

bet-at-home

ANNUAL REPORT
2021



LIFE IS A GAME!



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COMPANY PROFILE

COMPANY PROFILE

bet-at-home was founded in 1999 in Wels/Austria by Franz Ömer and Jochen Dickinger and initially focused exclusively on online sports betting. Thanks to an expansive growth strategy, the development of new markets and the ongoing expansion of the product range, the company developed into the bet-at-home.com AG Group and a comprehensive entertainment provider. With 5.5 million registered customers, the listed company and its subsidiaries are among the most popular gambling providers in the European Union.

bet-at-home has companies in Germany, Austria, Malta and Gibraltar. Through its Maltese companies, the Group holds online sports betting and online gambling licenses. The licenses entitle the company to operate and distribute online sports betting and online casinos.

Innovative product portfolio and comprehensive entertainment offering

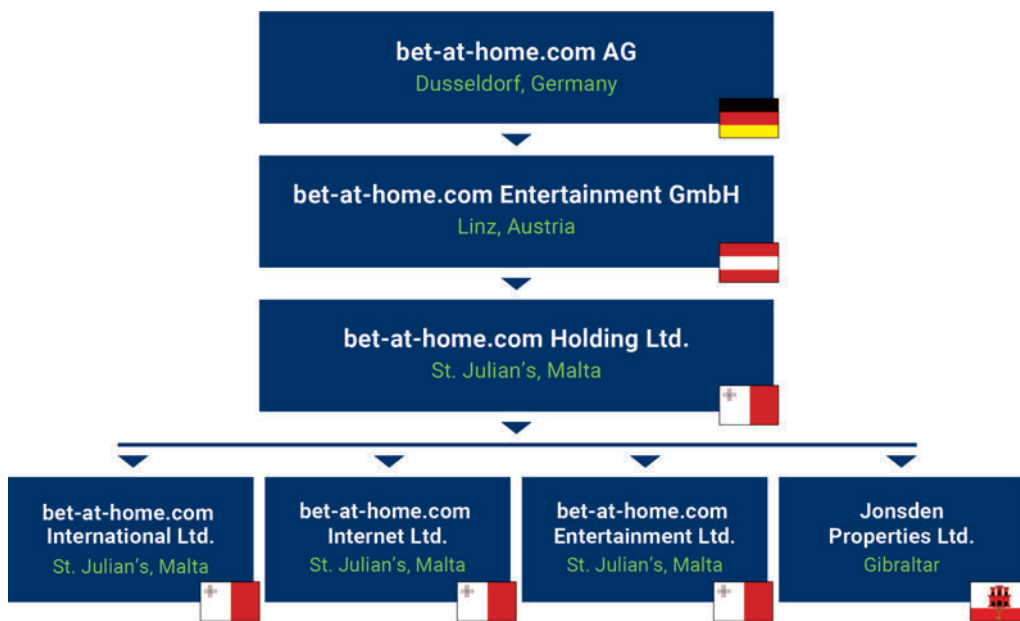
In the online sports betting segment, customers can choose from betting offers on more than 50 sports. In recent years, live betting on mobile devices has become particularly popular, allowing customers to place bets during an event up to the last minute. In addition, bet-at-home is constantly expanding its broad range of bets in the fast-growing eSports product segment through a separate channel and exclusive partnerships.

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

bet-at-home.com AG was listed on the regulated market of the Frankfurt Stock Exchange in the Prime Standard market segment as of December 31, 2021. The core business of the investments held by the Company is the offering of online sports betting and online gaming exclusively via the internet.

The Company holds 100% of bet-at-home.com Entertainment GmbH. The company, which is based in Linz, Austria, is primarily responsible for the ongoing transfer of technology within the Group for the further development of internally generated software as well as the selection and integration of external software. The activities in Malta are united under bet-at-home.com Holding Ltd.

Founded in 1999 as a limited liability company, the capital was increased and converted into a stock corporation in May 2004. The Group went public in December of the same year. Further capital increases followed in the following years. Since 2009, Betclix Everest Group SAS, a leading French group in the online gaming and online sports betting sector, has been the core shareholder of bet-at-home.com AG. The following chart illustrates the corporate structure in detail:



Responsible Gaming

The company is aware of its social responsibility and creates sustainable framework conditions in order to deal responsibly with the entertainment services it offers and to protect customers from the negative consequences of gambling addiction in the best possible way through preventive measures. In order to meet the high standards and fulfill the associated responsibility, bet-at-home undergoes extensive and voluntary product testing at regular intervals that goes beyond the legal requirements and has been cooperating for many years with, among others, the Institute for Gambling and Addiction active in Austria and Germany. In addition, the continuously expanded anti-fraud department investigates customers' gaming behavior in order to prevent gambling addiction. Voluntary memberships in associations such as the International Betting Integrity Association (IBIA), together with annual voluntary compliance audits by the industry auditing association eCogra, round off the measures in this area.

Further memberships exist with the German Sports Betting Association (DSWV), the German Online Casino Association (DOCV) and the Austrian Betting and Gambling Association (OVWG). These associations are committed to creating clear framework conditions such as regulation in line with European law, uniform tax rates and legal certainty for online sports betting and gambling providers.

| Management Board | Supervisory Board |
|---|--|
| Marco Falchetto (since 21/02/2022) CEO | Martin Arendts Chairman of the Supervisory Board |
| Franz Ömer (until 28/02/2022) CEO | Véronique Giraudon Vice Chairwoman of the Supervisory Board |
| Michael Quatember (until 28/02/2022) CEO | Francois Riahi (since 18/05/2021) Member of the Supervisory Board |
| | Nicolas Béraud (until 18/05/2021) Member of the Supervisory Board |



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REPORT BY THE MANAGEMENT BOARD

Ladies and Gentlemen, dear shareholders,

the past financial year 2021 was characterized by increasing legal disputes in the area of conflict between fundamental freedoms within the European Union and national monopoly regulations. In Austria in particular, the increase in the number of lawsuits filed by customers seeking legal recourse for their online casino losses led to massive burdens on the Group.

In February 2021, bet-at-home.com Internet Ltd. implemented the conditions of the nationwide sports betting license obtained in November 2020 in the core market of Germany by implementing its own Germany platform for German customers. Legal requirements such as an elaborate registration process and a limited betting offer had a direct negative impact on customer activity, particularly in the first half of 2021, with the result that the European Football Championship fell short of expectations. Although long-term legal certainty was gained in the core market of Germany as a result of the licensing, the attractiveness of the remaining licensable online gaming offering in Germany suffers from the limitations and regulatory requirements.

In order not to entail any exclusion from future possible licensing proceedings in Poland, the Group has withdrawn its offer from the Polish market - at least temporarily - as of the end of May 2021, as we intend to apply for national licenses in Poland and the Netherlands in the current fiscal year 2022. In these two markets, bet-at-home has already established brand awareness and built up a valuable customer base in the past.

However, the 2021 financial year was mainly characterized by increasing customer lawsuits in Austria for the reimbursement of online casino gaming losses, which led to massive charges for the Group. Although the bet-at-home.com AG Group still considers the online casino monopoly of the national Austrian gambling regulation to be contrary to European law, it has been unclear since October 2021, due to a decision of the Austrian Supreme Court, whether bet-at-home's legal opinion can be enforced before Austrian courts in the foreseeable future. As a result, the online casino service for customers from Austria was discontinued in October 2021. As it was not foreseeable at the end of the financial year 2021 whether the online casino could be offered to customers from Austria again in the near future, it was not possible to continue bet-at-home.com Entertainment Ltd. as a going concern, i.e. the Group company whose main business activity was the operation of online casinos.

In the absence of a positive going concern forecast, winding up proceedings were applied for by the court in respect of this Maltese company on December 23, 2021, particularly as it is no longer in a position to service its liabilities with existing or independently generated funds.

In order to adjust the Group's cost structure to the lower sales revenues, a restructuring of the Austrian Group service company was approved in December 2021, which includes an efficiency enhancement and cost reduction program as well as the one-time reduction of 65 employees.

Despite all the challenges of the past reporting period, I am optimistic about the future and am convinced that bet-at-home is on the right track with the measures and initiatives it has taken. Our brand is excellently positioned in attractive core markets with high purchasing power. In Germany in particular, we expect the relevant authorities to take rigorous action against unlicensed providers in the foreseeable future. In addition to the entrepreneurially consistent actions of the departing Management Board members in these challenging times, my confidence is supported by the highly committed team at bet-at-home. Since my appointment to the Management Board at the end of February 2022, I have been convinced on a daily basis by the broad expertise in the individual specialist areas and am therefore confident that I will be able to leverage high potential at product level in the future. For this, I would like to thank all employees of the bet-at-home.com AG Group in advance.

I would also like to thank the departing Management Board members Franz Ömer and Michael Quatember for a seamless transition of Management Board responsibilities, and the members of the Supervisory Board for the trust they have placed in me.

Marco Falchetto
CEO



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REPORT BY THE SUPERVISORY BOARD

Dear Ladies and Gentlemen,

The bet-at-home.com AG Group faced challenges in the financial year 2021. In addition to the implementation of licensing conditions in the core market of Germany, the year was marked by the increase in lawsuits for the reimbursement of gaming losses from online casino games in Austria, which led to massive burdens for the Group.

Following the adoption of a restructuring program for the Austrian group service company and the discontinuation of the online casino offering for customers from Austria by bet-at-home.com Entertainment Ltd., judicial winding-up proceedings were filed against this Maltese company on December 23, 2021 due to the lack of a positive going concern forecast, as it was no longer able to service its liabilities with existing or independently generated funds.

The long-standing Management Board members Franz Ömer and Michael Quatember left the Management Board at their own request on the regular expiry of their appointments at the end of February 2022. The Supervisory Board appointed Mr. Marco Falchetto to the Management Board of bet-at-home.com AG as of February 21, 2022.

Annual General Meeting 2021

In order to protect the health of our shareholders, employees, and service providers, the Supervisory Board, together with the Management Board, decided in view of the ongoing pandemic situation to once again hold the Annual General Meeting in May 2021 virtually. At this virtual Annual General Meeting on May 18, 2021, all proposed resolutions were approved by majority vote, including the payment of a dividend of EUR 2.50 per share.

Furthermore, the Annual General Meeting elected Mr. François Riahi as a member of the Supervisory Board of our Company until the end of the Annual General Meeting that resolves on his discharge for the fiscal year 2025. Mr. Riahi succeeded Mr. Nicolas Béraud, who resigned from his mandate at the end of the Annual General Meeting on May 18, 2021.

Meeting activities of the Supervisory Board

The Supervisory Board has monitored the development of the bet-at-home.com AG Group. It has fulfilled its duties and obligations under the law and the Articles of Association and has regularly monitored the work of the Management Board of bet-at-home.com AG and supported it in an advisory capacity.

The Supervisory Board of bet-at-home.com AG held regular meetings on March 16, 2021, May 18, 2021, July 8, 2021, October 15, 2021 and December 2, 2021, at which in particular the corporate strategy was discussed with the Management Board. In addition, further event-related consulta-

tions and discussions took place. As in the previous year, all Supervisory Board meetings in the 2021 financial year were held by video conference due to the pandemic. All members of the Supervisory Board took part in all meetings.

At the Supervisory Board meeting on March 16, 2022, the annual financial statements, the consolidated financial statements, the combined management report, the dependency report, the compensation report and the audit procedures and reports were discussed with the auditors appointed by the Annual General Meeting, PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg.

There was a continuous exchange of information and opinions within the Supervisory Board without any conflicts of interest arising. Several resolutions were passed by circulation. As in the past, no committees were formed in view of the fact that there are only three members of the Supervisory Board.

During the reporting period, the Management Board kept us informed on an ongoing basis about the strategy, business development, financial situation and significant business events, such as legal and licensing proceedings and any risks. The strategic development, current business figures, the marketing concept, tax issues, the development of reclaims of gaming losses and legal developments in the betting and gaming sector in general, as well as ongoing administrative and court proceedings, were discussed and debated with the Management Board. We were able to satisfy ourselves of the proper conduct of business.

Audit of the annual and consolidated financial statements for the 2021 financial year

As in previous years, PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, was appointed as the auditor elected by the Annual General Meeting to audit the annual financial statements of bet-at-home.com AG as well as the consolidated financial statements and the combined management report. The results of the audits were discussed with the auditor. After conducting the audits, the auditor stated that they had not led to any objections and that the annual financial statements and consolidated financial statements, including the accounting records, and the combined management report had been audited and issued with unqualified audit opinions.

The audited annual financial statements and consolidated financial statements and the combined management report were submitted to the Supervisory Board together with the audit reports.

The Supervisory Board itself examined the annual financial statements, the consolidated financial statements and the combined management report and discussed them in detail with the auditors on March 16, 2022. The auditors reported in detail on the results of their audit.

They also reported on their findings regarding internal control and risk management in relation to the financial reporting process.

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All questions from the Supervisory Board were answered in full by the Management Board and the auditors.

After discussing the annual financial statements, the consolidated financial statements and the combined management report, the Supervisory Board concurred with the auditor's reports and the results of its audits, raised no objections following the final results of its own audits, and approved the annual and consolidated financial statements. The annual financial statements of bet-at-home.com AG are thus adopted.

Audit of the report pursuant to section 312 AktG on relations with affiliated companies for the financial year 2021

Furthermore, the auditor examined the Management Board's report on relationships with affiliated companies pursuant to Section 312 of the German Stock Corporation Act (AktG) ("Dependency Report") for the financial year 2021. With regard to the majority shareholding of Betcliv Everest Group SAS, Paris, in bet-at-home.com AG, the Management Board has prepared the Dependency Report, which shows which legal transactions or measures within the meaning of Section 312 (1) AktG have been taken.

Based on the audit of the dependency report and the annual financial statements for the year ended December 31, 2021, and the knowledge gained in the process, the auditor is satisfied that the dependent company report contains the disclosures required by section 312 (1) of the AktG and that the reporting corresponds to conscientious and faithful accountability.

As there were no objections to the dependency report for fiscal year 2021 following the final results of the audit, the auditors issued the auditor's report required by section 313 (3) of the German Stock Corporation Act (AktG) with the following wording:

"On completion of our audit in accordance with professional standards, we confirm that

1. the factual statements in the report are correct, and
2. the consideration paid by the Company for the legal transactions listed in the report was not unreasonably high."

The dependency report and the related auditors' report were distributed to all members of the Supervisory Board in good time. The Supervisory Board examined these documents itself and discussed them with the auditors at the meeting on March 16, 2022. The auditors reported on the results of their audit. Questions from the Supervisory Board were answered by the Management Board and the auditors.

The Supervisory Board concurred with the results of the auditor's review of the dependency report. Following the final results of its own examination, the Supervisory Board raised no objections to the declaration of the Management Board at the end of the dependency report. The dec-

laration by the Management Board at the end of the dependency report is reproduced below the balance sheet in the annual financial statements and in the notes to the consolidated financial statements.

Corporate governance in fiscal year 2021

The Management Board and Supervisory Board of bet-at-home.com AG understand practiced corporate governance as responsible corporate management and control with high international standards and central importance for increased transparency towards our shareholders.

The current Corporate Governance Statement and the Declaration of Conformity with the Corporate Governance Code as amended on 16 December 2019 are available on the bet-at-home.com AG website at <https://www.bet-at-home.ag/en/corporategovernance>. Corporate governance as a whole is also reported there.

Our special thanks go to the Management Board of bet-at-home.com AG, and in particular to the departing members of the Management Board Mr. Ömer and Mr. Quatember for their years of dedication in a challenging regulatory environment, as well as to all employees of the Group. They have shown great commitment and done an excellent job in these challenging times.

Düsseldorf, March 2022

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THE SHARE

Development of the share in fiscal year 2021

The development of the share in the 2021 financial year was once again characterized by regulatory developments in the core markets and the increase in customer claims for reimbursement of gaming losses in the online casino in Austria, reaching its low for the reporting period of EUR 12.98 on December 30, 2021.



Investor Relations

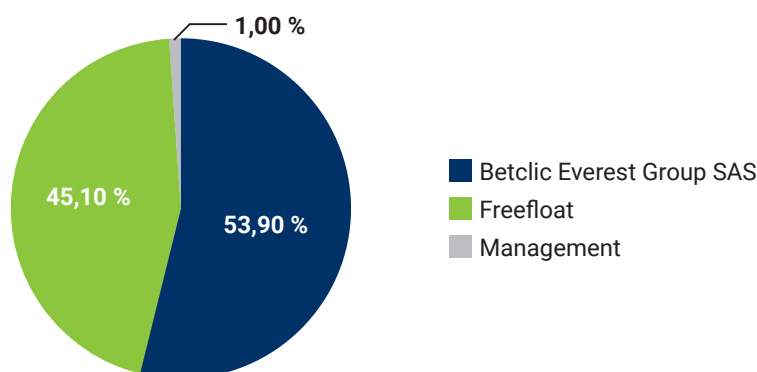
Even in times of limited travel opportunities due to the ongoing pandemic, bet-at-home is committed to open and active communication with institutional investors, analysts, financial journalists, private investors and other interested parties, with the aim of conveying a true picture of the company and thus meeting the expectations of the capital market in terms of transparency and sustainably strengthening long-term confidence in the company on the capital market. To achieve this goal, numerous individual and group meetings were held with investors, analysts and journalists from the financial capitals in Europe and the USA by means of video conferences in the 2021 financial year. In this way, personal contact with investors and interested parties was intensified and maintained, unchanged from the previous extent. The Management Board and Investor Relations Management mainly presented the quarterly reporting, the strategic objectives, and the regulatory and operational market environment.

