



Cego Holding ApS

Lauritzens Plads 1, 4.
9000 Aalborg
CVR No. 40559493

Annual report 2022

The Annual General Meeting adopted the
annual report on 05.04.2023

Allan Auning-Hansen

Chairman of the General Meeting

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Entity details

Entity

Cego Holding ApS
Lauritzens Plads 1, 4.
9000 Aalborg

Business Registration No.: 40559493
Registered office: Aalborg
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Peter Thorlund Haahr, Chairman
Jacob Frederik Christensen
Anders Gautier Christensen

Executive Board

Jacob Frederik Christensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Cego Holding ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

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.

Aalborg, 30.03.2023

Executive Board

Jacob Frederik Christensen

Board of Directors

Peter Thorlund Haahr
Chairman

Jacob Frederik Christensen

Anders Gautier Christensen

Independent auditor's report

To the shareholders of Cego Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Cego Holding ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements 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 audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

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

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit 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 the consolidated financial statements and the parent 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.

Aalborg, 30.03.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Winther Pedersen

State Authorised Public Accountant
Identification No (MNE) mne34173

Management commentary

Financial highlights

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000
Key figures				
Gross profit/loss	132,097	142,492	195,880	60,049
Operating profit/loss	22,062	32,923	101,376	3,633
Net financials	(19,338)	(13,916)	(9,273)	(1,922)
Profit/loss for the year	(8,276)	5,878	61,017	(5,808)
Balance sheet total	1,000,135	1,030,691	1,045,010	1,076,310
Investments in property, plant and equipment	1,624	3,143	1,690	12,524
Equity	554,736	563,014	555,208	494,191
Cash flows from operating activities	59,793	90,286	121,898	35,214
Cash flows from investing activities	(26,894)	(22,880)	(21,201)	(1,101,995)
Cash flows from financing activities	(20,442)	(37,534)	(94,200)	1,032,500
Ratios				
Return on equity (%)	(1.48)	1.05	11.63	(1.20)
Equity ratio (%)	55.47	54.62	53.13	45.92

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Balance sheet total

Primary activities

CEGO Holding (henceforth: CEGO) develops and operates online casino products, focusing on the Casual Segment. CEGO currently have online casino activities in Denmark, Sweden and UK. CEGO operates subject to license requirements and exposed to competition under local gambling jurisdictions.

The purpose of CEGO Holding is to own shares in other companies and business related hereto.

Development in activities and finances

CEGO is present with its casual online casino in three markets. In Denmark with www.spilnu.dk which has been operating since the liberalization of the Danish market in 2012. In Sweden www.lyckost.se was launched in 2020, and since 2021 also in the UK market with happytiger.co.uk.

The Online Casino activities involving the offering of slot machines, Bingo and Casino runs on an in-house build platform. The platform has been optimized, supporting a continuously strong customer experience in the future and commercial initiatives designed to multi-market operations.

The CEGO in-house studio has successfully developed and launched 7 unique in-house slot machines including an update of the popular Bingo games, which are all targeted the casual players. And additional third-party games have been added to the product offering as well.

CEGO's investments in international activities started in 2020 and will continue to do so in the next coming years. Focus in 2023 is to expand awareness and product offering internationally, targeting the casual segment, and maintain the position as the preferred casual iCasino operator in Denmark.

Responsible Gambling

CEGO's primary objective is to offer casual, fun, and entertaining games. We take an active role in creating a healthy environment where players feel safe and taken care of. Responsibility in gambling is an inherent part of our core values and the way we work.

All employees receive responsible gambling training, and it is an integrated part of our daily work. All employees have responsibility in mind when creating marketing content, new games, etc. Furthermore, the Customer Support Team receives an extra level of training to ensure a high level of attention towards potential adverse gambling behaviour, and to initiate safer gambling protocols when needed. The Customer support team is, on the area of responsible gambling, supervised by both an internal and external psychologist.

Being responsible is not a single action or intervention, but the sum of a series of initiatives. In CEGO these initiatives are all implemented based on our overall approach which is to be aware of and understand our players to help them prevent potential unhealthy gambling patterns. We strive to do that in an incident based, respectful and personalized approach. One of the ways we do that is to perform Care Calls to players. Our Care Calls are performed by our in-house psychologist or personnel trained by experts in the field of problem gambling. We collaborate with external psychologists and support third party research projects both financially and with our extensive knowledge to increase and create awareness within responsible gambling, for the better sake of our players and the society.

