

bet-at-home

ANNUAL REPORT 2022

LIFE IS A GAME!

bet-at-home

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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. Due to its market expansion growth strategy, entrance to the new markets and the ongoing development of the product offering, the company has developed into the bet-at-home.com AG Group and a comprehensive entertainment provider. With more than 5.6 million registered customers, the listed company together with its subsidiaries is among the largest gambling providers in Europe.

The bet-at-home.com AG Group has companies in Germany, Austria, Malta and Gibraltar. The company holds its international online sports betting licenses and online gaming licenses for casino, games and virtual sports via Maltese Group companies. These licences authorise the company to organise and sell online sports betting and online casinos in Germany as well as in other countries of the European Union.

Product Portfolio

bet-at-home is a leading provider of online gaming experiences, offering a wide variety of sports betting events and slot games. The platform of bet-at-home is designed for seamless use of all products and features a flexible back-end system that simplifies the management of content, payments, and promotions. In addition to the web-based platform, the company also offers native apps for both iOS and Android devices, providing an optimized mobile gaming experience.

The company's sportsbook offering includes a wide range of pre-match and live betting options with more than 75 sports and 120,000+ events per month. In the slots segment bet-at-home offers more than 11,500 games from over 140 game providers, including some of the industry's top providers such as NetEnt, Microgaming, and Play'n GO.

bet-at-home is committed to delivering an exceptional gaming experience to the players through the ongoing improvement of its products and services, while staying focused on its core business.

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

bet-at-home.com AG, Düsseldorf, as the parent company, is listed on the Regulated Market of the Frankfurt Stock Exchange in the Prime Standard market segment. 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, with its registered office in Linz/Austria, is primarily responsible for the continuous transfer of technology within the Group and provides services for other Group companies.

Having been 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 2004. Several capital increases followed in the subsequent years. 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. Betclac Everest Group SAS is a majority shareholder of bet-at-home.com AG and since July 2022 part of FL Entertainment N.V., which is listed on the stock exchange. The following chart illustrates the corporate structure as of December 31, 2022 in detail:



Responsible Gaming

Responsible gaming is part of social responsibility at bet-at-home. As an entertainment service provider, the company sees gambling as a sensitive service and aims to create conditions that help players enjoy gaming responsibly in moderation. bet-at-home is focused on following the industry standards regarding the service offering through customer protection measures, protection children and youth, responsible advertising and thorough customer care.

In order to ensure the best possible form of protection for customers, the company has implemented mechanisms to safeguard the integrity of its offering, it undergoes extensive product testing on a regular basis, and supports customers playing responsibly with various self-protection tools. Among these are detailed information about their gambling profiles, personalized messages, self-tests, voluntary financial limits and possibility of taking short breaks from playing, as well as longer periods of self-exclusion. These tools are verified through voluntary annual compliance audits by eCOGRA, an independent and internationally approved testing agency.

In its effort of prevention of addiction in Germany and Austria, bet-at-home has been co-operating for several years with the Institut Glücksspiel & Abhängigkeit (Institute of Gambling and Addiction). The company has been a member of various international and regional associations in the areas of gambling and betting.

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 Member of the Supervisory Board

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REPORT BY THE MANAGEMENT BOARD

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REPORT BY THE MANAGEMENT BOARD

Ladies and Gentlemen, dear shareholders,

following a decline in customer activity in our core market in Germany, due to the implementation of the sports betting concession in the financial year 2021, the Group's business performance in the financial year 2022 was largely stable, despite additional legislative requirements.

In May 2022, the authority in Hesse published a licensable betting program that provides for massive restrictions, particularly in the area of live betting. During the year we took appropriate legal actions with this regard, and in the end of the financial year 2022, the Group succeeded in achieving a high degree of legal and planning security by extending its existing sports betting license and obtaining a nationwide license for virtual slot machines, which are valid until the end of 2027.

The increase in customer lawsuits against bet-at-home.com Entertainment Ltd. (in liquidation) for reimbursement of gaming losses in the online casino in the financial year 2021 resulted in the discontinuation of our offer of online casino for customers in Austria in October 2021. In the absence of a positive going concern forecast, on May 13, 2022, winding-up proceedings were opened over this Maltese company, whose main business activity was the operation of online casinos, and the deconsolidation of bet-at-home.com Entertainment Ltd. (in liquidation) took place on the same date.

In the financial year 2022 the Group also faced challenges in the market of Switzerland, as a legal dispute in June 2022 regarding the legality of IP blocking measures was lost before the Swiss Supreme Court. After the discontinuation of the Group's casino offering in Switzerland in 2021 in the course of the liquidation of bet-at-home.com Entertainment Ltd., we evaluate the continuation of the sports betting offering at this market.

All these events had an impact on the company's financial metrics and made us to undertake decisive actions to overcome the headwinds and decrease the cost pressure.

From the outset, the Company primarily relied on internal resources for design, development and ongoing adaptation of software solutions for its own use. The financial year 2022 was characterized by a departure from the historical approach and a shift towards preparing for the increased outsourcing. During the year, the Group focused on evaluating, selecting and contracting the most suitable partner. By the end of the year we were involved in the preparation and provision of comprehensive specifications as well as in implementation support and testing of a new platform. In particular, extensive adjustments to the software were specified and implemented in line with regulatory requirements for the German market.

Over the course of the financial year 2023, the bet-at-home Group intends to have key corporate functions performed by our outsourcing partner. This relates to key technological components, in particular the development and operation of the customer and payment platform as well as the online sports betting product. The Group will focus exclusively on customer-relevant components that cannot be sourced externally. The outsourcing order volume will be based on the net gaming revenue generated from online sports betting and is expected to reach a low single-digit million Euro per year going forward.

We expect internal expenses within the bet-at-home Group to be reduced in the future as a result of the outsourcing, whereby preparations for the outsourcing and cost-cutting measures in the fiscal year 2022 led to a significant reduction in the number of the Group's employees.

I am happy to say that regardless of continued challenges our brand is excellently positioned in our core markets. Due to a high level of awareness and acceptance of the bet-at-home brand, the strategic focus in terms of revenue in the financial year 2023 will be made on expansion at the core markets of Germany and Austria. With a new marketing campaign launched in November 2022, the redesign of the platform and the sports betting product, we expect to increase brand awareness and customer loyalty. Financial resources available as a result of various cost reduction measures will be used primarily for customer acquisition and marketing measures for existing customers in the financial year 2023.

With this in mind and looking ahead, we expect to increase our market share in the existing core markets. National licenses will continue to gain importance in the EU member states and contribute to corresponding legal certainty.

Finally, I want to say thank you to the employees, partners, customers and shareholders of the bet-at-home.com AG Group for their work and cooperation in the challenging year 2022 and especially for their support to me in my first year as CEO.

Marco Falchetto
CEO

bet-at-home

REPORT BY THE SUPERVISORY BOARD

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REPORT BY THE SUPERVISORY BOARD

Dear Ladies and Gentlemen,

The previous financial year 2022 was not an easy year for the bet-at-home.com AG Group. Due to the challenges, which the company had faced, far-fetching measures had to be taken. An increased outsourcing with a corresponding adjustment of critical processes has taken place as part of the strategic realignment.

In early 2022, 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. The Supervisory Board thanks them for their commitment. 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 2022

In view of the pandemic situation and in accordance with the extended possibility provided by the German legislator to hold virtual general meetings in 2022, the Supervisory Board, together with the Management Board, decided to hold a virtual Annual General Meeting on May 17, 2022. All proposed resolutions, including the approval of the compensation report and the amended version of the compensation system for the Management Board, were approved by majority vote of the shareholders.

Supervisory Board meetings

In 2022, the Supervisory Board monitored the development of the bet-at-home.com AG Group. It exercised its duties as required by law and the Articles of Association, regularly monitored the work of the Management Board of bet-at-home.com AG and provided advice on the company's strategic development and important individual measures.