Stable Shareholder Structure

With Betclik Everest Group SAS and its 53.9% stake, the company has a stable and long-term oriented core shareholder. Betclik Everest is a European group with interests in online gaming companies based in France. Betclik Everest Group SAS is equally owned by Société des Bains de Mer (SBM), based in Monaco (ISIN: MC0000031187) and LOV Group, founded by Stéphane Courbit with a focus on companies with increasing growth and deregulation.

As of December 31, 2021, the management of bet-at-home held 1.0% of the shares, resulting in a total free float of 45.1% as of the reporting date.

Despite having a strong core shareholder, bet-at-home.com AG sees itself as a public company with a broadly diversified free float. In the past, investor relations activities have always exceeded the transparency and information requirements of Deutsche Börse.



Financial Calendar 2022

| | |
|------------|----------------------------------|
| 04/04/2022 | Annual Report 2021 |
| 17/05/2022 | Annual General Meeting 2022 |
| 23/05/2022 | Quarterly Statement Q1 2022 |
| 22/08/2022 | Interim Report January-June 2022 |
| 26/09/2022 | Interim Financial Report 2022 |
| 21/11/2022 | Quarterly Statement Q1-Q3 2022 |

Key data on the share

| | |
|----------------------------------|--|
| ISIN | DE000A0DNAY5 |
| Securities identification number | A0DNAY |
| Ticker-Symbol | ACX |
| Trading segment | Regulated market (Prime Standard) |
| Research Coverage | EDISON Investment Research FMR Frankfurt Main Research Hauck & Aufhäuser |



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2021, bet-at-home.com AG, Düsseldorf

ASSETS

| | | Note | 31/12/2021 | | 31/12/2020 |
|---------------------|------------------------------|------|---------------|---------|---------------|
| | | No. | EUR'000 | EUR'000 | EUR'000 |
| A. | Non-current assets | | | | |
| 1. | Intangible assets | (9) | 850 | | 882 |
| 2. | Goodwill | (10) | 1,369 | | 1,369 |
| 3. | Leased office buildings | (11) | 1,629 | | 2,499 |
| 4. | Property and equipment | (12) | 3,089 | | 2,617 |
| 5. | Deferred tax assets | (13) | 1,450 | | 36 |
| | | | 8,388 | | 7,403 |
| B. | Current assets | | | | |
| 1. | Receivables from taxes | (14) | 8,381 | | 24,806 |
| 2. | Advance payments | (15) | 1,329 | | 1,428 |
| 3. | Other receivables and assets | (16) | 2,867 | | 4,692 |
| 4. | Short-term fixed deposits | (17) | 0 | | 5,000 |
| 5. | Cash and cash equivalents | (18) | 41,989 | | 51,807 |
| 6. | Assets held for closing | (19) | 12,830 | | 0 |
| | | | 67,396 | | 87,733 |
| Total assets | | | 75,783 | | 95,136 |

EQUITY & LIABILITIES

| | | Note | 31/12/2021 | | 31/12/2020 |
|-------------------------------------|--------------------------------|--|------------|---------------|---------------|
| | | No. | EUR'000 | EUR'000 | EUR'000 |
| A. | Equity | | | | |
| | 1. | Share capital | (20) | 7,018 | 7,018 |
| | 2. | Capital reserves | (20) | 7,366 | 7,366 |
| | 3. | Total comprehensive income | (20) | 2,658 | 36,509 |
| | | | | 17,042 | 50,893 |
| B. | Non-current liabilities | | | | |
| | 1. | Provisions for employee benefits | (21) | 97 | 74 |
| | 2. | Lease liabilities | (21) | 794 | 1,695 |
| | | | | 891 | 1,769 |
| C. | Current liabilities | | | | |
| | 1. | Trade payables | (22) | 1,432 | 4,004 |
| | 2. | Liabilities from taxes | (23) | 14,608 | 27,306 |
| | 3. | Short-term provisions | (24) | 1,709 | 1,419 |
| | 4. | Customer payables | (25) | 5,437 | 5,908 |
| | 5. | Lease liabilities | (26) | 900 | 872 |
| | 6. | Other liabilities | (27) | 6,443 | 2,966 |
| | 7. | Liabilities in connection with assets held for closure | (28) | 27,322 | 0 |
| | | | | 57,850 | 42,474 |
| Total equity and liabilities | | | | 75,783 | 95,136 |



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for the year ended 31 December 2021, bet-at-home.com AG, Düsseldorf

| | Note | 01/01 - 31/12/2021 | 01/01 - 31/12/2020 |
|---|------|--------------------|--------------------|
| | No. | EUR'000 | EUR'000 |
| Continuing operations | | | adjusted |
| Gross betting and gaming revenue | (1) | 59,347 | 54,623 |
| Betting fees and gaming levies | (1) | -11,737 | -9,537 |
| VAT on electronic services | (1) | -45 | -157 |
| Net gaming revenue | | 47,564 | 44,929 |
| Other operating income | (2) | 4,001 | 3,658 |
| Total operating income | | 51,565 | 48,586 |
| Personnel expenses | (3) | -18,604 | -19,673 |
| Advertising expenses | (4) | -11,867 | -8,842 |
| Other operating expenses | (4) | -7,124 | -6,891 |
| Earnings before interest, taxes and depreciation | | 13,970 | 13,180 |
| Depreciation and amortisation | (5) | -2,297 | -2,022 |
| Earnings before interest and taxes | | 11,673 | 11,158 |
| Finance income | (6) | -241 | -126 |
| Earnings before taxes | | 11,432 | 11,032 |
| Income tax expense | (7) | -733 | -2,015 |
| Earnings from continuing operations | | 10,700 | 9,017 |
| Discontinued operations | | | |
| Result from discontinued operations | (8) | -27,005 | 14,277 |
| Consolidated net result Total | | -16,306 | 23,294 |

| Earnings per share total in EUR | | |
|--|-------|------|
| Basic earnings per share in EUR | -2.32 | 3.32 |
| Diluted earnings per share in EUR | -2.32 | 3.32 |

| Earnings per share from continued operations in EUR | | |
|--|------|------|
| Basic earnings per share in EUR | 1.52 | 1.28 |
| Diluted earnings per share in EUR | 1.52 | 1.28 |

| Earnings per share from discontinued operations in EUR | | |
|---|-------|------|
| Basic earnings per share in EUR | -3.85 | 2.03 |
| Diluted earnings per share in EUR | -3.85 | 2.03 |

IFRS - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021, bet-at-home.com AG, Düsseldorf

| | 01/01 - 31/12/2021 | 01/01 - 31/12/2020 |
|--|--------------------|--------------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Consolidated net result Total | -16,306 | 23,294 |
| Items that are potentially reclassifiable to profit or loss subsequently | 0 | 0 |
| Items that are potentially not reclassifiable to profit or loss subsequently | 0 | 0 |
| Other comprehensive income | 0 | 0 |
| Comprehensive income | -16,306 | 23,294 |



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CONSOLIDATED STATEMENT OF CASH FLOWS

for the Year Ended 31 December 2021, bet-at-home.com AG, Düsseldorf

| | Note | 2021 | 2020 |
|--|-------------|----------------|----------------|
| | No. | EUR'000 | EUR'000 |
| | | | adjusted |
| Earnings before taxes (EBT) | | 11,432 | 11,032 |
| + Result from discontinued operations | (8) | -27,005 | 14,277 |
| + Depreciation of non-current assets | (5) | 2,297 | 2,022 |
| +/- Increase/decrease in provisions | | 313 | -181 |
| -/+ Increase/decrease in trade and other receivables not attributable to investing or financing activities | | 5,539 | 2,410 |
| +/- Increase/decrease in trade and other payables not attributable to investing or financing activities | | 434 | -3,521 |
| -/+ Increase/decrease in assets held for closing | (19) | -12,830 | 0 |
| +/- Increase/decrease in liabilities in connection with assets held for closure | (28) | 27,322 | 0 |
| -/+ Payments/reimbursements for income taxes | | 2,994 | -7,889 |
| = Cash flows from operating activities | | 10,495 | 18,148 |
| - Acquisition of assets (excluding investments) | | -1,896 | -1,216 |
| = Cash flows from investing activities | | -1,896 | -1,216 |
| - Redemption of lease liabilities | | -872 | -845 |
| - Payments to shareholders (dividends) | | -17,545 | -14,036 |
| = Cash flows from financing activities | | -18,417 | -14,881 |
| = Net cash from operating, investing and financing activities | | -9,818 | 2,051 |
| + Cash and cash equivalents at 1 January | | 51,807 | 49,756 |
| = Cash and cash equivalents at 31 December | (18) | 41,989 | 51,807 |

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021, bet-at-home.com AG, Düsseldorf

| | Share capital EUR'000 | Capital reserves EUR'000 | Total comprehensive income EUR'000 | Total equity EUR'000 |
|-------------------------------|--------------------------|--------------------------------|--|----------------------------|
| As at 01/01/2020 | 7,018 | 7,366 | 27,251 | 41,635 |
| Dividend distribution | 0 | 0 | -14,036 | -14,036 |
| Consolidated net result total | 0 | 0 | 23,294 | 23,294 |
| As at 31/12/2020 | 7,018 | 7,366 | 36,509 | 50,893 |

| | Share capital EUR'000 | Capital reserves EUR'000 | Total comprehensive income EUR'000 | Total equity EUR'000 |
|-------------------------------|--------------------------|--------------------------------|--|----------------------------|
| As at 01/01/2021 | 7,018 | 7,366 | 36,509 | 50,893 |
| Dividend distribution | 0 | 0 | -17,545 | -17,545 |
| Consolidated net result total | 0 | 0 | -16,306 | -16,306 |
| As at 31/12/2021 | 7,018 | 7,366 | 2,658 | 17,042 |



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the Period Ended 31 December 2021, bet-at-home.com AG, Düsseldorf

I. GENERAL DISCLOSURES AND ACCOUNTING PRINCIPLES

bet-at-home.com AG, based in Düsseldorf (Tersteegenstrasse 30) and registered at Düsseldorf District Court under file number HRB 52673 (as holding company), prepared its consolidated financial statements as at 31 December 2021 in accordance with international accounting standards.

The consolidated financial statements for the period ended 31 December 2021 of bet-at-home.com AG have been prepared in accordance with the current International Financial Reporting Standards (IFRS) applicable within the European Union.

The summarised 2021 Management Report was prepared in accordance with the provisions of the German Commercial Code [HGB].

These consolidated financial statements were generally prepared using the same accounting policies as applied to the previous year's financial statements as at 31 December 2020. The applicable "IBOR Reform" changes, compulsory as of 1 January 2021 (changes to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (phase 2) and the change to IFRS 16 in the context of rent concessions relating to COVID-19 have had no significant effect on the consolidated financial statements.

The following standards / amendments to standards have already been published, but were not yet mandatory for the consolidated financial statements for the period ended 31 December 2021:

| Standard | Content | Issued in | Date of EU endorsement | Mandatory for reporting periods beginning on or after |
|-------------------|--|----------------------|------------------------|---|
| STANDARDS | | | | |
| IFRS 17 | Insurance contracts | May 2017 | Nov 2021 | 01/01/2023 |
| AMENDMENTS | | | | |
| IFRS 3 | Reference to the 2018 framework concept | May 2020 | June 2021 | 01/01/2022 |
| IFRS 17 | Initial application of IFRS 17 and IFRS 9 - Comparative information | Dec 2021 | t.b.a. | 01/01/2023 |
| IAS 1 | Classification of debt as non-current and current Disclosure of accounting methods | Jan 2020 Feb 2021 | t.b.a. | 01/01/2023 |
| IAS 8 | Definition of accounting estimates | Feb 2021 | t.b.a. | 01/01/2023 |

| Standard | Content | Issued in | Date of EU endorsement | Mandatory for reporting periods beginning on or after |
|----------|---|-----------|------------------------|---|
| IAS 12 | Income Taxes | May 2021 | t.b.a. | 01/01/2023 |
| IAS 16 | Property, plant and equipment Income before an asset is ready to use | May 2020 | June 2021 | 01/01/2022 |
| IAS 37 | Contracts that are a liability - costs of contractual fulfilment | May 2020 | June 2021 | 01/01/2022 |
| VARIOUS | Annual Improvements 2018 - 2020 for International Financial Reporting Standards | May 2020 | June 2021 | 01/01/2022 |

It is not anticipated that the initial application of the standards and interpretations stated above will have any significant effect on the future presentation of bet-at-home.com AG Group's financial position, financial performance and cash flows.

As in the previous year, no voluntary early application of this standard was applied during the year.

The core business of the Company's associates is sports betting and casino and poker games, which is exclusively offered online.

The consolidated financial statements have been prepared in EUR 1,000 EUR (EUR thousand). Totals in amounts and percentages are subject to rounding differences.

The consolidated income statement has been prepared in accordance with the nature of expense method.

Since 5 September 2009, Betcltic Everest Group SAS, Paris, France has held a controlling interest in the bet-at-home.com group parent. Betcltic Everest Group SAS (company registration no.501 420 939) prepares consolidated financial statements for the largest group of associated companies, which include bet-at-home.com AG's consolidated financial statements.

Due to a lack of positive forecasts for continued business, court proceedings (winding up by the court) were initiated on 23 December 2021 against the Group company bet-at-home.com Entertainment Ltd., St. Julian's, Malta, incorporated in the Group company bet-at-home.com AG. Reference is made to the information provided in Section V "Discontinued Operations (IFRS 5)" of the consolidated financial statements for detailed representations concerning the discontinued operations "Online Casino in Austria".

II. CONSOLIDATED GROUP

General information

The consolidated financial statements include the accounts of bet-at-home.com's Austrian subgroup Entertainment GmbH, which has its registered office in Linz, Austria. The subgroup accounts of bet-at-home.com Entertainment GmbH include five subsidiaries (second-tier subsidiaries of bet-at-home.com AG) in which bet-at-home.com Entertainment GmbH holds all direct and indirect voting rights. bet-at-home.com AG holds all voting rights in bet-at-home.com Entertainment GmbH.

In addition to the group parent, bet-at-home.com AG, the following subsidiaries and/or second-tier subsidiaries were fully consolidated in the financial year:

- bet-at-home.com Entertainment GmbH, Linz, Austria (100% interest);
- bet-at-home.com Holding Ltd., St. Julian's/ Malta (100% interest);
- bet-at-home.com Entertainment Ltd., St. Julian's/Malta (100% interest);
- bet-at-home.com International Ltd., St. Julian's/Malta (100% interest);
- bet-at-home.com Internet Ltd., St. Julian's/Malta (100% interest);
- Jonsden Properties Ltd., Gibraltar (100% interest).

Bet-at-home.com AG holds 2% each of the shares in the four Maltese companies due to former requirements under Maltese company law.

There are no non-controlling interests in group equity. The profit (loss) for the year does not comprise amounts attributable to shareholders of other companies.

Changes in the consolidated group

There were no changes in group entities in 2021.

III. BASIS OF CONSOLIDATION

All financial statements included in the consolidated financial statements were prepared in accordance with the same accounting policies. The separate financial statements of consolidated domestic and international entities and the Austrian subgroup accounts were all prepared as at the group reporting date, audited and consolidated in accordance with International Financial Reporting Standards on the basis of a fictitious legal entity.

In accordance with IFRS 3.85 (limited retrospective application), from 1 January 2004 IFRS 3 (Business Combinations) and the revised standards IAS 36 (Impairment of Assets) and IAS 38 (Intangible Assets) were applied early with retrospective effect to the Maltese second-tier subsidiaries, which were included in the Austrian subgroup accounts for the first time in 2004. Capital is consolidated by applying the revaluation method. The investment carrying amounts have been offset against the subsidiaries' proportional revalued equity capital (purchase accounting). The initial consolidation of the Maltese second-tier subsidiaries did not result in any excess or deficit.

In the case of Jonsden Properties Ltd., which was included in the Austrian subgroup accounts for the first time in 2008, the excess of EUR 2,000 identified upon initial consolidation, due to the cost of acquisition exceeding the fair value of the net identifiable assets acquired, was recognised as goodwill and written down in full as an impairment loss in the same year.

Jonsden Properties Ltd. concluded joint venture agreements with both bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. in accordance with IFRS 11 "Joint Arrangements".

The Austrian subgroup was consolidated for the first time as at 31 December 2005. All assets, provisions and liabilities were re-evaluated at this time in the Austrian IFRS subgroup accounts. The subgroup was therefore consolidated based on the subgroup's equity as determined using the acquisition method. The initial consolidation resulted in goodwill of EUR 1,052 thousand.

Trade receivables, loans and other receivables are offset against the corresponding payables and provisions during the elimination of intercompany payables and receivables of entities included in the consolidated financial statements. As part of the consolidation of intercompany revenues and expenses, revenues from intercompany trade receivables were eliminated against expenses from intercompany trade payables. Any significant gains and losses on intercompany transactions during the six-month period were eliminated against each other. Discounts and other entries affecting only profit or loss were eliminated from the consolidated financial statements. These principles relating to the consolidation of debt and earnings were partially breached for the presentation of continued or discontinued operations to allow for a presentation of the financial position, financial performance and cash flows corresponding to actual circumstances (economic perspective).

