Better Holding 2012 A/S

Toldbodgade 12.2, 1253 Copenhagen K

CVR no. 34 72 12 11

Annual report 2019

Approved at the Company's annual general meeting on 7 September 2020

Chairman:

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Building a better working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Better Holding 2012 A/S for the financial year 1 January - 31 December 2019.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2019 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Copenhagen, 7 September 2020
Executive Board:

DocuSigned by: Christian Kirk Rasmussen D28645C96E8C4A3...	DocuSigned by: 96854ABA6607428...
Christian Kirk Rasmussen	Jesper Søgaard

Board of Directors:

DocuSigned by: 0FDF38F7D9BD425...	DocuSigned by: 07C1B959306F470...	DocuSigned by: 81694A66732F450...
Daniel Nyvang Mariussen Chairman	Kathrine Kirk Rasmussen	Ulla Bech Søgaard

Independent auditor's report

To the shareholders of Better Holding 2012 A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Better Holding 2012 A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2019, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for 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 rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company 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 as to 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 the financial statements.

Independent auditor's report

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 Group's and the Parent Company'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 Group's and the Parent Company'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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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's review

Management is responsible for the Management's review.

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

Moreover, it is our responsibility to consider whether the Management's review 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's review 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's review.

Copenhagen, 7 September 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen	Peter Andersen
State Authorised Public Accountant	State Authorised Public Accountant
mne33717	mne34313

Management's review

Company details

Name	Better Holding 2012 A/S
Address, Postal code, City	Toldbodgade 12.2, 1253 Copenhagen K
CVR no.	34 72 12 11
Financial year	1 January - 31 December
Board of Directors	Daniel Nyvang Mariussen, Chairman Kathrine Kirk Rasmussen Ulla Bech Søgaard
Executive Board	Christian Kirk Rasmussen Jesper Søgaard
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights for the Group

DKK'000	2019	2018	2017	2016	2015
Key figures					
Gross profit/loss	2,639	128,071	136,184	96,635	62,700
Operating profit/loss	-4,245	1,966	56,754	49,374	17,444
Net financials	62,224	216,089	-1,877	14,920	33,299
Profit/loss for the year	58,066	203,550	38,059	46,640	33,516
Fixed assets	245,365	181,346	381,610	68,649	35,581
Non-fixed assets	29,801	263,196	95,453	98,052	74,110
Total assets	275,166	444,542	477,063	166,701	109,691
Equity	74,335	271,036	160,277	116,687	76,376
Non-current liabilities other than provisions	86,561	62,449	68,339	4,227	0
Current liabilities other than provisions	111,652	107,460	206,246	45,787	33,315
Cash flows from operating activities	-15,754	41,483	73,191	46,725	21,812
Investment in property, plant and equipment	-46,162	-2,615	-100,136	-20,267	-14,585
Total cash flows	6,739	-7,762	-21,582	20,008	7,992
Financial ratios					
Current ratio	26.7%	244.9%	46.3%	214.1%	222.5%
Equity ratio	13.9%	54.0%	31.0%	65.2%	69.6%
Return on equity	43.5%	82.4%	27.0%	46.0%	40.0%
Average number of employees	3	147	116	75	62

Calculation of financial ratios is described in the accounting policies.

Comparative figures for 2018-2015 have been adjusted in relation to the measurement of buildings, which according to group principles, should be recognised at cost price less depreciations.

Management's review

Business review

The Parent Company's main purpose is to own shares and securities in IT and gaming companies.

The Group's activity is primarily within IT and gaming and secondarily to provide returns on investments in property and securities.

Financial review

The income statement for 2019 shows a profit of DKK 58,066 thousand against a loss of DKK -203,550 thousand last year, and the group's balance sheet at 31 December 2019 shows equity of DKK 74,335 thousand.

The Group's activities underwent significant changes in the financial year 2018 due to the disposal of Better Collective A/S, implying that the consolidated financial statements for 2019 are not comparable with last year.

The consolidated financial statements for the Group for 2018 include Better Collective's activities for the first nine months. For the nine-month period, Better Collective A/S contributed with a revenue totalling DKK 211.2 million. At the date of disposal, cash amounted to DKK 223.0 million and total equity amounted to DKK 579.0 million for Better Collective A/S.
Remaining shares in Better Collective A/S held by subsidiaries are presented as other investments.

