



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

STORE KONGENSGADE 68
1264 KØBENHAVN K

TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

OG CSGO ApS

c/o Christensen Kjarulff, Store Kongensgade 68, 1264 København K

Company reg. no. 40 91 47 22

Annual report

1 October 2020 - 30 September 2021

The annual report was submitted and approved by the general meeting on the 28 February 2022.

Eivind Sundstein
Chairman of the meeting



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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.



Management's statement

Today, the board of directors and the executive board have presented the annual report of OG CSGO ApS for the financial year 1 October 2020 - 30 September 2021.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 September 2021 and of the company's results of activities in the financial year 1 October 2020 – 30 September 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 25 February 2022

Executive board

Juan Martinez Rivero
CEO

Johan Sundstein

Board of directors

Eivind Sundstein
Chairman

Frederik Bruhn

Johan Sundstein

Sébastien Félix Albert Debs



Independent auditor's report

To the shareholders of OG CSGO ApS

Opinion

We have audited the financial statements of OG CSGO ApS for the financial year 1 October 2020 - 30 September 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and a summary of significant accounting policies,. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 September 2021 and of the results of the company's activities for the financial year 1 October 2020 - 30 September 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.



Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that Management's Review is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the Management's Review.

Copenhagen, 25 February 2022

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Elan Schapiro

State Authorised Public Accountant
mne33765



Company information

The company

OG CSGO ApS
c/o Christensen Kjørulff
Store Kongensgade 68
1264 København K

Company reg. no. 40 91 47 22
Established: 5 November 2019
Domicile: Copenhagen
Financial year: 1 October 2020 - 30 September 2021

Board of directors

Eivind Sundstein, Chairman
Frederik Bruhn
Johan Sundstein
Sébastien Félix Albert Debs

Executive board

Juan Martinez Rivero, CEO
Johan Sundstein

Auditors

Christensen Kjørulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Parent company

OG Esports A/S



Management's review

The principal activities of the company

The principal activities of the company are to operate within e-sports and related business.

Unusual circumstances

The impact of COVID-19 has led to significantly fewer tournaments in 2021 and a generally lower activity level, which has subsequently had a negative effect on operations. Expansion of the activities has been adjusted and reduced during the year. Tournaments and other income providing activities are expected to normalize in the coming year. Based on the current situation, the management estimates that COVID-19 will not affect the company's future operations.

Development in activities and financial matters

The gross profit for the year totals EUR 1.743.000 against EUR 518.000 last year. Income or loss from ordinary activities after tax totals EUR -363.000 against EUR -1.052.000 last year. Management considers the net profit or loss for the year as expected.



Income statement

All amounts in EUR.

| <u>Note</u> | <u>1/10 2020</u> <u>- 30/9 2021</u> | <u>5/11 2019</u> <u>- 30/9 2020</u> |
|--|--|--|
| Gross profit | 1.743.252 | 518.027 |
| 1 Staff costs | -2.056.288 | -1.112.933 |
| Amortisation and impairment of intangible assets | -573.944 | -429.934 |
| Other operating costs | -11.741 | 0 |
| Operating profit | -898.721 | -1.024.840 |
| Other financial income | 25.470 | 1.435 |
| Other financial costs | -50.988 | -28.191 |
| Pre-tax net profit or loss | -924.239 | -1.051.596 |
| 2 Tax on net profit or loss for the year | 560.869 | 0 |
| Net profit or loss for the year | -363.370 | -1.051.596 |
| Proposed appropriation of net profit: | | |
| Allocated from retained earnings | -363.370 | -1.051.596 |
| Total allocations and transfers | -363.370 | -1.051.596 |



Balance sheet at 30 September

All amounts in EUR.

| Assets | | | |
|---------------------------|---|-------------------------|-----------------------|
| <u>Note</u> | | <u>2021</u> | <u>2020</u> |
| Non-current assets | | | |
| 3 | Concessions, patents, licenses, trademarks, and similar rights acquired | 229.219 | 644.904 |
| | Total intangible assets | <u>229.219</u> | <u>644.904</u> |
| | Total non-current assets | <u>229.219</u> | <u>644.904</u> |
| Current assets | | | |
| | Trade receivables | 38.904 | 16.960 |
| 4 | Deferred tax assets | 560.869 | 0 |
| | Other receivables | 0 | 375 |
| | Total receivables | <u>599.773</u> | <u>17.335</u> |
| | Cash on hand and demand deposits | <u>359.179</u> | <u>68.581</u> |
| | Total current assets | <u>958.952</u> | <u>85.916</u> |
| | Total assets | <u>1.188.171</u> | <u>730.820</u> |



Balance sheet at 30 September

All amounts in EUR.