IV. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with IAS/IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts in the consolidated financial statements and disclosures in the notes to the consolidated financial statements. These estimates and related assumptions are based on historical information and other factors deemed appropriate under the circumstances,

and which serve as the basis for assessing the carrying amounts of assets and liabilities that cannot be derived from other sources. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies (IFRS) that have the most significant effect on the amounts recognised in the consolidated financial statements, and estimation uncertainties that may bear the risk of requiring a material adjustment of recognised assets and liabilities in subsequent financial years, are as follows:

- Estimating the likelihood of the outcome of pending civil-law and administrative proceedings and changes in the regulatory environment.
- Goodwill, the customer base and software was tested for impairment based on the expected future cash flows and interest rates.

Intangible assets and property, plant and equipment

Acquired intangible assets and office equipment are measured at cost less any accumulated amortisation/depreciation and write-downs.

No internally produced intangible assets are capitalised. The development costs incurred in 2020 and 2021 do not meet the recognition criteria of IAS 38.

Assets subject to wear and tear are written down over their estimated useful lives using the straight-line method. The following depreciation and amortisation rates were used for estimating the useful lives of assets:

| | Years |
|--------------------------------|--------|
| Operating and office equipment | 3 - 10 |
| Customer base | 2 |
| Software | 3 |

If an asset acquired during the financial year is used for more than six months, the depreciation or amortisation charge recognised for the asset in the subgroup accounts will be the full annual amount; in the case of a shorter period of use, half the annual amount or the monthly amount is

used. Assets acquired at a cost of EUR 0.8 thousand or less are fully written down in the year of acquisition and immediately recognised as disposals.

Intangible assets with finite useful lives and items of property, plant and equipment are tested for impairment. If there is evidence of impairment, the recoverable amounts for the relevant assets are determined. If the recoverable amount of an asset is lower than its carrying amount, an impairment loss is recognised.

Goodwill

Goodwill has an indefinite useful life and is not amortised, but tested annually for impairment instead (so-called 'impairment-only' approach). An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. If the recoverable amount of goodwill, which is the higher of its fair value less costs to sell and its value in use, is lower than its carrying amount, an impairment loss is recognised.

Leased office buildings

Leased office buildings under lease agreements (IFRS 16) are initially recognised at the present value of the leasing liabilities. This results in the recognition of non-current assets as well as current and non-current liabilities. The application of IFRS 16 in the Group, which was performed according to the modified retrospective method, pertains to the presentation of lease liabilities for office spaces in Duesseldorf, Linz and Malta. Most of these have indefinite terms. The Management Board assumed a remaining term of five years for the majority as at 1 January 2019.

The estimate of the term of lease agreements according to IFRS 16 is based on the binding minimum term of the lease agreement and the estimate of the exercising of existing extension and termination options. The determination of the term and the discount rates applied have an influence on the rights of use and leasing liabilities.

The borrowing rate is determined on an individual basis for separate companies using a comparative interest rate that the company would have to pay if the assets were acquired using borrowed funds. The average weighted interest rate stands at 3.0% or 4.0% (previous year: 3.0% or 4.0%).

Financial assets and liabilities

Financial assets and liabilities are recognised as soon as contractual rights or obligations are incurred. These transactions are recognised as at the measurement date. They are derecognised as soon as control over such contractual rights (including the asset) ceases. This is usually the case when the asset is sold or all cash flows relating to the asset are directly transferred to an independent third party.

Cash and cash equivalents and short-term deposits

bet-at-home.com AG treats cash, demand deposits and time deposits with remaining maturities of up to three months as cash and cash equivalents. Long-term deposits with maturities between three to a maximum of 12 months are stated as short term deposits.

Receivables and other assets

Receivables and other assets, cash and cash equivalents are allocated to the category "Evaluated at amortised cost" according to IFRS 9. A credit risk does not exist. The debtors are usually financial and similar institutions with excellent credit ratings. No defaults worth mentioning have occurred in the past and are not expected to occur in the future.

Provisions for severance pay (redundancy pay)

Due to historic legal contractual obligations, bet-at-home.com Entertainment GmbH must render a one-off severance payment (redundancy payment) to employees if their contract is terminated or upon retirement. The amount depends on the number of years of service and the relevant salary level at the time of severance (redundancy) or retirement.

A provision is made for such obligations. An actuary performed the calculation in accordance with IAS 19 "Employee benefits" for the consolidated financial statements for the period ended 31 December 2021 and the value was recognised in income accordingly.

As the anticipated actuarial gains and losses pertain to one employee only, they are also expected to be low in the future. The actuarial gains and losses are therefore stated in personnel expenses. The interest cost and employee service cost remain included in the personnel expenses and are not presented in net finance income (costs).

Other provisions

Other provisions are formed for current, legal or actual obligations stemming from past events, which are likely to lead to an outflow of resources and whose level can be reliably estimated (IAS 37.14). Their level corresponds to the present value of expected future outflows of funds and they are charged to the operative expenses of the functional area concerned. If the scope of the obligation is reduced as the result of an amended estimate, the provision will be partially dissolved and the income recognised by the functional area that was originally charged for the formation of the provision. When a reasonable estimate is not possible, no provision is recognised but this is disclosed in the notes to the consolidated financial statements instead.

Provisions for legal disputes are formed for legal risks, which are to be fully attributed to the discontinued operation at 31 December 2021, provided that certain requirements are fulfilled. Legal disputes and other legal proceedings often open up complex issues and are associated with many uncertainties and difficulties, due for example to the matter in hand and the circumstances around each individual case, the court dealing with the dispute and difference between in applicable law. The results of pending or future proceeding can generally not be predicted. Particular difficulties arise in the assessment of the likely outcome of legal disputes relating to customer complaints concerning the Austrian online casino in connection with the filed legal proceedings (winding-up), which could lead to significant financial risks and expense for the bet-at-home.com AG group.

In the case of pending or future legal proceedings, the information available to the legal department of the bet-at-home.com AG group is used in consultation with lawyers and consultants working for the company to check whether and to what extent accounting provisions need to be made. A provision for legal disputes is recognised if it can be reasonably assumed that one of these proceedings is likely to lead to outflows of funds that can already be reliably measured. These provisions cover the estimated payments to suing customers, court and procedural costs and legal and consultancy fees. The existence of a current obligation or likelihood of a potential outflow of resources from pending or future legal proceedings can sometimes not be reliably estimated. Information on the status of significant “legal risks” and the associated contingent liabilities is provided in the summarised management report (“C.1 Risk Report”).

Trade payables

Trade payables are recognised at cost, which is equal to the settlement amount.

Revenue recognition

bet-at-home.com AG Group generates its income from the conclusion and processing of sports bets and the provision of various other online games in the Online Gaming division. In line with the practices in the industry, the net income from bets and/or wagers placed by customers and payouts to customers is initially recognised as gross betting and gaming revenue. The net gambling and gaming revenue recognised in the consolidated income statement is the amount left after deducting betting fees and gambling levies as well as any VAT on electronic services payable on this income.

All of the bets originally recognised at the Maltese second-tier subsidiary are recognised in relation to dates if the underlying bets have already been decided, subject to the wagers placed until the reporting date. Bets deducted from the customers’ clearing accounts before the reporting date where the sport events underlying the bets only take place after the reporting date (pending bets) are recognised as financial liabilities to customers in accordance with IFRS 9.

Income taxes

In the 2021 financial year, the income tax refund from the Maltese tax entity, in which all Maltese group companies are combined for income tax purposes, was recognised in the financial statements of the same year, as was done in previous years.

Deferred tax assets relating to losses carried forward are taken into account if it is likely that they can be offset against taxable income during the planning period.

Deferred taxes are determined in accordance with IAS 12 "Income tax" using the balance sheet liability method. Deferred taxes are computed on the basis of an income tax rate of around 31% for Germany and 25% for Austria and about 5% for Malta (taking tax refunds into account) respectively.

Net finance income (costs)

Net finance income (cost) includes all interest and similar income received on financial assets. Interest is recognised on an accrual basis. Interest is recognised on an accrual basis.

V. DISCONTINUED OPERATION (IFRS 5)

A discontinued operation is a part of the group's business whose operations and associated cash flow can be clearly distinguished from the rest of the group and which

- represents a separate, significant line of business or geographical operation,
- is part of an individual, defined plan to assign a separate, significant line of business or geographical operation or
- represents a subsidiary which has been acquired solely for the purpose of being resold.

An operation is classified as being discontinued upon assignment or as soon as the operation fulfils the criteria for classification as being held for sale if this occurs at an earlier date.

If an operation is classified as being discontinued, the statement of comprehensive income for the reference year is revised as if the operation had been discontinued from the start of the reference year.

Discontinuation of Austrian online casino operations

On 18 October 2021, the group announced that it was going to temporarily remove the online casino in Austria, as a Maltese group company in Austria is facing increasing claims from customers for reimbursement of gaming losses from the online casino. Although the bet-at-home.com AG

group assumes that its action is lawful under European law and that the claims are inadmissible under civil law, by continuing to offer the online casino in Austria pending legal clarification of the matter, it would have faced a steadily growing potential risk over an unforeseeable period, which overall seems unacceptable.

As it was not foreseeable at the end of the 2021 financial year whether the online casino could be made available again in Austria in the near future, it was not possible to maintain the business of the Maltese bet-at-home.com Entertainment Ltd. (the group company whose main operation at this time was the running of the online casino in Austria). As a result of the decision to end online gaming activities in Austria, which were offered by the Maltese bet-at-home.com Entertainment Ltd., these activities are recognised as discontinued activities according to IFRS 5.

Due to a lack of positive forecasts for continued business, court proceedings (winding up by the court) were initiated on 23 December 2021 against bet-at-home.com Entertainment Ltd., in particular as this company is no longer in position to meet its liabilities with existing or independently generated resources. A hearing took place on 14 February 2022 concerning the legal proceedings (winding-up) initiated against bet-at-home.com Entertainment Ltd. in the First Hall, Commercial Division in Malta. No resolutions were reached at the hearing of 14 February 2022. The next hearing will take place on 13 May 2022.

As no further operational business is to be expected from the discontinued company after 31 December 2021, a joint venture agreement between bet-at-home.com Entertainment Ltd. and another group company was also terminated on 31 December 2021.

Retrospective adjustment of previous periods

Disclosures concerning discontinued operations are to be adjusted for previous reporting periods presented in the consolidated financial statements so that they relate to all operations discontinued prior to the accounting date of the current reporting period.

This means that the comparative periods presented in the consolidated financial statements are to be presented as continuing operations in the group's income statement, the IFRS statement of comprehensive income and the group's statement of cash flows both for the current period and the comparative periods of the previous year. This ensures that the key figures stated from continuing operations are comparable and provides a reasonable basis for the forecasting of future profits.

The Management Board has therefore eliminated the turnover and associated costs generated before the discontinuation of the operation, minus unrealised profits from transactions with continuing operations, from the earnings of the discontinued operation. Intercompany transactions have been completely eliminated from the consolidated financial earnings. The eliminated amounts have been allocated to continuing operations and the discontinued operation in a way that takes into account the continuation of these transactions, as the Management Board considered this kind of representation to be appropriate.

Results from the discontinued operation:

| | 01/01 - 31/12/2021 | 01/01 - 31/12/2020 |
|---|--------------------|--------------------|
| | EUR'000 | EUR'000 |
| Gross betting and gaming revenue | 37,652 | 72,305 |
| Betting fees and gambling levies | -10,291 | -12,848 |
| VAT on electronic services | -677 | -3,801 |
| Net betting and gaming revenue | 26,684 | 55,656 |
| Other operating income | 4,116 | 4,213 |
| Results from operating activities | 30,801 | 59,869 |
| Personnel expenses | -234 | -253 |
| Advertising expenses | -13,798 | -21,659 |
| Other operating expenses | -43,821 | -20,192 |
| Earnings before interest, taxes and depreciation | -27,053 | 17,765 |
| Depreciation, amortisation and write-downs | 0 | 0 |
| Earnings before interest and taxes | -27,053 | 17,765 |
| Net finance costs | 47 | 0 |
| Earnings before taxes | -27,005 | 17,764 |
| Income taxes | 0 | -3,488 |
| Results from the discontinued operation | -27,005 | 14,277 |

The result from the discontinued operation amounting to EUR -27,005 thousand (financial year 2020: EUR 14,277 thousand) is to be attributed fully to the owners of the parent company.

Effects on the group's financial position:

| Assets | 31/12/2021 |
|--|---------------|
| | EUR'000 |
| Tax receivables | 7,560 |
| Receivables from associated companies (continued operation) | 4,993 |
| Other receivables and assets | 57 |
| Cash and cash equivalents | 220 |
| Assets held for closure | 12,830 |

| Liabilities | 01/01 - 31/12/2021 |
|---|--------------------|
| | EUR'000 |
| Provision for customer complaints | 24,246 |
| Trade payables | 383 |
| Tax liabilities | 2,620 |
| Other liabilities | 73 |
| Liabilities in connection with assets held for closure | 27,322 |

The Maltese group company bet-at-home.com Entertainment Ltd. was exposed during the 2021 financial year to ever increasing legal claims from customers in Austria for the reimbursement of online casino gaming losses. Following the negative decision by the Supreme Court in October 2021 relating to the significant increase in the number of customer complaints to over EUR 20 million (31 December 2020: approx. EUR 5 million), the estimate of legal risks from customer complaints was updated with the involvement of lawyers and consultants. The already highly discretionary estimate of bet-at-home relating to the expected outflow of funds was therefore adjusted to the new risk situation.

Taking into account the complexity of the legal issues and legal uncertainties relating to the continuation of customer complaints, influenced among other things by the winding-up proceedings filed in December 2021, the outflow of funds from player complaints at 31 December 2021 and during the completion period were classified as being highly likely. The scope of the obligation has therefore increased significantly compared with the previous year. The legal risk has been taken into account by recognising provisions for legal risks from customer complaints in the balance sheet. Provisions relating to Austrian customer complaints including ancillary costs of proceedings were formed for a total amount of EUR 24.2 million in the discontinued operation at 31 December 2021.

Consolidated cash flow statement from the discontinued operation

The consolidated cash flow statement for the 2021 financial year already includes all representations of continued operations from the IFRS 5 reconciliation of the group's income statement and balance sheet.

VI. DISCLOSURES AND NOTES ON THE CONSOLIDATED INCOME STATEMENT, CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The following sections provide additional information on items of the consolidated income statement, consolidated statement of financial position, consolidated statement of cash flows and the consolidated statement of changes in equity. The previous year's comparative figures were taken from the IFRS consolidated financial statements of bet-at-home.com AG as at 31 December 2020.

VI.1. COMMENTS ON ITEMS OF THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2021 TO 31 DECEMBER 2021

The consolidated income statement was prepared in accordance with the nature of expense method.

(1) Betting and gaming revenue and segment reporting

For clarity of presentation of the consolidated financial statements, betting and gaming revenue is shown in the consolidated income statement. The composition of the betting and gaming revenue is presented in these notes to the consolidated financial statements.

bet-at-home operates in the product and operating segments Sports Betting and Online Gaming. The Online Gaming segment comprises casino, poker, games and virtual sports.

These operating segments correspond to the Group's internal organisational and managerial structure and the internal accounting system. The gross betting and gaming revenue was defined as segment income.

Segment reporting in accordance with IFRS 8

| 2021 | Operating segments | | |
|----------------------------------|--------------------|--|-------------|
| | Online betting | Online gaming (casino, poker, games, virtual sports) | Group total |
| | EUR'000 | EUR'000 | EUR'000 |
| Betting and gaming volume | 458,042 | 57,137 | 515,179 |
| Paid out winnings | -401,458 | -54,375 | -455,833 |
| Gross betting and gaming revenue | 56,585 | 2,762 | 59,347 |
| Betting fees and gaming levies | -10,589 | -1,148 | -11,737 |
| VAT on electronic services | -45 | 0 | -45 |
| Net betting and gaming revenue | 45,950 | 1,614 | 47,564 |

| 2020 | Operating segments | | |
|-----------------------------------|--------------------|--|-------------|
| | Online betting | Online gaming (casino, poker, games, virtual sports) | Group total |
| | EUR'000 | EUR'000 | EUR'000 |
| | adjusted | adjusted | adjusted |
| Betting and gaming volume | 449,850 | 38,270 | 488,120 |
| Paid out winnings | -397,272 | -36,225 | -433,497 |
| Gross betting and gaming revenue | 52,578 | 2,045 | 54,623 |
| Betting fees and gambling levies | -9,220 | -317 | -9,537 |
| VAT recognised in profit and loss | -157 | 0 | -157 |
| Net betting and gaming revenue | 43,201 | 1,728 | 44,929 |

Segment reporting – supplementary information

Betting and gaming volume can be presented by geographic segment based on player country as follows:

| | 2021 | | 2020 | |
|------------------------|---------|------|----------|------|
| | EUR'000 | in % | EUR'000 | in % |
| | | | adjusted | |
| Germany | 192,720 | 37% | 152,910 | 31% |
| Eastern Europe | 58,150 | 11% | 94,285 | 19% |
| Western Europe (other) | 264,309 | 51% | 240,926 | 49% |
| | 515,179 | 100% | 488,120 | 100% |

In the 2021 financial year, countries with similar markets were grouped together by region.