We monitor the behaviour of our players using software which analyses Big Data. We use this information in dialogue with the players to help them to proactively support changes in their behaviour if the behaviour indicates that playing for fun will be at risk. Furthermore, we continuously follow the newest research to update our processes and support our players in the best possible way.

As part of the actions CEGO has planned for in 2023, we wish to expand our collaboration with external experts/organizations and stakeholders supporting a continuously safe gambling environment for our customers.

Overall, CEGO strives to create a safe environment for our players that encourages and enables them to continuously have a healthy approach towards gambling.

Governance

The CEGO business must always be governed in a legally compliant manner, supporting optimal protection of customers and employees within CEGO. With our compliance frameworks, policies, procedures, workflows, and educational programs in place we insure the CEGO's governance and business ethics is of the highest standard.

All revenue in CEGO comes from licensed markets. Operating only in domestically regulated markets makes CEGO able to ensure our customers the highest standards of quality in player protection and gambling products certified in accordance with the license requirements in the applicable jurisdiction.

Profit/loss for the year in relation to expected developments

Loss for the year is DKK 8.3 million. As expected, profit for the year is impacted by the increased investments in new market growth.

Outlook

Management expects further investments in growth in 2023 leading to a loss in the range DKK 0 to 25 million.

Knowledge resources

CEGO is devoted to staying in a forefront position in the utilization of new technologies in platform operations, product development and compliance, targeting mainly casual players. The expertise of CEGO's personnel is essential to all areas of the business and the Group.

Research and development activities

The CEGO Group capitalizes development costs on internal development projects related to Games and Platform development. In 2022 the CEGO Group capitalized DKK 25 million on development projects. The capitalization is solely related to salaries allocated to the projects.

Statutory report on diversity

The CEGO company culture is based on entrepreneurship, agility, a flat hierarchy and, above all, an open-mindedness towards new development, ways of working and new colleagues. CEGO offers equal opportunities to women and men regardless of ethnicity, race, political views, religion, and sexual orientation. At CEGO, we embrace all aspects of diversity with the right skillset and mindset. Recruitment and promotion of managers is aimed at creating diversity in the management.

We strive to be the preferred employer within the IT, gaming, and software space in our local market. Focusing on our ability to attract talent and give our colleagues and employees the best opportunities to support a long tenure within CEGO.

In 2022, an additional 8 employees have joined the CEGO Group, whereas 13 employees have left. 25% of the new joiners are female. The current gender composition is 80% male and 20% female, but closer to 50/50 in departments other than it-development.

The average seniority in CEGO is more than 5 years. In CEGO, we highly prioritize our employees' well-being, as we believe that thriving employees enrich our company culture and ensure the best results for the individual as well as the company.

In CEGO we consider ourselves a family and we always look forward to welcoming new family members. Social activities are an important part of our culture, ranging from weekly board game nights to physical workout and in-house sports tournaments. We also prioritize physical and mental wellbeing by offering flexible working conditions, easy access to health insurance, free gym access, etc. CEGO is much more than just a workplace - it's a culture.

CEGO supports and respects the internationally recognized labor rights as specified in the International Labor Organization (ILO) core conventions. We adhere to all applicable federal, state, and local laws and regulations concerning employer/employee rights and obligations, including the right to freedom of association and the right to collective bargaining consistent with applicable laws. At CEGO we also have initiatives that strengthen diversity already from the recruitment process. Including participation in HR fairs, the design of job advertisements and actively using our employees' networks.

Consolidated income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Gross profit/loss		132,097	142,492
Staff costs	1	(41,361)	(41,836)
Depreciation, amortisation and impairment losses		(68,674)	(67,733)
Operating profit/loss		22,062	32,923
Income from investments in group enterprises		0	1,600
Other financial income		139	8
Other financial expenses		(19,477)	(13,924)
Profit/loss before tax		2,724	20,607
Tax on profit/loss for the year	2	(11,000)	(14,729)
Profit/loss for the year	3	(8,276)	5,878

