

## **Wargaming Denmark ApS**

Store Kongensgade 59 B, 5.

1264 København K

Business Registration No

38831976

## **Annual report 01.08.2017 - 31.12.2018**

The Annual General Meeting adopted the annual report on 31.05.2019

### **Chairman of the General Meeting**

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Name: Robert Jønsson

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## Entity details

### Entity

Wargaming Denmark ApS  
Store Kongensgade 59 B, 5.  
1264 København K

Central Business Registration No (CVR): 38831976  
Registered in: København  
Financial year: 01.08.2017 - 31.12.2018

### Executive Board

Rune Illum Vendler, CEO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
Postboks 1600  
0900 København C

## **Statement by Management on the annual report**

The Board of Directors and the Executive Board have today considered and approved the annual report of Wargaming Denmark ApS for the financial year 01.08.2017 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.08.2017 - 31.12.2018.

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, 31.05.2019

### **Executive Board**

Rune Illum Vendler  
CEO

# Independent auditor's extended review report

## To the shareholders of Wargaming Denmark ApS

### Conclusion

We have performed an extended review of the financial statements of Wargaming Denmark ApS for the financial year 01.08.2017 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.08.2017 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

## Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 31.05.2019

### Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Søren Strandby

State Authorised Public Accountant

Identification No (MNE) mne24684

## Management commentary

### Primary activities

The company's purpose is to develop, market and sell computer games and related business.

### Development in activities and finances

Profit for the year amounts to 742 DKK ('000) and the equity at 31/12-2018 totals 792 DKK ('000). The result for the year is satisfactory taking into account that it is the company's first fiscal year.

A profit is expected for 2019.

### 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.

## Income statement for 2017/18

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
<b>Gross profit</b>		<b>13.781.921</b>
Staff costs	1	(12.322.186)
Depreciation, amortisation and impairment losses		<u>(410.709)</u>
<b>Operating profit/loss</b>		<b>1.049.026</b>
Other financial expenses	2	<u>(71.706)</u>
<b>Profit/loss before tax</b>		<b>977.320</b>
Tax on profit/loss for the year	3	<u>(235.712)</u>
<b>Profit/loss for the year</b>		<b><u>741.608</u></b>
<b>Proposed distribution of profit/loss</b>		
Retained earnings		<u>741.608</u>
		<b><u>741.608</u></b>



## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Other fixtures and fittings, tools and equipment		1.065.478
Leasehold improvements		<u>41.548</u>
<b>Property, plant and equipment</b>	4	<u><b>1.107.026</b></u>
Deposits		<u>153.789</u>
<b>Fixed asset investments</b>		<u><b>153.789</b></u>
<b>Fixed assets</b>		<u><b>1.260.815</b></u>
Other receivables		112.631
Income tax receivable		6.013
Prepayments		<u>51.672</u>
<b>Receivables</b>		<u><b>170.316</b></u>
<b>Cash</b>		<u><b>2.839.495</b></u>
<b>Current assets</b>		<u><b>3.009.811</b></u>
<b>Assets</b>		<u><b>4.270.626</b></u>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>
Contributed capital		50.000
Retained earnings		<u>741.608</u>
<b>Equity</b>		<b><u>791.608</u></b>
Deferred tax		<u>61.725</u>
<b>Provisions</b>		<b><u>61.725</u></b>
Trade payables		83.933
Payables to group enterprises		2.009.640
Other payables		<u>1.323.720</u>
<b>Current liabilities other than provisions</b>		<b><u>3.417.293</u></b>
<b>Liabilities other than provisions</b>		<b><u>3.417.293</u></b>
<b>Equity and liabilities</b>		<b><u>4.270.626</u></b>

Contingent liabilities

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## Statement of changes in equity for 2017/18

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Contributed upon formation	50.000	0	50.000
Profit/loss for the year	0	741.608	741.608
<b>Equity end of year</b>	<b>50.000</b>	<b>741.608</b>	<b>791.608</b>

## Notes

	<b>2017/18</b>
	<b>DKK</b>
<b>1. Staff costs</b>	
Wages and salaries	9.287.325
Pension costs	1.500.897
Other social security costs	64.470
Other staff costs	1.469.494
	<b>12.322.186</b>
 Average number of employees	 <b>13</b>

	<b>2017/18</b>
	<b>DKK</b>
<b>2. Other financial expenses</b>	
Financial expenses from group enterprises	44.989
Other financial expenses	26.717
	<b>71.706</b>

	<b>2017/18</b>
	<b>DKK</b>
<b>3. Tax on profit/loss for the year</b>	
Current tax	173.987
Change in deferred tax	61.725
	<b>235.712</b>

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improve- ments DKK</b>
<b>4. Property, plant and equipment</b>		
Additions	1.471.113	46.622
<b>Cost end of year</b>	<b>1.471.113</b>	<b>46.622</b>
 Depreciation for the year	 (405.635)	 (5.074)
<b>Depreciation and impairment losses end of year</b>	<b>(405.635)</b>	<b>(5.074)</b>
 <b>Carrying amount end of year</b>	 <b>1.065.478</b>	 <b>41.548</b>

## Notes

### 5. Contingent liabilities

Contingent liabilities consists of a non-cancellation period on 6 months for the firms tenancy. The liability obligation amounts to DKK 360,000

## 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.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue 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.

#### 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.

#### Staff costs

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

#### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation and amortisation for the financial year.

#### 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.

#### Tax on profit/loss for the year

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

### Balance sheet

#### Property, plant and equipment

Equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

## Accounting policies

Other fixtures and fittings, tools and equipment	3 years
Leasehold improvements	5 years

Estimated useful lives and residual values are reassessed annually.

Fixed assets are written down to the lower of recoverable amount and carrying amount.

### Receivables

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

### Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### Prepayments

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

### Cash

Cash comprises cash in hand and bank deposits.

### Deferred tax

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

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.

### Other financial liabilities

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