(2) Other operating income

| | 2021 | 2020 |
|--|---------|----------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Cost allocation to discontinued operations | 3,423 | 3,135 |
| Exchange rate gains | 88 | 124 |
| Income from the release of provisions | 4 | 39 |
| Other | 486 | 359 |
| | 4,001 | 3,658 |

(3) Personnel expenses

Breakdown of personnel expenses:

| | 2021 | 2020 |
|--|---------------|---------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Salaries | 14,461 | 15,509 |
| Expenses for severance (redundancy) pay and company pension plan contributions | 239 | 230 |
| Expenses for statutory social contributions and pay-based levies and statutory contributions | 3,803 | 3,825 |
| Other social contributions | 101 | 109 |
| | 18,604 | 19,673 |

Expenses for severance (redundancy) and contributions to company pension plans include payments totalling EUR 217 thousand (previous year: EUR 222 thousand) under the Austrian Act on Benefits (New Severance Pay Scheme) for Employees and Self-Employed Persons [BMSVG 'Abfertigung neu'].

Changes in staffing were as follows:

| | Reporting date | | Average | |
|---|----------------|------------|---------|------|
| | 31/12/2021 | 31/12/2020 | 2021 | 2020 |
| Employees | 260 | 284 | 272 | 289 |
| Management Board of the parent company and managing directors of bet-at-home.com Entertainment GmbH | 2 | 2 | 2 | 2 |

(4) Advertising and other operating expenses

These expenses include the following items:

| | 2021 | 2020 |
|----------------------|---------------|--------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Advertising expenses | | |
| Advertising costs | 5,800 | 1,425 |
| Bonuses and vouchers | 4,803 | 5,975 |
| Sponsoring | 1,264 | 1,443 |
| | 11,867 | 8,842 |

The increased advertising expenses have been incurred by international advertising campaigns in the form of TV ads, posters and online media in connection with the European Football Championship in June and July 2021.

| | 2021 | 2020 |
|---|--------------|--------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Other operating expenses | | |
| Additional transaction costs | 1,233 | 1,479 |
| Software provider expenses | 197 | 253 |
| Information services and software maintenance | 3,220 | 2,659 |
| Legal, audit and advisory fees | 334 | 459 |
| Additions to provisions for impairment losses on receivables, loan losses and claims | 255 | 196 |
| Exchange rate differences and similar expenses | 85 | 175 |
| Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs | 427 | 409 |
| Supervisory Board compensation | 40 | 50 |
| Other costs | 1,333 | 1,210 |
| | 7,124 | 6,891 |

(5) Depreciation, amortisation and write-downs

| | 2021 | 2020 |
|---|--------------|--------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Amortisation and write-downs of intangible assets | 238 | 217 |
| Write-down of leased office building | 871 | 871 |
| Depreciation and write-downs of property, plant and equipment | 1,082 | 881 |
| Write-downs of low-value assets | 105 | 53 |
| | 2,297 | 2,022 |

(6) Net finance income (costs)

| | 2021 | 2020 |
|---|-------------|-------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Finance income | | |
| Interest receivable and similar income | 1 | 16 |
| Finance costs | | |
| Interest expenses from lease agreements | -68 | -95 |
| Other financial expenses | -173 | -32 |
| | -241 | -126 |

In 2021 financial year, interest receivable and similar income exclusively pertained to interest income from fixed deposits and other interest receivable and income amounting to EUR 1 thousand (previous year: EUR 1 thousand).

(7) Taxes on income

This item can be presented as follows:

| | 2021 | 2020 |
|---|---------|----------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Current income taxes for the year under review, Austrian subgroup | 650 | 2,166 |
| Income from latent taxes | -1,414 | -28 |
| Tax expense / income for previous years | 1,497 | -123 |
| | 733 | 2,015 |

The reported deferred taxes stem from differences between valuations of leased office spaces, property, plant and equipment according to corporate and tax law and employee benefits. The difference between the calculated income tax and the reported tax expense can be presented as follows:

| | 2021 | 2020 |
|--|---------|----------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Earnings before taxes | 11,432 | 11,032 |
| Calculated income tax expense, Austria (25%) | 2,858 | 2,758 |
| Tax expense / income for previous years | 1,497 | -123 |
| Tax differences for Malta tax group | -2,215 | -1,239 |
| Income from latent taxes | -1,414 | -28 |
| Other differences and tax rate changes | 6 | 647 |
| Actual / recognised tax expense | 733 | 2,015 |

(8) Results from the discontinued operation

All disclosures and reconciliation concerning the discontinued operation are presented in Section V "Discontinued Operation (IFRS 5)" in the consolidated financial statements, to which specific refer-ence is made.

VI.2. COMMENTS ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 DECEMBER 2021

(9) to (13) Non-current assets

A breakdown of non-current assets and their movements during the 2021 financial year is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(9) Intangible assets

Intangible assets include in particular domains, software and licences with a useful life of three years.

(10) Goodwill

Historical composition:

| | 31/12/2021 | 31/12/2020 |
|--|--------------|--------------|
| | EUR'000 | EUR'000 |
| Acquisition of Wetten-Schwechat business unit | 155 | 155 |
| Acquisition of the Starbet International Ltd. business unit | 162 | 162 |
| Take-over of bet-at-home.com Entertainment GmbH, Linz, Austria | 1,052 | 1,052 |
| | 1,369 | 1,369 |
| Of which online sport bets operating segment | 1,054 | 1,054 |
| Of which online sport gaming operating segment | 315 | 315 |

Acquisition of bet-at-home.com Entertainment GmbH, Linz

As at 31 December 2005, the subsidiary bet-at-home.com Entertainment GmbH, including its subgroup, was consolidated for the first time. All hidden reserves to be recognised were disclosed in the Austrian IFRS subgroup accounts. The subgroup was therefore consolidated based on the subgroup's equity as determined using the acquisition method. The initial consolidation resulted in a surplus of EUR 1,052 thousand. This surplus was recognised as goodwill in the consolidated financial statements.

An impairment test was carried out within the operating segments on 31 December 2021 according to IAS 36. An impairment loss is recognised according to IAS 36 if the recoverable amount of associated goodwill or associated cash-generating unit (CGU) has fallen below the carrying amount. The recoverable amount is the higher amount between the value in use and the fair value minus disposal costs. The impairment test was based on the approved corporate plan for 2022 to 2025, which is based on continued operations. The discount rate applied stood at 10% (previous year 10%). No impairment was required on the reporting date.

(11) Leased office buildings

Leased office buildings (application of IFRS 16) pertain to the rights of use from existing rent and lease agreements within bet-at-home.com AG Group for the office spaces in Düsseldorf, Linz and Malta.

(12) Property, plant and equipment

A breakdown of property, plant and equipment and its movements during the 2021 financial year is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(13) Deferred tax assets

Tax relief has been applied for deferred taxes due to the differences between the valuations of assets, provisions, liabilities and accruals and deferred income according to IAS/IFRS and their tax valuations in addition to possible future tax relief due to tax losses carried forward. The company is required to recognise deferred tax assets for this tax relief. Deferred tax assets for the 2021 financial year amounted to EUR 1,450 thousand in total (previous year: EUR 36 thousand). EUR 1,420 thousand (previous year: EUR 0 thousand) stemmed from a group company's corporation tax losses being carried forward, which the Management Board believes could be used in the period up until 2025 to offset taxable profits. No deferred tax assets were recognised for tax losses carried forward in the amount of EUR 4,671 thousand.

(14) Tax receivables

Receivables from taxes include the following items:

| | 31/12/2021 | 31/12/2020 |
|---|--------------|---------------|
| | EUR'000 | EUR'000 |
| Tax refund claim 2021 (tax refund Malta) | 3,429 | 0 |
| Tax refund claim 2020 (tax refund Malta) | 1,898 | 3,574 |
| Tax refund claim 2019 (tax refund Malta) | 48 | 4,875 |
| Tax refund claim previous years tax audit Austria (BAH Internet Ltd) | 0 | 8,372 |
| Tax refund claim previous years tax audit Austria (BAH Entertainment Ltd) | 0 | 7,308 |
| Corporation tax advance payment Austria | 1,925 | 0 |
| Other | 1,081 | 676 |
| | 8,381 | 24,806 |

(15) Advanced payments

Own prepayments pertain to prepayments under advertising, sponsoring and maintenance agreements.

(16) Other receivables and assets

All receivables and other assets have residual maturities of up to one year and comprise the following:

| | 31/12/2021 | 31/12/2020 |
|--|--------------|--------------|
| | EUR'000 | EUR'000 |
| Receivables from payment service providers | 2,394 | 4,289 |
| Other receivables | 473 | 404 |
| | 2,867 | 4,692 |

(17) Short-term deposits

| | 31/12/2021 | 31/12/2020 |
|--------------------------------------|------------|------------|
| | EUR'000 | EUR'000 |
| Cash at bank (maturities > 3 months) | 0 | 5,000 |

Long-term fixed deposits with a term of three to twelve months were not extended further during the 2021 financial year, meaning that these bank balances have been allocated to cash and cash equivalents.

(18) Cash and cash equivalents

| | 31/12/2021 | 31/12/2020 |
|--|------------|------------|
| | EUR'000 | EUR'000 |
| Cash at bank (maturities < 3 months) and in hand | 41,989 | 51,807 |

Any cash and cash equivalents and short-term deposits used for securing liabilities may only be disposed of with limitations. EUR 5,380 thousand (previous year: EUR 380, thousand) of cash and cash equivalents are allocated to pledged funds which can be made available at short notice within three months. The increase can be accounted for by a disposal limitation linked to sports betting licence conditions in Germany, according to which the issuing authority has to be provided with a guarantee amounting to EUR 5,000 thousand to secure customers' payment claims. This security for payment claims was guaranteed in the previous year for the same amount as a fixed deposit with a term of three to twelve months and is therefore recognised as a short-term deposit.

Cash and cash equivalents also include proceeds from customers which are recognised in the consolidated statement of financial position as liabilities to customers amounting to EUR 5,437 thousand (previous year: EUR 5,908 thousand).

(19) Assets held for closure

All disclosures and reconciliation concerning the discontinued operation are presented in Section V "Discontinued Operation (IFRS 5)" in the consolidated financial statements, to which specific reference is made.

(20) Group equity

Breakdown of the Group's equity:

| | 31/12/2021 | 31/12/2020 |
|--|---------------|---------------|
| | EUR'000 | EUR'000 |
| Subscribed capital | 7,018 | 7,018 |
| Capital reserves | 7,366 | 7,366 |
| Consolidated net profit for the period | 2,658 | 36,509 |
| | 17,042 | 50,893 |

For more information on group equity, please also refer to the consolidated statement of changes in equity.

The Group's share capital is divided into 7,018,000 no-par-value shares.

The capital reserves stem from capital increases in 2005 and 2006 and decreased in 2016 by EUR 3,509 thousand as a result of an increase in the subscribed capital from company funds.

Pursuant to the resolution adopted at the general meeting of shareholders on 18 May 2016, the Management Board was entitled, with the Supervisory Board's consent, to increase the company's share capital by 17 May 2021 by issuing new bearer shares (non-par value shares) for cash or non-cash contributions, once or several times, up to a maximum amount of EUR 1,754,500.00.

The general meeting of shareholders on 18 May 2021 resolved to authorise the Management Board, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2026 by issuing up to 1,403,600 new non-par value bearer shares for cash and/or non-cash contributions, once or several times, up to an amount of EUR 1,403,600.00. 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.

Furthermore, the Management Board is authorised up until 17 May 2023, by resolution of the general meeting of shareholders of 18 May 2021 with the approval of the Supervisory Board, to acquire treasury shares for an amount of up to 10% of the share capital existing when this authorisation is granted or (if this value is lower) 10% of the share capital existing at the time of enforcement of this authorisation. Together with other treasury shares in the possession of the Company or allocable to the Company in accordance with Sections 71a et seqq. AktG, the acquired shares must at no time exceed 10% of the Company's share capital. The authorisation must not be exploited for the purpose of trading in treasury shares.

(21) Non-current liabilities

| | 31/12/2021 | 31/12/2020 |
|----------------------------------|------------|--------------|
| | EUR'000 | EUR'000 |
| Provisions for employee benefits | 97 | 74 |
| Lease obligations | 794 | 1,695 |
| | 891 | 1,769 |

In order to calculate the provisions for severance pay (provisions for redundancy pay) in accordance with IAS 19 by applying the projected unit credit method, an actuary's opinion was obtained, which is based on an actuarial interest rate of 0.8% (previous year: 0.3%) and an annual growth rate of 5.0%. The interest cost (and employee service cost) is included in the personnel expenses and not presented in net finance income (costs). The remaining term is around 15 years.

(22) to (28) Current liabilities

Current liabilities include the following items:

| | 31/12/2021 | 31/12/2020 |
|--|---------------|---------------|
| | EUR'000 | EUR'000 |
| Trade payables | 1,432 | 4,004 |
| Tax liabilities | 14,608 | 27,306 |
| Other provisions | 1,709 | 1,419 |
| Amounts due to customers | 5,437 | 5,908 |
| Lease obligations | 900 | 872 |
| Other current liabilities | 6,443 | 2,966 |
| Debts relating to the closure of assets held | 27,322 | 0 |
| | 57,850 | 42,474 |

Tax liabilities relate to corporation tax liabilities amounting to EUR 13,304 thousand (previous year: EUR 24,134 thousand), betting fees, gambling levies and VAT on electronic services amounting to EUR 1,271 thousand (previous year: EUR 3,032 thousand) and other taxes amounting to EUR 32 thousand (previous year: EUR 139, thousand).

Liabilities to customers include pending bets (in accordance with IFRS 9) in the amount of EUR 281 thousand (previous year: EUR 364 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 5,156 thousand (previous year: EUR 5,543 thousand).

In December 2021, the restructuring of the Austrian subsidiary was announced, with the adjustment of the group's cost structure to the reduced revenue stemming from the discontinued operation (V. "Discontinued operation IFRS 5"). The restructuring plan provides for measures consisting of a programme to increase efficiency and reduce costs and a single reduction of 65 employees. Based on ordinary terminations, apart from a small number of exceptions, the employees concerned will remain employed within the group until their planned departure date. No significant release bonuses and/or periods have been agreed upon or offered. The terminated rented areas will also continue to be used until the existing rental contracts expire. For these reasons, a minimal provision was required at 31 December 2021 in accordance with IAS 19 or IAS 37.

As at 31 December 2021, current liabilities from the rights of use from leases (less than 12 months) capitalised in accordance with IFRS 16 amounted to EUR 900 thousand (previous year: EUR 872 thousand).

As at 31 December 2021, debts relating to the closure of assets held amounted to EUR 27,322 thousand (previous year: EUR 0 thousand). All disclosures and reconciliation concerning the discontinued operation, in particular provisions for legal disputes, are presented in Section V "Discontinued Operation (IFRS 5)" in the consolidated financial statements, to which specific reference is made.

Other current liabilities include the following items:

| | 31/12/2021 | 31/12/2020 |
|-------------------------------------|--------------|--------------|
| | EUR'000 | EUR'000 |
| Liabilities to associated companies | 4,993 | 0 |
| Liabilities to personnel | 790 | 1,944 |
| Social security liabilities | 381 | 420 |
| Other liabilities | 279 | 602 |
| | 6,443 | 2,966 |

Liabilities to associated companies pertain to liabilities to discontinued operations (economic perspective).

Liabilities to employees comprise outstanding holiday entitlements and overtime and/or bonuses.

Other movements in provisions during the 2021 financial year (in thousands of euro):

| | Balance at 31/12/2020 | Utilisation | Release | Addition | Balance at 31/12/2021 |
|---------------------|--------------------------|-------------|---------|----------|--------------------------|
| Audit and advisory | 358 | 354 | 4 | 890 | 890 |
| Affiliate programme | 1,061 | 1,061 | 0 | 713 | 713 |
| Other | 0 | 0 | 0 | 106 | 106 |
| | 1,419 | 1,415 | 4 | 1,709 | 1,709 |

Due to the high amount of cash and cash equivalents within bet-at-home-com AG Group, liabilities to customers and all other liabilities were sufficiently covered in the 2021 financial year in continued operations.

VI.3. COMMENTS ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

Cash and cash equivalents recognised in the statement of cash flows exclusively refers to the “Cash and cash equivalents” item in the statement of financial position. Interest received primarily results from current operating activities.

VI.4. COMMENTS ON THE PRESENTATION OF CHANGES IN GROUP EQUITY

Changes in group equity are presented in the consolidated statement of changes in equity.

VII. OTHER DISCLOSURES

VII.1. FINANCIAL INSTRUMENTS

For further details on non-derivative financial instruments, see the consolidated statement of financial position. ‘Pending bets’ are recognised as financial liabilities (derivatives) in accordance with IFRS 9. The Group does not conduct any other financial transactions involving derivative instruments and exclusively holds bank balances, cash and cash equivalents and short-term deposits. The Group also has receivables from payment providers.

Fair value risk management

The financial instruments at fair value are classified according to the levels in the fair value hierarchy, which are defined as follows:

- Level 1: Quoted prices in active markets for identical assets and liabilities.
- Level 2: Inputs that are observable either directly (such as prices) or indirectly (un-listed prices) are used as the basis for calculating assets or liabilities.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (i.e. prices), such as internal models or other valuation techniques.

