



bet-at-home.com AG

Düsseldorf

**Financial Statements
as at 31 December 2019
Summarised Management Report
for the financial year 2019
Independent Auditors Report**

Table of content

Statement of financial position at 31 December 2019

Income Statement for the period from 1 January to 31 December 2019

Notes to the financial statements 2019

Combined Management Report 2019

Independent Auditors Report

Disclaimer:

The Financial Statement Report 2019 is a translation of the valid German version.

Statement of financial position at 31 December 2019

ASSETS

	31.12.2019		31.12.2018
	EUR	EUR	EUR
A. Non-current assets			
I. Tangible assets			
Other equipment	0,00		1,00
II. Financial assets			
Interests in affiliated companies	<u>3 771 313,19</u>		<u>3 771 313,19</u>
		3 771 313,19	<u>3 771 314,19</u>
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	15 054 849,42		46 271 682,45
2. Other assets	<u>1 153 915,06</u>		<u>1 032 995,34</u>
	<u>16 208 764,48</u>		<u>47 304 677,79</u>
II. Cash and cash equivalents	<u>9 582 163,23</u>		<u>11 193 081,47</u>
		25 790 927,71	<u>58 497 759,26</u>
C. Prepaid expenses		233 789,35	187 142,28
		<u>29 796 030,25</u>	<u>62 456 215,73</u>

EQUITY & LIABILITIES

	31.12.2019		31.12.2018
	EUR	EUR	EUR
A. Equity			
I. Share capital	7 018 000,00		7 018 000,00
II. Capital reserves	7 366 000,00		7 366 000,00
III. Total comprehensive income	<u>14 036 000,17</u>		<u>47 003 241,46</u>
		28 420 000,17	61 387 241,46
B. Provisions			
1. Other provisions	<u>101 002,50</u>		<u>166 422,00</u>
		101 002,50	<u>166 422,00</u>
C. Liabilities			
1. Liabilities from goods and services thereof with a residual maturity of up to one year EUR 106.178,24 (FY 2018: EUR 0,00)	106 178,24		0,00
2. Other liabilities thereof taxes EUR 34.576,59 (FY 2018: EUR 80.346,33) thereof relating to social security EUR 4.494,06 (FY 2018: EUR 5.860,94) thereof with a residual maturity of up to one year EUR 1.021.352,50 (FY 2018: EUR 742.958,55)	<u>1 168 849,34</u>		<u>902 552,27</u>
		1 275 027,58	<u>902 552,27</u>
		<u>29 796 030,25</u>	<u>62 456 215,73</u>

Income Statement
for the year ended 31 December 2019

	01.01.- 31.12.2019	01.01.- 31.12.2018
	<u>EUR</u>	<u>EUR</u>
1. Revenues	843 609,91	881 078,17
2. Other operating income	11 979,41	19 820,83
3. Personnel expenses	2 477 184,25	2 031 206,57
4. Other operating expenses	1 119 385,62	1 171 453,97
5. Income from investments thereof from affiliated companies EUR 14.992.562,00 (FY 2018: EUR 46.094.266,00)	14 992 562,00	46 094 266,00
6. Other interest and similar income thereof from affiliated companies EUR 0,00 (FY 2018: EUR 0,00)	220 131,59	218 877,67
7. Interest and similar expenses thereof to affiliated companies EUR 0,00 (FY 2018: EUR 0,00)	0,00	8 941,00
8. Income tax expense	<u>-178 045,67</u>	<u>159 664,86</u>
9. Net income	12 649 758,71	43 842 776,27
10. Profit carried forward from previous year	<u>1 386 241,46</u>	<u>3 160 465,19</u>
11. Total comprehensive income	<u><u>14 036 000,17</u></u>	<u><u>47 003 241,46</u></u>

bet-at-home.com AG, Düsseldorf

Notes to the Financial Statement 2019

I. General Disclosures to the Financial Statement

The bet-at-home.com AG is based in Dusseldorf and registered in the commercial register B at Dusseldorf District Court under commercial register number HRB 52673.

The annual financial statements were prepared in accordance with Sections 242 ff. and 264 ff. of the German Commercial Code [Handelsgesetzbuch; HGB] and the relevant provisions of the German Stock Corporation Act [Aktiengesetz; AktG]. In accordance with section 267 (3) sentence 2 HGB in conjunction with section 264d HGB, the company is a large corporation as a result of the admission of its shares to an organized market (Frankfurt Stock Exchange).

II. Information on significant accounting policies

The accounting policies comply with the legal requirements and remain unchanged compared with the previous year.

In the annual financial statements, income similar to dividends from affiliated Maltese companies is shown under income from investments in the income statement 2019.

Property, plant and equipment were recognized at cost and reduced by scheduled depreciation. Scheduled depreciation was carried out on a straight-line basis according to the expected useful life of the assets and in accordance with tax regulations. Tangible assets are used for three to five years.

The financial assets were recognized at cost.

The receivables and other assets were valued at the nominal value. Value adjustments were not necessary.

Prepaid expenses relate to expenses for the financial year that represent expenses for a certain period after the balance sheet date.

The provisions were established based on a reasonable commercial assessment and take into account all risks and uncertain liabilities that were identifiable at the time the balance sheet was drawn up. They are valued at the settlement amount. No discounting or discounting was required.

The liabilities were recognized at the settlement amount.

III. Information on the balance sheet and the income statement

The composition and development of the fixed assets result from the fixed asset schedule (annex to the appendix).

The financial assets only include the participation in bet-at-home.com Entertainment GmbH, Linz (Austria).

The receivables from affiliated companies in the amount of EUR 15,055 thousand relate to the dividend for 2019 of bet-at-home.com Entertainment GmbH, Linz (Austria) at EUR 14,468 thousand.

The other assets and receivables from affiliated companies have a remaining term of less than one year.