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Completed development projects	5	49,085	43,823
Acquired intangible assets		696	777
Goodwill		829,101	879,097
Development projects in progress	5	10,353	6,893
Intangible assets	4	889,235	930,590
Other fixtures and fittings, tools and equipment		2,677	2,817
Leasehold improvements		505	790
Property, plant and equipment	6	3,182	3,607
Deposits		1,232	1,232
Other receivables		1,647	1,839
Financial assets	7	2,879	3,071
Fixed assets		895,296	937,268
Trade receivables		14,305	14,734
Other receivables		777	3,281
Prepayments	8	3,802	1,910
Receivables		18,884	19,925
Cash		85,955	73,498
Current assets		104,839	93,423
Assets		1,000,135	1,030,691

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital	9	502	502
Retained earnings		554,234	562,512
Equity		554,736	563,014
Deferred tax	10	12,917	11,064
Provisions		12,917	11,064
Bank loans		278,444	378,800
Other payables		3,633	3,731
Non-current liabilities other than provisions	11	282,077	382,531
Current portion of non-current liabilities other than provisions	11	100,000	20,000
Bank loans		2	89
Prepayments received from customers		12,702	12,705
Trade payables		8,914	9,036
Tax payable		9,049	12,346
Other payables		19,738	19,906
Current liabilities other than provisions		150,405	74,082
Liabilities other than provisions		432,482	456,613
Equity and liabilities		1,000,135	1,030,691
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		
Assets charged and collateral	15		
Transactions with related parties	16		
Subsidiaries	17		

Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	502	562,510	563,012
Profit/loss for the year	0	(8,276)	(8,276)
Equity end of year	502	554,234	554,736

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		22,062	32,923
Amortisation, depreciation and impairment losses		68,674	67,734
Working capital changes	12	741	(1,097)
Cash flow from ordinary operating activities		91,477	99,560
Financial income received		139	8
Financial expenses paid		(19,477)	(13,925)
Taxes refunded/(paid)		(12,346)	4,643
Cash flows from operating activities		59,793	90,286
Acquisition etc. of intangible assets		(298)	(229)
Sale of intangible assets		0	112
Acquisition etc. of property, plant and equipment		(1,624)	(3,819)
Acquisition of fixed asset investments		0	(23)
Sale of fixed asset investments		0	330
Disposal of enterprises		0	1,993
Staff costs classified as assets		(24,972)	(21,244)
Cash flows from investing activities		(26,894)	(22,880)
Free cash flows generated from operations and investments before financing		32,899	67,406
Repayments of loans etc.		(20,442)	(39,500)
Dividend paid		0	(587)
Cash capital increase		0	2,553
Cash flows from financing activities		(20,442)	(37,534)

Increase/decrease in cash and cash equivalents	12,457	29,872
Cash and cash equivalents beginning of year	73,498	43,626
Cash and cash equivalents end of year	85,955	73,498
Cash and cash equivalents at year-end are composed of:		
Cash	85,955	73,498
Cash and cash equivalents end of year	85,955	73,498

Notes to consolidated financial statements

1 Staff costs

	2022 DKK'000	2021 DKK'000
Wages and salaries	59,169	56,438
Pension costs	5,704	5,395
Other social security costs	1,288	1,247
	66,161	63,080
Staff costs classified as assets	(24,800)	(21,244)
	41,361	41,836
Average number of full-time employees	109	104

	Remuneration of manage- ment 2022 DKK'000	Remuneration of manage- ment 2021 DKK'000
Total amount for management categories	2,238	1,909
	2,238	1,909

According to section 98B(3) no.2 of the Danish Financial Statement Act, remuneration to management has been disclosed together under one category, because it will lead to an individual's remuneration disclosed.

The group has issued a warrant program in order to motivate the participants to work in the best interest of the Group and to motivate the participants to work for the realisation of any business strategy and to retain participants in their employment, etc. within the group.

2 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Current tax	9,149	12,346
Change in deferred tax	1,851	2,246
Adjustment concerning previous years	0	137
	11,000	14,729

3 Proposed distribution of profit/loss

	2022 DKK'000	2021 DKK'000
Retained earnings	(8,276)	5,878
	(8,276)	5,878

4 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Goodwill DKK'000	Development projects in progress DKK'000
Cost beginning of year	86,625	6,228	999,921	6,893
Transfers	20,253	0	0	(20,253)
Additions	1,161	298	0	23,811
Disposals	(4,352)	0	0	(98)
Cost end of year	103,687	6,526	999,921	10,353
Amortisation and impairment losses beginning of year	(42,802)	(5,451)	(120,824)	0
Amortisation for the year	(16,086)	(379)	(49,996)	0
Reversal regarding disposals	4,286	0	0	0
Amortisation and impairment losses end of year	(54,602)	(5,830)	(170,820)	0
Carrying amount end of year	49,085	696	829,101	10,353

5 Development projects

In 2022, DKK 24,.972 thousand has been capitalized allocated on 147 projects of which 103 have been launched and those projects are now subject to amortisation. The remaining projects are in preparation. The capitalization solely relates to salary allocated on projects.