As at the reporting date, 31 December 2021, pending bets were recognised as financial liabilities in accordance with IFRS 9 (fair value measurement according to level 3) and stated in liabilities to customers. Taking into consideration the fact that these are bets that were placed shortly before the reporting date, the Management Board assumes that the fair value as at the reporting date corresponds to the acquisition costs (market value on the date the bet was placed).

There are no other financial instruments that are measured at fair value.

The disclosures on the risks arising from potential financial instruments (IFRS 7.31 33 (b)) are included in the following disclosures on the financial risks.

VII.2. FINANCIAL RISKS

Cash and cash equivalents and liquidity risk

Liquidity exposure reflects the risk that the Group will have insufficient resources to meet its financial obligations as they fall due. Due to the current negative cash flow within the bet-at-home.com AG group, the liquidity risk in the 2021 financial year is classified as average.

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered insignificant. The interest rates on the bank balances depend on the market interest rates, which depend on the maturities. A change in the currently low level of interest by 0.5% would change the financial result by EUR 210 thousand (previous year: EUR 284 thousand).

Currency risk relates to exchange rate differences. Despite the Group's international orientation, most cash flows are denominated in the group's functional currency, the euro, particularly as the group withdrew its offer in Poland on 31.05.2021. Transactions denominated in other currencies were of minor importance. In spite of this, the currency risk was not hedged in previous years either.

Counterparty default (credit risk)

Credit risk is the risk of payment delays or defaults by counterparties. As there are no netting agreements, the amounts stated on the assets side (receivables and other assets) represent the maximum exposure to credit and default risk.

VII.3. RELATED PARTY TRANSACTIONS

Management Board members of bet-at-home.com AG with equal rights during the 2021 financial year were:

- Mr. Franz Ömer, graduate engineer, member of the Management Board, Ansfelden, Austria
- Mr. Michael Quatember, Master's degree, member of the Management Board, Linz, Austria,

Mr. Marco Falchetto, Master's degree, member of the Management Board, was appointed as member of the Management Board as of 21 February 2022.

The members of the Management Board Franz Ömer and Michael Quatember received fixed compensation in the amount of EUR 1,020 thousand (previous year: EUR 1,020 thousand) and variable compensation in the form of a management bonus in the amount of EUR 934 thousand (previous year: EUR 1,090 thousand) from Group companies. In addition, one of the Group companies received compensation for consulting services in the amount of EUR 400 thousand (previous year: EUR 400 thousand). Share-based compensation was agreed upon for the financial years 2019 to 2021 for each member of the Management Board, which was calculated on the basis of a fixed percentage of the difference between the average share price during the period under review in the corresponding financial year and a reference price (relating to the total number of shares). The criteria for share-based compensation components were not fulfilled for the 2020 financial year. Therefore, no compensation was paid in 2021 (previous year: EUR 410 thousand).

We should also point out that a compensation report was drawn up for the first time for the 2021 financial year. The compensation report is published on the company website at <https://www.bet-at-home.ag/en/corporategovernance>.

The Supervisory Board of bet-at-home.com AG consisted of the following members in the 2021 financial year:

- Martin Arendts, MBL-HSG, lawyer, Grünwald (Chairman);
- Véronique Giraudon, member of the Management Board, Paris, France (deputy chairperson)
- François Riahi, member of the Management Board, Paris, France (since 18 May 2021)
- Nicolas Béraud, member of the Management Board, Bordeaux, France (until 18 May 2021)

In 2021, the Chairman of the Supervisory Board received fixed compensation of EUR 40 thousand (previous year: EUR 40 thousand). A former Supervisory Board member received EUR 10 thousand in the previous year. Necessary expenses were also reimbursed. Ms Giraudon, Mr Riahi and Mr Béraud waived their compensation in 2021 financial year.

No material related-party transactions were concluded in 2021 financial year.

Pursuant to Section 312 (3) of the German Companies Act [Aktiengesetz; AktG], the Board of Management 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.

VII.4. AUDITOR'S FEE

Group auditors' expenses amounting to EUR 96 thousand were incurred in the 2021 financial year (previous year EUR 84 thousand), which relate entirely to auditing services.

VII.5. 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/en/corporategovernance>. The corporate governance report is also published there.

VII.6. MATERIAL SUBSEQUENT EVENTS

Reference is made to Section V. "Discontinued operation (IFRS 5)" with regard to the current status of bet-at-home.com Entertainment Ltd. in the court settlement proceedings. There were no other events materially affecting the Group's business development and financial position in the period between the end of the 2021 financial year and preparation of the consolidated financial statements. In particular, no further significant customer complaints were received prior to the preparation date which have not been recorded in the provision on 31 December 2021.

Mr. Marco Falchetto was appointed as member of the Management Board of bet-at-home.com AG as of 21 February 2022. Mr. Franz Ömer will leave the Management Board at his own request when his term of office ends at the end of February 2022. Mr. Michael Quatember will also leave the Management Board at his own request when his term of office ends at the same time.

VII.7. RESPONSIBILITY STATEMENT

We assure that to the best of our knowledge, the consolidated financial statements give a true and fair view of the Group's financial position, financial performance and cash flows in accordance with the applicable reporting standards, and that the summarised management report gives a true and fair view of the business development including the business performance and position of the Group and appropriately presents the significant opportunities and risks of the Group's anticipated development.

Düsseldorf, 25 February 2022

Franz Ömer

Michael Quatember

Marco Falchetto

| | | | | | | | | | | | |
|-----------------|--------------------------------|---------------------------------|-----------|--|----------------------------------|--------------------------------------|--------------------------------------|---|----------------------------|------------------------------|---------|
| Company Profile | Report by the Management Board | Report by the Supervisory Board | The Share | Consolidated Statement of Financial Position | Consolidated Statement of Income | Consolidated Statement of Cash Flows | Statement of Changes in Group Equity | Notes to the Consolidated Financial Statements | Combined Management Report | Independent Auditor's Report | Imprint |
|-----------------|--------------------------------|---------------------------------|-----------|--|----------------------------------|--------------------------------------|--------------------------------------|---|----------------------------|------------------------------|---------|

APPENDIX TO THE NOTES

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2021, bet-at-home.com AG, Düsseldorf

| | At cost | | | | | | Accumulated depreciation | | | | | | |
|---|-----------------------|-----------|-----------|-------------------|--------------------------------|-----------------------|--------------------------|-----------|-----------|--------------------------------|-----------------------|----------------------------|----------------------------|
| | Balance at 01/01/2021 | Additions | Disposals | Reclassifications | Change discontinued operations | Balance at 31/12/2021 | Balance at 01/01/2021 | Additions | Disposals | Change discontinued operations | Balance at 31/12/2021 | Carrying amount 31/12/2021 | Carrying amount 31/12/2020 |
| | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 |
| I. Intangible assets | 3,732 | 167 | 0 | 41 | -162 | 3,777 | 2,850 | 238 | 0 | -162 | 2,927 | 850 | 882 |
| II. Goodwill | 1,369 | 0 | 0 | 0 | 0 | 1,369 | 0 | 0 | 0 | 0 | 0 | 1,369 | 1,369 |
| III. Leased office buildings | 4,240 | 0 | 0 | 0 | 0 | 4,240 | 1,741 | 871 | 0 | 0 | 2,612 | 1,629 | 2,499 |
| IV. Property and equipment | 8,501 | 1,729 | 1,974 | -41 | -1 | 8,215 | 5,885 | 1,188 | 1,946 | -1 | 5,126 | 3,089 | 2,617 |
| 1. Furniture and fixtures, office equipment | 8,495 | 1,308 | 1,974 | 381 | -1 | 8,209 | 5,885 | 1,188 | 1,946 | -1 | 5,126 | 3,083 | 2,611 |
| 2. Construction in progress | 6 | 422 | 0 | -421 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 6 | 6 |
| | 17,842 | 1,896 | 1,974 | 0 | -163 | 17,602 | 10,476 | 2,297 | 1,946 | -163 | 10,664 | 6,937 | 7,367 |

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2020, bet-at-home.com AG, Düsseldorf

| | At cost | | | | | | Accumulated depreciation | | | | | | |
|---|-----------------------|-----------|-----------|-------------------|--------------------------------|-----------------------|--------------------------|-----------|-----------|--------------------------------|-----------------------|----------------------------|----------------------------|
| | Balance at 01/01/2020 | Additions | Disposals | Reclassifications | Change discontinued operations | Balance at 31/12/2020 | Balance at 01/01/2020 | Additions | Disposals | Change discontinued operations | Balance at 31/12/2020 | Carrying amount 31/12/2020 | Carrying amount 31/12/2019 |
| | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 | EUR'000 |
| I. Intangible assets | 3,580 | 152 | 0 | 0 | 0 | 3,732 | 2,633 | 218 | 0 | 0 | 2,850 | 882 | 947 |
| II. Goodwill | 1,369 | 0 | 0 | 0 | 0 | 1,369 | 0 | 0 | 0 | 0 | 0 | 1,369 | 1,369 |
| III. Leased office buildings | 4,240 | 0 | 0 | 0 | 0 | 4,240 | 871 | 871 | 0 | 0 | 1,741 | 2,499 | 3,370 |
| IV. Property and equipment | 7,505 | 1,065 | 69 | 0 | 0 | 8,501 | 5,019 | 934 | 68 | 0 | 5,885 | 2,617 | 2,486 |
| 1. Furniture and fixtures, office equipment | 7,459 | 484 | 68 | 621 | 0 | 8,495 | 5,019 | 934 | 68 | 0 | 5,885 | 2,611 | 2,440 |
| 2. Construction in progress | 46 | 581 | 1 | -621 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 6 | 46 |
| | 16,694 | 1,217 | 69 | 0 | 0 | 17,842 | 8,522 | 2,022 | 68 | 0 | 10,476 | 7,367 | 8,172 |



COMBINED MANAGEMENT REPORT

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Auditor's
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COMBINED MANAGEMENT REPORT 2021

bet-at-home.com AG, Düsseldorf

A. ECONOMIC STATUS OF THE GROUP

A.1 BUSINESS MODEL

bet-at-home.com AG group operates as an online sports betting and gaming company via its operational Maltese group company. With more than 5.5 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, games, and virtual sports. In 2021, sports bets were placed on more than 1,000,000 events in over 50 types of sport including 206,000 live events. bet-at-home has companies in Germany, Austria, Malta and Gibraltar. The development of the company can be attributed to its 260 employees as at 31 December 2021.

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

The different online sport betting and online gaming licences are held by the Maltese group company. These licences allow the Group to organise and market online sports betting and online casinos 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 other group companies. 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., which has its registered office in St. Julian's, Malta.

Since 2009, bet-at-home.com AG has been a member of the Betclix Everest Group SAS, Paris, France, 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 January 2021, software development focussed on creating a platform for the German market which meets the conditions for German sports betting licenses as well as the adjustment of the online casino products to the German transitional regulations until the start of the licensing process in mid-2021. The 'seamless wallet' solution was also developed further, which enables customers to transfer between different payment modalities and facilitates the implementation of innovative product solutions in the future. At the same time, sports betting and casino products for the mobile and desktop platform have been constantly enhanced and optimised. The main factor in this sector are the IT employees. Internally produced assets are not capitalised according to IAS 38 as the requirements of IAS 38.57 are not fulfilled.

B. BUSINESS REPORT

B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

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

The Management Board assumes that the entire market for sports betting and games of chance will continue to develop along positive lines in the long term. The branch-related regulatory framework conditions in the European member states are characterised by increasing efforts to establish licence systems for private providers of online games of chance and online sports betting, with the result that national licences within individual countries are becoming increasingly important. However, this is offset by the risk that private providers of online games may be excluded from product segments in individual countries, especially since measures conflicting with European law are specifically provide for in certain cases.

The penetration of the target group with mobile devices, mobile gaming as an innovative sales channel as well as demographic trends and increasing online affinity will become increasing important as supporting factors for new players entering the market.

B.2 BUSINESS TREND

(1) Significant events during the 2021 financial year

In February 2021, bet-at-home.com Internet Ltd. realised the conditions of the Germany-wide sports betting licence, which it had received in November 2020, in the core market **Germany** by implementing its own Germany platform for German customers. Legal constraints, such as a complicated registration process and limited betting product range had a negative effect on customer activity particularly in the first half of 2021 and the UEFA Cup fell short of expectations. Even though long-term legal security was obtained in the core market of Germany through licensing, the attractiveness of the remaining licensable online gaming sector in Germany is undermined by limitations and official requirements. The online gaming segment has thus fallen below expectations due to the ban on popular games such as roulette and blackjack.

In **Poland**, the group companies bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. had originally maintained their offer since July 2017 in spite of enforcement measures (e.g. IP blocking and payment blocking measures) by the authorities and have taken legal action against the discriminatory regulations. In order to ensure that it would not be excluded from potential future licensing procedures in Poland, the Group withdrew its offer from the Polish market (at least temporarily) at the end of May 2021, which had a negative effect on turnover and earnings in the 2021 financial year that extended beyond the previous limitations in Poland.

However, the 2021 financial year was mainly characterised by increasing legal disputes in the sphere of conflict between fundamental freedoms within the European Union and national monopoly regulations. In **Austria** in particular, the increase in customer complaints seeking reimbursement for gaming losses from the online casino created a huge burden for the Group. Although the bet-at-home.com AG Group still considers the online casino monopoly under the national Austrian gaming regulations to be contrary to European law and therefore considers the Maltese bet-at-home.com Entertainment Ltd. (the group company whose main operation was running the online casino) to be a lawful online casino provider (including) for customer in Austria, it is unclear based on a decision of the Austrian Supreme Court in October 2021 whether the bet-at-home.com AG Group will be able to enforce its legal opinion before the Austrian courts in the near future. As a result, the online casino was withdrawn in October 2021 by bet-at-home.com Entertainment Ltd. for customers in Austria.

In order to adapt the Group's cost structure to the reduced revenue, the Management Board and Supervisory Board decided to restructure the Austrian group service company at the beginning of December 2021. The restructuring plan provides for measures consisting of a programme to increase efficiency and reduce costs and a single reduction of 65 employees.

As it was not foreseeable at the end of the 2021 financial year whether the online casino could be made available again for customers in Austria in the near future, it was not possible to maintain the business of bet-at-home.com Entertainment Ltd.

Due to a lack of positive forecasts for continued business, court proceedings (winding up by the court) were initiated on 23 December 2021 against this Maltese company, in particular as this company is no longer in position to meet its liabilities with existing or independently generated resources.

The competent court in Malta had not yet reached a legal decision at the time of preparation of this combined management report.

As announced in ad hoc notifications during the year, the original forecasts for the 2021 financial year have not been attained, with a gross betting and gaming revenue of between EUR 106 million and EUR 118 million, and EBITDA between EUR 18 million and EUR 22 million, due to the negative influencing factors outlined above.

(2) Human resources and social security

During the 2021 financial year, the average number of staff (excluding the Management Board) employed by the Group amounted to 272 (previous year: 289). As at the 2021 reporting date, the Group employed 260 staff (previous year: 284). In spite of the structuring plan announced in December 2021, which also includes the ordinary termination of 65 group employees, targeted staff development for our highly qualified employees still forms the basis for the group's continued development. Another key component of staff development is intensive further professional training.

B.3 GROUP SITUATION

B.3.1 Earnings position

All disclosures concerning the earnings position relate to continued operations. Reference is made specifically to the consolidated financial statements Section V. "Discontinued Operation (IFRS 5)" for detailed information on the discontinued operation. The previous year's figures have been adjusted accordingly.

In 2021, the gross online sports betting revenue (bets less paid out winnings) from continued operations amounted to EUR 56.6 million, down on the previous year's figure of EUR 52.6 million.

The gross revenue from online gaming (gaming revenue less paid out winnings) from continued operations was up compared with the previous year, amounting to EUR 2.8 million (previous year: EUR 2.0 million). Online gaming comprises the products Casino, Games and Virtual Sports.

Gross betting and gaming revenue from continued operations thus amounted to EUR 59.3 million in the 2021 financial year, up compared with the previous year (EUR 54.6 million). The gross betting and gaming revenue is a crucial financial performance indicator for the Group.

The betting fees or taxes and gambling levies payable in various countries decreased earnings by EUR 11,737 thousand during the 2021 financial year (previous year: EUR 9,537 thousand). In addition, VAT regulations for electronic service providers decreased earnings by EUR 45 thousand (previous year: EUR 157 thousand).

Taking into consideration betting taxes and gambling levies and the tax payable due to the VAT regulations for electronic service providers, net gaming revenue in 2021 amounted to EUR 47.6 million (previous year: EUR 44.9 million).

During the 2021 financial year, the Group's **earnings position** was as follows:

| | 01/01 - 31/12/2021 | 01/01 - 31/12/2020 |
|--|-----------------------|-----------------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Gross betting and gaming revenue | 59,347 | 54,623 |
| Net betting and gaming revenue | 47,564 | 44,929 |
| Total operating income | 51,565 | 48,586 |
| EBT (earnings before taxes) *) | 11,432 | 11,032 |
| EBIT (earnings before interest and taxes) **) | 11,673 | 11,158 |
| EBITDA (earnings before interest, taxes, depreciation and amortisation) ***) | 13,970 | 13,180 |

*) 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

In 2021, advertising expenses increased to EUR 11,867 thousand (previous year: EUR 8,842 thousand). The increased advertising expenses have been incurred by international advertising campaigns in the form of TV ads, posters and online media in connection with the UEFA Cup in June and July 2021. Personnel expenses in 2021 decreased marginally by EUR 1,069 thousand to EUR 18,604 thousand.

