel O'Doherty

Chairman of the general meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2021	8
Balance sheet at 31.12.2021	9
Statement of changes in equity for 2021	11
Notes	12
Accounting policies	16

Entity details

Entity

Billetter ApS

Trommesalen 5, 4.

1614 København V

Business Registration No.: 32569080

Registered office: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Joseph Steven Cohen, chairman

Per Mikael Jensen

Jacob Christian Bratting Pedersen

Peer Bentzen

Patrick Borre Hansen

Executive Board

Patrick Borre Hansen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Billetter ApS for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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, 25.05.2022

Executive Board

Patrick Borre Hansen
CEO

Board of Directors

Joseph Steven Cohen
chairman

Per Mikael Jensen

Jacob Christian Bratting Pedersen

Peer Bentzen

Patrick Borre Hansen

Independent auditor's report

To the shareholders of Billette ApS

Opinion

We have audited the financial statements of Billette ApS for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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:

- 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.

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, 25.05.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Wolff Mikkelsen

State Authorised Public Accountant
Identification No (MNE) mne33747

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

On group level Billetter has delivered a very satisfying EBITDA result due to our strong self service and automated ticketing platform and launch of new services to both ticketbuyers and organiser.

The result is delivered despite 6 months of significant impact on revenue by COVID-19. Management is very satisfied with the 2021 result across the entire group.

Capital resources

The Company's budget shows sufficient cash to continue operating throughout 2022 and the Company is actively monitoring its capital resources including the continue support from Vækstfonden. Further reference is made to note 1 to the financial statements.

The Company has a negative equity position 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.

Events after the balance sheet date

January 2022 was impacted by COVID-19, however we have seen strong performance since the last restrictions have been lifted.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss	2	11,552,297	7,060,170
Staff costs	3	(4,499,666)	(5,697,487)
Depreciation, amortisation and impairment losses	4	(5,310,863)	(7,010,863)
Operating profit/loss		1,741,768	(5,648,180)
Other financial income	5	1,487,849	871,651
Other financial expenses	6	(8,145,069)	(7,590,643)
Profit/loss before tax		(4,915,452)	(12,367,172)
Tax on profit/loss for the year	7	856,371	1,134,910
Profit/loss for the year		(4,059,081)	(11,232,262)
Proposed distribution of profit and loss			
Retained earnings		(4,059,081)	(11,232,262)
Proposed distribution of profit and loss		(4,059,081)	(11,232,262)

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Completed development projects	9	9,166,383	8,757,573
Intangible assets	8	9,166,383	8,757,573
Other fixtures and fittings, tools and equipment		85,353	81,428
Leasehold improvements		4,296	11,171
Property, plant and equipment	10	89,649	92,599
Investments in group enterprises		152,894	152,894
Other receivables		173,703	169,767
Financial assets	11	326,597	322,661
Fixed assets		9,582,629	9,172,833
Trade receivables		599,075	526,829
Receivables from group enterprises		182,818	0
Other receivables		3,435,276	3,254,084
Income tax receivable		856,371	1,134,910
Prepayments		502,902	90,247
Receivables		5,576,442	5,006,070
Cash		16,374,654	5,243,500
Current assets		21,951,096	10,249,570
Assets		31,533,725	19,422,403

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital	12	356,598	356,598
Reserve for development expenditure		7,149,779	6,830,907
Retained earnings		(75,136,004)	(70,758,051)
Equity		(67,629,627)	(63,570,546)
Convertible and dividend-yielding debt instruments		64,524,767	51,008,067
Payables to shareholders and management		16,103,455	15,280,475
Other payables		537,216	537,216
Non-current liabilities other than provisions	13	81,165,438	66,825,758
Trade payables		1,640,999	322,392
Payables to group enterprises		312,077	1,742,883
Other payables		16,044,838	14,101,916
Current liabilities other than provisions		17,997,914	16,167,191
Liabilities other than provisions		99,163,352	82,992,949
Equity and liabilities		31,533,725	19,422,403
Going concern	1		
Unrecognised rental and lease commitments	14		
Assets charged and collateral	15		

Statement of changes in equity for 2021

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	356,598	6,830,907	(70,758,051)	(63,570,546)
Transfer to reserves	0	318,872	(318,872)	0
Profit/loss for the year	0	0	(4,059,081)	(4,059,081)
Equity end of year	356,598	7,149,779	(75,136,004)	(67,629,627)

Billette has an incentive program consisting of warrants awarded to members of the Board of Directors and the Executive Board as well as to employees of the company.