The Group's share capital amounted to EUR 7,018,000.00 as at 31.12.2019 (previous year: EUR 7,018,000.00) and is divided into 7,018,000 bearer shares with a calculated proportion of the capital stock to the amount of EUR 1.00 per share. The reserves are EUR 7,366,000.00 as at 31.12.2019 (previous year: EUR 7,366,000.00). The annual general meeting on 18 May 2016 resolved to authorise the Management Board of the parent company, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2021 by issuing up to 3,509,000 new non-par

value bearer shares for cash or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00.

Other provisions relate to expenses from legal and tax advice and auditing at EUR 101,002.50 (previous year: EUR 166,422.00). The provisions have a remaining term of less than one year.

The other liabilities relate to management bonuses of EUR 1,100,037.05 (previous year: EUR 743,601.61) and a remuneration component related to the development of the share price of bet-at-home.com AG (share price incentive) for the two members of the Management Board.

Trade payables have a remaining term of less than one year.

The other liabilities of EUR 147,496.84 (previous year: EUR 159,593.72) have a remaining term of more than one year and less than five years.

Revenue includes income from the transfer of costs in the amount of EUR 843,609.91 (previous year: EUR 881,078.17).

The personnel expenses only affect the two members of the Management Board.

The income from investments results from the dividend for 2019 of bet-at-home.com Entertainment GmbH (EUR 14,036,000.00; previous year: EUR 45,617,000.00) and the dividend-like income from affiliated Maltese companies (EUR 956,562.00; previous year: EUR 477,266.00).

IV. Other information

Other financial obligations and liabilities do not exist. The company has no employees.

The Betclic Everest Group SAS, as group parent, prepares consolidated financial statements for the largest group of associated companies, which includes the financial statement of the company.

In Germany and Austria, betting and gaming providers were subjected to legal attacks by state-owned and private competitors, attempting to stop the company from providing and advertising its activities. This concerns associated companies as well as legal representatives of the bet-at-home.com AG.

Members of the Management Board of bet-at-home.com AG, Düsseldorf, during the financial year 2019:

Mr. Franz Ömer, graduate engineer, Ansfelden, Austria,

Mr. Michael Quatember, Master's degree, Linz, Austria.

Management Board member Franz Ömer is member of the Supervisory Board of Athos Immobilien AG, Linz (Austria).

In 2019, the members of the Management Board of the parent company received fixed compensation in the amount of EUR 1,001 thousand (previous year: EUR 795 thousand) and variable compensation in the form of a management bonus in the amount of EUR 995 thousand (previous year: EUR 1,055 thousand) from Group shareholders. In addition, one of the Group companies received compensation for consulting services in the amount of EUR 400 thousand (previous year: EUR 280 thousand). Further variable compensation in the amount of EUR 64 thousand (previous year: EUR 811 thousand) was paid to a member of the Management Board by the Company's majority shareholder.

Cash inflow (in EUR)	Franz Ömer		Michael Quatember	
	CEO		CEO	
	2019	2018	2019	2018
Fixed compensation	581,486.43	470,000.00	420,000.00	325,000.00
Fringe benefits	400,000.00	280,000.00	0.00	0.00
Total	981,486.43	750,000.00	420,000.00	325,000.00
One-year variable compensation	417,907.73	452,231.42	417,907.73	452,231.42
Long-term management bonus	79,796.86	75,169.41	79,796.86	75,169.41
Variable third-party compensation	0.00	0.00	64,413.39	811,140.44
Multiple-year variable compensation	79,796.86	75,169.41	144,210.25	886,309.85
Total	497,704.59	527,400.84	562,117.98	1,338,541.27
Supply costs	0.00	0.00	0.00	0.00
Total compensation	1,479,191.02	1,277,400.84	982,117.98	1,663,541.27

In 2019, the parent company furthermore assumed the costs of an accident insurance policy in the amount of EUR 1 thousand (previous year: EUR 1 thousand) for one of the members of the Management Board and carried the costs of the contributions due in accordance with the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG) in the amount of EUR 14 thousand (previous year: EUR 15 thousand).

Allocations granted (in EUR)	Franz Ömer				Michael Quatember			
	CEO				CEO			
	2018	2019	2019 (Min)	2019 (Max)	2018	2019	2019 (Min)	2019 (Max)
Fixed compensation	470,000.00	581,486.43	581,486.43	581,486.43	325,000.00	420,000.00	420,000.00	420,000.00
Fringe benefits	280,000.00	400,000.00	400,000.00	400,000.00	0.00	0.00	0.00	0.00
Total	750,000.00	981,486.43	981,486.43	981,486.43	325,000.00	420,000.00	420,000.00	420,000.00
One-year variable compensation	417,907.73	471,500.24	0.00	573,750.00	417,907.73	471,500.24	0.00	573,750.00
Long-term management bonus	79,796.86	73,748.42	0.00	101,250.00	79,796.86	73,748.42	0.00	101,250.00
Share-based payment	0.00	204,876.53	0.00	15,267,350.87	64,413.39	204,876.53	0.00	9,652,486.57
Multi-year variable compensation	79,796.86	278,624.95	0.00	15,368,600.87	144,210.25	278,624.95	0.00	9,753,736.57
Total	497,704.59	750,125.19	0.00	15,942,350.87	562,117.98	750,125.19	0.00	10,327,486.57
Supply costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total compensation	1,247,704.59	1,731,611.62	981,486.43	16,923,837.30	887,117.98	1,170,125.19	420,000.00	10,747,486.57

Members of the Supervisory Board of bet-at-home.com AG, Düsseldorf, during the financial year 2019:

Martin Arendts, MBL-HSG, lawyer, Grünwald (Chairman)

Jean-Laurent Nabet, Director, Paris, France

Isabelle Andres, Director, Paris, France

The Chairman of the Supervisory Board Martin Arendts is member of the Supervisory Board of FIVV Finanzinformation & Vermögensverwaltung AG, Munich.