During the year the Supervisory Board of bet-at-home.com AG held four regular meetings on March 16, 2022, May 17, 2022, October 19, 2022 and December 16, 2022. All regular meetings were held as video conferences. All these meetings were attended by all members of the Supervisory Board.

An essential part of the Supervisory Board meetings was the reporting by the Management Board on the business performance with detailed information on sales and earnings as well as on opportunities and risks for the business development, on regulatory changes and their possible consequences, status of license applications and customer claims, deconsolidation of BAH Entertainment Ltd. (in liquidation), after the discontinuation of the online casino offering, and the outsourcing of key corporate functions.

In addition, there were several extraordinary meetings, further event-related consultations and discussions, at which the key measures taken by the Management Board were discussed.

At the Supervisory Board meeting on March 29, 2023, the annual financial statements, the consolidated financial statements, the combined management report, the report on relations with affiliated enterprises, the compensation report and the audit procedures and reports were discussed with PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, the auditors elected by the Annual General Meeting, on May 17, 2022.

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 previous years, 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 provided regularly, promptly and comprehensively actual information on the implementation of the strategy, business development, financial situation and significant business events, such as legal and licensing proceedings and risks. The strategic development, current business performance, marketing concept, tax issues, status 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 satisfied with the proper conduct of business by the Management.

Audit of the annual and consolidated financial statements for the financial year 2022

As in the previous years, PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, was elected by the Annual General Meeting on May 17, 2022, as the company's statutory auditor 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, the consolidated financial statements and the combined management report were submitted to the Supervisory Board together with the audit reports. The Supervisory Board examined the provided reports and discussed them in detail with the auditors on its meeting on March 29, 2023. The auditors reported in detail on the results of their audit, as well as on their findings regarding internal control and risk management in relation to the financial reporting process. 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.

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Audit of the report pursuant to Section 312 of the German Stock Corporation Act on relations with affiliated companies for the financial year 2022

Furthermore, the auditor examined the Management Board's report on relations with affiliated companies pursuant to Section 312 of the German Stock Corporation Act for the financial year 2022. With regard to the majority shareholding of Betcliv Everest Group SAS, Paris, in bet-at-home.com AG, the Management Board prepared the report on relations with affiliated companies, listing all legal transactions and/or measures within the meaning of Section 312 (1) of the German Stock Corporation Act, which were taken in the reporting period.

Based on the audit of the report on relations with affiliated companies and the annual financial statements for the year ended December 31, 2022, and the knowledge gained in the process, the auditor confirmed that the report on relations with affiliated companies contains the disclosures required by Section 312 (1) of the German Stock Corporation Act and that the reporting corresponds to conscientious and faithful accountability.

As there were no objections to the report 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 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 report on relations with affiliated companies and the related auditors' report were provided to all members of the Supervisory Board in due time. The Supervisory Board examined these documents and discussed them with the auditors at its meeting on March 29, 2023. 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 report on relations with affiliated companies. Following its examination, the Supervisory Board raised no objections to the declaration of the Management Board at the end of the report, which is given below the balance sheet in the annual financial statements and in the notes to the consolidated financial statements.

Corporate governance in the financial year 2022

The Management Board and Supervisory Board of bet-at-home.com AG understand corporate governance practices as a responsible management and control over business operations in line with the best international standards and with a high importance of information transparency in the interests of shareholders.

The Corporate Governance Statement and the Declaration of Conformity for the financial year 2022 in line with the Corporate Governance Code in the version dated December 16, 2019, as well as in the version dated April 28, 2022 are available on the bet-at-home.com AG website at <https://www.bet-at-home.ag/en/corporate-governance>. Further information on corporate governance – such as the rules of procedure for the Supervisory Board, the remuneration systems for the Management Board and the Supervisory Board, as well as the declarations on corporate governance from previous financial years – are also available on the website at <https://www.bet-at-home.ag/de/corporate-governance>.

Finally, on behalf of the Supervisory Board, I would like to thank the Management Board and all employees for a high level of personal commitment and responsibility in the past challenging year. Our special thanks go to the customers and the shareholders of bet-at-home.com AG for the trust they have placed in us.

Düsseldorf, March 2023

Supervisory Board

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THE SHARE

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THE SHARE

Share performance in the fiscal year 2022

The performance of the bet-at-home AG shares in the financial year 2022 was under serious pressure. Due to the removal of online casino offering in 2021 and the increasing amount of customer claims in Austria, the company was in a restructuring process with a subsequent deconsolidation of bet-at-home.com Entertainment Ltd (in liquidation) – the group company whose main business operation at that time was the running of online casino in Austria. This affected the company's financials.

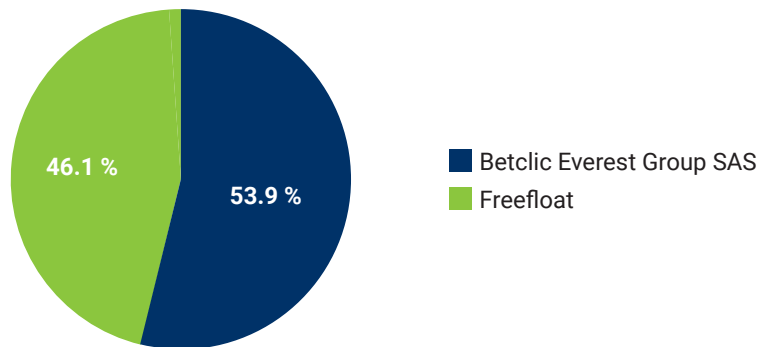
In order to manage existing challenges and improve its financial position during the year, the company undertook a complex of measures to reorganize and streamline its business activities. bet-at-home.com Group successfully pursued in the reduction of certain types of costs and entered into an agreement with a leading provider of outsourcing services, under which key corporate functions of the bet-at-home.com Group will be outsourced during the financial year 2023, and the Group will focus in future primarily on marketing and customer relationship management.



Stable and long-term oriented shareholder structure

Since 5 September 2009, Betclic Everest Group SAS, headquartered in Paris, France, has held a controlling interest of 53.9 % in the bet-at-home.com AG. Since July 2022, Betclic Everest Group SAS has been incorporated into FL Entertainment N.V., Netherlands, which is listed on the stock exchange. FL Entertainment N.V., in turn, is part of the LOV Group, with the headquarters in France, founded by Stéphane Courbit.

The free float as of the reporting date accounted for 46.1 % of total shares. Despite having a controlling shareholder, bet-at-home.com AG sees itself as a public company with a broadly diversified shareholder base.



Investor relations

In 2022, bet-at-home AG retained its focus on fully complying with capital market regulatory disclosure requirements, keeping a high level of information transparency through all available communication channels and being open to communication with investors and key stakeholders. The Management Board provided regular updates on the business performance, regulatory environment as well as the company's outlook and future plans.

Financial calendar 2023

03/04/2023	Annual Report 2022
22/05/2023	Quarterly Statement Q1 2023
26/05/2023	Annual General Meeting 2023
01/08/2023	Interim Report January-June 2023
25/09/2023	Interim Financial Report H1 2023
08/11/2023	Quarterly Statement Q1-Q3 2023

Key share data

Stock exchange	Frankfurt
Segment	Prime Standard
Market	Regulated market
ISIN	DE000A0DNAY5
Security identification number	A0DNAY
Ticker	ACX
Share capital	€ 7,018,000
Number of shares	7,018,000
Research Coverage	NuWays (by Hauck Aufhäuser Lampe) EDISON Investment Research FMR Frankfurt Main Research

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2022, bet-at-home.com AG, Düsseldorf

ASSETS

		Note	31/12/2022		31/12/2021
		No.	EUR'000	EUR'000	EUR'000
A.	Non-current assets				
1.	Intangible assets	(9)	976		850
2.	Goodwill	(10)	1,369		1,369
3.	Leased office buildings	(11)	1,865		1,629
4.	Property and equipment	(12)	2,347		3,089
5.	Other receivables and assets	(13)	9,943		0
6.	Deferred tax assets	(14)	2,272		1,450
			18,773		8,388
B.	Current assets				
1.	Receivables from taxes	(15)	5,113		8,381
2.	Other receivables and assets	(16)	3,449		4,196
3.	Cash and cash equivalents	(17)	35,327		41,989
4.	Assets held for closing	(18)	0		12,830
			43,889		67,396
Total assets			62.662		75.783