In 2019, the parent company and the subsidiary Better Partners ApS have participated in a merger.

The Group has during the financial year continued to invest in further investments to support the growth strategy within the focus areas:

- Development of digital Platforms betting and iGaming
- Real estate
- Investments in IT and Gaming Companies

Correction to prior year

Prior year figures have been adjusted in relation to the measurement of buildings, which according to group principles, should be recognised at cost price less depreciations. In local accounts, buildings have been recognised at fair value. The comparatives and opening equity figures in the current year financial statements have been restated.
Reference is made to note 1 for the full description of the correction

Events after the balance sheet date

The outcome and potential impact on the group's and parent company's investments due to COVID-19 is as of the date of the approval of the annual report uncertain. Management has idenified a potential impairment of one investment totalling approximately DKK 6 million, and follows the situation closely.

No other events have occurred after the balance sheet date that may have a significant influence on the assessment of the annual report.

Outlook

The Group expects to continue with value-creating investments and positive development in the portfolio companies

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

		Group		Parent company	
Note	DKK'000	2019	2018	2019	2018
	Gross profit/loss	2,639	128,071	-727	-456
3	Staff costs	-2,279	-70,331	0	0
4	Amortisation/depreciation of intangible assets and property, plant and equipment	-4,605	-54,239	0	0
	Profit/loss before net financials	-4,245	3,501	-727	-456
	Income from investments in associates	0	-670	0	0
5	Financial income	68,967	231,733	83,557	988
6	Financial expenses	-6,743	-15,644	-2,248	-10,623
	Profit/loss before tax	57,979	218,920	80,582	-10,091
7	Tax for the year	87	-15,370	0	0
	Profit/loss for the year	58,066	203,550	80,582	-10,091
	Specification of the Group's results of operations:				
	Shareholders in Better Holding 2012 A/S	60,533	159,748		
	Non-controlling interests	-2,467	43,802		
		58,066	203,550		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2019	Group 2018	Parent company 2019	Parent company 2018
	ASSETS				
	Fixed assets				
8	Intangible assets				
	Goodwill	0	2,004	0	0
		0	2,004	0	0
9	Property, plant and equipment				
	Land and buildings	152,755	129,480	0	0
	Fixtures and fittings, other plant and equipment	145	244	0	0
	Prepayments for property, plant and equipment	1,682	0	0	0
		154,582	129,724	0	0
10	Investments				
	Investments in subsidiaries	0	0	74,355	32,907
	Investments in associates	0	10,087	0	10,087
	Receivables from associates	1,577	1,949	1,577	1,949
	Other investments	88,863	37,246	34,653	37,246
	Other receivables	343	336	0	0
		90,783	49,618	110,585	82,189
	Total fixed assets	245,365	181,346	110,585	82,189
	Non-fixed assets				
	Receivables				
	Trade receivables	109	98	0	0
	Corporation tax receivable	0	0	242	2,419
	Other receivables	5,962	7,548	5,479	5,975
11	Prepayments	74	378	0	0
		6,145	8,024	5,721	8,394
	Securities and investments	3,618	241,873	3,618	5,787
	Cash	20,038	13,299	3,493	2,174
	Total non-fixed assets	29,801	263,196	12,832	16,355
	TOTAL ASSETS	275,166	444,542	123,417	98,544

