

# Betsson Payments ApS

c/o Horten, Philip Heymans Alle 7, 2900 Hellerup

*Company reg. no. 34 08 15 06*

*Annual report*

*1 January - 31 December 2015*

*The annual report have been submitted and approved by the general meeting on the 21 June 2016.*

---

**Johan Martin Thorvaldsson**

*Chairman of the meeting*

*Notes to users of the English version of this document:*

- *To ensure the greatest possible applicability of this document, British English terminology has been used.*
- *Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.*

## **Contents**

---

	<b><u>Page</u></b>
<b>Reports</b>	
<i>Management's report</i>	<i>1</i>
<i>The independent auditor's reports</i>	<i>2</i>
<b>Management's review</b>	
<i>Company data</i>	<i>4</i>
<i>Management's review</i>	<i>5</i>
<b>Annual accounts 1 January - 31 December 2015</b>	
<i>Accounting policies used</i>	<i>6</i>
<i>Profit and loss account</i>	<i>10</i>
<i>Balance sheet</i>	<i>11</i>
<i>Notes</i>	<i>13</i>

## ***Management's report***

---

*The managing director has today presented the annual report of Betsson Payments ApS for the financial year 1 January to 31 December 2015.*

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

*I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.*

*I am of the opinion that the management's review includes a fair description of the issues dealt with.*

*The annual report is recommended for approval by the general meeting.*

*Hellerup, 21 June 2016*

***Managing Director***

Johan Martin Thorvaldsson

## ***The independent auditor's reports***

---

### ***To the shareholders of Betsson Payments ApS***

#### ***Report on the annual accounts***

*We have audited the annual accounts of Betsson Payments ApS for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.*

#### ***The management's responsibility for the annual accounts***

*The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.*

#### ***Auditor's responsibility***

*Our responsibility is to express an opinion on the annual accounts 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 about whether the annual accounts are free from material misstatements.*

*An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 the management, as well as the overall presentation of the annual accounts.*

*We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.*

*The audit has not resulted in any qualification.*

## ***The independent auditor's reports***

---

### ***Opinion***

*In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.*

### ***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 performed audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.*

*Copenhagen, 21 June 2016*

### **BUUS JENSEN**

*State Authorised Public Accountants  
Company reg. no. 16 11 90 40*

**Michael Markussen**

*State Authorised Public Accountant*

## ***Company data***

---

***The company***

Betsson Payments ApS  
c/o Horten  
Philip Heymans Alle 7  
2900 Hellerup

*Company reg. no.* 34 08 15 06  
*Established:* 12 December 2011  
*Domicile:* Hellerup  
*Financial year:* 1 January - 31 December

***Managing Director***

Johan Martin Thorvaldsson

***Auditors***

BUUS JENSEN, Statsautoriserede revisorer

## ***Management's review***

---

### ***The significant activities of the enterprise***

*The principal activities of the company is marketing services and odds compiling for Betsson Groups Danish activities.*

### ***Unusual matters***

*The company has not been affected by unusual circumstances during the financial year.*

### ***Uncertainties as to recognition or measurement***

*It is estimated that no specific uncertainties are related to recognition and measurement of the financial items in the annual accounts.*

### ***Development in activities and financial matters***

*The results from ordinary activities after tax are DKK 388.000 against DKK 342.000 last year. The management consider the results satisfactory.*

*The management expects af positive result for the coming financial year.*

### ***Events subsequent to the financial year***

*No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.*

## ***Accounting policies used***

---

*The annual report for Betsson Payments ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.*

*The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).*

### ***Recognition and measurement in general***

*Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.*

*Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.*

*Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.*

*At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.*

*Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.*

*At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.*

### ***Translation of foreign currency***

*Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.*

*Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.*

*Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.*



## ***Accounting policies used***

---

### ***The profit and loss account***

#### ***Gross profit***

*The gross profit comprises the net turnover and other external costs.*

*The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.*

*Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.*

#### ***Staff costs***

*Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.*

#### ***Depreciation***

*Depreciation comprise depreciation for the year and gains and losses on disposal of tangible fixed assets.*

#### ***Net financials***

*Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.*

#### ***Tax of the results for the year***

*The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.*

### ***The balance sheet***

#### ***Tangible fixed assets***

*Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.*

*The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.*

*If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.*

## ***Accounting policies used***

---

*The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.*

*The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.*

*Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:*

*Other plants, operating assets, fixtures and furniture* *3-5 years*

*Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.*

*Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.*

### ***Debtors***

*Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.*

### ***Available funds***

*Available funds comprise cash at bank and in hand.*

### ***Equity - dividend***

*Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.*

### ***Corporate tax and deferred tax***

*Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.*

*Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.*

*Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.*

## ***Accounting policies used***

---

### ***Liabilities***

*Other liabilities are measured at amortised cost which usually corresponds to the nominal value.*

