

Fibetco ApS
Central Business Registration No
35648887
Gammel Kongevej 1, 2
1610 Copenhagen V

Annual report 2015

The Annual General Meeting adopted the annual report on 01.06.2016

Chairman of the General Meeting

Name: Stig Hølleddig

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Entity details

Entity

Fibetco ApS
Gammel Kongevej 1, 2
1610 Copenhagen V

Central Business Registration No: 35648887

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Stig Hølleddig, chairman
David Norden Guldbrandsen
Lars Dam-Johnsen
Christian Dulong Hoff

Executive Board

Jeff Saul

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 Copenhagen, Denmark

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Fibetco ApS for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 18.06.2016

Executive Board

Jeff Saul

Board of Directors

Stig Hølleddig
chairman

David Norden Guldbrandsen

Lars Dam-Johnsen

Christian Dulong Hoff

Independent auditor's reports

To the owners of Fibetco ApS

Report on the financial statements

We have audited the financial statements of Fibetco ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Emphasis of matter affecting the financial statements

The company has been in negotiations with investors during 2015 for a capital increase. The negotiations were completed in December 2015, and the company has received the first 3 mio. DKK 15 January 2016 as a capital increase. An additional capital injection is expected in Q2 2016. Management will continue negotiations for further investments in 2016. The betting platform has been launched fully in January 2016, and is showing promising results. The results in 2016 are according to the budget for 2016. See the description in note 1.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 18.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Thomas Frommelt
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The company's purpose is to conduct business on gambling and betting, development of back-end and front-end solutions, and related activities.

Development in activities and finances

The annual report is demonstrating a loss of DKK 689.740. The company's balance sheet shows total assets of DKK 13.505.591 and equity of DKK 11.663.940.

The company has been in negotiations with investors during 2015 for a capital increase. The negotiations were completed in December 2015, and the company has received the first 3 mio. DKK 15 January 2016 as a capital increase. An additional capital injection is expected in Q2 2016. Management will continue negotiations for further investments in 2016. The betting platform has been launched fully in January 2016, and is showing promising results. The results in 2016 are according to the budget for 2016.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

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

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

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

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

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Other financial income

Other financial income comprises, interest income, payables and transactions in foreign currencies, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

Accounting policies

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

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is 3 years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Gross loss		(344.178)	(1.634)
Staff costs	2	<u>(568.000)</u>	<u>(301)</u>
Operating profit/loss		(912.178)	(1.935)
Other financial income	3	8.404	20
Other financial expenses	4	<u>(15.164)</u>	<u>(1)</u>
Profit/loss from ordinary activities before tax		(918.938)	(1.916)
Tax on profit/loss from ordinary activities	5	<u>229.198</u>	<u>420</u>
Profit/loss for the year		<u>(689.740)</u>	<u>(1.496)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(689.740)</u>	<u>(1.496)</u>
		<u>(689.740)</u>	<u>(1.496)</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Development projects in progress		10.322.672	4.273
Intangible assets	6	<u>10.322.672</u>	<u>4.273</u>
Investments in group enterprises		307.138	0
Deposits		82.060	42
Deferred tax		0	420
Fixed asset investments	7	<u>389.198</u>	<u>462</u>
Fixed assets		<u>10.711.870</u>	<u>4.735</u>
Receivables from group enterprises		400.163	0
Other short-term receivables		0	152
Prepayments		82.666	65
Receivables		<u>482.829</u>	<u>217</u>
Cash		<u>2.310.892</u>	<u>4.057</u>
Current assets		<u>2.793.721</u>	<u>4.274</u>
Assets		<u>13.505.591</u>	<u>9.009</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital	8	136.266	106
Share premium		4.269.679	9.444
Retained earnings		7.257.995	(1.496)
Equity		<u>11.663.940</u>	<u>8.054</u>
Provisions for deferred tax		418.910	0
Provisions		<u>418.910</u>	<u>0</u>
Other credit institutions		51.792	0
Trade payables		256.566	228
Other payables		1.114.383	727
Current liabilities other than provisions		<u>1.422.741</u>	<u>955</u>
Liabilities other than provisions		<u>1.422.741</u>	<u>955</u>
Equity and liabilities		<u><u>13.505.591</u></u>	<u><u>9.009</u></u>
Going concern	1		

Statement of changes in equity for 2015

	Contributed capital DKK	Share pre- mium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	105.906	9.444.094	(1.496.359)	8.053.641
Increase of capital	30.360	4.269.679	0	4.300.039
Transfer to reserves	0	(9.444.094)	9.444.094	0
Profit/loss for the year	0	0	(689.740)	(689.740)
Equity end of year	136.266	4.269.679	7.257.995	11.663.940

Notes

1. Going concern

The company has been in negotiations with investors during 2015 for a capital increase. The negotiations were completed in December 2015, and the company has received the first 3 mio. DKK 15 January 2016 as a capital increase. An additional capital injection is expected in Q2 2016. Management will continue negotiations for further investments in 2016. The betting platform has been launched fully in January 2016, and is showing promising results. The results in 2016 are according to the budget for 2016.

	2015	2014
	DKK	DKK'000
2. Staff costs		
Wages and salaries	5.855.302	4.167
Pension costs	36.000	0
Other social security costs	41.147	43
Staff costs classified as assets	<u>(5.364.449)</u>	<u>(3.909)</u>
	568.000	301
Average number of employees	<u>9</u>	<u>7</u>

	2015	2014
	DKK	DKK'000
3. Other financial income		
Financial income arising from group enterprises	4.486	0
Interest income	3.532	20
Exchange rate adjustments	<u>386</u>	<u>0</u>
	8.404	20

	2015	2014
	DKK	DKK'000
4. Other financial expenses		
Interest expenses	4.652	0
Other financial expenses	<u>10.512</u>	<u>1</u>
	15.164	1

	2015	2014
	DKK	DKK'000
5. Tax on ordinary profit/loss for the year		
Current tax	(1.068.165)	0
Change in deferred tax for the year	896.169	(420)
Effect of changed tax rates	<u>(57.202)</u>	<u>0</u>
	(229.198)	(420)

Notes

	Development projects in progress DKK
6. Intangible assets	
Cost beginning of year	4.272.658
Additions	6.050.014
Cost end of year	10.322.672
Carrying amount end of year	10.322.672

	Investments in group en- terprises DKK	Deposits DKK	Deferred tax DKK
7. Fixed asset investments			
Cost beginning of year	0	42.000	420.057
Additions	307.138	40.060	0
Disposals	0	0	(420.057)
Cost end of year	307.138	82.060	0
Carrying amount end of year	307.138	82.060	0

	Registered in	Corpo- rate form	Equity interest %
Subsidiaries:			
BetOnFinance Ltd.	Malta	Ltd	100,00
Fibetco Ltd.	Malta	Ltd.	100,00

	Number	Par value DKK	Nominal value DKK
8. Contributed capital			
Class A	80.360	1,00	80.360
Class B	55.906	1,00	55.906
	136.266		136.266

Notes

	2015	2014
	DKK	DKK
Changes in contributed capital		
Contributed capital beginning of year	105.906	50.000
Increase of capital	30.360	55.906
Contributed capital end of year	136.266	105.906