EQUITY & LIABILITIES

		Note	31/12/2022		31/12/2021
		No.	EUR'000	EUR'000	EUR'000
A.	Equity				
1.	Share capital	(19)	7,018		7,018
2.	Capital reserves	(19)	7,366		7,366
3.	Total comprehensive income	(19)	14,565		2,658
			28,949		17,042
B.	Non-current liabilities				
1.	Provisions for employee benefits	(20)	82		97
2.	Lease liabilities	(20)	1,437		794
3.	Other liabilities	(20)	10,273		0
			11,792		891
C.	Current liabilities				
1.	Short-term provisions	(21)	1,903		1,709
2.	Trade payables	(22)	1,548		1,432
3.	Liabilities from taxes	(23)	11,852		14,608
4.	Customer payables	(24)	4,940		5,437
5.	Lease liabilities	(25)	443		900
6.	Other liabilities	(26)	1,235		6,443
7.	Liabilities in connection with assets held for closure	(27)	0		27,322
			21,921		57,850
Total equity and liabilities			62,662		75,783

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CONSOLIDATED STATEMENT OF INCOME

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CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2022, bet-at-home.com AG, Düsseldorf

	Note	01/01- 31/12/2022	01/01- 31/12/2021
	No.	EUR'000	EUR'000
Continuing operations			
Gross betting and gaming revenue	(1)	53,532	59,347
Betting fees and gaming levies	(1)	-11,396	-11,737
VAT on electronic services	(1)	-99	-45
Net gaming revenue		42,036	47,564
Other operating income	(2)	3,446	4,001
Total operating income		45,482	51,565
Personnel expenses	(3)	-13,508	-18,604
Advertising expenses	(4)	-13,628	-11,867
Other operating expenses	(4)	-16,242	-7,124
Earnings before interest, taxes and depreciation		2,105	13,970
Depreciation and amortisation	(5)	-2,209	-2,297
Earnings before interest and taxes		-105	11,673
Finance income	(6)	-585	-241
Earnings before taxes		-690	11,432
Income tax expense	(7)	1,240	-733
Earnings from continuing operations		551	10,700
Discontinued operations			
Result from discontinued operations	(8)	11,356	-27,005
Consolidated net result Total		11,907	-16,306

Earnings per share total in EUR		
Basic earnings per share in EUR	1.70	-2.32
Diluted earnings per share in EUR	1.70	-2.32
Earnings per share from continued operations in EUR		
Basic earnings per share in EUR	0.08	1.52
Diluted earnings per share in EUR	0.08	1.52
Earnings per share from discontinued operations in EUR		
Basic earnings per share in EUR	1.62	-3.85
Diluted earnings per share in EUR	1.62	-3.85

IFRS – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2022, bet-at-home.com AG, Düsseldorf

	01/01- 31/12/2022	01/01- 31/12/2021
	EUR'000	EUR'000
Consolidated net result total	11,907	-16,306
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	11,907	-16,306

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CONSOLIDATED STATEMENT OF CASH FLOWS

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2022, bet-at-home.com AG, Düsseldorf

	Note	2022	2021
	No.	EUR'000	EUR'000
Earnings before taxes (EBT)		-690	11,432
+ Result from discontinued operations	(8)	11,356	-27,005
+ Depreciation of non-current assets	(5)	2,209	2,297
+/- Increase/decrease in provisions		179	313
-/+ Increase/decrease in trade and other receivables not attributable to investing or financing activities		-9,220	5,539
+/- Increase/decrease in trade and other payables not attributable to investing or financing activities		4,685	434
-/+ Increase/decrease in assets held for closing	(18)	12,830	-12,830
+/- Increase/decrease in liabilities in connection with assets held for closure	(27)	-27,322	27,322
-/+ Payments/reimbursements for income taxes		955	2,994
= Cash flows from operating activities		-5,018	10,495
- Acquisition of assets (excluding investments)		-946	-1,896
+ Proceeds from the disposal of assets		72	0
= Cash flows from investing activities		-874	-1,896
- Redemption of lease liabilities		-770	-872
- Payments to shareholders (dividends)		0	-17,545
= Cash flows from financing activities		-770	-18,417
= Net cash from operating, investing and financing activities		-6,662	-9,818
+ Cash and cash equivalents at 1 January		41,989	51,807
= Cash and cash equivalents at 31 December	(17)	35,327	41,989

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2022, bet-at-home.com AG, Düsseldorf

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR'000	EUR'000	EUR'000	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

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR'000	EUR'000	EUR'000	EUR'000
As at 01/01/2022	7,018	7,366	2,658	17,042
Dividend distribution	0	0	0	0
Consolidated net result total	0	0	11,907	11,907
As at 31/12/2022	7,018	7,366	14,565	28,949

bet-at-home

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 December 2022, 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 2022 in accordance with international accounting standards.

The consolidated financial statements for the period ended 31 December 2022 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 combined Management Report 2022 was prepared in accordance with the provisions of the German Commercial Code [HGB].

These consolidated financial statements were prepared using the same accounting policies as applied to the previous year's financial statements as at 31 December 2021.

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 2022:

Standard	Content	Issued in	Date of EU endorsements	Mandatory for reporting periods beginning on or after
Standards				
IFRS 17	Insurance contracts	May 17	Nov 2021	01/01/2023
Amendments				
IFRS 17	Initial application of IFRS 17 and IFRS 9 – Comparative information	Dec 21	Sep 22	01/01/2023
IAS 1	Classification of debt as non-current and current Disclosure of accounting methods	Jan 20 Feb 21	Mar 22	01/01/2024
IAS 8	Definition of accounting estimates	Feb 21	Mar 22	01/01/2023
IAS 12	Income Taxes	May 21	Aug 22	01/01/2023
IFRS 16	Lease Liability Sale & Lease back	Sep 21	open	01/01/2024

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 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. Where relevant for understanding the company's results, subtotals have been provided and additional line items have been presented in the consolidated income statement.

Since 5 September 2009, Betclik Everest Group SAS, Paris, France has held a controlling interest in the bet-at-home.com group parent. Betclik Everest Group SAS (company registration no.501 420 939) prepares consolidated financial statements for the smallest group of associated companies, which include bet-at-home.com AG's consolidated financial statements. FL Entertainment N.V., Netherlands, is the ultimate parent company of Betclik Everest Group SAS, Paris/France, and prepares consolidated financial statements for the largest group of affiliated companies.

Due to the lack of positive forecasts for continued business, insolvency proceedings (winding up by the court) were initiated on 23 December 2021 against bet-at-home.com Entertainment Ltd., St. Julian's, Malta. At the hearing on May 13, 2022, the judicial winding up proceedings were confirmed by the Maltese court. 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 six subsidiaries (second-tier subsidiaries of bet-at-home.com AG) in which bet-at-home.com Entertainment GmbH holds majority 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 2022:

- bet-at-home.com Entertainment GmbH, Linz, Austria (100 % interest);
- Entertainment Beteiligungsholding GmbH, Linz, Austria (100 % interest);
- bet-at-home.com Niederlande GmbH, Linz, Austria (100 % interest);
- bet-at-home.com Holding 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).

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

With effect from February 28, 2022, Entertainment Beteiligungsholding GmbH and bet-at-home.com Niederlande GmbH (both Linz, Austria) were consolidated for the first time.

With effect from May 13, 2022, bet-at-home.com Entertainment Ltd. (in liquidation), St. Julian's/ Malta, was deconsolidated, due to the loss of control over the company.

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 financial statements of bet-at-home.com Entertainment GmbH (Austria) were all prepared as at the group reporting date and consolidated in accordance with International Financial Reporting Standards, as adopted by the European Union, 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 subgroup accounts of bet-at-home.com Entertainment GmbH (Austria) 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.