The projects are often completed within two years and thus amortisation of capitalised expenses on the projects is commenced shortly after the capitalization of the project. The projects are amortised over a period of five years.

The Groups revenue supports that the development projects have market potentials. The projects are in online slot machines, cash games and bingo.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	14,437	2,833
Additions	1,568	56
Cost end of year	16,005	2,889
Depreciation and impairment losses beginning of year	(11,620)	(2,043)
Depreciation for the year	(1,708)	(341)
Depreciation and impairment losses end of year	(13,328)	(2,384)
Carrying amount end of year	2,677	505

7 Financial assets

	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	1,232	1,839
Transfers	0	(346)
Additions	0	154
Cost end of year	1,232	1,647
Carrying amount end of year	1,232	1,647

8 Prepayments

Prepayments mainly consist of smaller costs relating to future periods.

9 Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
A-Shares	300,000	1	300
B-Shares	201,734	1	202
	501,734		502

10 Deferred tax

	2022	2021
	DKK'000	DKK'000
Changes during the year		
Beginning of year	11,064	8,687
Recognised in the income statement	1,851	2,246
Disposals through business combinations etc.	0	131
Adjustment concerning previous years	2	0
End of year	12,917	11,064

11 Non-current liabilities other than provisions

	Due within 12 months 2022	Due within 12 months 2021	Due after more than 12 months 2022	Outstanding after 5 years 2022
	DKK'000	DKK'000	DKK'000	DKK'000
Bank loans	100,000	20,000	278,444	0
Other payables	0	0	3,633	3,633
	100,000	20,000	282,077	3,633

12 Changes in working capital

	2022	2021
	DKK'000	DKK'000
Increase/decrease in inventories	0	3
Increase/decrease in receivables	1,040	(3,752)
Increase/decrease in trade payables etc.	(299)	2,652
	741	(1,097)

13 Unrecognised rental and lease commitments

	2022	2021
	DKK'000	DKK'000
Total liabilities under rental or lease agreements until maturity	1,600	1,517

14 Contingent liabilities

The Group has entered into a warrant incentive program with senior executives and other employees that includes the right of purchasing new B shares representing a nominal value of DKK 1 in the company. The company has entered into 4 different warrant programs that are running in the period 2019 to 2028 and comprise a total number of 10,818 warrants equaling a total nominal capital increase of DKK 10,8k.

The warrants are allotted on a monthly basis over a period of 48 to 60 months. The warrants are issued free of charge and the subscription price for the B-shares varies between 1,000 - 3,000 depending on the time of issuance. The allotment of warrants to the participants is conditional on the participant's employment within the group companies. The warrants are only exercisable in the event of an exit and unexercised warrants will be cancelled automatically without notice and without compensation to the participants.

15 Assets charged and collateral

The shares in CEGO A/S has been pledged as collateral for the Group's bank loans. The carrying amount of the shares amounts to DKK 962,680 thousand. The balances amounts at December 31st to DKK 378,444 thousand.

16 Transactions with related parties

Only related party transactions not conducted on an arms's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

17 Subsidiaries

	Registered in	Corporate form	Ownership %
Spilnu.dk A/S	Aalborg	A/S	100.00
Magnet Gaming ApS	Aalborg	ApS	100.00
CEGO A/S	Aalborg	A/S	100.00
Lyckost ApS	Aalborg	ApS	100.00
CEGO Midco ApS	Aalborg	ApS	100.00
Happytiger ApS	Aalborg	ApS	100.00
Double ApS	Aalborg	ApS	100.00
Datoselskabet af 04.03.2021 ApS	Aalborg	ApS	100.00

Parent income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Gross profit/loss		(101)	(235)
Income from investments in group enterprises		(8,154)	6,281
Other financial income	1	3	4
Other financial expenses	2	(58)	(287)
Profit/loss before tax		(8,310)	5,763
Tax on profit/loss for the year	3	34	115
Profit/loss for the year	4	(8,276)	5,878