## ***Profit and loss account 1 January - 31 December***

---

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b><i>Gross profit</i></b>	<b>5.681.974</b>	<b>5.045.292</b>
1 <i>Staff costs</i>	-5.166.950	-4.564.902
<i>Depreciation and writedown relating to tangible fixed assets</i>	0	-6.715
<b><i>Operating profit</i></b>	<b>515.024</b>	<b>473.675</b>
<i>Other financial income</i>	2.240	632
<i>Other financial costs</i>	-9.445	-8.834
<b><i>Results before tax</i></b>	<b>507.819</b>	<b>465.473</b>
2 <i>Tax on ordinary results</i>	-119.726	-123.358
<b><i>Results for the year</i></b>	<b>388.093</b>	<b>342.115</b>
 <b><i>Proposed distribution of the results:</i></b>		
<i>Dividend for the financial year</i>	400.000	300.000
<i>Allocated to results brought forward</i>	0	42.115
<i>Allocated from results brought forward</i>	-11.907	0
<b><i>Distribution in total</i></b>	<b>388.093</b>	<b>342.115</b>

## ***Balance sheet 31 December***

---

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
<b>Fixed assets</b>		
3 <i>Other plants, operating assets, and fixtures and furniture</i>	<u>0</u>	<u>0</u>
<i>Tangible fixed assets in total</i>	<u>0</u>	<u>0</u>
<i>Other debtors</i>	<u>84.000</u>	<u>84.000</u>
<i>Financial fixed assets in total</i>	<u>84.000</u>	<u>84.000</u>
<b><i>Fixed assets in total</i></b>	<b><u>84.000</u></b>	<b><u>84.000</u></b>
<b>Current assets</b>		
<i>Amounts owed by group enterprises</i>	719.466	578.479
<i>Deferred tax assets</i>	2.000	3.000
<i>Other debtors</i>	<u>61.347</u>	<u>74.417</u>
<i>Debtors in total</i>	<u>782.813</u>	<u>655.896</u>
<i>Cash funds</i>	<u>1.156.784</u>	<u>1.343.584</u>
<b><i>Current assets in total</i></b>	<b><u>1.939.597</u></b>	<b><u>1.999.480</u></b>
<b><i>Assets in total</i></b>	<b><u>2.023.597</u></b>	<b><u>2.083.480</u></b>

## ***Balance sheet 31 December***

---

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
<b><i>Equity and liabilities</i></b>		
<b><i>Equity</i></b>		
4 <i>Contributed capital</i>	80.000	80.000
5 <i>Results brought forward</i>	34.937	46.844
6 <i>Proposed dividend for the financial year</i>	400.000	300.000
<b><i>Equity in total</i></b>	<b><u>514.937</u></b>	<b><u>426.844</u></b>
<b><i>Liabilities</i></b>		
<i>Trade creditors</i>	55.922	79.663
<i>Debt to group enterprises</i>	473.825	488.881
<i>Corporate tax</i>	102.726	117.358
<i>Other debts</i>	876.187	970.734
<b><i>Short-term liabilities in total</i></b>	<b><u>1.508.660</u></b>	<b><u>1.656.636</u></b>
<b><i>Liabilities in total</i></b>	<b><u>1.508.660</u></b>	<b><u>1.656.636</u></b>
<b><i>Equity and liabilities in total</i></b>	<b><u>2.023.597</u></b>	<b><u>2.083.480</u></b>
7 <i>Contingencies</i>		
8 <i>Related parties</i>		

## Notes

---

All amounts in DKK.

	<u>2015</u>	<u>2014</u>
<b>1. Staff costs</b>		
Salaries and wages	5.005.630	4.387.102
Other costs for social security	61.451	21.810
Other staff costs	99.869	155.990
	<u><b>5.166.950</b></u>	<u><b>4.564.902</b></u>
<b>2. Tax on ordinary results</b>		
Tax of the results for the year	118.726	123.358
Adjustment for the year of deferred tax	1.000	0
	<u><b>119.726</b></u>	<u><b>123.358</b></u>
<b>3. Other plants, operating assets, and fixtures and furniture</b>		
Cost 1 January 2015	33.609	33.609
Additions during the year	0	0
Disposals during the year	0	0
<b>Cost 31 December 2015</b>	<u><b>33.609</b></u>	<u><b>33.609</b></u>
Depreciation 1 January 2015	-33.609	-26.894
Depreciation for the year	0	-6.715
<b>Depreciation 31 December 2015</b>	<u><b>-33.609</b></u>	<u><b>-33.609</b></u>
<b>4. Contributed capital</b>		
Contributed capital 1 January 2015	80.000	80.000
	<u><b>80.000</b></u>	<u><b>80.000</b></u>
<b>5. Results brought forward</b>		
Results brought forward 1 January 2015	46.844	4.729
The result for the year brought forward	-11.907	42.115
	<u><b>34.937</b></u>	<u><b>46.844</b></u>

## Notes

---

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
<b>6. Proposed dividend for the financial year</b>		
Dividend 1 January 2015	300.000	350.000
Distributed dividend	-300.000	-350.000
Dividend for the financial year	<u>400.000</u>	<u>300.000</u>

### 7. Contingencies

#### Contingent liabilities

The company has entered into a tenancy agreement with a total residual leasing commitment of 84,000 DKK. The residual life is 3 months.

### 8. Related parties

#### Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

Betsson Malta Ltd, Malta