Supervisory Board member Isabelle Andres is member of the Supervisory Board of ATARI S.A., Paris (France).

Supervisory Board member Jean-Laurent Nabet is member of the Supervisory Board of Lov Group Invest SAS, Paris (France) and Lov Hotel Collection Holding, Paris, (France).

The Chairman of the Supervisory Board received fixed remuneration of EUR 40 thousand in the financial year 2019 (previous year: EUR 40 thousand). Ms. Andres received fixed remuneration of EUR 20 thousand in the financial year 2019 (previous year: EUR 20 thousand). In addition, necessary expenses were reimbursed. As in the previous year, Mr. Nabet waived his remuneration in the financial year 2019.

In financial year 2018, investments in the following companies were held:

Company, head office	Share of capital	Equity	Profit for the period
bet-at-home.com Entertainment GmbH, Linz/Österreich	indirect 100%	25,614,704.02	16,774,475.36
bet-at-home.com Holding Ltd., Portomaso/Malta	direct 2 %	4,558,239.47	17,598,240.91
	indirect 100%		
bet-at-home.com Entertainment Ltd., Portomaso/Malta	direct 2 %	240,000.87	13,246,742.5
	indirect 100%		
bet-at-home.com International Ltd., Portomaso/Malta	direct 2 %	4,986.36	204,638.54
	indirect 100%		
bet-at-home.com Internet Ltd., Portomaso/Malta	direct 2 %	99,990.57	12,875,697.61
	indirect 100%		
Jonsden Properties Ltd., Gibraltar	indirect 100%	261,077.58	70,401.20

Subject to the Supervisory Board's consent, the Management Board of the parent company will propose to the annual general meeting of shareholders in 2020 to pay a dividend of EUR 2.00 per share, totalling EUR 14,036,000.00, from net profit for the year as at 31 December 2019 and to carry EUR 0.17 forward to new account.

Notifications pursuant to section 33 (1) sentence 1 WpHG (German Securities Trading Act) in the financial year 2019

BDL Capital Management, Paris, France, has informed us that on April 26, 2019, their total share of voting rights in bet-at-home.com AG contributed 4.95% (this corresponds to 347,487 of a total of 7,018,000 Voting rights).

In addition, BDL Capital Management, Paris, France, informed us that their total share of voting rights in bet-at-home.com AG on July 16, 2019 totaled 2.99% (this corresponds to 210,128 of a total of 7,018,000 Voting rights).

V. Final declaration pursuant to Section 312 (3) AktG

Pursuant to Section 312 (3) AktG, the Management Board states that, according to the circumstances known to the Board at the time when legal transactions were concluded with related parties, the parent company received appropriate compensation for each legal transaction. No actions subject to Section 312 (1) AktG were taken or omitted.

VI. Material subsequent events

There were no events materially affecting the company's business development and financial position in the period between the end of the financial year 2019 and preparation of the financial statements.

VII. Declaration in accordance with Section 161 AktG on the German Corporate Governance Code

Management Board and Supervisory Board of bet-at-home.com AG have made the declaration required for listed companies in accordance with Section 161 of the German Stock Corporation Act and made it available to shareholders. The declaration is published on the Investor Relations website www.bet-at-home.ag in the chapter Corporate Governance.

VIII. Responsibility statement

To the best of our knowledge, we assure that, in accordance with the accounting principles to be applied, the annual financial statements convey a true and fair view of the company's financial position, financial performance and cash flows, and that the management report gives a true and fair view of the business development including the business results, the situation of the company and the risks of the expected development of the company.

Düsseldorf, 28 February 2020

Franz Ömer

Michael Quatember

bet-at-home.com AG,
Düsseldorf

Summary of fixed assets as at 31 December 2019

	At cost			Accumulated depreciation			Balance at 31.12.2019 EUR	Carrying amount 31.12.2019 EUR	Carrying amount 31.12.2018 EUR	Depreciation 31.12.2019 EUR	
	Balance at 1.1.2019 EUR	Additions EUR	Disposals EUR	Balance at 31.12.2019 EUR	Balance at 1.1.2019 EUR	Additions EUR					Disposals EUR
I. Property and equipment											
Furniture and fixtures, office equipment	2 375,57	0,00	1,00	2 374,57	2 374,57	0,00	0,00	2 374,57	0,00	1,00	0,00
	2 375,57	0,00	1,00	2 374,57	2 374,57	0,00	0,00	2 374,57	0,00	1,00	0,00
II. Financial assets											
Holdings in affiliated companies											
bah Entertainment GmbH	3 771 313,19	0,00	0,00	3 771 313,19	0,00	0,00	0,00	0,00	3 771 313,19	3 771 313,19	0,00
	3 771 313,19	0,00	0,00	3 771 313,19	0,00	0,00	0,00	0,00	3 771 313,19	3 771 313,19	0,00
	3 773 688,76	0,00	1,00	3 773 687,76	2 374,57	0,00	0,00	2 374,57	3 771 313,19	3 771 314,19	0,00

bet-at-home.com AG, Düsseldorf

Combined Management Report 2019

A. Economic status of the Group

A.1 Business model

bet-at-home.com AG group is an online sports betting and online gaming company. With more than 5.2 million registered customers, the Group is one of the most successful providers in Europe.

The wide-ranging offerings on www.bet-at-home.com include sports betting, casino, poker, games, and virtual sports. In 2019, sports bets were placed on more than 472,000 events in over 80 types of sport. bet-at-home has companies in Germany, Austria, Malta and Gibraltar. The successful development of the company can be attributed to its 288 employees as at 31 December 2019.

In addition to some countries in Eastern Europe, particularly the German-speaking region and individual countries in Western Europe are key markets.