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000	2021 DKK'000
Investments in group enterprises		553,206	561,360
Financial assets	5	553,206	561,360
Fixed assets		553,206	561,360
Receivables from group enterprises		2,097	0
Joint taxation contribution receivable		9,183	13,084
Receivables		11,280	13,084
Cash		15	2,518
Current assets		11,295	15,602
Assets		564,501	576,962

Equity and liabilities

	Notes	2022 DKK'000	2021 DKK'000
Contributed capital		502	502
Reserve for net revaluation according to equity method		53,206	61,360
Retained earnings		501,028	501,150
Equity		554,736	563,012
Payables to group enterprises		520	1,504
Tax payable		9,149	12,346
Other payables	6	96	100
Current liabilities other than provisions		9,765	13,950
Liabilities other than provisions		9,765	13,950
Equity and liabilities		564,501	576,962
Employees	7		
Contingent liabilities	8		
Assets charged and collateral	9		
Transactions with related parties	10		

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	502	61,360	501,150	563,012
Transfer to reserves	0	(8,154)	8,154	0
Profit/loss for the year	0	0	(8,276)	(8,276)
Equity end of year	502	53,206	501,028	554,736

Notes to parent financial statements

1 Other financial income

	2022 DKK'000	2021 DKK'000
Financial income from group enterprises	3	1
Other interest income	0	3
	3	4

2 Other financial expenses

	2022 DKK'000	2021 DKK'000
Financial expenses from group enterprises	52	272
Other interest expenses	6	15
	58	287

3 Tax on profit/loss for the year

	2022 DKK'000	2021 DKK'000
Adjustment concerning previous years	0	(1)
Refund in joint taxation arrangement	(34)	(114)
	(34)	(115)

4 Proposed distribution of profit and loss

	2022 DKK'000	2021 DKK'000
Retained earnings	(8,276)	5,878
	(8,276)	5,878

5 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	500,000
Cost end of year	500,000
Revaluations beginning of year	61,360
Share of profit/loss for the year	(8,154)
Revaluations end of year	53,206
Carrying amount end of year	553,206

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Other payables

	2022 DKK'000	2021 DKK'000
Other costs payable	96	100
	96	100

7 Employees

The Entity has no employees other than the Executive Board and the Board of Directors. The Executive Officer and the Board of Directors have not received any remuneration from the Company.

The company has issued a warrant program in order to motivate the participants to work in the best interest of the company and to motivate the participants to work for the realisation of any business strategy and to retain participants in their employment, etc. with the company or any group company.

8 Contingent liabilities

The company has entered into a warrant incentive program with senior executives and other employees that includes the right of purchasing new B shares representing a nominal value of DKK 1 in the company. The company has entered into 4 different warrant programs that are running in the period 2019 to 2028 and comprise a total number of 10,818 warrants equaling a total nominal capital increase of DKK 10,8k.

The warrants are allotted on a monthly basis over a period of 48 to 60 months. The warrants are issued free of charge and the subscription price for the B-shares varies between 1,000 - 3,000 depending on the time of issuance. The allotment of warrants to the participants is conditional on the participant's employment within the group companies. The warrants are only exercisable in the event of an exit and unexercised warrants will be cancelled automatically without notice and without compensation to the participants.

Joint taxation

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

9 Assets charged and collateral

None.

Collateral provided for group enterprises

The Entity has provided guarantee for Cego Midco ApS's bank debt. Bank loans in Cego Midco ApS amount to 378,444 tDKK.

10 Transactions with related parties

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Profit or loss from divestment of enterprises

Profits or losses from divestment or winding-up of enterprises are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment and winding-up, respectively.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating expenses, costs of sales and external expenses.

Revenue

Revenue from the sale of games is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is stated as GGR and comprises gross gaming revenue set off against winning and government taxes.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises expenses incurred to achieve revenue for the financial year; including fees, etc. to payment service provider, annual gaming fee and expenses for white label takers and license fee.

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.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets 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, amortisation of financial liabilities 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.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The useful life has been set at 20 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under reserve for development costs that is reduced as the development projects are amortised and written down.

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 their estimated useful lives which are determined based on a specific assessment of each development project. For development projects the amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and 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:

	Useful life
Other fixtures and fittings, tools and equipment	3-7 years
Leasehold improvements	3-7 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits and losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation periods used are 20 years.

Investments in group enterprises 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.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

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.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.