As of December 31, 2005, the subgroup financial statements of bet-at-home.com Entertainment GmbH (Austria) were included in the consolidated financial statements of bet-at-home.com AG for the first time. At this date all assets, provisions and liabilities of the subgroup financial statements were revalued. Consolidation was therefore performed using the revalued equity of the sub-group. The initial consolidation resulted in goodwill of EUR 1,052 thousand.

In the case of Jonsden Properties Ltd., which was included in the subgroup accounts of bet-at-home.com Entertainment GmbH (Austria) 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.

For the companies Entertainment Beteiligungsholding GmbH and bet-at-home.com Niederlande GmbH (both Linz, Austria), which were included in the consolidated financial statements for the first time in 2022, no goodwill arose in the course of capital consolidation.

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 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 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.
- Assessment of the further course and possible effects of the liquidation proceedings of bet-at-home.com Entertainment Ltd. (in liquidation), St. Julian's, Malta.
- Assessment of the recoveries from the liquidation proceedings and thus the valuation of the receivables of the Group companies due from bet-at-home.com Entertainment Ltd. (in liquidation), St. Julian's, Malta, which are to be serviced from its assets.
- Goodwill, the customer base and software was tested for impairment based on the expected future cash flows and interest rates.
- Estimation of the term of leases in accordance with IFRS 16 and the assessment of the exercise of existing extension and termination options, in addition to the determination of the term and the discount rate used, each have an influence on the respective amount of the rights of use and the lease liabilities.
- Capitalisation and measurement of deferred taxes depends on the assessment of whether it is probable that future taxable profit will be available, against which deductible temporary differences or the loss carryforward can be utilised.

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 2021 and 2022 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.

With the exception of goodwill, there are no intangible assets with indefinite useful lives.

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 Düsseldorf, 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. In the financial year 2022, there were changes in the office space in Linz due to restructuring. The reassessment of the term of the remaining leases made by the management in the course of this assumes a subsequent term of five years.

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 unchanged at 3.0 % or 4.0 %, and will be at 6.0 % in the future regarding the reassessment made (IFRS 16).

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, cash equivalents

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. The valuation is carried out at amortised cost.

Receivables and other assets

According to IFRS 9, receivables and other assets are generally to be allocated to the category "Evaluated at amortised cost" less any impairment losses. This does not apply to receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), which were acquired during the liquidation phase. These receivables are to be measured at the respective expected recovery, whereby the difference between the acquisition cost and the nominal value of these receivables corresponds to the expected lifetime credit loss at the time the receivable was acquired. This expected lifetime credit loss is reviewed on an ongoing basis and any change is recognised in the consolidated income statement. The valuation method applied is in line with the "Level 3 method" of the fair value hierarchy according to IFRS 13. With the exception of the receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), there is no credit risk. The other debtors with impeccable credit ratings are generally financial institutions and comparable institutions where no significant defaults have been recorded in the past and are not expected in the future.

Insofar as the receivables are classified as long-term (> 12 months) from the perspective of the balance sheet date, they are discounted at an interest rate with matching maturities and appropriate to the market.

Provisions for severance pay (redundancy pay)

Due to 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 December 31, 2022 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 recognised 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 in accordance with the criteria of IAS 37. 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.

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 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 revenue.

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 financial year 2022, 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 made 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 % (24 % from 2023 and 23 % from 2024) for Austria and about 5 % for Malta (taking tax refunds into account), respectively.

Net finance income (costs)

The financial result includes interest and similar income received from the investment of financial resources as well as interest expenses in accordance with IFRS 16, negative interest and interest expenses from the discounting of long-term receivables (> 12 months). 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 bet-at-home.com Entertainment Ltd. (in liquidation) 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. (in liquidation) (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. (in liquidation), 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 liquidation), in particular as this company was no longer in position to meet its liabilities with existing or independently generated resources. At the hearing on May 13, 2022, the judicial winding-up proceedings were confirmed by the Maltese court and an official liquidator was appointed. The next hearing is scheduled for March 2023.

Deconsolidation of bet-at-home.com Entertainment Ltd., Malta (in liquidation)

According to IFRS 10.7, an entity must be included in the consolidated financial statements of the parent company if it is directly or indirectly controlled by the parent company. The control results from the following three elements, which must be cumulatively fulfilled:

- Control: rights that currently give the power to direct the relevant activities of the other entity,
- Rights to variable returns from the controlled entity, and
- Ability to influence those returns through the exercise of power.

As a result of the winding up by the court of bet-at-home.com Entertainment Ltd. (in liquidation) and the appointment of a liquidator at the hearing on May 13, 2022, the Group has no longer sufficient control over the company, which therefore had to be deconsolidated from the consolidated financial statements as at that date in accordance with IFRS 10.25. From the group's point of view, the deconsolidation (mainly due to the elimination of the company's negative equity) leads to a positive effect in the consolidated income statement amounting to EUR 13,107 thousand, which is to be allocated to the discontinued operation.

Effects on the group's financial position

	31/12/2022	31/12/2021
Assets	EUR'000	EUR'000
Tax receivables	0	7,560
Receivables from associated companies (continued operation)	0	4,993
Other receivables and assets	0	57
Cash and cash equivalents	0	220
Assets held for closure	0	12,830

	31/12/2022	31/12/2021
Liabilities	EUR'000	EUR'000
Provision for customer complaints	0	24,246
Trade payables	0	383
Tax liabilities	0	2,620
Other liabilities	0	73
Liabilities in connection with assets held for closure	0	27,322

As a result of the deconsolidation of bet-at-home.com Entertainment Ltd. (in liquidation), all assets and liabilities of the Maltese company were removed from the consolidated financial statements. However, receivables from and liabilities to bet-at-home.com Entertainment Ltd. (in liquidation), which was fully consolidated until May 13, 2022, from intragroup transactions and receivables from bet-at-home.com Entertainment Ltd. (in liquidation), which were acquired during the liquidation phase, remain in the consolidated balance sheet as of December 31, 2022. While the net carrying amounts of these receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 9,145 thousand as of December 31, 2022, the net carrying amounts of liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) totalled EUR 7,773 thousand as of December 31, 2022 (see Notes 13 and 20).

Results from the discontinued operation

	01/01- 31/12/2022	01/01- 31/12/2021
	EUR'000	EUR'000
Gross betting and gaming revenue	45	37,652
Betting fees and gambling levies	0	-10,291
VAT on electronic services	-1	-677
Net betting and gaming revenue	44	26,684
Other operating income	25	4,116
Results from operating activities	69	30,801
Personnel expenses	-22	-234
Advertising expenses	-1	-13,798
Other operating expenses	-1,793	-43,821
Earnings before interest, taxes and depreciation	-1,747	-27,053
Depreciation, amortisation and write-downs	0	0
Earnings before interest and taxes	-1,747	-27,053
Net finance costs	-4	47
Earnings before taxes	-1,751	-27,005
Income taxes	0	0
Results from discontinued operation	-1,751	-27,005
Deconsolidation of BAH Entertainment Ltd.	13,107	0
Results from discontinued operation total	11,356	-27,005

The result from the discontinued operation amounting to EUR 11,356 thousand (financial year 2021: EUR -27,005 thousand) is to be attributed fully to the parent company.

Consolidated cash flow statement from the discontinued operation

The consolidated cash flow statement for the financial year 2022 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 consolidated financial statements of bet-at-home.com AG as of December 31, 2021.