Equity and liabilities

| <u>Note</u> | <u>2021</u> | <u>2020</u> |
|--|------------------|-------------------|
| Equity | | |
| Contributed capital | 5.354 | 5.354 |
| Retained earnings | 785.034 | -1.051.596 |
| Total equity | 790.388 | -1.046.242 |
| | | |
| Long term liabilities other than provisions | | |
| Trade payables | 5.690 | 53.617 |
| Payables to group enterprises | 112.008 | 1.516.348 |
| Other payables | 280.085 | 207.097 |
| Total short term liabilities other than provisions | 397.783 | 1.777.062 |
| Total liabilities other than provisions | 397.783 | 1.777.062 |
| | | |
| Total equity and liabilities | 1.188.171 | 730.820 |

5 Contingencies



Statement of changes in equity

All amounts in EUR.

| | <u>Contributed capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|--------------------------------|----------------------------|--------------------------|----------------|
| Equity 5 November 2019 | 0 | 0 | 0 |
| Cash capital increase | 5.354 | 0 | 5.354 |
| Retained earnings for the year | 0 | -1.051.596 | -1.051.596 |
| Equity 1 October 2020 | 5.354 | -1.051.596 | -1.046.242 |
| Retained earnings for the year | 0 | -363.370 | -363.370 |
| Group contribution | 0 | 2.200.000 | 2.200.000 |
| | 5.354 | 785.034 | 790.388 |



Notes

All amounts in EUR.

| | 1/10 2020 - 30/9 2021 | 5/11 2019 - 30/9 2020 |
|---|--------------------------|--------------------------|
| 1. Staff costs | | |
| Salaries and wages | 2.048.454 | 1.107.945 |
| Pension costs | 5.647 | 3.756 |
| Other costs for social security | 1.184 | 724 |
| Other staff costs | 1.003 | 508 |
| | 2.056.288 | 1.112.933 |
| | | |
| Average number of employees | 8 | 6 |
| | | |
| 2. Tax on net profit or loss for the year | | |
| Adjustment of deferred tax for the year | -560.869 | 0 |
| | -560.869 | 0 |
| | | |
| 3. Concessions, patents, licenses, trademarks, and similar rights acquired | | |
| Cost 1 October 2020 | 1.074.838 | 0 |
| Additions during the year | 170.000 | 1.074.838 |
| Disposals during the year | -72.250 | 0 |
| Cost 30 September 2021 | 1.172.588 | 1.074.838 |
| | | |
| Amortisation and writedown 1 October 2020 | -429.934 | 0 |
| Amortisation and depreciation for the year | -573.944 | -429.934 |
| Reversal of depreciation, amortisation, and impairment loss, assets disposed of | 60.509 | 0 |
| Amortisation and writedown 30 September 2021 | -943.369 | -429.934 |
| | | |
| Carrying amount, 30 September 2021 | 229.219 | 644.904 |



Notes

All amounts in EUR.

| | <u>30/9 2021</u> | <u>30/9 2020</u> |
|---|-----------------------|------------------|
| 4. Deferred tax assets | | |
| Deferred tax of the net profit or loss for the year | 560.869 | 0 |
| | <u>560.869</u> | <u>0</u> |
| The following items are subject to deferred tax: | | |
| Intangible assets | 128.851 | 0 |
| Losses carried forward from previous years | 432.018 | 0 |
| | <u>560.869</u> | <u>0</u> |

5. Contingencies

Joint taxation

With OG Esports A/S, company reg. no 40 03 58 85 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.



Accounting policies

The annual report for OG CSGO ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs directly assembled with the net turnover.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for sales, advertising and administration.



Accounting policies

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Contract rights

Contract rights are measured at cost less accumulated amortization and any amortization write-downs.

The cost price includes the acquisition price, probable performance payments and other costs directly associated with the acquisition.

The contract rights are amortized on a straight-line basis over the contract periods. The amortization is recognized in the income statement under depreciation.

Individual purchases of contract rights are linked to payments that are only effected when a number of conditions have been met. Expenses in connection with this are recognized over the contract period.

Upon extension of a contract during the contract period, the amortization period is changed accordingly.



Accounting policies

Gains and losses on disposal of contract rights are included in the income statement item "Other income / expenses" and are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, OG CSGO ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.



Accounting policies

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.




Juan Martinez Rivero
Som Direktør



IP-adresse:

Tidspunkt for underskrift: 01-03-2022 kl.: 11:20:51

Underskrevet med esignatur EasySign



Johan Sundstein
Som Direktør



IP-adresse:

Tidspunkt for underskrift: 01-03-2022 kl.: 10:57:06

Underskrevet med esignatur EasySign

Eivind Sundstein

Som Bestyrelsesformand

NEM ID

PID: 9208-2002-2-821337794753

Tidspunkt for underskrift: 01-03-2022 kl.: 12:47:34

Underskrevet med NemID

Frederik Bruhn

Som Bestyrelsesmedlem

NEM ID

PID: 9208-2002-2-534569018065

Tidspunkt for underskrift: 04-03-2022 kl.: 06:16:06

Underskrevet med NemID




Sébastien Félix Albert Debts
Som Bestyrelsesmedlem



IP-adresse:

Tidspunkt for underskrift: 04-03-2022 kl.: 23:28:28

Underskrevet med esignatur EasySign



Johan Sundstein
Som Bestyrelsesmedlem



IP-adresse:

Tidspunkt for underskrift: 04-03-2022 kl.: 14:27:42

Underskrevet med esignatur EasySign

Elan Lieck Schapiro

Som Revisor

NEM ID

PID: 9208-2002-2-178527781778

Tidspunkt for underskrift: 05-03-2022 kl.: 05:35:32

Underskrevet med NemID

Eivind Sundstein

Som Dirigent

NEM ID

PID: 9208-2002-2-821337794753

Tidspunkt for underskrift: 05-03-2022 kl.: 10:17:19

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