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2019	2018	2019	2018
	EQUITY AND LIABILITIES				
	Equity				
12	Share capital	500	500	500	500
	Retained earnings	37,780	239,401	42,261	32,715
	Shareholders in Better Holding 2012 A/S' share of equity	38,280	239,901	42,761	33,215
	Non-controlling interests	36,055	31,135	0	0
	Total equity	74,335	271,036	42,761	33,215
	Provisions				
13	Deferred tax	2,618	3,597	0	0
	Total provisions	2,618	3,597	0	0
	Liabilities other than provisions				
14	Non-current liabilities other than provisions				
	Mortgage debt	86,561	62,449	0	0
		86,561	62,449	0	0
	Current liabilities other than provisions				
14	Short-term mortgage debt	919	4,823	0	0
	Credit institutions	83,482	56,561	29,146	942
	Trade payables	2,049	2,750	0	0
	Payables to subsidiaries	0	0	37,197	37,396
	Income tax payable	427	4,639	25	0
	Payables to shareholders and management	14,089	14,089	14,089	14,089
	Deposits	3,017	1,899	0	0
	Other payables	3,919	18,515	199	12,552
	Prepayments from customers	3,750	4,184	0	350
		111,652	107,460	80,656	65,329
	Total liabilities other than provisions	198,213	169,909	80,656	65,329
	TOTAL EQUITY AND LIABILITIES	275,166	444,542	123,417	98,544

1 Accounting policies
2 Events after the balance sheet date
15 Contractual obligations and contingencies, etc.
16 Collateral
17 Interest rate risks
18 Related parties
19 Appropriation of profit/loss

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

		Group				
Note	DKK'000	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
	Equity at 1 January 2018	500	143,697	144,197	12,590	156,787
	Adjustment of equity through corrections of errors	0	2,261	2,261	569	2,830
	Effect of capital increases in subsidiaries	0	442,025	442,025	58,389	500,414
	Transfer through appropriation of profit	0	159,748	159,748	43,802	203,550
	Other changes to equity	0	3,111	3,111	-16,657	-13,546
	Dividend distributed	0	-511,441	-511,441	-67,558	-578,999
	Equity at 1 January 2019	500	239,401	239,901	31,135	271,036
	Hedging	0	-515	-515	-130	-645
	Transfer through appropriation of profit	0	60,533	60,533	-2,467	58,066
	Other changes to equity	0	5,151	5,151	8,821	13,972
	Dividend distributed	0	-266,790	-266,790	-1,304	-268,094
	Equity at 31 December 2019	500	37,780	38,280	36,055	74,335

Other changes to equity comprise changes in non-controlling interests and other equity entries in subsidiaries.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity (continued)

		Parent company		
Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2018	500	85,685	86,185
	Adjusted equity at 1 January 2018	500	85,685	86,185
19	Transfer, see "Appropriation of profit/loss"	0	-10,091	-10,091
	Dividend distributed	0	-42,879	-42,879
	Equity at 1 January 2019	500	32,715	33,215
19	Transfer, see "Appropriation of profit/loss"	0	80,582	80,582
	Merger	0	195,754	195,754
	Dividend distributed	0	-266,790	-266,790
	Equity at 31 December 2019	500	42,261	42,761

The parent company's shareholders have issued a letter of support, guaranteeing to provide the parent company with the funds required to continue its operations until the annual general meeting in 2021.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	Group 2019	Group 2018
	Profit/loss for the year	58,066	203,550
20	Adjustments	-57,780	-147,530
	Cash generated from operations (operating activities)	286	56,020
21	Changes in working capital	-7,326	1,353
	Cash generated from operations (operating activities)	-7,040	57,373
	Interest received, etc.	602	480
	Interest paid, etc.	-3,450	-5,233
	Income taxes paid	-5,866	-11,137
	Cash flows from operating activities	-15,754	41,483
	Additions of intangible assets	0	-89,824
	Disposals of intangible assets	1,170	0
	Additions of property, plant and equipment	-46,162	-2,615
	Disposals of property, plant and equipment	17,533	0
	Acquisition of companies - refer to note 16	0	-238,746
	Additions of other investments	-47,039	-26,371
	Disposal of other investments	0	5,199
	Disposal of other investments (listed companies)	10,886	22,979
	Cash flows to investing activities	-63,612	-329,378
	Dividends paid (cash) - refer to note 16	0	-222,981
	Proceeds of long-term liabilities	20,208	332
	Proceeds of debt, credit institutions	26,921	17,233
	Other equity movements	0	-14,865
	Cash capital increase	0	500,414
	Capital increases in subsidiaries from non-controlling interests and acquisitions of shares from non-controllings interests	38,976	0
	Cash flows from financing activities	86,105	280,133
	Net cash flow	6,739	-7,762
	Cash and cash equivalents at 1 January	13,299	21,061
22	Cash and cash equivalents at 31 December	20,038	13,299

