

Betadwarf ApS

Hejrevej 37, 1., 2400 København NV

CVR no. 34 72 90 77

**Annual report for the period
1 May 2021 to 30 April 2022**

Adopted at the annual general meeting on 3 October
2022

Kenneth Harder
chairman



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Betadwarf ApS for the financial year 1 May 2021 - 30 April 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 April 2022 and of the results of the company's operations for the financial year 1 May 2021 - 30 April 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 26 August 2022

Executive board

Steffen Bischoff Kappelgaard

Kenneth Harder

Supervisory board

Kenneth Harder
chairman

Are Mack Growen

Steffen Bischoff Kappelgaard

Michael Cheung

Independent auditor's report

To the shareholders of Betadwarf ApS

Opinion

We have audited the financial statements of Betadwarf ApS for the financial year 1 May 2021 - 30 April 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 April 2022 and of the results of the company's operations for the financial year 1 May 2021 - 30 April 2022 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 financial statements" section of our report. We are independent of the company 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 requirements and 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 the 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 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 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 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.

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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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.

Independent auditor's report

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 26 August 2022

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	Betadwarf ApS Hejrevej 37, 1. 2400 København NV CVR no.: 34 72 90 77 Reporting period: 1 May 2021 - 30 April 2022 Incorporated: 1 November 2012 Domicile: Copenhagen
Supervisory board	Kenneth Harder, chairman Are Mack Growen Steffen Bischoff Kappelgaard Michael Cheung
Executive board	Steffen Bischoff Kappelgaard Kenneth Harder
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's main purpose is to sell and develop computer games.

Financial review

The company's income statement for the year ended 30 April 2022 shows a loss of DKK 11.820.067, and the balance sheet at 30 April 2022 shows equity of DKK 47.833.553.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 May 2021 - 30 April 2022

	Note	2021/22 DKK	2020/21 DKK
Gross profit		2.355.895	4.239.057
Staff costs	1	-2.984.052	-2.324.104
Profit/loss before amortisation/depreciation and impairment losses		-628.157	1.914.953
Depreciation, amortisation and impairment losses		-11.460.061	-2.178.353
Profit/loss on activities before fair value adjustments		-12.088.218	-263.400
Financial income		174.023	146.954
Financial costs		-169.110	-319.977
Profit/loss before tax		-12.083.305	-436.423
Tax on loss for the year	2	263.238	843.375
Profit/loss for the year		-11.820.067	406.952
Recommended appropriation of profit/loss			
Proposed dividend for the year		228.800	226.000
Reserve for development projects		3.782.083	7.269.997
Retained earnings		-15.830.950	-7.089.045
		-11.820.067	406.952

Balance sheet at 30 April 2022

	Note	2022	2021
		DKK	DKK
Assets			
Completed development projects		0	2.044.609
Development projects in progress		19.251.912	12.339.567
Intangible assets	3	19.251.912	14.384.176
Other fixtures and fittings, tools and equipment		57.287	152.881
Leasehold improvements		1.599	28.528
Tangible assets	4	58.886	181.409
Deposits		235.521	229.561
Fixed asset investments		235.521	229.561
Total non-current assets		19.546.319	14.795.146
Trade receivables		739.110	721.087
Receivables from group enterprises		142.879	0
Other receivables		164.856	169.725
Prepayments		328.074	147.531
Receivables		1.374.919	1.038.343
Other investments		23.428.442	23.884.285
Securities		23.428.442	23.884.285
Cash at bank and in hand		4.484.583	22.520.273
Total current assets		29.287.944	47.442.901
Total assets		48.834.263	62.238.047

Balance sheet at 30 April 2022

	Note	2022	2021
		DKK	DKK
Equity and liabilities			
Share capital		147.133	147.133
Retained earnings		32.455.880	48.286.830
Proposed dividend for the year		228.800	226.000
Reserve for development projects		15.001.740	11.219.657
Equity		47.833.553	59.879.620
Provision for deferred tax		0	263.238
Total provisions		0	263.238
Trade payables		364.040	246.186
Payables to subsidiaries		0	71.955
Other payables		636.670	1.777.048
Total current liabilities		1.000.710	2.095.189
Total liabilities		1.000.710	2.095.189
Total equity and liabilities		48.834.263	62.238.047
Contingent liabilities	5		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Reserve for development projects	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 May	147.133	48.286.830	226.000	11.219.657	59.879.620
Ordinary dividend paid	0	0	-226.000	0	-226.000
Net profit/loss for the year	0	-15.830.950	228.800	3.782.083	-11.820.067
Equity at 30 April	147.133	32.455.880	228.800	15.001.740	47.833.553

Notes

	2021/22	2020/21
	DKK	DKK
1 Staff costs		
Wages and salaries	2.039.025	1.796.171
Pensions	26.419	0
Other social security costs	293.187	185.308
Other staff costs	625.421	342.625
	2.984.052	2.324.104
	<hr/>	<hr/>
Average number of employees	35	27
	<hr/>	<hr/>
2 Tax on loss for the year		
Deferred tax for the year	-263.238	-843.375
	-263.238	-843.375
	<hr/>	<hr/>
3 Intangible assets		
	Completed development projects	Development projects in progress
	DKK	DKK
Cost at 1 May	11.440.627	12.339.567
Additions for the year	0	16.205.275
Cost at 30 April	11.440.627	28.544.842
	<hr/>	<hr/>
Impairment losses and amortisation at 1 May	9.396.018	0
Impairment losses for the year	0	9.292.930
Depreciation for the year	2.044.609	0
Impairment losses and amortisation at 30 April	11.440.627	9.292.930
	<hr/>	<hr/>
Carrying amount at 30 April	0	19.251.912
	<hr/>	<hr/>

The company's development costs consist of developing online games.

Notes

4 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 May	557.183	94.126
Cost at 30 April	557.183	94.126
Depreciation at 1 May	404.302	65.598
Depreciation for the year	95.594	26.929
Depreciation at 30 April	499.896	92.527
Carrying amount at 30 April	57.287	1.599

5 Contingent liabilities

The company is jointly taxed with its parent company, StickyMoose Holding ApS, and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

The company has a rental commitment. The rental commitment can be terminated by the tenant with a notice of 6 months. The rental commitment is stated at DKK thousand. 296.

Accounting policies

The annual report of Betadwarf ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Income is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external costs

Other external costs include expenses related to sale, advertising, administration, premises, bad debts etc.

Staff costs

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

Accounting policies

Amortisation and depreciation

Amortisation and depreciation comprise the year's amortisation, depreciation and impairment of intangible assets and other fixtures and fittings, tools and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains etc.

Tax on loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, 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.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages/salaries that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually three years.

An amount corresponding to the recognized development costs is booked in the entry "Reserve for development costs" under equity. The reserve is continuously reduced with depreciation and devaluation of the development projects.

Tangible assets

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

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	2-3 years
Leasehold improvements	3 years

Receivables

Receivables are measured at amortised cost.

Other Investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.