B.3.2 Financial situation

All disclosures concerning the financial situation relate to continued operations. Reference is made specifically to the consolidated financial statements Section V. "Discontinued Operation (IFRS 5)" for detailed information on the discontinued operation. The previous year's figures have been adjusted accordingly.

As at 31 December 2021, the **financial situation** was as follows:

| | 31/12/2021 | 31/12/2020 |
|---|------------|------------|
| | EUR'000 | EUR'000 |
| | | adjusted |
| Earnings before taxes | 11,432 | 11,032 |
| Cash flows from operating activities | 10,495 | 18,148 |
| + Cash flows from investing activities | -1,896 | -1,216 |
| + Cash flows from financing activities | -18,417 | -14,881 |
| = Net cash from operating, investing and financing activities | -9,818 | 2,051 |
| + Cash and cash equivalents at 1 January | 51,807 | 49,756 |
| = Cash and cash equivalents at 31 December | 41,989 | 51,807 |

The decline in cash flow from current operating activities mainly stems from the results from the discontinued operation and the decrease in assets in the context of assets held for closure.

The cash flows from investing activities include payments for additions to assets.

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 in continuing operations.

B.3.3 Net assets

As at 31 December 2021, **net assets** were as follows:

| Assets | 31/12/2021 | 31/12/2020 |
|------------------------------|---------------|---------------|
| | EUR'000 | EUR'000 |
| Non-current assets | 8,388 | 7,403 |
| Current assets | | |
| Tax receivables | 8,381 | 24,806 |
| Prepayments | 1,329 | 1,428 |
| Other receivables and assets | 2,867 | 4,692 |
| Short-term deposits | 0 | 5,000 |
| Cash and cash equivalents | 41,989 | 51,807 |
| Assets held for closure | 12,830 | 0 |
| | 75,783 | 95,136 |

The absolute decrease in cash and cash equivalents primarily resulted from the distribution of a dividend in May 2021 in the amount of EUR 17,545 thousand, corresponding to EUR 2.50 per share (previous year: EUR 2.00).

The derivation of assets held for closure amounting to EUR 12,830 thousand is explained in the consolidated financial statements Section V. "Discontinued Operation (IFRS 5), to which specific reference is made.

| Equity and liabilities | 31/12/2021 | 31/12/2020 |
|--|---------------|---------------|
| | EUR'000 | EUR'000 |
| Group equity | 17,042 | 50,893 |
| Non-current liabilities (provisions) | 891 | 1,769 |
| Current liabilities (liabilities and provisions) | 57,850 | 42,474 |
| | 75,783 | 95,136 |

The equity ratio at 31 December 2021 stood at 22.5% (previous year: 53.5%). The decline in equity stems from the dividend distribution in May 2021 amounting to EUR 17.5 million (EUR 2.50 per share) and the group result for the period totalling EUR -16,306 thousand (previous year: EUR 23,294 thousand).

Long-term debts include lease obligations amounting to EUR 794 thousand (previous year: EUR 1,695 thousand) and provisions for employee benefits amounting to EUR 97 thousand (previous year EUR 74 thousand).

Short-term debts include trade payables amounting to EUR 1,432 thousand (previous year: EUR 4,004 thousand), tax liabilities amounting to EUR 14,608 thousand (previous year EUR 27,306 thousand), other provisions amounting to EURO 1,709 thousand (previous year: EUR 1,419 thousand), liabilities to customers (contractual liabilities according to IFRS 15) amounting to EUR 5,437 thousand (previous year: EUR 5,908 thousand), lease obligations according to IFRS 16 amounting to EUR 900 thousand (previous year: EUR 872 thousand), liabilities relating to assets held for closure amounting to EUR 27,322 thousand (previous year: EUR 0 thousand) and other liabilities amounting to EUR 6,443 thousand (previous year: EUR 2,966 thousand).

Financing measures were not required during the 2021 financial year.

B.3.4 Overall evaluation of the Group's situation

The economic situation of the group in terms of continued operations, which currently consists mainly of the online sport bets segment, is generally positive even though the court proceedings filed will continue to tie up a considerable amount of resources.

C. OPPORTUNITY AND RISK REPORT

C.1 RISK REPORT

The risk report discloses material internal and external risks which may have an effect on the financial position, financial performance and cash flows of bet-at-home.com AG Group. Within the scope of the Group's risk management system, potential risks are identified on the basis of qualitative criteria, their probability of occurrence is determined and their potential effects are explained.

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.

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.

Also part of this risk management system are policies on the use of financial instruments. The Group does not hold any derivative financial instruments. Nor does the Management Board intend to use such financial instruments in the future.

C.1.1 Regulatory and tax risks

In some European countries, betting and gaming providers continue to be targeted by legislative interventions aiming to terminate the offering and operation of their activities, based in particular on regulations enforcing state monopolies on gambling. Certain national laws or draft laws contain discriminatory regulations with respect to foreign providers intended to continue sealing off the market for national providers/monopolists.

The Management Board will continue to closely monitor future developments and strive to obtain online sport betting and gaming licences in countries facilitating fair market access, in an effort to enhance legal certainty. There is a risk that individual countries may illegally block customers from private gaming offers in other countries through provider blocks and payment provider blocks, particularly as such measures are explicitly planned in some new legislation.

Regulatory environment and risks from existing legal uncertainties

Apart from in individual countries whose governments issue their own licenses, bet-at-home.com AG Group bases its activities within the European Union, essentially with gaming and sports betting licenses issued in Malta. In the legal opinion of bet-at-home.com AG Group, these are effective in all EU member countries due to the freedom of movement within the EU, as long as the regulations regarding online gaming and sports betting continue to violate EU law in the respective member country.

Individual member countries' decisions to implement discriminatory regulatory measures which have a worse impact on private online betting and gaming providers than government providers and are therefore prohibited in accordance with EU law may prevent bet-at-home.com AG Group from obtaining comprehensive legal protection against such measures within the time required. A temporary exclusion from individual markets may result in bet-at-home.com AG Group incurring unsustainable losses due to the collapse of income, even should the measures subsequently be proven to be illegal.

The 2021 financial year was characterised by increasing legal disputes in the sphere of conflict between fundamental freedoms within the European Union and national monopoly regulations, where the jurisdictions in many countries showed a clear leaning towards national regulations en-

forcing bans. In Austria in particular, the increase in customer complaints seeking reimbursement for gaming losses from the online casino created a huge burden for the Group.

At the same time, the regulatory developments in the EU member states are characterised by increasing efforts to establish licence systems for private providers of online games of chance and online sports betting, with the result that national licences within individual countries are becoming increasingly important for the Group.

The bet-at-home.com AG group is responding to these legal and regulatory developments and will be applying for additional licences in individual EU member countries. In order to ensure that licence applications are not jeopardised, store closures are sometimes necessary which lead to loss in revenue in the short term.

The regulatory developments in the 2021 financial year were as follows:

- In **Germany**, a new gaming treaty came into effect as of 1 July 2021, in which the existing sports betting licenses are extended until 31 December 2022 and the online casino market has been opened for the first time. These regulations provide for Germany-wide licences for virtual automated games and the possible granting of a licence for gambling games on the Internet at country level. bet-at-home.com Internet Ltd. applied for a licence for virtual automated games immediately after their enforcement and expects to be awarded one in the first half of 2022.

The individual federal states are further left to decide for themselves whether or not to issue their own licenses for traditional gambling games, such as roulette and blackjack, to private providers or if these licenses should be exclusively reserved for casinos. The number of licenses is to be linked to the number of casinos in each federal state. It will become clear during 2022 which federal states are working towards this kind of award procedure for private online providers such as bet-at-home. At the end of 2021, only the North Rhine-Westphalia region had decided to open up the market to gambling games.

In September 2020, the federal states already agreed on a transitional regulation until the effective date of the gaming treaty. It stated that companies which provide online games of chance in compliance with the expected future regulations of the State Treaty on Games of Chance 2021 shall be excluded from enforcements and sanctions due to them not holding a German license. On the basis of these transitional provisions, the Group company concerned restricted the Casino offer on 15 September 2020 and approved requirements such as monthly payment limits. This has created significant losses in the online casino segment in the German core market.

The Management Board welcomes the improved legal certainty with regard to casino products in addition to the existing Germany-wide sports betting licenses.

- On 1 April 2017, an amendment to the gambling laws of **Poland** already became effective. It generally enables private providers to apply for a sports betting license. One single online casino license was issued to the government provider, which constitutes illegal discrimination against foreign providers under EU law. The sports betting policy also contains unattractive general economic conditions as well as illegal provisions under EU law. Since July 2017, the Group was subject to enforcement measures by the authorities such as IP blocking and payment blocking. The bet-at-home offer was originally maintained. The Group took legal action against the discriminatory regulations. No further products are being offered in the Polish market since 1 June 2021 as this would result in exclusion from future licensing procedures. This will have a negative impact on sales and income in the second half of 2021 that exceeds the previous restrictions in Poland. A decision was made at the end of 2021 after an in-depth evaluation to apply for a sports betting licence through a recently founded Polish company. In spite of some uncertainties, it is expected that sports betting will be resumed in Poland at the end of 2022.
- On 1 January 2019, an amendment to the Swiss gambling laws came into effect which permits **Swiss** providers only to provide online sports betting and gambling services. It aims to stop foreign providers from entering the Swiss market. In accordance with this gambling law, the implementation regulations for blocking the IPs of non-licensed providers came into effect on 1 July 2019. On 3 September 2019, the authorities published a blacklist which also contained the Group's domains. These domains were blocked a few days later. The Group decided to appeal against these measures and to maintain its offer until the date of a legally binding ruling. The Casino had to be discontinued in the context of the requested winding-up of the Maltese bet-at-home.com Entertainment Ltd.

The Maltese companies bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. were asked by the Swiss financial authorities in July 2016 to register for national VAT. Following a comprehensive legal review and repeated correspondence with the authorities, bet-at-home.com Entertainment Ltd. was registered in September 2018. The Company paid VAT for Swiss casino sales with retrospective effect as of 1 January 2017 and has been paying this liability in regular instalments since. The Company does not see any legal grounds for paying VAT for the periods from 2013 to 2016 that are requested by the financial authorities. No provisions have been recognised for this, because a potential outflow of resources is not considered likely. The potential risk amounts to EUR 1.3 million.

bet-at-home.com Internet Ltd. decided to register for VAT in Germany with reservations and to transfer the financial data in October 2019. The Company has achieved that any tax demands from the authorities will be suspended until a final court ruling has been issued. This also applies to the matter described above regarding bet-at-home.com Entertainment Ltd. The potential risk of bet-at-home.com Internet Ltd. amounts to EUR 1.1 million for the period from 2013 to 2016 and EUR 2.1 million for the years since 2017. Provisions were not recognised either for this as at 31 December 2021.

The two Maltese companies received tax rulings in December 2020 for the period from 2013 to 2016 or 2017, which have been appealed against to the authorities. An official decision is expected in the first half of 2022. However, legal action could be taken before the national courts, which would mean that a final decision would not be reached before 2024.

In spite of continuing regulatory efforts, betting and gaming providers continue to be targeted by legislative interventions aiming to terminate the offering and advertising of their activities, based in particular on regulations enforcing bans in the gambling sector. This continued to produce the following effects on the companies within the bet-at-home.com AG Group during the 2021 financial year:

- In spite of voluntary customer protection measures for comprehensive player protection that extend beyond the legal requirements, the Maltese Group company bet-at-home.com Entertainment Ltd. in **Austria** has already been faced with claims from customers for the reimbursement of gaming losses from the online casino over recent financial years as reported. The bet-at-home.com AG Group continues to maintain that the online casino monopoly under the national Austrian gaming regulations is contrary to European law and therefore considers the Group company concerned to be a lawful online casino provider in Austria. Not least because of the necessity derived from the current rulings by the Court of Justice of the European Union to perform repeated checks, which also applies to the Austrian courts, which in bet-at-home.com AG Group's opinion do not perform this check to the required extent, bet-at-home.com AG Group expects a positive development regarding the rulings, particularly for the appeals before the supreme courts, by the end of the first half of 2022.

However, on the basis of a negative decision of the Austrian Supreme Court in October 2021, it was unclear whether the bet-at-home.com AG Group would be able to enforce its legal opinion before the Austrian courts in the foreseeable future. A decision was therefore made in October to temporarily remove the online casino offer in Austria. Although the bet-at-home.com AG group assumes that its action is lawful under European law and that the claims are inadmissible under civil law, by continuing to offer the online casino in Austria pending legal clarification of the matter, it would have faced a steadily growing potential risk over an unforeseeable period, which overall seems unacceptable. A decision as to whether the online casino offer will be reintroduced in Austria will be made in future depending on the development of the legal framework conditions.

- In June 2018, the Dutch gaming regulators issued fines in the amount of EUR 410,000.00 against two Maltese Group companies. The companies are accused of having illegitimately addressed Dutch citizens, particularly through the use of the Dutch language and/or corresponding bonus offer. Comprehensive legal measures have been implemented against these penalties. In a final court ruling in March 2021, the fines were reduced to EUR 300,000.00. They have since been paid.

- In June 2019, the website www.bet-at-home.com in Croatia was blocked. The Group regards Group company concerned as a legitimate provider, especially as the national regulations state that only stationary license holders may offer online sports bets and games and therefore foreign companies throughout Europe are being discriminated against. Comprehensive appeals have therefore been launched against these blocking measures. In April 2021, a complaint about the unfavourable rulings was submitted to the supreme court with the aim of presenting the case to the Court of Justice of the European Union to determine the illegality of the Croatian gaming regulations with regard to European law.
- In August 2021, the **Slovenian** authorities appealed to the Maltese courts for legal assistance for the collection of an administrative penalty amounting to EUR 33,000. The Slovenian gambling law fundamentally contradicts the basic principles of European law, particularly as only national stationary casino providers can obtain a licence to offer services on the Internet. The Maltese courts dropped the proceedings in November 2021.

At the political level, the European Parliament already adopted a legislative initiative in support of a proposal by the EU Commission in 2011 targeted at harmonising national sports betting and gambling laws. The first step will be to largely harmonise gambler and data protection regulations as well as control mechanisms. Due to diverging interests among member states and national tax authorities, substantial further harmonisation of relevant national sports betting and gambling regulations is not anticipated in the foreseeable future. However, the member countries primarily aim to regulate the online sports betting and gaming sector and to establish a licensing system at national level, even if this does not always comply with the provisions of EU law. The European Court of Justice is increasingly shifting the verification of national licensing requirements to the national courts, which means that the specifications of European law are being increasingly neglected.

The risks of negative effects resulting from the regulatory environment and existing regulatory legal uncertainties remain medium in a year-on-year comparison. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Tax risks

The countries in which the operational Maltese companies within the bet-at-home.com AG Group operates raise higher taxes on sports betting and gaming products based on varying measurement bases as well as VAT on electronic services. It cannot be ruled out that the taxes and levies in individual countries will increase to levels that would render the business of the operational Maltese company within the bet-at-home.com AG Group wholly or largely unprofitable, either due to the tax rate or selection of measurement base.

In recent years, the regulatory environment for the taxation of multinational companies in general, as well as for bet-at-home.com AG Group in particular, has become considerably more complex, particularly with regard to transfer prices, with companies having to drastically increase their efforts to meet the tougher regulatory requirements. The fundamental agreement between states concerning the distribution of the overall tax base will, combined with the pending introduction of a global minimum tax, lead to further fundamental adjustments to the international taxation of multinational companies.

At the same time, however, the certainty that the applied transfer price rates will be accepted by the tax authorities involved has decreased significantly, particularly as intracompany cross-border transactions are being increasingly investigated by the German tax authorities. The result of these developments are potential tax and interest back payments as well as potential double taxation.

From today's perspective, the tax risk is to be regarded as medium, unchanged to the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

C.1.2 Risks from customer requests for reimbursement of gaming losses and licensing risks

Customer requests for reimbursement of gaming losses

bet-at-home always implements a multitude of measures to support its customers in their responsible use of gaming. As a result, the Company has been cooperating for many years with organisations such as the Institut für Glücksspiel und Abhängigkeit, which actively implements measures for the prevention of addiction in Germany and Austria. Voluntary customer protection measures that by far exceed legal requirements complete the endeavours of bet-at-home.com AG Group to provide customers with comprehensive protection. These measures are verified through voluntary annual compliance audits by eCogra, the industry association.

As has already been pointed out, the Maltese group company bet-at-home.com Entertainment Ltd. was exposed during the 2021 financial year to ever increasing legal claims from customers in Austria for the reimbursement of online casino gaming losses. As the bet-at-home.com AG Group continues to maintain that the online casino monopoly under the national Austrian gaming regulations is contrary to European law, bet-at-home has reacted to this development and, with the support of renowned lawyers and university professors, has continued to invest in efforts to ward off claims by gamers during the recognition of Maltese licences by the courts in Austria.