VI.1. COMMENTS ON ITEMS OF THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2022 TO 31 DECEMBER 2022

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. In the financial year 2022, the Online Gaming segment comprised casino, 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

2022	Operating segments		Group total
	Online sport bets	Online gaming (casino, games, virtual sports)	
	EUR'000	EUR'000	
Betting and gaming volume	409,975	60,166	470,141
Paid out winnings	-360,907	-55,703	-416,610
Gross betting and gaming revenue	49,068	4,464	53,532
Betting fees and gambling levies	-9,213	-2,183	-11,396
VAT recognised in profit and loss	-99	0	-99
Net betting and gaming revenue	39,756	2,280	42,036

2021	Operating segments		Group total
	Online sport bets	Online gaming (casino, poker, games, virtual sports)	
	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 gambling levies	-10,589	-1,148	-11,737
VAT recognised in profit and loss	-45	0	-45
Net betting and gaming revenue	45,950	1,614	47,564

Segment reporting – supplementary information

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

	2022		2021	
	EUR'000	%	EUR'000	%
Germany	183,035	39	192,720	37
Eastern Europe	49,791	11	58,150	11
Austria and the rest of Western Europe	237,315	50	264,309	51
	470,141	100	515,179	100

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

(2) Other operating income

	2022	2021
	EUR'000	EUR'000
Cost allocation to discontinued operations	392	3,423
Exchange rate gains	208	88
Other	2,846	490
	3,446	4,001

The item "Other" mainly comprises reversals of impairment losses on receivables from the former Group company bet-at-home.com Entertainment Ltd. (in liquidation) (Malta).

(3) Personnel expenses

Breakdown of **personnel expenses**:

	2022	2021
	EUR'000	EUR'000
Salaries	10,630	14,461
Expenses for severance (redundancy) pay and company pension plan contributions	131	239
Expenses for statutory social contributions and pay-based levies and statutory contributions	2,643	3,803
Other social contributions	103	101
	13,508	18,604

Expenses for severance (redundancy) and contributions to company pension plans include payments totalling EUR 146 thousand (previous year: EUR 217 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	
	31/12/2022	31/12/2021	2022	2021
Employees	109	260	177	272
Management Board of the parent company and managing directors of bet-at-home.com Entertainment GmbH	1	2	1	2

(4) Advertising and other operating expenses

These expenses include the following items:

	2022	2021
	EUR'000	EUR'000
Advertising expenses		
Advertising costs	4,667	5,800
Bonuses and vouchers	7,428	4,803
Sponsoring	1,532	1,264
	13,628	11,867

	2022	2021
	EUR'000	EUR'000
Other operating expenses		
Additional transaction costs	3,134	1,233
Software provider expenses	395	197
Information services and software maintenance	3,392	3,220
Legal, audit and advisory fees	2,343	334
Additions to provisions for impairment losses on receivables, loan losses and claims	566	255
Exchange rate differences and similar expenses	210	85
Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs	240	427
Supervisory Board compensation	40	40
Other costs	5,922	1,333
	16,242	7,124

The increase in other operating expenses is mainly due to an increase in legal and consulting costs as well as additional transaction costs, which are mainly associated with the fact that it is no longer possible to charge costs to the discontinued operation compared to the previous year.

The item "Other costs" mainly includes expenses in connection with customer requests for reimbursement of gambling losses (EUR 962 thousand), expenses from settlement of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 2,500 thousand as well as value adjustments of receivables due from the former Group company bet-at-home.com Entertainment Ltd. (in liquidation) in the amount of EUR 753 thousand.

(5) Depreciation, amortisation and write-downs

	2022	2021
	EUR'000	EUR'000
Amortisation and write-downs of intangible assets	400	238
Write-down of leased office building	719	871
Depreciation and write-downs of property, plant and equipment	1,085	1,082
Write-downs of low-value assets	5	105
	2,209	2,297

(6) Net finance income (costs)

	2022	2021
	EUR'000	EUR'000
Finance income		
Interest receivable and similar income	1	1
Finance costs		
Interest expenses from lease agreements	-35	-68
Other financial expenses	-551	-173
	-585	-241

Other financial expenses mainly relate to negative interest and the interest expense from discounting long-term receivables (> 12 months).

(7) Taxes on income

This item can be presented as follows:

	2022	2021
	EUR'000	EUR'000
Current income taxes for the year under review, Austrian subgroup	87	650
Income from deferred taxes	-821	-1,414
Tax income/expense for previous years	-507	1,497
	-1,240	733

The reported deferred taxes result 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:

	2022	2021
	EUR'000	EUR'000
Earnings before taxes	-690	11,432
Calculated income tax expense, Austria (25 %)	-172	2,858
Tax expense/income for previous years	-507	1,497
Tax differences for Malta tax group	-67	-2,215
Income from deferred taxes	-821	-1,414
Other differences and tax rate changes	327	6
Actual/recognised tax income (previous: tax expense)	-1,240	733

(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 reference is made.

VI.2. COMMENTS ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITIO FOR THE PERIOD ENDED 31 DECEMBER 2022

(9) to (14) Non-current assets

A breakdown of non-current assets and their movements during the financial year 2022 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:

	2022	2021
	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

Thereof online sport bets operating segment	1,054	1,054
Thereof 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. 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 as of 31 December 2022 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 current corporate plan for 2023 to 2026, which is based on continued operations. The discount rate applied stood at 10 % (previous year 10 %). No impairment was required as of 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. In the financial year 2022, there were changes in the office space in Linz due to restructuring. The reassessment of the term of the remaining leases made by the management in the course of this assumes a subsequent term of five years and an increase in the recognised rights of use and the lease liability in the amount of EUR 1,437 thousand.

(12) Property, plant and equipment

A breakdown of property, plant and equipment and its movements during the financial year 2022 is presented in the changes in non-current assets for the Group (appendix to the notes).

(13) Other receivables and assets

In addition to tax receivables, other non-current receivables and assets mainly include receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) in the amount of EUR 9,145 thousand and result from various different business transactions. This includes receivables due from bet-at-home.com Entertainment Ltd. (in liquidation), Malta, from ongoing business relationships until May 13, 2022 in the amount of EUR 1,894 thousand and receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) acquired during the liquidation phase in the amount of EUR 7,251 thousand.

There exist uncertainties regarding the assets of the estate and the estate liabilities of bet-at-home.com Entertainment Ltd. (in liquidation) recognised by the liquidator. However, the assets of the estate and the recognised estate liabilities influence the quota that the creditors will receive on their established claims. The resulting uncertainties are addressed as part of the valuation of the receivables against bet-at-home.com Entertainment Ltd. (in liquidation) by assuming and assessing various scenarios (best estimate).

As a result of weighting various recoveries in the respective scenarios, the receivables were valued at around half of the nominal amount. From the current perspective, the insolvency proceedings in Malta of bet-at-home.com Entertainment Ltd. (in liquidation) are expected to be settled at the end of 2024 and the receivables are expected to be serviced from assets at that time. Accordingly, the expected payments on receivables were discounted over this period at an interest rate with matching maturities and appropriate to the market.

Whether the expected inflow actually materialises, however, depends on whether and to what extent filed requests from players for reimbursement of gambling losses are successful in future. Court and procedural costs as well as costs for experts and consultants additionally reduce the assets to be distributed.

(14) Deferred tax assets

The differences between the valuations of assets, provisions, liabilities and accruals and deferred income according to IFRS and their tax valuations in addition to possible future tax relief due to tax losses carried forward result in a future tax relief from deferred taxes. The company is required to recognise deferred tax assets for this tax relief. Deferred tax assets as of December 31, 2022 amounted to EUR 2,272 thousand in total (previous year: EUR 1,450 thousand). EUR 2,186 thousand (previous year: EUR 1,420 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 2026 to offset taxable profits. No deferred tax assets were recognised for tax losses carried forward in the amount of EUR 8,772 thousand (previous year: EUR 4,671 thousand).

(15) Tax receivables

Tax receivables include the following items:

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Tax refund claim 2022 (tax refund Malta)	99	0
Tax refund claim 2021 (tax refund Malta)	3,429	3,429
Tax refund claim 2020 (tax refund Malta)	0	1,898
Tax refund claim 2019 (tax refund Malta)	0	48
Corporation tax advance payment Austria	1	1,925
Other	1,584	1,081
	5,113	8,381

As in previous years, the item "Other" mainly relates to existing credit balances against tax authorities.