The Group holds various licences via its Maltese companies for online sports betting and online gaming. These licences allow the Group to organise and market online sports betting and online gaming in its sales markets in Germany, Western Europe, Eastern Europe and in other countries.

bet-at-home.com AG Group structure in detail

The parent company, bet-at-home.com AG, Düsseldorf, was listed on the regulated market of the Frankfurt Stock Exchange in the Prime Standard section. All operating activities are carried out exclusively by indirect associates.

bet-at-home.com AG holds 100% of bet-at-home.com Entertainment GmbH. This company, which as its registered office in Linz, Austria, is mainly responsible for the continuous transfer of technology within the Group as well as for further developing its internally developed software and provides services for the operating companies in Malta. The company holds its international online sports betting licenses and online gaming licenses for casino, poker, games and virtual sports via bet-at-home.com Holding Ltd., Malta.

Since 2009, bet-at-home.com AG has been a member of the Betclix Everest Group SAS, Paris, a French group specialising in online gambling and online sports betting.

A.2 Development activities

The most important assets of the Group include functioning, state-of-the-art software that has been continuously expanded and developed since the beginning. In the financial year 2019, software developments focused on seamless wallet solutions that enable customers to transfer funds between different payment modalities, on the one hand, and facilitate the future implementation of innovative product solutions, on the other. In 2019, a comprehensive IT project for the implementation of agile processes was also started to develop the IT organisation further and increase the innovation processes, and therefore competitiveness. At the same time, the product portfolio of the online sports betting and online gaming offer on the mobile and desktop platform have been constantly enhanced and optimised. The main factor in this sector are the IT employees.

B. Business report

B.1 Overall economic and industry situation

Based on the previous experience from key markets of the Group companies, it can be assumed that the online sports betting and online gaming business development is largely independent from total economic developments in the respective market.

The Management Board assumes that the overall gaming market will develop positively in the long term, with the online segment gaining further in importance. Particularly the penetration of the target group with mobile devices, mobile gaming as innovative sales channel as well as demographic trends and increasing online affinity will become supporting factors. The above opportunities are opposed by the risk of individual countries blocking the products and/or individual product segments of private gaming providers. Individual countries are explicitly planning on implementing such measures, which violate European law.

B.2 Business trend

(1) Highlights in 2019

In December 2019, bet-at-home celebrated its 20th anniversary in a continuously dynamic industry. Particularly in Europe, the growth of the sports betting and gaming market is strongly impacted by the sustainable development of the online market. In 2019, bet-at-home.com AG Group once again proved its performance and generated the highest betting and gaming volume in the Company's history in the

amount of more than EUR 3.2 billion. The gross betting and gaming revenue amounted to EUR 143.3 million, almost exactly the same as in the previous year (EUR 143.4 million).

Due to the lack of a major sport event in the 2019 financial year, bet-at-home focused its marketing activities for the year on the start of the European football leagues after the summer break and further cooperations in the European top sport sector for ice hockey, volleyball, beach volleyball and basketball. At EUR 39,8 million, total marketing expenses in 2019 were up year-on-year, meaning that more was invested in increasing the brand's popularity in the market than in 2018, the year of the Football World Cup (previous year: EUR 38.3 million).

Due to the increased investments in the brand's popularity in the market, the EBITDA for 2019 amounted to EUR 35.2 million, therefore EUR 1.0 million down year-on-year (previous year: EUR 36.2 million).

Corporation tax back payments in Austria resulting from a tax audit and related Group transfer pricing changes and corresponding corporation tax refund claims in Malta resulted in a net increase in income taxes of EUR 13.9 million. In addition to the assessment period covered by the tax audit, all assessment years up to and including 2019 were fully adjusted in the income statement in 2019. This expense rate of 45.7 % (previous year: 6.8 %), with the Group tax rate, adjusted for the one-off effects from the tax audit, amounting to 18.2 % for the financial year 2019.

Ongoing innovations on the mobile platforms and apps and the optimisation of the mobile device product portfolio are the main focus of operations. As a result, more than 60 % of the gross betting and gaming revenue was already generated through mobile devices at the end of the financial year 2019.

(2) Staffing

During the financial year 2019, the average number of staff (excluding the Board) employed by the Group amounted to 292 (previous year: 304). As at the 2019 reporting date, the Group employed 288 staff (previous year: 301). Targeted personnel development combined with the recruitment of highly qualified professionals form the basis for the Group's continued successful development. Another key component to success is intensive further professional training.

B.3 Group situation

The Group further strengthened its position, and in particular that of the bet-at-home brand, during financial year 2019. This can be measured, in particular, by the number of registered customers increasing to more than 5.2 million (previous year: 5.0 million) in 2019.

B.3.1 Earnings position

In 2019, the gross betting revenue (betting volume less paid out winnings) amounted to EUR 59.0 million, just down on the previous year's figure (previous year: EUR 60.5 million).

Primarily due to the significant increase of gaming volume, the gross gaming revenue (gaming volume less paid out winnings) increased year-on-year to EUR 84.3 million (previous year: EUR 82.8 million). Online gaming comprises the products Casino, Poker, Games and Virtual Sports.

In 2019, the gross betting and gaming revenue therefore amounted to EUR 143.3 million, on par with the previous year (previous year: EUR 143.4 million), which exceeds the upper bandwidth limit of the 2019 guidance. The gross betting and gaming revenue is a crucial financial performance indicator for the Group.

Taking into consideration betting taxes and gambling levies and the tax payable due to the VAT regulations for electronic service providers, net betting and gaming revenue in 2019 amounted to EUR 117.5 million (previous year: EUR 115.1 million).