Sixteen court proceedings with a total amount in dispute of around EUR 20.9 million were pending at the end of the 2021 financial year in Austria (31.12.2020: EUR 4.8 million). Provisions relating to Austrian customer complaints including ancillary costs of proceedings were formed for a total amount of EUR 24.2 million in the discontinued operation at 31 December 2021. No further

significant customer complaints were received prior to the preparation date which have not been recorded in the provision on 31 December 2021.

The Company is also exposed to legal claims by a Maltese company for the reimbursement of online casino gaming losses in Germany. Court proceedings with a total amount in dispute of around EUR 0.7 million were pending at the end of the 2021 financial year in Germany. Whilst the current jurisdiction of the Austrian courts accepts reimbursement claims from gamers solely on the grounds of a lack of a national gaming licence, certain German courts consider that the fact that gamers were or must have been aware of the lack of a national licence stands in the way of a transaction reversal. Provisions were not recognised for this as at 31 December 2021.

The risk of customers' claims for the reimbursement of gaming losses in continued operations remains medium compared to the previous years. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Risk of the loss and/or Revocation of licenses

The operational Group companies base their offers on different licences, which grant non-discriminatory access to the markets of member states of the European Union and Great Britain.

The respective Maltese licenses are issued by the Malta Gaming Authority (MGA) subject to a compulsory ongoing system audit during which the MGA audits the technical equipment of the licensee, particularly in terms of its functionality and IT security.

The Malta Gaming Authority can issue covenants or revoke a license if deficiencies are found during the system audit if

- the licensee does not comply with the terms and conditions of the license,
- customer requirements are not met,
- the licensee becomes insolvent,
- the license was obtained under false pretences,
- the licensee violates anti-money laundering regulations,
- the licensee fails to pay taxes or levies on time,
- at the sole discretion of the licensing authority, there are sufficient reasons for revoking the license or the authority assumes that the licensee is damaging the reputation of the Maltese betting business.

The UK Gambling Commission (UKGC) previously performed compliance assessment every two years. The UKGC regularly focussed these assessments on gamer protection and anti-money laundering regulations. Previous assessments were completed without any major findings, which is also to be expected for future assessments. bet-at-home.com Internet Ltd. also continuously monitors changes to licensing laws and adjust internal processes if and when required.

In 2021 financial year, the bet-at-home.com AG Group companies once again met the terms and conditions of the license and successfully concluded all system audits, which is why the risk of a revocation of licenses remains low. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

C.1.3 Risks from operating activities

Odds management and bookmaker risk

Inaccurately estimated odds or manual errors made by bookmakers may result in higher customer payouts and therefore a decrease in income. This risk is minimised by a multitude of back-up systems and by continuous monitoring of betting odds through market comparison. The IT project team continues to develop all the software required to provide a competitive product in the betting market. All required measures, such as automated algorithms for the prevention of manually estimated inaccurate odds and for the minimisation of risks, were implemented so that the respective risks and impact on the financial position, financial performance and cash flows would be low.

As bet-at-home.com AG Group does not broker sports bets, but acts as a counterparty of its customers, the Group incurs a contractual risk for every bet. This risk is reduced by the highest possible number of customers participating in a bet with different expectations regarding the outcome so that the customers' betting positions balance each other out as much as possible.

bet-at-home.com AG Group also determines betting odds, based on customers' expectations regarding the outcome of bets, and continuously adjusts them until the bet has been closed. To be able to provide customers with products in line with the market, the odds of competitors, and therefore the entire market, are also taken into consideration in addition to the betting odds that can be offered on the basis of the positioning of the Group's own customers.

Technical risks

The products and services offered by the Group depend on the reliable functioning of numerous technical systems. Any serious disruption of the IT systems, particularly through adverse external influences such as hacker attacks, DDos attacks, etc., could negatively affect the Group's financial position, financial performance and cash flows.

To minimise the information security and IT risks, bet-at-home.com AG Group has personnel structures in the form of a Chief Information Security Officer (CISO) and team. These employees implement individual security measures to ensure IT security during ongoing operations, investigate potential security-related incidents, are responsible for establishing the information security policy by providing awareness training, and focus their activities on measures such as the ones stated below within bet-at-home.com AG Group:

- Preparing guidelines and processes within the scope of the information security management system (ISMS);
- Risk management based on internationally recognised standards;
- Security monitoring (identifying weaknesses and potential threats to hardware and software);
- Employee training and education on security consciousness.
- Encryption of confidential data (particularly credit card data and passwords);
- Security of customer ports on user interfaces and transmission routes;
- Protection of the productive environment by IDS/IPS, network firewalls and Web application firewall systems;
- Operating a centrally managed anti-virus software;
- Vulnerability management and monthly vulnerability scans;
- Annual penetration tests within the scope of system audits;
- Security compliance regarding PCI-DSS, eCogra and established jurisdictions;
- Highly redundant infrastructure / ISO 27001 certified data centre provider

The information security management system (ISMS) used by the bet-at-home.com AG Group has been certified since the middle of 2021 according to the ISO/IEC 27001 international standard.

The Management Board assumes that these are extensive measures for minimising IT risks, meaning that these risks are medium. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Compliance risks

Money laundering and the financing of terrorism create significant challenges for the international financial system. To counteract these cross-border threats, the EU issued joint regulations for combating money laundering and the financing of terrorism (EU Money Laundering Directive). The supranational EU risk analysis and the national risk analyses of the member countries, which were based on it, assessed online games of chance as having an increased risk. The high money-laundering risk potential specific to the sector linked to the head offices of individual operating companies in Malta often resulted in constraints requiring increased duty of care being issued against bet-at-home.com AG Group from banks and payment service providers.

The high risk rating specific to the sector is reflected, for instance, in stricter periodic KYC (know your customer) processes as well as complex initial requirements when establishing new business relationships with banks and payment service providers.

The limited number of banks willing to cooperate impedes the further diversification of business relationships, meaning that cooperations are focussed on a small number of partners with correspondingly high volumes, thus increasing both dependence and default risk. Furthermore, payment service providers assess the online sports betting and online gaming sector as a whole and, in particular, the risk created by game of chance products, differently in individual countries so that bet-at-home.com AG Group is faced with restrictions regarding means of payment available to end customers for paying in betting and gaming fees and receiving betting and gaming winnings. A further consequence could be market entry barriers in the Company's geographical growth, especially as complex countryspecific regulations must be fulfilled and it may be impossible to offer all payment options preferred by customers in the respective country. The continuously tightening regulatory requirements to secure customer credit balances against payment default result in customer funds having to be held available in full for payout at any time, additional bank guarantees and liabilities to the licensing authorities having to be obtained and therefore excess security being created, which significantly reduces available cash and cash equivalents. There is a resulting risk of being unable to meet the increasingly restrictive requirements, which decrease profitability, any further and therefore to no longer being able to meet legal licensing requirements and losing access to regulated markets.

bet-at-home.com AG Group counteracts the above compliance risks regarding banks and payment providers with increased diversification. The Company continuously endeavours to integrate new business partners for treasury and payment solutions and thus manage default risks, reduce increases in transaction fees and redundantly operate customer payment methods across several partners in order to prevent downtimes.

The respective risks and potential effects on the financial position, financial performance and cash flows are medium.

Risks from pandemics and natural disasters

The occurrence of events such as pandemics or natural disasters, which significantly or permanently impair the ongoing operations of bet-at-home.com AG Group, cannot be ruled out. The Management Board has implemented measures to ensure that the operating business can be maintained decentrally via home offices.

The risks in this regard are regarded as low. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Personnel and employee risk

The economic success of bet-at-home.com AG Group will continue to primarily rely on the performance of all employees and executives. The growing competition in the gaming and betting products market, combined with the skills shortage in the context of increased digitisation, brings with it an increased risk of qualified employees being enticed away by competing companies and of not being able to hire a sufficient number of suitable new employees. The personnel and employee risk is to be successively reduced by implementing attractive general conditions and sufficient prospects for committed employees as well as ongoing employee training.

The risks in this regard are regarded as average. Should such risk occur, the impact on the financial position, financial performance and cash flows would be low.

Deficient performance of external service providers

bet-at-home.com AG Group depends on cooperations with external service providers with corresponding specialist knowledge and technologies for its operations. This primarily pertains to all software products for the Casino, Games and Virtual Sports segments, such as data and voice communication, procurement, installation, development, care and maintenance of hardware and software as well as payment processes. There is a possibility that one or several external service providers provide their services not at all, not on time or incorrectly.

bet-at-home.com AG Group may therefore find itself in a position of being unable to fulfil its own obligations as required or on time due to errors or failures to perform of the external service providers engaged. This may also go hand in hand with a limitation of the Group's products, right up to the incorrect invoicing of winnings, which may have a negative impact on the Group's cash flows.

The Management Board assumes that regular system audits, internal reviews and training as well as ongoing monitoring by the Product Management and Controlling department are sufficient to minimise these external risks. These risks are therefore regarded as constant compared with the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be medium.

C.1.4 Financial risks

Cash and cash equivalents and liquidity risk

Liquidity exposure reflects the risk that the Group will have insufficient resources to meet its financial obligations as they fall due. Due to the current negative cash flow within the bet-at-home.com AG group, the liquidity risk in the 2021 financial year is classified as average.

Default risk relating to bank balances must be considered minor as the lending institutions concerned are Arated banks. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered insignificant. The interest rates on the bank balances depend on the market interest rates, which depend on the maturities. A change in the currently low level of interest by 0.5% would change the financial result by EUR 210 thousand (previous year: EUR 284 thousand).

Currency risk relates to exchange rate differences. Despite the Group's international orientation, most cash flows are denominated in the group's functional currency, the euro, particularly as the group withdrew its offer in Poland on 31.05.2021. Transactions denominated in other currencies were of minor importance. In spite of this, the currency risk was not hedged in previous years either.

The Group's interest rate, currency and exchange rate risks remain low, like in the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be low.

Counterparty default (credit risk)

Credit risk is the risk of payment delays or defaults by counterparties. As there are no netting agreements, the amounts stated on the assets side (receivables and other assets) represent the maximum exposure to credit and default risk. The risk of counterparty default within the Group remains low compared with the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be low.

C.1.5 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.

We fulfil the requirement according to § 91 para. 2 AktG that all major developments and/or any that threaten the continued existence of the company have to be recognised in good time by an early risk recognition system by our group-wide risk management system with standard framework conditions and standards for the structuring of the early risk recognition system.

C.1.6 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.

C.2 OPPORTUNITIES REPORT

Within the past 10 years, the European online gaming market recorded the highest growth in the world and is expected to continue growing by 9.2% per annum until 2026. This was again confirmed by various studies by H2 Gambling Capital, most recently in January 2022. 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.

C.3 FORECAST REPORT

Since national licences in the EU member countries are set to become more important, bringing with them increased legal certainty, the bet-at-home.com AG Group is planning to apply for national licences for online sport betting and online gaming in the Netherlands and Poland during the 2022 financial year. As things stand at the moment, it is likely that licences will be issued in the second half of 2022 at the earliest. One-off costs such as provisions relating to corporate law, consultancy fees and setup fees will be required for the preparation of the licensing processes. In addition, it is expected that a cross-product betting limit will be introduced in the core market of Germany for the online sports betting and online gaming segments in the first half of 2022.

Taking into account the planned market entries in Poland and the Netherlands, the effects of the discontinuation of the online casino in Austria, the implementation of additional licensing provisions in Germany, the introduction of the approved restructuring plan and the requested winding-up of the Maltese bet-at-home.com Entertainment Ltd., the Management Board estimates that the bet-at-home.com AG Group will generate gross betting and gaming revenue of between EUR 50 million and EUR 60 million in the 2022 financial year. The bet-at-home.com AG Group expects to obtain a balanced EBITDA of between EUR -2 million and EUR 2 million for the 2022 financial year. This does not take into account any deconsolidation effects associated with the Maltese bet-at-home.com Entertainment Ltd.

It is expected that the number of staff will fall around 180 by 31 December 2022 following the introduction of the restructuring plan.

D. 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.

D.1 EARNINGS POSITION OF BET-AT-HOME.COM AG

| | 2021 | 2020 | Change | |
|------------------------------------|---------------|---------------|----------------|---------------|
| | EUR'000 | EUR'000 | EUR'000 | % |
| Revenue | 833 | 1,052 | -219 | -20.8 |
| Other operating income | 73 | 67 | 5 | 7.9 |
| Ordinary operating income | 906 | 1,119 | -214 | -19.1 |
| Personnel expenses | -1,464 | -2,273 | 809 | -35.6 |
| Administrative expenses | -1,023 | -1,111 | 88 | -7.9 |
| | -2,487 | -3,384 | 897 | -26.5 |
| Operating income (expenses) | -1,581 | -2,265 | 684 | -30.2 |
| Income from investments | 149 | 20,200 | -20,051 | -99.3 |
| Interest received | 35 | 170 | -135 | -79.4 |
| Interest paid | -11 | -4 | -7 | 175.6 |
| Net finance income (costs) | 173 | 20,366 | -20,193 | -99.2 |
| Earnings before taxes | -1,408 | 18,101 | -19,510 | -107.8 |
| Income taxes | 111 | -224 | 335 | -149.4 |
| Earnings after taxes | -1,298 | 17,877 | -19,175 | -107.3 |

Revenue comprises income from the transfer of management service charges to subsidiaries.

Personnel expenses relate exclusively to the two Management Board members with equal rights, Franz Ömer and Michael Quatember.

D.2 NET ASSETS OF BET-AT-HOME.COM AG

| | 31/12/2021 | | 31/12/2020 | | Change | |
|--|---------------|--------------|---------------|--------------|----------------|--------------|
| | EUR'000 | % | EUR'000 | % | EUR'000 | % |
| Non-current assets | | | | | | |
| Financial investments | 10,871 | 80.1 | 10,871 | 32.6 | 0 | 0.0 |
| Current assets | | | | | | |
| Other assets, including accruals and deferred income | 215 | 1.6 | 452 | 1.4 | -238 | -52.5 |
| Receivables from associated companies | 309 | 2.3 | 20,463 | 61.4 | -20,154 | -98.5 |
| Cash and cash equivalents | 2,170 | 16.0 | 1,554 | 4.7 | 616 | 39.6 |
| | 2,693 | 19.9 | 22,470 | 67.4 | -19,776 | -88.0 |
| | 13,565 | 100.0 | 33,341 | 100.0 | -19,776 | -59.3 |

Financial assets exclusively comprise the investment in bet-at-home.com entertainment GmbH.

D.3 FINANCIAL SITUATION OF BET-AT-HOME.COM AG

| | 31/12/2021 | | 31/12/2020 | | Change | |
|-------------------------------------|---------------|--------------|---------------|--------------|----------------|--------------|
| | EUR'000 | % | EUR'000 | % | EUR'000 | % |
| Equity | 13,419 | 98.9 | 32,261 | 96.8 | -18,843 | -58.4 |
| Current liabilities and provisions) | | | | | | |
| Suppliers | 1 | 0.0 | 38 | 0.1 | -37 | -97.4 |
| Provisions | 88 | 0.6 | 147 | 0.4 | -59 | -40.2 |
| Other current liabilities | 57 | 0.4 | 894 | 2.7 | -837 | -93.7 |
| | 13,565 | 100.0 | 33,341 | 100.0 | -19,776 | -59.3 |

E. 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.

F. ADDITIONAL INFORMATION REQUIRED UNDER TAKEOVER LAW (§ 289A AND § 315A 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 2021 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 2026 by issuing up to 1,403,600 new non-par value bearer shares for cash or non-cash contributions, once or several times, up to an amount of EUR 1,403,600.00. 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.

Furthermore, the Management Board is authorised up until 17 May 2023, by resolution of the general meeting of shareholders of 18 May 2021 with the approval of the Supervisory Board, to acquire treasury shares for an amount of up to 10% of the subscribed capital existing when this authorisation is granted or (if this value is lower) 10% of the subscribed capital existing at the time of enforcement of this authorisation. Together with other treasury shares in the possession of the Company or allocable to the Company in accordance with Sections 71a et seqq. AktG, the acquired shares must at no time exceed 10% of the Company's subscribed capital. The authorisation must not be exploited for the purpose of trading in treasury shares.

G. 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/en/corporategovernance>. The corporate governance report is also published there.

H. NON-FINANCIAL PERFORMANCE INDICATORS

The economic 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.

bet-at-home had a total of 5,543,573 registered users on 31 December 2021 (previous year: 5,361,878). In 2021 financial year, bet-at-home received 181,695 new registrations (previous year: 123,089).

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.

I. FINAL PROVISION IN ACCORDANCE WITH § 312 PARA. 3 AKTG

We hereby declare in accordance with § 312 para. 3 of the German Stock Corporation Act (Aktien-gesetz; 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. No actions subject to Section 312 (1) AktG were taken or omitted.

