



## Lyckost ApS

Lauritzens Plads 1, 4.  
9000 Aalborg  
CVR No. 40782184

## Annual report 13.09.2019 - 31.12.2020

The Annual General Meeting adopted the  
annual report on 31.03.2021

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**Jef Nymand Hounsgaard**  
Chairman of the General Meeting

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# Entity details

## Entity

Lyckost ApS

Lauritzens Plads 1, 4.

9000 Aalborg

CVR No.: 40782184

Registered office: Aalborg

Financial year: 13.09.2019 - 31.12.2020

## Executive Board

Jacob Frederik Christensen, direktør

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Lyckost ApS for the financial year 13.09.2019 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 13.09.2019 - 31.12.2020.

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, 31.03.2021

## Executive Board

**Jacob Frederik Christensen**  
direktør

# Independent auditor's report

## To the shareholders of Lyckost ApS

### Opinion

We have audited the financial statements of Lyckost ApS for the financial year 13.09.2019 - 31.12.2020, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 13.09.2019 - 31.12.2020 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 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 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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the 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 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.

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

#### **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 audit 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 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 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, 31.03.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**René Winther Pedersen**

State Authorised Public Accountant  
Identification No (MNE) mne34173

# Management commentary

## Primary activities

The primary activity of the Company is to act as an Online Casino Operator in the Swedish market, based on games and platforms provided by Magnet Gaming ApS.

## Development in activities and finances

The Lyckost.se brand was founded in 2020 and has been well received by the Swedish market.

Profit/loss for the year shows a negative DKK 14.7 million, which is in line with management expectations and reflects investments made in the establishment phase.

The Group will continue to invest in the development of the Swedish market. Lyckost.se is backed by its parent entities.

## 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 2019/20

	Notes	2019/20 DKK
<b>Gross profit/loss</b>		<b>(18,647,583)</b>
Depreciation, amortisation and impairment losses		(55,791)
<b>Operating profit/loss</b>		<b>(18,703,374)</b>
Other financial expenses	1	(184,614)
<b>Profit/loss before tax</b>		<b>(18,887,988)</b>
Tax on profit/loss for the year	2	4,154,257
<b>Profit/loss for the year</b>		<b>(14,733,731)</b>
<b>Proposed distribution of profit and loss</b>		
Retained earnings		(14,733,731)
<b>Proposed distribution of profit and loss</b>		<b>(14,733,731)</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2019/20 DKK
Acquired intangible assets		200,592
<b>Intangible assets</b>	3	<b>200,592</b>
<b>Fixed assets</b>		<b>200,592</b>
Trade receivables		1,189,616
Receivables from group enterprises		13,263,529
Deferred tax		4,216
Joint taxation contribution receivable		4,150,041
Prepayments		235,645
<b>Receivables</b>		<b>18,843,047</b>
<b>Cash</b>		<b>1,820,391</b>
<b>Current assets</b>		<b>20,663,438</b>
<b>Assets</b>		<b>20,864,030</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019/20 DKK</b>
Contributed capital		40,000
Retained earnings		1,266,269
<b>Equity</b>		<b>1,306,269</b>
Bank loans		304,177
Prepayments received from customers		370,311
Trade payables		398,467
Payables to group enterprises		15,282,758
Other payables		3,202,048
<b>Current liabilities other than provisions</b>		<b>19,557,761</b>
<b>Liabilities other than provisions</b>		<b>19,557,761</b>
<b>Equity and liabilities</b>		<b>20,864,030</b>
Contingent liabilities	4	
Non-arm's length related party transactions	5	
Group relations	6	

# Statement of changes in equity for 2019/20

	Contributed capital DKK	Retained earnings DKK	Total DKK
Contributed upon formation	40,000	0	40,000
Group contributions etc	0	16,000,000	16,000,000
Profit/loss for the year	0	(14,733,731)	(14,733,731)
<b>Equity end of year</b>	<b>40,000</b>	<b>1,266,269</b>	<b>1,306,269</b>

# Notes

## 1 Other financial expenses

	<b>2019/20</b>
	<b>DKK</b>
Financial expenses from group enterprises	112,451
Other interest expenses	72,163
	<b>184,614</b>

## 2 Tax on profit/loss for the year

	<b>2019/20</b>
	<b>DKK</b>
Change in deferred tax	(4,216)
Refund in joint taxation arrangement	(4,150,041)
	<b>(4,154,257)</b>

## 3 Intangible assets

	<b>Acquired intangible assets DKK</b>
Additions	256,383
<b>Cost end of year</b>	<b>256,383</b>
Amortisation for the year	(55,791)
<b>Amortisation and impairment losses end of year</b>	<b>(55,791)</b>
<b>Carrying amount end of year</b>	<b>200,592</b>

#### **4 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where CEGO Holding ApS serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

#### **5 Non-arm's length related party transactions**

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. The company has received a tax-free group subsidy from the parent company CEGO A / S, of 16,000 tDKK in the financial year.

#### **6 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
CEGO Holding ApS, Aalborg

# 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.

## Non-comparability

This is the company's first financial year, which is why there are no comparative figures.

## 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.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

### Revenue

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

### Cost of sales

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

**Depreciation, amortisation and impairment losses**

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

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and 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 Entity is jointly taxed with all 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****Intellectual property rights etc**

Intellectual property rights etc comprise acquired intellectual property rights.

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 over the term of the agreement.

Intellectual property rights etc 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.

**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.

**Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been 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.



**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.