During the 2019 financial year, the Group's **earnings position** was as follows:

	31/12/2019	31/12/2018
	EUR'000	EUR'000
Gross betting and gaming revenue	143 289	143 351
Total operating income	118 854	116 199
EBT (earnings before taxes) *)	33 105	34 995
EBIT (earnings before interest and taxes) **)	33 243	34 946
EBITDA (earnings before interest, taxes, depreciation and amortisation) ***)	35 173	36 220

*) corresponds to profit before income tax as shown in consolidated income statement

***) EBT less finance income (costs) in the consolidated income statement

**) EBIT plus depreciation, amortisation and write-downs as shown in consolidated income statement

This means that the expected EBITDA of EUR 29 million to EUR 33 million, which had been forecast in the previous year, was exceeded.

The initial application of IFRS 16 in the financial year 2019 is reflected in additional amortisation of right-of-use assets as well as interest paid on the lease liabilities. The capitalisation of the lease liabilities from IFRS 16 analogously decreases other operating expenses compared with the previous years (lease expenses) and therefore increases the EBITDA. Without the initial application of IFRS 16, the EBITDA would therefore have been EUR 950 thousand less.

The initial application of IFRS 16 does not affect the gross betting and gaming revenue, the key performance indicator.

The betting fees and gambling levies in various countries decreased earnings by EUR 20,935 thousand during the financial year 2019 (previous year: EUR 20,953 thousand). In addition, VAT regulations for electronic service providers decreased earnings by EUR 4,884 thousand (previous year: EUR 7,273 thousand).

In 2019, advertising expenses increased to EUR 39,847 thousand (previous year: EUR 38,327 thousand). In 2019, personnel expenses increased by EUR 1,243 thousand to EUR 19,969 thousand, with this increase being primarily due to increases in salaries.

B.3.2 Financial situation

As at 31 December 2019, the **financial situation** was as follows:

	31/12/2019 EUR'000	31/12/2018 EUR'000
Earnings before taxes (EBT)	33 105	34 995
Cash flows from operating activities	29 884	24 809
+ Cash flows from investing activities	-2 456	-660
+ Cash flows from financing activities	-46 446	-52 635
= Net cash from operating, investing and financing activities	-19 018	-28 487
+ Cash and cash equivalents at 1 January	68 774	97 261
= Cash and cash equivalents at 31 December	49 756	68 774

The cash flows from financing activities reflect the dividend payment to the shareholders of the Group parent.

The Group was able to meet its financial commitments at all times.

B.3.3 Net assets

As at 31 December 2019, **net assets** were as follows:

Assets	31/12/2019	31/12/2018
	EUR'000	EUR'000
Non-current assets	8 172	3 406
Current assets		
Receivables from taxes	23 685	13 139
Own advance payments	1 886	1 533
Other receivables and assets	6 680	6 963
Short-term fixed deposits	5 000	9 525
Cash and cash equivalents	49 756	68 774
	95 179	103 339

The absolute decrease in cash and cash equivalents primarily resulted from the distribution of a dividend in May 2019 in the amount of EUR 45,617 thousand, corresponding to EUR 6.50 (previous year: EUR 7.50) per share.

Equity and liabilities	31/12/2019	31/12/2018
	EUR'000	EUR'000
Group equity	41 635	69 288
Non-current liabilities (provisions)	2 633	49
Current liabilities (payables and provisions)	50 912	34 003
	95 179	103 339

As at 31 December 2019, the equity ratio was 43.7 % (previous year: 67.0 %).

Non-current liabilities contain lease liabilities in the amount of EUR 2,566 thousand (initial application of IFRS 16 as from 1 January 2019) and provisions for employee benefits in the amount of EUR 66 thousand (31 December 2018: EUR 49 thousand).

Current liabilities include trade payables in the amount of EUR 4,168 thousand (previous year: EUR 3,303 thousand), tax liabilities in the amount of EUR 32,059 thousand (previous year: EUR 16,534 thousand), short-term provisions in the amount of EUR 1,608 thousand (previous year: EUR 2,639 thousand) customer payables (contractual liabilities in accordance with IFRS 15) in the amount of EUR 7,354 thousand (previous year: EUR 7,705 thousand), lease liabilities in accordance with IFRS 16 in the amount of EUR 845 thousand (initial application of IFRS 16 as of 01/01/2019) and other liabilities in the amount of EUR 4,877 thousand (previous year: EUR 3,822 thousand).

Financing measures were not required during the financial year 2019.

B.3.4 Overall evaluation of the Group's situation

The corporation tax back payments resulting from the tax audit in Austria had a negative impact in the financial year 2019. The changes to the Group transfer pricing system required after the tax audit will

increase the Group's future corporation tax rate. Nevertheless, the Management Board regards the Group's business performance as very positive overall.

C. Events after the reporting date

There were no material events after the end of the financial year.

D. Outlook, opportunity and risk report

D.1 Outlook

The bet-at-home brand is constantly expanded internationally in a cost-effective way through innovative marketing strategies. Depending on regulatory developments in the respective countries, we are working intensively in all submarkets towards increasing our market.

Based on the assumptions and premises presented in Section B.1 above, the Management Board expects the following development in 2020:

From today's perspective, the Management Board expects gross betting and gaming revenue between EUR 120 million and EUR 132 million in the financial year 2020, whereby the decrease in gross betting and gaming revenue compared to 2019 is primarily due to the discontinuation of major parts of the Swiss market and the significant decrease of the Polish market. A potential decrease in revenue from regulatory changes in Germany can currently not be estimated and is therefore not being taken into consideration.

The Management Board expects EBITDA to amount to EUR 23 million to EUR 27 million in financial year 2020.

The maximum number of employees in the Group should increase to around 305 persons by 31 December 2020.

The Management Board does not expect any negative effects from the United Kingdom's exit from the European union (Brexit), particularly as Group companies have licenses in the United Kingdom.