In 2021, the Company issued warrants entitling the holders to subscribe to 49,913 shares with a nominal value of DKK 1. The warrants can only be utilised in the event of an exit.

Notes

1 Going concern

Billette ApS has a negative equity of MDKK 67.6 as per 31 December 2021. The company has been continuously financed by loans from shareholders, primarily Vækstfonden. As the company has received notice from the shareholders, that no loans are due within 2022, the entire loan balance has been classified as non-current liabilities.

Management has assessed that the current cash position is sufficient to continue operations throughout 2022. This is supported by a positive underlying cash flow in 2021 and a strong performance in the beginning of 2022 after the last restrictions have been lifted.

Based on the above factors, Management considers Billette as a going concern entity. Consequently, the financial statements have been prepared in accordance with this assumption.

2 Gross profit/loss

Due the Covid-19 pandemic, the company has been entitled to government aid packages. Gross profit has been affected by DKK 4,852k relating to fixed cost, compensation (DKK 4,301k) and salary reimbursement (DKK 551k).

3 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	6,740,180	7,659,175
Pension costs	427,314	347,486
Other social security costs	93,892	125,294
Other staff costs	178,635	246,225
	7,440,021	8,378,180
Staff costs classified as assets	(2,940,355)	(2,680,693)
	4,499,666	5,697,487
Average number of full-time employees	11	13

4 Depreciation, amortisation and impairment losses

	2021 DKK	2020 DKK
Amortisation of intangible assets	5,253,005	6,933,823
Depreciation of property, plant and equipment	57,858	77,040
	5,310,863	7,010,863

5 Other financial income

	2021 DKK	2020 DKK
Financial income from group enterprises	186,173	696,409
Exchange rate adjustments	1,301,676	175,242
	1,487,849	871,651

6 Other financial expenses

	2021 DKK	2020 DKK
Financial expenses from group enterprises	20,852	28,669
Other interest expenses	6,575,163	6,351,087
Exchange rate adjustments	148,580	1,210,887
Other financial expenses	1,400,474	0
	8,145,069	7,590,643

7 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	(856,371)	(1,134,910)
	(856,371)	(1,134,910)

8 Intangible assets

	Completed development projects DKK
Cost beginning of year	40,488,901
Additions	5,661,815
Cost end of year	46,150,716
Amortisation and impairment losses beginning of year	(31,731,328)
Amortisation for the year	(5,253,005)
Amortisation and impairment losses end of year	(36,984,333)
Carrying amount end of year	9,166,383

9 Development projects

The Entity's development projects relates to costs incurred in relation to the continuous improvement of the Billetter platform, which is the foundation for the Entity's activities and long term strategy. All projects initiated during 2021 have been completed and are now an integrated part of the platform. It is Management's assessment that the value of the Company lies primarily with the platform and related software and expects that the value can be recovered either through future profits or a sale of the Company or platform.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	870,388	167,367
Additions	54,908	0
Cost end of year	925,296	167,367
Depreciation and impairment losses beginning of year	(788,960)	(156,196)
Depreciation for the year	(50,983)	(6,875)
Depreciation and impairment losses end of year	(839,943)	(163,071)
Carrying amount end of year	85,353	4,296

11 Financial assets

	Investments in group enterprises DKK	Other receivables DKK
Cost beginning of year	152,894	169,767
Additions	0	3,936
Cost end of year	152,894	173,703
Carrying amount end of year	152,894	173,703

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Billette AS	Norway	AS	100
Billette UK Ltd.	United Kingdom	Ltd	100
Billette AB	Sweden	AB	100

12 Share capital

	Number	Par value DKK	Nominal value DKK
A-shares	191,414	1	191,414
B-shares	165,184	1	165,184
	356,598		356,598

13 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK
Convertible and dividend-yielding debt instruments	64,524,767
Payables to shareholders and management	16,103,455
Other payables	537,216
	81,165,438

14 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	162,314	204,314

15 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 a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year, except for the change in principles related to development projects as described below.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

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.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

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, and 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, and 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.

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**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and consultants that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation period used is 3 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

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.

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.