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Better Holding 2012 A/S for 2019 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Corrections to prior year

Prior year figures have been adjusted in relation to the measurement of buildings, which according to group principles, should be recognised at cost price less depreciations. In local accounts, buildings have been recognised at fair value. The comparatives and opening equity figures in the current year financial statements have been restated.
The adjustment has affected the comparative figures for 2018 with the following: result before tax with TDKK 846, the result after tax with TDKK 660, the balance sheet with TDKK 19.909 and equity with TDKK 19.723. Equity for 2017 was affected with TDKK 2.830.
The adjustment has been recognised in accordance with the Danish Accounting Act paragraph 52.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating policy decisions the Group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights which may presently be exercised or be converted into additional voting rights in considered when assessing if significant influence exists.

Preparation of consolidated financial statements

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates are recognised in the consolidated financial statements using the equity method.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is thus recognised.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under “Intangible assets”. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc., in which entities controlled by the Parent Company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties.

Rental income includes rent from properties. The rent is accrued and recognised on a straight-line basis over the lease term in accordance with the agreements entered into.

Gross profit/loss

The items revenue, administrative expenses and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Property expenses

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Accounts and other intangible assets	3-7 years
Goodwill	10 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Buildings	10-50 years
Fixtures and fittings, other plant and equipment	3-5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated.

Profit/loss from investments in subsidiaries and associates

Group

The proportionate share of the income after tax of associates is recognised in the income statement of the Group after elimination of the proportionate share of intra-group income.

Parent Company

The item includes dividend received from subsidiaries and associates in so far as the dividend does not exceed the accumulated earnings in the subsidiary or the associate in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is based on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Other intangible assets include domains, websites and accounts.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries and associates

Group

On initial recognition, investments in associates are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the Group's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the Group's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the Group has a legal or a constructive obligation to cover the entity's loss. Net revaluations of equity investments in associates are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

Newly acquired or formed entities are recognised in the financial statements from the date of acquisition or formation. Entities sold or otherwise disposed of are recognised up to the date of disposal.

Corporate acquisitions are accounted for using the purchase method according to which the acquired entity's identifiable assets and liabilities are measured at fair value at the date of acquisition. In connection with the acquisition, a provision is made for expenses related to adopted plands to restructure the acquired entity. The tax effect of revaluations made is taken into account.

Parent Company

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other securities and investments

Other investments (fixed assets) are measured at cost. Write-down is made if there is objective evidence that other investments have been impaired. Write-down is made to net realisable value if this is lower than the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates and other securities and investments is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises cash at bank and in hand.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Current ratio	Current assets x 100 / Current liabilities
Equity ratio	Equity excl. non-controlling interests, year-end x 100 / Total equity and liabilities, year-end
Return on equity	Profit/loss excl. non-controlling interests x 100 / Average equity excl. non-controlling interests

2 Events after the balance sheet date

Group and parent company

The outcome and potential impact on the group's and parent company's investments due to COVID-19 is as of the date of the approval of the annual report uncertain. Management has idenified a potential impairment of one investment totalling approximately DKK 6 million, and follows the situation closely.

No other events have occurred after the balance sheet date that may have a significant influence on the assessment of the annual report.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	DKK'000	Group 2019	Group 2018	Parent company 2019	Parent company 2018
3	Staff costs				
	Wages/salaries	2,179	59,959	0	0
	Pensions	0	5,262	0	0
	Other social security costs	30	3,359	0	0
	Other staff costs	70	1,751	0	0
		2,279	70,331	0	0
	Average number of full-time employees	3	147	0	0
	Remuneration to members of Management:				
	Executive Board	0	3,244	0	0
		0	3,244	0	0

Parent company

The parent Company has no employees.