D.2 Opportunity report

Within the past 10 years, the European online betting and online gaming market recorded the highest growth in the world and is expected to continue growing by 7 % per annum until 2024. This is confirmed by various studies by H2 Gambling Capital, also in 2019. According to recent studies, this trend will continue in the wake of broad-based acceptance of e-commerce and the global penetration of mobile applications and demographic trends and help the gambling sector – which does not depend on the state of the economy – on its way to further sustained growth in the years to come.

D.3 Risk report

The Notes to Consolidated Financial Statements for the Period Ended 31 December 2019 contain detailed disclosures on the development of tax and regulatory risks, the risks from operating activities and financial risks (Section ‘VI.2. Risk report’) to which explicit reference is made.

D.3.1 Risk management system

The group parent’s Management Board is responsible for establishing risk management policies. Compliance with these policies is monitored by the managing directors and department heads of the subsidiaries. Among the basic components of risk management are general principles for risk prevention, such as the segregation of duties and applying the four eyes principle for important internal controls. Various partially automated procedures using software systems are also applied.

Risk management measures include continuously performing credit ratings and auditing the risk control system through credit card checks, payment verifications and analyses of gaming behaviour. In addition, we have further intensified our controlling activities in the marketing, partner programme, payment systems and intercompany clearing subsegments. Reputable external legal advisers are engaged to reduce legal risks and take into account the complex regulatory environment.

The Management Board is also responsible for identifying negative developments in good time by employing cross-departmental monitoring systems. For example, IT risks are monitored and reported through the voluntary appointment of external certification bodies (such as eCogra), operational risks through automated plausibility checks during the preparation of offers and financial risks through the ongoing analysis of key financial performance indicators.

D.3.2 Group accounting-related internal control and risk management system

The internal control and risk management system of the bet-at-home.com AG Group comprises all principles, processes and measures aimed to ensure the effectiveness, profitability and orderliness of

the accounting system and compliance with the relevant legal requirements. There have been no material changes since the reporting date.

The Management Board of bet-at-home.com AG is responsible for the internal control and risk management system required for protecting against risks and designs and monitors the scope and focus of the systems in place on the basis of specific requirements within the Group. Monitoring measures integrated and not integrated in the processes are the components of the internal monitoring system.

The measures of the internal control system focus on the orderliness and reliability of the Group's accounting system and ensure that business transactions are reported completely, on time and in compliance with the legal and statutory requirements. The Group's consolidation and accounting policies also ensure that assets and liabilities are stated, measured and reported accurately in the consolidated financial statements. The policies also ensure that the accounting documents provide reliable and traceable information.

E. Notes to the Financial Statements of bet-at-home.com AG

The financial statements of bet-at-home.com AG have been prepared in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch; HGB) and the additional requirements of the German Stock Corporation Act (Aktiengesetz; AktG). Any deviations from the International Financial Reporting Standards (IFRS) to be applied in the consolidated financial statements are of an immaterial nature.

The management report of bet-at-home.com AG has been consolidated with the Group management report of bet-at-home.com AG Group. Bet-at-home.com AG is the management holding company of bet-at-home.com AG Group and as such depends to a significant extent on the development of the bet-at-home.com Group in terms of business trend, position and expected development, including all related material opportunities and risks, which are disclosed in this combined management report.

E.1 Financial performance of bet-at-home.com AG

	2019	2018	Change	
	EUR'000	EUR'000	EUR'000	%
Revenue	844	881	-37	-4,3
Other operating income	12	20	-8	-39,6
Ordinary operating income	856	901	-45	-5,0
Personnel expenses	2 477	2 031	446	22,0
Administrative expenses	1 119	1 171	-52	-4,4
	3 597	3 203	394	12,3
Operating income (expenses)	-2 741	-2 302	-439	19,1
Income from investments	14 993	46 094	-31 102	-67,5
Interest received	220	219	1	0,6
Interest paid	0	9	-9	-100,0
Net finance income	15 213	46 304	-31 092	-67,1
Earnings before taxes	12 472	44 002	-31 531	-71,7
Income taxes	-178	160	-338	-211,5
Net income for the year	12 650	43 843	-31 193	-71,1

The financial performance of bet-at-home.com AG is impacted by the high dividend payments of its subsidiary bet-at-home.com Entertainment GmbH, Linz, Austria. Revenue comprises income from the transfer of management service charges to subsidiaries.

Personnel expenses exclusively pertain to the two members of the Management Board of the Company.

E.2 Net assets of bet-at-home.com AG

	31/12/2019		31/12/2018		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Non-current assets						
Financial investments	3 771	12,7	3 771	6,0	0	0,0
Current assets						
Other assets, including						
accruals and deferred income	1 388	4,7	1 220	2,0	168	13,7
Receivables from associated companies	15 055	50,5	46 272	74,1	-31 217	-67,5
Cash and cash equivalents	9 582	32,2	11 193	17,9	-1 611	> 100
	26 025	87,3	58 685	94,0	-32 660	-55,7
	29 796	100,0	62 456	100,0	-32 660	-52,3

Net assets exclusively comprise the investment in bet-at-home.com Entertainment GmbH, Linz, Austria.

Receivables from affiliated companies in the amount of EUR 15,055 thousand contain the dividend of bet-at-home.com Entertainment GmbH, Linz, Austria, for 2019 in the amount of EUR 14,468 thousand.

E.3 Financial performance of bet-at-home.com AG

	31/12/2019		31/12/2018		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Equity	28 420	95,4	61 387	98,3	-32 967	-53,7
Current liabilities and provisions						
Suppliers	106	0,4	0	0,0	106	-
Provisions	101	0,3	166	0,3	-65	-39,3
Other current liabilities	1 169	3,9	903	1,4	266	29,5
	29 796	100,0	62 456	100,0	-32 660	-52,3

F. Risk management in relation to the use of financial instruments

Freely available cash and cash equivalents were invested in fixed-income securities. The Group believes that the risk relating to the use of these financial instruments is very minor.