Düsseldorf, 25 February 2022

Franz Ömer

Michael Quatember

Marco Falchetto



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INDEPENDENT AUDITOR'S REPORT

To bet-at-home.com AG, Düsseldorf

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the consolidated financial statements of bet-at-home.com AG, Düsseldorf, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1, 2021 to December 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of bet-at-home.com AG, Düsseldorf for the financial year from January 1, 2021 to December 31, 2021. 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 consolidated 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, 2021, and of its financial performance for the financial year from January 1, 2021 to December 31, 2021, 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 consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion does not cover the content of the items of the combined management report 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 consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated 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 in Deutschland e.V. [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 Consolidated 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) letter (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 consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1, 2021 to December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the audit matters we have determined in the course of our audit to be of particular importance:

1. regulatory risks relating to the Group's business activities
2. accounting treatment of risk provisions for customer lawsuits in Austria

Our presentation of these key audit matters has been structured as follows:

- a. Description of the matter in question (including reference to corresponding disclosures in the consolidated financial statements) and problem definition.
- b. Auditor's response

1. Regulatory risks relating to the Group's business activities

- a. The business model of the Group continues to be exposed to fundamental risks regarding the regulatory admissibility of the provided services by the Group in the areas of online sports betting and online gaming. In specific countries, state-granted monopolies questioning the admissibility of online sports betting and online gaming, contradict jurisdiction of the European Court of Justice, which is favourable for the providers. The European Court of Justice has -in its ruling dated September 8, 2010- generally declined any discrimination against private providers of online sports betting and online gaming in favour of state-owned monopolies but at the same time has accepted current legislation for an indefinite transitory period.

Nevertheless, single EU member states continue to try to prevent the business activity of the Group with regulatory measures, supported by technical provider blockings. To the extent that such measures are successful, this has a lasting adverse effect on the economic situation of the Group. These actions could potentially, to the extent that important markets are affected to a significant extent, have a material adverse effect on the results of operations of the Group. Generally, the company assumes that it is permissible to offer online sports betting and online gaming on the basis of applicable EU law. All possible regulatory restrictions will also be countered by legal means.

The Group currently operates its business on the basis of licences obtained in Malta and it is assumed that these are valid in all EU states due to the European principles of freedom of services and of establishment, unless national licences have already been obtained in some EU states. As far as legally possible, the aim is to obtain national licences in order to reduce the risks regarding the permissibility of offering online sports betting and online gaming. Current regulatory developments in the core markets of Germany and Austria indicate that the trend towards national licensing systems is continuing. For example, the Austrian Federal Ministry of Finance has created a new independent gambling authority with effect from January 1, 2022, which will be responsible for awarding licenses in the future. The announced reform follows the development in numerous member states of the European Union and will replace the state gambling monopoly with a modern regulation in the form of a licensing system in the future. The outcome of this legal classification of regulatory risks is highly dependent on the legal assessment and evaluation of European and national, Austrian case law by the legal representatives and is therefore subject to considerable uncertainty. Against this background and due to the underlying complexity of the legal assessment, this issue was of particular importance in the context of our audit.

A detailed presentation of the issues surrounding the regulatory situation in the area of online sports betting and online gaming, as well as current developments, is contained in particular in the Combined Management Report (Section C.1.1).

- b. We continuously monitor legal developments and case law in this area. As part of the audit of the financial statements, we obtained written assessments from the Group's advisors specializing in this area of law in addition to interviews. In addition to our own research and assessments, we held extensive discussions with the legal representatives and the Chairman of the Supervisory Board of bet-at-home.com AG, who specializes in these matters as a lawyer, in order to obtain their assessment of the legal developments and risks.

We have verified that bet-at-home.com AG's legal representatives, through regular consultation with specialist advisors and regular internal reporting on these issues, are in a position to assess the regulatory risks in a qualified manner at all times, in order to be able to take any necessary measures in a timely manner.

2. Accounting treatment of risk provisions for customer lawsuits in Austria

- a. Under the current Austrian gambling regulations, only Casinos Austria AG is permitted to offer online gambling (Section 3 of the Austrian Gaming Monopoly Act (GSpG)). Foreign licenses do not entitle the holder to conduct online casino offers and are therefore currently illegal and unlawful in the opinion of the Austrian Ministry of Finance. Therefore, gambling losses can generally be reclaimed on the basis of a void gambling contract between the player and the online casino. The Higher Regional Courts of Vienna and Innsbruck have ruled in the past that online casinos without a license must repay gaming losses. The Supreme Court in Austria also confirmed in its decision of May 20, 2021 that the Austrian gambling monopoly complies with Union law.

In contrast, bet-at-home.com AG continues to hold the view that the gambling monopoly of the national Austrian gambling regulation is contrary to European law. Here, bet-at-home.com AG refers both to the legal opinion of the industry association, the Austrian Association for Betting and Gambling (OVWG), and to current legal opinions. The latter see the structure of gambling and betting regulation in Austria as an inadmissible restriction of the EU's freedom to provide services, which is largely at odds with the coherence requirement under EU law.

Nevertheless, bet-at-home.com AG has declared on the basis of the Supreme Court's decision of May 20, 2021 that it will no longer offer online casino services for the time being, as it is now unclear whether the bet-at-home AG Group will be able to enforce its legal opinion before Austrian courts in the foreseeable future. For this reason, the company has recognized provisions for customer lawsuits including incidental costs in the amount of EUR 24.2 million in discontinued operations (IFRS 5).

Whether and to what extent it is necessary to recognize a provision to cover the legal risks from customer lawsuits in Austria is largely influenced by the estimates and discretionary assumptions of the legal representatives. Against this background and due to the contractual amount of the claims asserted, the aforementioned legal disputes were, in our view, of particular significance for the audit.

As described in section IV. „Accounting policies“ of the notes to the consolidated financial statements and in section C.1. „Risk Report“, the legal representatives have taken into account in their estimates and assumptions in particular that the Maltese group company bet-at-home.com Entertainment Ltd. in Austria was exposed to a sharp increase in customer claims for reimbursement of gaming losses in the online casino in the financial year 2021, the bet-at-home.com AG Group still considers the online casino monopoly of the national Austrian gambling regulation to be contrary to European law and the Group further intensified its efforts in fiscal year 2021 to fend off the claims of plaintiff players in the course of recognition of the Maltese licenses by the courts in Austria.

Against this backdrop, the legal representatives also took into account that the outcome of currently pending or future proceedings is difficult or impossible to predict and that particular difficulties arise in particular when assessing the probable outcome of legal disputes in connection with customer claims in the online casino Austria segment in connection with the requested winding-up proceedings, from which the bet-at-home.com AG Group may incur significant financial risks and expenses. In the case of legal proceedings, the information available to the Management Board and the Group's legal department is used in close consultation with the lawyers and advisors working for bet-at-home.com AG to determine whether and to what extent provisions need to be made in the statement of financial position.

The information presented and statements made in connection with the customer lawsuits in Austria, including explanations of the underlying causes and the effects on these financial statements, are presented in sections IV. „Accounting Policies“ and V. „Discontinued Operations“ (IFRS 5) of the notes to the consolidated financial statements and in section C.1 „Risk Report“ of the combined management report.

- b. As part of our audit, we assessed, among other things, the process established by the company to ensure the recording of court and out-of-court proceedings, the assessment of the outcome of the proceedings and the accurate accounting presentation of a legal dispute. In order to assess the appropriate accounting presentation of legal risks arising from customer restitution claims in Austria, we made a risk-oriented selection based on existing court decisions and, in particular, on work results and expert opinions submitted by bet-at-home.com AG.

In addition, we held regular discussions with the internal legal department throughout the year as well as to obtain explanations of current developments and reasons that led to the assessments regarding ongoing proceedings. In each case, we critically examined and evaluated the explanations and the information and evidence obtained.

To assess completeness, we also obtained external legal confirmations as of the balance sheet date, which we compared with the risk assessment made by the legal representatives and critically evaluated. We also examined on a sample basis the quantity and value structure of the provisions for individual items. and values of provisions for individual items on a sample basis. Taking into account these assessments, we also critically evaluated the assumptions underlying the provisions for expected defense costs and checked the plausibility of the amount of the provisions on the basis of internal and external audit evidence.

Other Information

The legal representatives are responsible for the other information. The other information comprises the following elements, the content of which we have not audited:

- the confirmation pursuant to § 297 para. 2 sentence 4 HGB regarding the consolidated financial statements and the confirmation pursuant to § 315 para. 1 sentence 5 HGB regarding the combined management report,
- the statement on Corporate Governance pursuant to §§ 289f, 315d HGB and the Corporate Governance Report in accordance with No 3.10 of German Corporate Governance Code, to which reference is made in Section G. of the combined management report, and
- the other parts of the annual report with the exception of the audited consolidated financial statements, the audited combined management report and our audit opinion.

Our audit opinions on the consolidated financial statements and the combined management report do not extend to the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon on.

In connection with our audit, our responsibility is to read the other information and to, in doing so, consider whether the other information

- is materially inconsistent with the consolidated financial statements, the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

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

The executive directors of bet-at-home.com AG are responsible for the preparation of the consolidated 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated 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 consolidated financial statements and of the combined management report.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated 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 consolidated 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 consolidated 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 consolidated 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.

Other Legal and Regulatory Requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and the Combined Management Report Prepared for the Purposes of Disclosure Pursuant to § 317 para. 3a HGB

AUDIT OPINION

We have performed an audit in accordance with § 317 para. 3a HGB to obtaining reasonable assurance that the information contained in the attached file betathomeKA21.zip (SHA256-Hashwert: 9025b357484fd9e8578f408d296d3af036c955bc85ce22116d1026b14c60cd45), assembled for the purpose of disclosure of the reproduction of the consolidated financial statements and the combined management report (hereinafter also referred to as "ESEF Documentation") comply with the requirements for the electronic reporting format ("ESEF format) pursuant to § 328 para. 1 HGB in all material respects. In accordance with German legal requirements, this audit only covers the transfer of the information of the consolidated financial statements and the combined management report into the ESEF format and therefore does not include the information contained in these reproductions nor any other information contained in the above-mentioned file.

In our opinion, the reproductions of the consolidated financial statements and the combined management report contained in the attached file referred to above and prepared for the purpose of disclosure comply, in all material respects, with the requirements for the for the electronic reporting format pursuant to § 328 para. 1 HGB. Beyond this audit opinion and the audit opinions on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1, 2021 to December 31, 2021, contained in the aforementioned "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report", we do not express an opinion on the information contained in these reproductions or on the other information contained in the above mentioned file.

Basis for the Audit Opinion

We have conducted our audit of the reproductions of the consolidated financial statements and the combined management report contained in the above-mentioned attached file in accordance with § 317 para. 3a HGB in compliance with the IDW draft audit standard: Report on the audit of the electronic reproductions of the financial statements and the management report prepared for the purposes of disclosure pursuant to § 317 para. 3a HGB (IDW PS 410). Our responsibility resulting thereafter is further described in the section „Auditor’s Responsibility for the Audit of the ESEF Documentation“. Our audit firm has applied the requirements for the quality assurance system as specified by the IDW: Requirements for Quality Assurance for Audit Firms (IDW QS 1).

Responsibility of the Executive Directors and the Supervisory Board for the ESEF Documentation

The legal representatives are responsible for the preparation of the ESEF documents containing the electronic reproductions of the consolidated financial statements and the combined management report in accordance with § 328 para. 1 sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 para. 1 sentence 4 no. 2 HGB.

Furthermore, the legal representatives are responsible for the internal controls they consider necessary to enable the preparation of the ESEF documents, which are free from material violations - intended or unintended - of the electronic reporting format requirements of § 328 para. 1 HGB.

The legal representatives are also responsible for submitting the ESEF documents together with the auditor's report and the attached audited consolidated financial statements and audited combined management report as well as other documents to be disclosed to the operator of the Federal Gazette [Bundesanzeiger].

The supervisory board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's Responsibility for the Audit of the ESEF Documentation

Our objective is to obtain reasonable assurance as to whether the ESEF documents are free from material violations - intended or unintended - of the electronic reporting format requirements of § 328 para. 1 HGB. During the audit, we exercise professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material violations - intended or unintended - of the requirements of § 328 para. 1 HGB, we plan and perform audit procedures in response to these risks and we obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- we gain an understanding of the internal controls relevant to the audit of the ESEF documents in order to plan audit procedures that are appropriate in the given circumstances, yet do not aim to express an audit opinion on the effectiveness of these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents complies with the technical specifications in accordance with of the Delegated Regulation (EU) 2019/815 in the version applicable on the reporting date.
- we assess whether the ESEF documentation provides a consistent XHTML representation of the audited consolidated financial statements and the audited combined management report.
- we assess whether the tagging of the ESEF documents with inline XBRL technology (iXBRL) provides an adequate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on May 18, 2021. We were engaged by the supervisory board on November 9, 2021. 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).

Other Matter – Use of the Auditor's Report

Our auditor's report should always be read in conjunction with the audited consolidated financial statements and the audited combined management report as well as the audited ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format - including the versions to be published in the Federal Gazette - are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not replace them. In particular, the ESEF opinion and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Frederik Hegmanns.

Duisburg, February 25, 2022

PKF Fasselt
 Partnerschaft mbB
 Wirtschaftsprüfungsgesellschaft
 Steuerberatungsgesellschaft
 Rechtsanwälte

A. Schienstock
 Wirtschaftsprüfer
 (German Public Auditor)

F. Hegmanns
 Wirtschaftsprüfer
 (German Public Auditor)



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Disclaimer

The Annual Report is a translation
of the valid German version.

Imprint

Independent
Auditor's
Report

Combined
Management
Report

Notes to the
Consolidated
Financial Statements

Statement of
Changes in
Group Equity

Consolidated
Statement of
Cash Flows

Consolidated
Statement of
Income

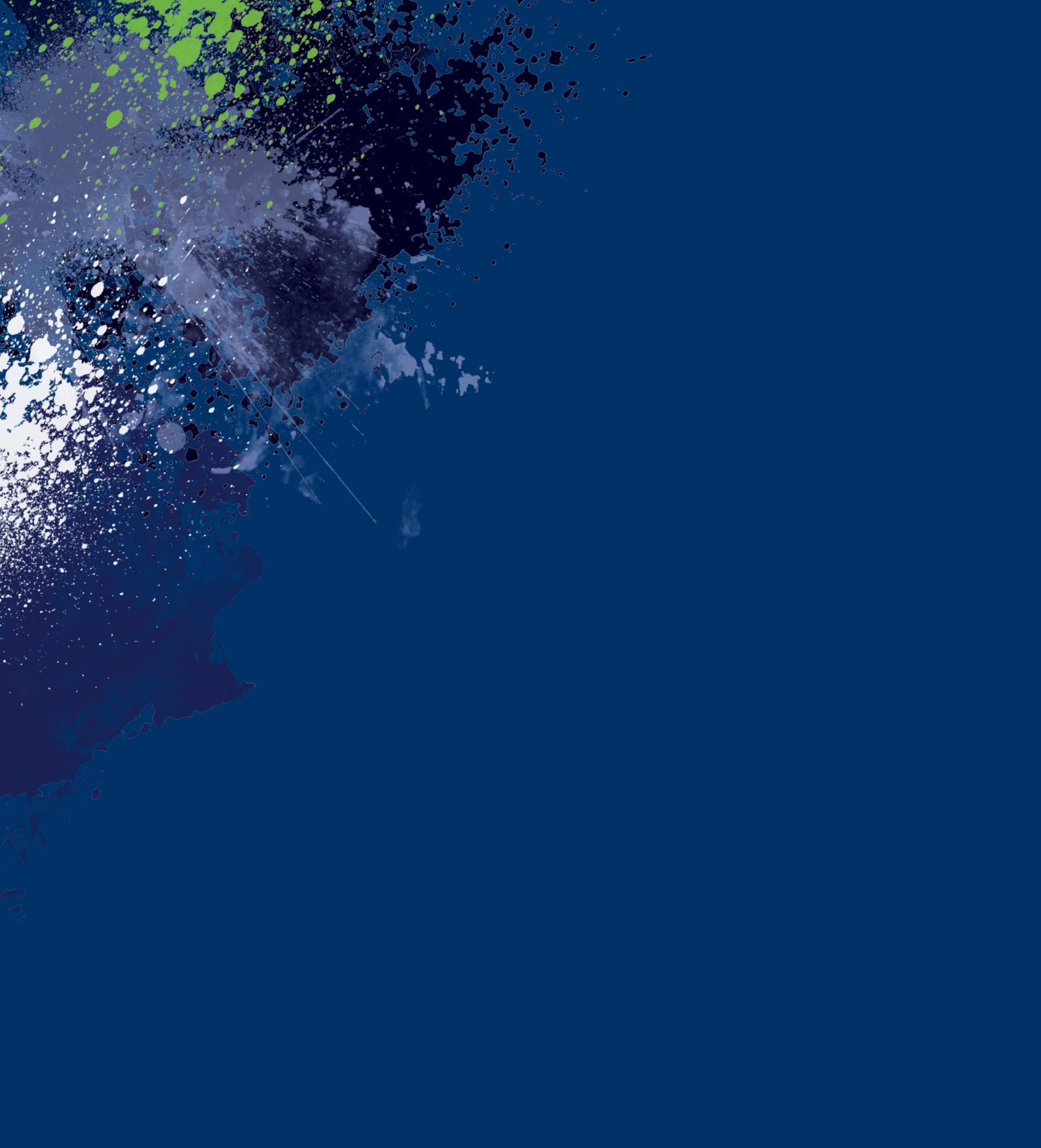
Consolidated
Statement of
Financial Position

The
Share

Report by the
Supervisory
Board

Report by the
Management
Board

Company
Profile



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LIFE IS A GAME!