	DKK'000	Group 2019	Group 2018	Parent company 2019	Parent company 2018
4	Amortisation/depreciation of intangible assets and property, plant and equipment				
	Amortisation of intangible assets	834	48,922	0	0
	Depreciation of property, plant and equipment	3,771	5,317	0	0
		4,605	54,239	0	0
5	Financial income				
	Capital gains on securities	68,365	230,739	82,968	0
	Other interest income	602	994	589	988
		68,967	231,733	83,557	988
6	Financial expenses				
	Impairment of financial assets	0	0	0	659
	Capital losses on securities	2,357	9,753	0	9,753
	Other interest expenses	4,386	5,891	2,248	211
		6,743	15,644	2,248	10,623
7	Tax for the year				
	Estimated tax charge for the year	893	15,909	0	0
	Deferred tax adjustments in the year	-980	-539	0	0
		-87	15,370	0	0

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Intangible assets

DKK'000	Group Goodwill
Cost at 1 January 2019	15,789
Disposals	-4,736
Cost at 31 December 2019	11,053
Impairment losses and amortisation at 1 January 2019	13,785
Amortisation for the year	834
Reversal of accumulated amortisation and impairment of assets disposed	-3,566
Impairment losses and amortisation at 31 December 2019	11,053
Carrying amount at 31 December 2019	0
Amortised over	10 years

9 Property, plant and equipment

	Group			
DKK'000	Land and buildings	Fixtures and fittings, other plant and equipment	Prepayments for property, plant and equipment	Total
Cost at 1 January 2019	117,632	595	0	118,227
Correction	20,284	0	0	20,284
Adjusted cost at 1 January 2019	137,916	595	0	138,511
Additions	44,480	0	1,682	46,162
Disposals	-19,072	-61	0	-19,133
Cost at 31 December 2019	163,324	534	1,682	165,540
Impairment losses and depreciation at 1 January 2019	8,061	351	0	8,412
Correction	375	0	0	375
Adjusted impairment losses and depreciation at 1 January 2019	8,436	351	0	8,787
Depreciation	3,672	99	0	3,771
Reversal of accumulated depreciation and impairment of assets disposed	-1,539	-61	0	-1,600
Impairment losses and depreciation at 31 December 2019	10,569	389	0	10,958
Carrying amount at 31 December 2019	152,755	145	1,682	154,582
Depreciated over	10-50 years	3-5 years		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

10 Investments

DKK'000	Group: Investments in associates	Group: Receivables from associates	Group: Other investments	Group: Other receivables	Group: Total
Cost at 1 January 2019	17,243	6,219	42,557	336	66,355
Additions	0	0	47,042	7	47,049
Disposals	-1,487	-415	-3,720	0	-5,622
Transferred	-8,600	0	10,386	0	1,786
Cost at 31 December 2019	7,156	5,804	96,265	343	109,568
Value adjustments at 1 January 2019	-7,156	-4,270	-5,311	0	-16,737
Impairment losses	0	0	-3,257	0	-3,257
Reversal of prior year impairment losses	0	0	266	0	266
Reversal of impairment losses on assets disposed	0	43	900	0	943
Value adjustments at 31 December 2019	-7,156	-4,227	-7,402	0	-18,785
Carrying amount at 31 December 2019	0	1,577	88,863	343	90,783

DKK'000	Parent company: Investments in subsidiaries	Parent company: Investments in associates	Parent company: Receivables from associates	Parent company: Other investments	Parent company: Total
Cost at 1 January 2019	32,907	16,243	6,219	42,557	97,926
Additions	53,322	0	0	38,130	91,452
Disposals	-11,874	-10,087	-415	-42,987	-65,363
Cost at 31 December 2019	74,355	6,156	5,804	37,700	124,015
Value adjustments at 1 January 2019	0	-6,156	-4,270	-5,311	-15,737
Reversal of value adjustments	0	0	0	2,264	2,264
Reversal of impairment losses on assets disposed	0	0	43	0	43
Value adjustments at 31 December 2019	0	-6,156	-4,227	-3,047	-13,430
Carrying amount at 31 December 2019	74,355	0	1,577	34,653	110,585

Parent company

Name	Domicile	Interest
Subsidiaries		
YellowSunMedia ApS	Copenhagen	100.00%
MM Properties ApS	Copenhagen	71.00%
Ejendomsselskabet Gammel Kongevej 143 ApS	Copenhagen	71.00%
Ejendomsselskabet Algade 30-32 A/S	Copenhagen	71.00%
MMJD ApS	Copenhagen	36.00%
Bumble Ventures Invest ApS	Copenhagen	72.00%
Bumble Ventures General Partner ApS	Copenhagen	73.00%
Bumble Ventures Management ApS	Copenhagen	72.00%
Bumble Ventures Fund 1 K/S	Copenhagen	56.00%
Bumble Ventures SPV ApS	Copenhagen	56.00%

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Prepayments

Prepayments include accruals of expenses relating to subsequent financial years, including primary rent and insurance policies.