G. Compensation report

G.1 Management Board

Compensation structure

The structure and amount of the emoluments of the Management Board are determined by the Supervisory Board. The company has refrained from setting up a separate HR committee as its Supervisory Board consists of three members and there is thus no need for such a committee.

The appropriateness of the compensation defined for the Management Board is regularly tested. This is based on the scope of tasks and responsibilities of the individual members of the Management Board and on other factors such as the size of the company, its net assets, financial position and results of operations as well as its development potential and prospects for the future.

Compensation for the members of the Management Board, insofar as it is paid in part by bet-at-home.com AG and in part by one of the subsidiaries, consists of the following:

- Non-performance-based components;
- Performance-based annual bonuses with long-term incentives or based on multi-year assessment;
- Variable compensation components based on the share price of bet-at-home.com AG
- Fringe benefits.

The granting and the amount of the individual components of compensation, in particular bonuses and other performance-based components, to the respective members of the Management Board are commensurate with the functions and tasks which they perform.

a) Non-performance-based components

A fixed monthly salary is paid as a non-performance-based component.

b) Performance-based annual bonuses with long-term incentives or based on multi-year assessment

The performance relationship of the annual bonuses is based on the key financial ratios taken from the consolidated financial statements. The gross betting and gaming revenue and earnings before interest, depreciation and amortisation (EBITDA) are used as a key performance indicator. Due to these parameters, target achievement is based on the targets set for several years in advance. The income and earnings targets are connected in such a way that both parameters must exceed a minimum target to lead together to entitlement to a bonus.

Instead of annual bonuses becoming payable in full after one financial year, part of the bonus is paid out if the performance targets set at the beginning of the first year are met in the following year as well.

Variable compensation is computed using a base amount and an achievement corridor of from 70 % to 150 %. The amount is therefore capped at 150 %. Subsequent changes to the performance targets are excluded.

For details on the performance-based and fixed compensation components, we explicitly refer to the disclosure of the Management Board compensation in the notes to the consolidated financial statements (VI.3. Related party transactions).

c) Variable compensation components based on the share price of bet-at-home.com AG

The accrual and amount of this variable compensation component is based on the price of the shares of bet-at-home.com AG exceeding a certain level in 2019, 2020 and 2021 (basic allowance). Each year, the compensation is limited to ten times the annual total compensation of each member of the Management Board. It has been contractually specified that no further payments have to be made as part of this compensation component if the respective member of the Management Board retires from their mandate prior to an annual payment date for the compensation without good cause.

d) Fringe benefits

In addition, one of the Group companies received compensation for consulting services in the amount of EUR 400 thousand.

In 2019, the Company furthermore assumed the costs of an accident insurance policy in the amount of EUR 1 thousand (previous year: EUR 1 thousand) for one of the members of the Management Board and carried the costs of the contributions due in accordance with the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG) in the amount of 1.53% of gross salary. No other fringe benefits, particularly company cars, were granted.

Benefits and allocations granted in 2019

Please refer to the disclosures in the notes to the consolidated financial statements.

G.2 Supervisory Board

As resolved by the general meeting of shareholders on 17 May 2017, each member of the Supervisory Board receives, beginning from 1 January 2017, fixed compensation of EUR 20,000.00 for each full financial year, which is payable one month after the end of the financial year.

The Chairman of the Supervisory Board receives fixed compensation of EUR 40,000.00 p.a. In addition, reimbursement is given for the necessary out-of-pocket expenses and VAT.

The details of this compensation can be found in the notes to the consolidated financial statements.

H. Additional disclosures under acquisition law (Section 289a (1) and Section 315a (1) HGB)

The composition of the subscribed capital of the parent company and the investments in capital exceeding 10 out of 100 voting rights are stated in the notes to the consolidated financial statements (Section V.2 (16) and Section I.) as corresponding disclosures have to be included in this document.

The respective provisions of the German Stock Corporation Act (Section 84 AktG) apply to the appointment and recall of the members of the Management Board of the parent company.

The general meeting of shareholders on 18 May 2016 resolved to authorise the Management Board of the parent company, with the Supervisory Board's consent, to increase the Company's share capital by

17 May 2021 by issuing up to 3,509,000 new non-par value bearer shares for cash or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00. The shareholders shall be invited to purchase new shares. However, the Management Board is authorised, upon approval by the Supervisory Board, to exclude the shareholders' subscription right in certain cases.

By shareholder resolution of 18 May 2016, the Management Board further may, with the Supervisory Board's consent, purchase treasury shares of up to 10% of share capital, i.e. up to EUR 701,800.00, until 17 May 2021. When pooled with other treasury shares, the shares to be purchased may never exceed 10% of the Company's share capital. The authorisation must not be exploited for the purpose of trading in treasury shares.

I. Explanation regarding the management of bet-at-home.com AG in accordance with Section 289f HGB and the Group in accordance with Section 315d HGB as well as the corporate governance report

The current corporate governance statement can be accessed on the website of bet-at-home.com AG at <https://www.bet-at-home.ag/de/corporategovernance> The corporate governance report is also published there.

J. Non-financial performance indicators

The business success of bet-at-home is reflected in financial and non-financial performance indicators. They pertain to existing and new registered users as well as technological developments. In the opinion of bet-at-home, these aspects are key components of a forward-looking positioning in the international competitive environment.

As at 31 December 2019, the Group had a total of 5,238,789 (previous year: 5,046,358) registered users. In 2019, bet-at-home had 192,431 (previous year: 217,664) new registrations.

The requirement for additional staff in the IT department is the result of the consistent further development of the internally developed software. The high standards of functioning software based on state-of-the-art technology and internally developed innovations are among the key assets within the Group. With regard to software development, the work performed by each employee is individually assessed and recorded by project teams to be able to sustainably plan and evaluate the IT project hours. In the 2019 financial year, around 212,000 project hours were spent on IT development (previous year: 220,000).