(16) Other receivables and assets

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

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Advance payments	743	1,329
Receivables from payment service providers	1,627	2,394
Others	1,079	473
	3,449	4,196

Compared to the previous year, the items Advance payments and Other receivables and assets have been combined for reasons of clarity. The advance payments relate to advance payments from advertising and sponsoring contracts as well as maintenance contracts.

(17) Cash and cash equivalents

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Cash at bank (maturities < 3 months) and in hand	35,327	41,989

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 5,380 thousand) of cash and cash equivalents are allocated to pledged funds which can be made available at short notice within three months.

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 4,940 thousand (previous year: EUR 5,437 thousand).

(18) 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.

(19) Group equity

Breakdown of the Group's equity:

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Subscribed capital	7,018	7,018
Capital reserves	7,366	7,366
Consolidated net profit for the period	14,565	2,658
	28,949	17,042

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.

The general meeting of shareholders on May 18, 2021 resolved to authorise the Management Board, with the Supervisory Board's consent, to increase the Company's share capital by May 17, 2026 by issuing up to EUR 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 May 17, 2023, by resolution of the general meeting of shareholders of May 18, 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.

Earnings per share are calculated by dividing the consolidated net profit for the year (EUR 11.9 million) attributable to shareholders of bet-at-home.com AG by the weighted average number of outstanding shares (7,018,000). The number of shares of bet-at-home.com AG did not change during the financial year. As there were no potential shares outstanding as at December 31, 2022 or December 31, 2021 that could dilute earnings per share, basic earnings per share correspond to diluted earnings per share.

(20) Non-current liabilities

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Provisions for employee benefits	82	97
Lease obligations	1,437	794
Other non-current liabilities	10,273	0
	11,792	891

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 3.72 % (previous year: 0.8 %) 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 11 years.

In the financial year 2022, there were changes in the office space in Linz due to restructuring programmes. The revaluation of the remaining leases carried out in the course of this led to an increase in recognised rights of use and lease liabilities of EUR 1,437 thousand, assuming a term of five years following the existing contract.

Other liabilities include EUR 7,773 thousand in liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) resulting from ongoing business transactions with this company until May 13, 2022, as well as EUR 2,500 thousand in liabilities from the settlement of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation), which are expected to become payable at the end of the first quarter of 2024.

(21) to (27) Current liabilities

Current liabilities include the following items:

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Other provisions	1,903	1,709
Trade payables	1,548	1,432
Tax liabilities	11,852	14,608
Amounts due to customers	4,940	5,437
Lease obligations	443	900
Other current liabilities	1,235	6,443
Debts relating to the closure of assets held	0	27,322
	21,921	57,850

(21) Other provisions

Total other provisions developed as follows in the financial year 2022 (EUR thousand):

	Balance at 31/12/2021	Utilisation	Release	Addition	Balance at 31/12/2022
Audit and advisory	890	341	549	325	325
Affiliate programme	713	220	0	0	494
Other	106	25	0	1,002	1,084
	1,709	585	549	1,328	1,903

(22) Trade payables

Trade payables are recognised at the repayment amount and are entirely current.

(23) Tax liabilities

Tax liabilities relate to corporation tax liabilities amounting to EUR 10,599 thousand (as of December 31, 2021: EUR 13,304 thousand), betting fees, gambling levies and VAT on electronic services amounting to EUR 1,041 thousand (as of December 31, 2021: EUR 1,271 thousand) and other taxes amounting to EUR 212 thousand (previous year: EUR 32 thousand).

(24) Liabilities to customers

Liabilities to customers include pending bets (in accordance with IFRS 9) in the amount of EUR 296 thousand (as of December 31, 2021: EUR 281 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 4,644 thousand (as of December 31, 2021: EUR 5,156 thousand).

(25) Liabilities from leasing agreements

As at December 31, 2022, current liabilities from the rights of use from leases (less than 12 months) capitalised in accordance with IFRS 16 amounted to EUR 443 thousand (as of December 31, 2021: EUR 900 thousands).

(26) Other liabilities

Other current liabilities include the following items:

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Liabilities to associated companies	0	4,993
Liabilities to personnel	861	790
Social security liabilities	187	381
Other liabilities	187	279
	1,235	6,443

In the previous year, liabilities to associated companies related to liabilities to bet-at-home.com Entertainment Ltd. (in liquidation) and are included in other non-current liabilities in the amount of EUR 10,273 thousand as at 31 December 2022 (see Note 20).

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

(27) Liabilities related to assets held for closure

As of December 31, 2022, there are no longer any liabilities related to assets held for closure as a result of the deconsolidation (December 31, 2021: EUR 27,322 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.

Due to the 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 financial year 2022.

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. 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 (unlisted 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 2022, 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 financial year 2022 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 level of interest by 0.5 % would change the financial result by EUR 177 thousand (previous year: EUR 210 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. Transactions denominated in other currencies were of minor importance. The currency risk was not hedged in previous years either.

Counterparty default (credit risk)

Credit risk refers to the risk of payment delays or default by counterparties. With the exception of receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) (reported under non-current other receivables and assets, see Note 13), there is no credit risk. On the assets side, the amounts reported (current receivables and other assets) also represent the maximum exposure to credit and default risk, as there are no netting agreements.

The receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) recognised as of December 31, 2022 are subject to an increased risk of default as this company is in insolvency (“winding up by court”) and there is currently no certainty about the amount of the receivables from the estate to be recognised by the liquidator. The Management Board has addressed the resulting uncertainties in the valuation of the receivable due from bet-at-home.com Entertainment Ltd. (in liquidation) by assuming and evaluating various scenarios in the sense of a best estimate. If, contrary to expectations, a significantly higher volume of insolvency claims than currently estimated by the Management Board is recognised, this reduces the quota payment on the claims asserted by the bet-at-home.com AG Group and thus the recovery from these receivables. The default risk of the receivables due from bet-at-home.com Entertainment Ltd. (in liquidation) is classified as low to medium. In the event of risk materialisation, the impact on net assets, financial position and results of operations is classified as medium to high.

VII.3. RELATED PARTY TRANSACTIONS

Management Board members of bet-at-home.com AG during the financial year 2022 were:

- Mr. Franz Ömer, graduate engineer, member of the Management Board, Ansfelden, Austria (until February 28, 2022),
- Mr. Michael Quatember, Master’s degree, member of the Management Board, Linz, Austria (until February 28, 2022),
- Mr. Marco Falchetto, Master’s degree, member of the Management Board, Mödling, Austria. Mr Falchetto has been the sole member of the Management Board of bet-at-home.com AG since March 1, 2022.

The remuneration of the Management Board in the financial year 2022 totals EUR 850 thousand (previous year: EUR 1,420 thousand including consulting services in the amount of EUR 400 thousand). Of this, an amount of EUR 281 thousand (previous year: EUR 0 thousand) is attributable to the arithmetical allocation of entitlements from long-term variable remuneration, which was accrued. In addition, we refer to the remuneration report prepared for the financial year 2022. The compensation report is published on the company website at <https://www.bet-at-home.ag/de/corporate-governance>.

The Supervisory Board of bet-at-home.com AG consisted of the following members in the financial year 2022:

- 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.

In 2022, the Chairman of the Supervisory Board received fixed compensation of EUR 40 thousand (previous year: EUR 40 thousand). Necessary expenses were also reimbursed. Ms Giraudon and Mr Riahi waived their compensation in the financial year 2022.

No material related-party transactions were concluded in the financial year 2022.

Pursuant to Section 312 (3) of the German Companies Act [Aktengesetz; 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. OTHER FINANCIAL OBLIGATIONS, UNCERTAIN LIABILITIES AND CONTINGENT LIABILITIES

As of the balance sheet date, contingent liabilities existed in the form of bank guarantees amounting to EUR 10,514 thousand (previous year: EUR 5,754 thousand). These are bank guarantees to secure public claims under the Austrian Bookmakers Act, claims in connection with the sports betting licence granted and the licence for virtual machines in Germany, claims from existing tenancies and claims from the Swiss Federal Tax Administration in Switzerland.