12 Share capital

The share capital comprises 500,000 shares of DKK 1 each.

The share capital has remained unchanged since the establishment of the Company.

DKK'000	Group 2019	Group 2018	Parent company 2019	Parent company 2018
13 Deferred tax				
Deferred tax at 1 January	3,597	42,201	0	0
Deferred tax adjustments in the year	-980	-539	0	0
Defered tax from acquired/sold companies and assets	1	-38,065	0	0
Deferred tax at 31 December	2,618	3,597	0	0

The Parent Company has a deferred tax asset relating to a tax loss carryforward totalling DKK 10,070 thousand. Due to uncertainty as to the timing of the utilisation, the tax asset has not been recognised in the financial statements.

14 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 31/12 2019	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	87,480	919	86,561	82,960
	87,480	919	86,561	82,960

15 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK'000	Group 2019	Group 2018	Parent company 2019	Parent company 2018
Rent and lease liabilities	178	183	0	0

The Parent Company is jointly taxed with its Danish subsudiaries. As administration company, the Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

16 Collateral

Group

At 31 December 2019, the Group has a remaining commitment of DKK 87,7 million regarding capital injections in investments. The commitment relates to the period 2020-2026.

As security for the Group's mortgage debt and bank debt to credit institutions, amounting to DKK 141 million at 31 December 2019, the Group has provided security in part of its land and buildings. The total carrying amount of these assets was DKK 153 million at 31 December 2019.

Parent company

At 31 December 2019, the Parent Company has a remaining commitment of DKK 87,7 million regarding capital injections in investments. The commitment relates to the period 2020-2026.

Security/collateral for group entities

	Group		Parent company	
DKK'000	2019	2018	2019	2018
Dattervirksomheder	0	0	17,500	34,600

The Parent Company has provided guarantees for bank debt at a maximum of DKK 17,5 million.

17 Interest rate risks

Group

Interest rate risks

The Group hedges interest rate risks through interest rate swaps whereby floating interest payments are rescheduled into fixed interest payments.

18 Related parties

Better Holding 2012 A/S' related parties comprise the following:

Significant influence

Related party	Domicile	Basis for significant influence
Chr. Damn Holding ApS	Toldbodgade 12, 1253 Copenhagen	Ownership
J. Søgaard Holding ApS	Toldbodgade 12, 1253 Copenhagen	Ownership

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Notes to the financial statements

Related party transactions

DKK'000	2019	2018
Group		
Payables to shareholders and management	14,089	14,089
Receivables from associates	1,577	1,949
Parent Company		
Payables to subsidiaries	37,197	37,396
Receivables from associates	1,577	1,949
Payables to Shareholders and Management	14,089	14,089

Further, reference is made to note 2 for transactions with Management, as well as the statement of changes in equity for dividend distributed to the Group's and Parent Company's shareholders.

		Parent company	
	DKK'000	2019	2018
19	Appropriation of profit/loss		
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	80,582	-10,091
		80,582	-10,091

		Group	
	DKK'000	2019	2018
20	Adjustments		
	Amortisation/depreciation and impairment losses	4,605	54,239
	Gain/loss on the sale of non-current assets	0	-1,534
	Income from investments in associates	0	670
	Financial income	-68,967	-231,733
	Financial expenses	6,694	15,644
	Tax for the year	-112	15,184
		-57,780	-147,530
21	Changes in working capital		
	Change in receivables	1,575	25,218
	Change in trade and other payables	-8,901	-23,865
		-7,326	1,353
22	Cash and cash equivalents at year-end		
	Cash according to the balance sheet	20,038	13,299
		20,038	13,299