K. Final provision in accordance with Section 312 (3) AktG

In accordance with Section 312 3 of the German Stock Corporation Act (Aktiengesetz; AktG) and based on the information known to us at the time, we declare that the Company received adequate consideration for all legal transactions with affiliated companies. Measures within the meaning of Section 312 1 AktG were neither implemented nor omitted.

Düsseldorf, 28 February 2020

Franz Ömer

Michael Quatember

Independent Auditor's Report

To bet-at-home.com AG, Düsseldorf

Report on the audit of the Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the financial statements of bet-at-home.com AG, Düsseldorf, and its subsidiaries (the Group), which comprise the statement of financial position as at December 31, 2019, and the statement of profit or loss for the financial year from January 1, 2019 to December 31, 2019, and notes to the financial statements. In addition, we have audited the combined management report of bet-at-home.com AG, Düsseldorf for the financial year from January 1, 2019 to December 31, 2019. In accordance with the German legal requirements we have not audited the items listed in the chapter "Other Information" of this report.

In our opinion, on the basis of the knowledge obtained in the audit,

the accompanying financial statements comply, in all material respects, with the IFRS as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2019, and of its financial performance for the financial year from January 1, 2019 to December 31, 2019, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion does not cover the items listed in the chapter "Other Information" of this report.

Pursuant to § 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the financial statements and on the combined management report.

Key Audit Matters in the Audit of the Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year from January 1, 2019 to December 31, 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

We have organized our presentation of the key audit matter as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Regulatory risks with regard to the business of the Group

Matter and issue

The economic success of its subsidiaries is decisive for the company's net assets, financial position and results of operations. The economic situation of the subsidiaries has a direct impact on the assets, finances and financial assets through the question of the intrinsic value of the financial investment (participation in bet-at-home.com Entertainment GmbH, Linz, Austria) and their ability to make a profit distribution that meets expectations Earnings situation of the company.

Unchanged to prior periods, the business model of the subsidiaries – and the group in total - is still subjected to risks regarding the regulatory admissibility of the services provided by the group in the areas of sports betting and eGaming. In specific countries, state-granted monopolies questioning the admissibility of the business of the group in general, contradict jurisdiction of the European Court of Justice, which is generally favorable for providers of such services. The European Court of Justice has -in its ruling dated September 8, 2010- generally declined any discrimination against private providers of sports betting and eGaming in favor of state-owned monopolies but at the same time has accepted current legislation for a transitory period.

As far as legally possible, the group strives to obtain national licenses to mitigate risk with regard to the business of the group. The group currently provides its services on the basis of licenses obtained in Malta (and thus in the EU) and assumes that (based on the European principles of freedom of establishment and services) these are valid in all EU countries. The group has furthermore obtained national licenses in several EU countries. Current developments in the key market Germany indicate that the trend towards individual national regulation continues.

Specific EU countries still attempt to prevent the group from offering its services by means of regulatory measures supported also by technical obstacles on the level of the internet service providers. As far as such technical interventions are successful, this affects the economic position of the group. As far as important markets are affected to a significant extent, this may potentially impair the financial position of the group. Generally, the group is convinced of the admissibility of its business based on EU law and will take legal action against any such restrictions.

Audit approach and findings

We are constantly monitoring the legal developments and jurisdiction in this area. During our audit, we have requested written evaluations from the external specialized legal consultants of the group. Extensive discussion with management to understand their assessment of the developments as well as consultation with the chairman of the supervisory board of bet-at-home.com AG (himself being a specialized lawyer) are complimented with our own research and evaluations.

We have verified that bet-at-home.com AG management permanently enables itself to competently evaluate the regulatory risks at all times and to be able to initiate necessary action by consulting external experts and maintaining an internal relevant reporting.

We have concluded, that management of bet-at-home.com AG closely monitors the regulatory risk and -as far as possible- strives to influence the developments in favor of the group. In our opinion, there are no current developments that would compromise the business of the group to an extent, where this would have to be further reflected in the group's accounting and reporting.

Reference to further information

A detailed description of the regulatory situation in the area of sports betting and eGaming as well as of the current developments is included in the notes to the consolidated financial statements in section VI.2.1.

Other Information

The legal representatives are responsible for the other information. The other information includes the insurance of the legal representatives for the consolidated financial statements (section 297 (2) sentence 4 HGB) and the group management report (section 315 (1) sentence 5 HGB) contained in the combined management report. The other information also includes the remaining parts of the annual report with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the annual financial statements and the combined management report do not extend to the other information, and accordingly we do not provide an audit opinion or any other form of audit conclusion.

In connection with our audit, we have a responsibility to read the other information and to appreciate whether the other information

- have significant discrepancies with the annual financial statements, the combined management report or our knowledge obtained during the audit, or

- otherwise appear significantly misrepresented.

Responsibilities of the Executive Directors and the Supervisory Board for the Financial Statements and the Combined Management Report

The executive directors of bet-at-home.com AG are responsible for the preparation of the financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and that the financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined 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, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position

and is, in all material respects, consistent with the financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Financial Statements and of the Combined Management Report

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 whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements and of the combined management report, 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 audit opinions. 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 of the financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present the underlying transactions and events in a manner that the financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the financial statements and on the combined management report. We are responsible for the

direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the financial statements, its conformity with law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on May 22, 2019. We were engaged by the supervisory board on October 11, 2019. We have been the group auditor of bet-at-home.com AG without interruption since the financial year 2006.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the supervisory board pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The auditor responsible for the engagement is Thomas Pannenbäcker.

Duisburg, February 28, 2020

PKF FASSELT SCHLAGE
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

Th. Pannenbäcker
Auditor

Prof. Dr. Harrison
Auditor