VII.5. AUDITOR'S FEE

Group auditors' expenses amounting to EUR 105 thousand were incurred in the financial year 2022 (previous year EUR 96 thousand), which relate exclusively to auditing services.

VII.6. EXPLANATION REGARDING THE MANAGEMENT OF BET-AT-HOME.COM AG IN ACCORDANCE WITH SECTION 289F HGB AND THE GROUP IN ACCORDANCE WITH SECTION 315D HGB AS WELL AS THE CORPORATE GOVERNANCE REPORT

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

VII.7. MATERIAL SUBSEQUENT EVENTS

On February 1, 2023, the bet-at-home group went online with a new platform and a new sports betting product on the “.com domain”. On the one hand, customers benefit from a much broader betting offering, numerous new functionalities and attractive promotions. On the other hand, negative effects on the number of existing customers as well as betting and payment transactions occurred immediately after the migration, are expected. The negative migration effects are primarily due to necessary adjustments of existing customers to the changed user navigation. Mitigating marketing measures were initiated as planned.

As far as the “.com domain” is concerned, formerly essential corporate functions of the bet-at-home group (especially the development and operation of the customer and payment platform, as well as the online sports betting product) have now been outsourced to the outsourcing partner for implementation. In future, the Group’s in-house services will focus primarily on marketing and customer relationship management.

The new platform and the new sports betting product for the German market (“.de domain”) are in the final implementation phase. Due to complex and specific regulatory requirements and resulting additional work, the migration to the new German platform will take place at the beginning of the second quarter.

VII.8. RESPONSIBILITY STATEMENT

I 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, 1 March 2023

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	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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APPENDIX TO THE NOTES

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2022, bet-at-home.com AG, Düsseldorf

	At cost				Accumulated depreciation				Carrying amount 31/12/2021	
	Balance at 01/01/2022	Additions	Disposals	Reclassifications	Balance at 31/12/2022	Balance at 01/01/2022	Additions	Disposals		Balance at 31/12/2022
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	
I. Intangible assets	3,777	527	441	0	3,863	2,927	401	441	2,887	850
II. Goodwill	1,369	0	0	0	1,369	0	0	0	0	1,369
III. Leased office buildings	4,240	1,519	1,755	0	4,005	2,612	719	1,191	2,140	1,629
IV. Property and equipment	8,215	419	529	0	8,105	5,126	1,089	458	5,758	3,089
1. Furniture and fixtures, office equipment	8,209	17	481	54	7,799	5,126	1,089	458	5,758	3,083
2. Construction in progress	6	402	48	-54	306	0	0	0	0	6
	17,602	2,465	2,725	0	17,342	10,664	2,209	2,090	10,784	6,558
										6,937

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 dis-continued operations	Balance at 31/12/2021	Balance at 01/01/2021	Additions	Disposals	Change dis-continued 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

bet-at-home

COMBINED MANAGEMENT REPORT

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	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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COMBINED MANAGEMENT REPORT 2022

bet-at-home.com AG, Düsseldorf

A. ECONOMIC STATUS OF THE GROUP

A.1 BUSINESS MODEL

The bet-at-home.com AG Group operates as an online sports betting and gaming company via its operational Maltese group companies. With more than 5.6 million registered customers, the Group is one of the most successful providers in Europe.

The wide-ranging offerings on bet-at-home websites include sports betting, casino, games, and virtual sports. In 2022, the sports betting offer comprised more than 580,000 events on over 55 types of sport including around 250,000 live events. The bet-at-home.com AG Group has companies in Germany, Austria, Malta and Gibraltar. As of December 31, 2022, 109 employees contributed to the Group's performance.

The German-speaking region is currently of particular importance to the bet-at-home.com AG Group.

The various online sports betting and online gambling licenses are held by the Maltese Group company. These licences authorise the company to organise and to sell online sports betting and online casinos in Germany as well as in other countries of the European Union.

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

bet-at-home.com AG, Düsseldorf, as the parent company, is listed on the Regulated Market of the Frankfurt Stock Exchange in the Prime Standard market segment. 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, with its registered office in Linz/Austria, is primarily responsible for the continuous transfer of technology within the Group as well as for the further development of software created in-house 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 Betclic Everest Group SAS, Paris, France, a French group specialising in online gambling and online sports betting.

A.2 DEVELOPMENT ACTIVITIES AND OUTSOURCING (FROM 2023)

Since the beginning, bet-at-home.com AG has primarily relied on internal resources for the conception, development and ongoing adaptation of industry-specific software solutions for its own needs. The financial year 2022 was characterized by a change from the historical approach of extensive inhouse development and a shift towards preparation for an increased outsourcing in the course of the financial year 2023. The main drivers of the strategic reorientation were the even more complex technological requirements as well as increased cost pressure in combination with a growing variety and availability of cost-efficient and high-quality commercial industry solutions. In the first half of the year, the focus was made on evaluating alternative providers, final selection and design of a contractual commitment with the most suitable partner. In the second half of the year, the operational focus was made on the development and provision of comprehensive specifications as well as on implementation support and testing of the new platform. In particular, extensive adaptations of the software to regulatory requirements for the German market were specified and implemented. In the course of the financial year 2023, the bet-at-home Group will successively outsource key corporate functions to this outsourcing partner. This relates to critical technological components, in particular the development and operation of the customer and payment platform and the online sports betting product (the operation of online casinos was outsourced to service providers in the past). In terms of in-house development, the bet-at-home.com AG Group will focus in the future exclusively on those customer-relevant components that cannot be sourced externally, or only to an insufficient extent.

The outsourcing order volume will be determined by the net gaming revenue generated from online sports betting and is expected to reach a low single-digit million-euro amount per year in the future. On the other hand, the outsourcing will involve the reduction in internal expenses within the bet-at-home.com AG Group, while preparations for the outsourcing and cost-cutting measures in the fiscal year 2022 led to a significant reduction in the Group's own workforce.

B. BUSINESS REPORT

B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

Overall economic development in the calendar year 2022 was influenced by the general tightening of monetary policy, driven by higher inflation rates, measures against Covid-19 and the war in Ukraine. The International Monetary Fund (IMF) expects global economic growth in the calendar year 2022 to be weaker than in the previous year – at 3.4 %. According to Eurostat estimates, the GDP in the euro zone will increase by 3.5 % and in the EU by 3.6 % compared to 2021.

Based on past experience in the bet-at-home.com AG Group's key markets, it can be concluded that business development in the online sports betting and online gaming sector is largely independent of macroeconomic developments in the respective markets. In general, bet-at-home.com AG's business has therefore proven to be resistant to economic crises of the past. In the financial year

2022, no significant effect on gaming behaviour was noticeable despite a higher inflation rate and an increasingly tense economic situation.

The lifting of Covid-19 measures in Europe in 2022 had a positive impact on the land-based gaming market segment, while growth rates in online gaming revenues slowed somewhat year-on-year. H2 Gambling Capital estimates that online gambling revenues grew by 8 % in the financial year 2022.

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 continue to play an increasingly important role as supporting factors for new players entering the market.

B.2 BUSINESS TREND

(1) Highlights in the financial year 2022

Following a decline in customer activity in **Germany**, due to the implementation of the sports betting concession in the financial year 2021, the business performance in the financial year 2022 was largely stable despite additional regulatory requirements. In May 2022, the authority in Hesse published a licensable betting programme that provides for massive restrictions, particularly in the area of live betting. In the meantime, bet-at-home.com Internet Ltd. has successfully taken legal action against this, so that the existing betting programme could be maintained at least until the end of 2022. In the first half of 2022, the company submitted an application for the extension of the existing sports betting license and an application for a nationwide license for virtual slot machines. At the end of the financial year 2022, the Group succeeded in achieving a high degree of legal and planning certainty by obtaining licenses for all products offered.

In Germany, the State Treaty on Gaming 2021 (GlüStV2021) stipulates that a deposit limit of EUR 1,000 per month must be complied by all providers and across all products. However, due to complaints filed against the corresponding provisions of GlüStV2021, provisions on the deposit limit have so far only been implemented at the level of the provider in the online casino sector. The responsible supervisory authority informed bet-at-home.com Internet Ltd. at short notice that the deposit limits must now be complied with in their entirety as of July 1, 2022, taking into account the requirements for granting an increased limit for sports betting. Corresponding changes were implemented within the given timeline and have been in force then.

Since the beginning of the financial year 2021, the increase in customer requests against bet-at-home.com Entertainment Ltd. (in liquidation) for reimbursement of gaming losses in the online casino in Austria led to massive costs for the Group. Although the bet-at-home.com AG Group still considers the online casino monopoly under the national Austrian gambling regulation to be in violation to European law and therefore considers the Maltese bet-at-home.com Entertainment Ltd. (in liquidation) (the Group company whose main business activity was running the online casino) to be a lawful online casino provider (including) for customers in Austria, bet-at-home.com Entertainment Ltd. (in liquidation) ceased to offer online casinos to customers

from Austria in October 2021, due to a continuing negative ruling by the Supreme Court. In the absence of a positive going-concern forecast, winding-up proceedings were initiated by the court in respect of this Maltese company on May 13, 2022, with retroactive effect to the date of the application on December 23, 2021, particularly since the company was no longer in a position to service its liabilities with existing or independently generated funds. bet-at-home.com Entertainment Ltd. (in liquidation) was deconsolidated as of May 13, 2022.

With gross betting and gaming revenue in amount of EUR 53.5 million, the forecasted range of between EUR 52 million and EUR 54 million was achieved. The EBITDA forecast of EUR -2 million and EUR -4.5 million for the financial year 2022 was significantly exceeded, among other things due to the gross betting and gaming revenue at the upper end of the forecast range and to lower than budgeted personnel expenses.

(2) Human resources and social security

The average number of employees (excluding the Management Board) in the Group in the fiscal year 2022 amounted to 177 (previous year: 272). As of December 31, 2022, the Group employed 109 staff (previous year: 260).

Despite the implementation of two successive restructuring programs in the past fiscal year 2022, resulting from the economic situation and with a view of the planned outsourcing in 2023, which involved an ordinary termination of more than one hundred employees in the Group, the goal-oriented personnel development of its highly qualified employees remains the basis for the further development of the Group. In addition, intensive professional development is a central cornerstone of human resources management.

B.3 GROUP SITUATION

B.3.1 Earnings position

All information on the financial performance relates to continuing operations (i.e., excluding the activities of bet-at-home.com Entertainment Ltd. (in liquidation), which was deconsolidated in the financial year 2022). For detailed information on discontinued operations, please refer explicitly to section V. "Discontinued operations (IFRS 5)" in the notes to the consolidated financial statements.

Gross revenue from online sports betting (bets less paid out winnings) from continuing operations in the financial year 2022 amounts to EUR 49.0 million, which is below the previous year's level (previous year: EUR 56.6 million).

Gross revenue from online gaming (gaming revenue less paid out winnings) from continuing operations was up compared to the previous year to EUR 4.5 million (previous year: EUR 2.8 million). Online gaming includes the products Casino, Games and Virtual Sports.

As a result, gross betting and gaming revenue from continuing operations in the financial year 2022 amounted to EUR 53.5 million and was thus below the previous year's level (previous year: EUR 59.3 million), mainly due to the discontinuation of the offering in the United Kingdom, reduced gross betting and gaming revenue in Switzerland, and the implementation of cross-product deposit limits in Germany from mid-2022. Gross betting and gaming revenue is a very important financial performance indicator for the Group.

The betting fees or taxes and gambling levies payable in various countries reduced earnings by EUR 11,396 thousand during the financial year 2022 (previous year: EUR 11,737 thousand). In addition, value-added tax regulations for electronically supplied services decreased earnings by EUR 99 thousand (previous year: EUR 45 thousand).

Taking into consideration betting taxes and gambling levies and the tax payable due to the VAT regulations for electronically supplied services, net gaming revenue in the financial year 2022 amounted to EUR 42.0 million (previous year: EUR 47.6 million).

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

	01/01- 31/12/2022	01/01- 31/12/2021
	EUR'000	EUR'000
Gross betting and gaming revenue	53,532	59,347
Net betting and gaming revenue	42,036	47,564
Total operating income	45,482	51,565
EBT (earnings before taxes) *)	-690	11,432
EBIT (earnings before interest and taxes) **)	-105	11,673
EBITDA (earnings before interest, taxes, depreciation and amortisation) ***)	2,105	13,970

*) entspricht dem Ergebnis vor Steuern gemäß Gewinn- und Verlustrechnung

**) EBT abzüglich Finanzergebnis gemäß Gewinn- und Verlustrechnung

***) EBIT zuzüglich Abschreibungen gemäß Gewinn- und Verlustrechnung

Advertising expenses amount to EUR 13,628 thousand in the fiscal year 2022 (previous year: EUR 11,867 thousand). Personnel expenses decreased significantly by EUR 5,096 thousand to EUR 13,508 thousand in the fiscal year 2022. This decrease in expenses results from the alignment of the cost structure as part of two announced and implemented restructuring programs.

B.3.2 Financial situation

All disclosures concerning the financial situation relate to continuing operations. Reference is made specifically to the consolidated financial statements Section V. "Discontinued Operation (IFRS 5)" for detailed information on the discontinued operation.

As at December 31, 2022, the **financial situation** was as follows:

	31/12/2022	31/12/2021
	EUR'000	EUR'000
Earnings before taxes	- 690	11,432
Cash flows from operating activities	-5,018	10,495
+ Cash flows from investing activities	-874	-1,896
+ Cash flows from financing activities	-770	-18,417
= Net cash from operating, investing and financing activities	-6,662	-9,818
+ Cash and cash equivalents at 1 January	41,989	51,807
= Cash and cash equivalents at 31 December	35,327	41,989

In addition to cash-related items, cash flow from operating activities includes essentially the result of the disposal of assets and liabilities of the discontinued operations. Cash flow from operating activities is negatively impacted by the build-up of non-current other receivables and assets in the amount of EUR 9,145 thousand. We currently expect this item to result in a cash inflow by the end of 2024.

The cash flow from investing activities mainly includes cash outflows for additions to assets.

The cash flow from financing activities reflects the repayment of lease liabilities.

The Group has at all time been able to meet its financial obligations in the continuing operations.

B.3.3 Net assets

As of December 31, 2022, net assets were as follows:

Assets	31/12/2022	31/12/2021
	EUR'000	EUR'000
Non-current assets	18,773	8,388
Current assets		
Tax receivables	5,113	8,381
Other receivables and assets	3,449	4,196
Cash and cash equivalents	35,327	41,989
Assets held for closure	0	12,830
	62,662	75,783

The non-current assets item includes receivables in the amount of EUR 9,145 thousand due from bet-at-home.com Entertainment Ltd. (in liquidation) from various different transactions. Refer to the comments in the notes to the consolidated financial statements (section VI. 2. item 13).

Equity and liabilities	31/12/2022	31/12/2021
	EUR'000	EUR'000
Group equity	28,949	17,042
Non-current liabilities (liabilities and provisions)	11,792	891
Current liabilities (liabilities and provisions)	21,921	57,850
	62,662	75,783

The equity ratio as of December 31, 2022 stood at 46.2 % (as of December 31, 2021: 22.5 %). The increase in equity results from the total consolidated profit for the year. This includes a gain in the amount of EUR 13,107 thousand from the deconsolidation of bet-at-home.com Entertainment Ltd. (in liquidation) as of May 13, 2022, resulting from the disposal of all assets and liabilities of bet-at-home.com Entertainment Ltd. (in liquidation).

Non-current liabilities include liabilities from leases in the amount of EUR 1,437 thousand (as of December 31, 2021: EUR 794 thousand), liabilities in the amount of EUR 7,773 thousand (as of December 31, 2021: EUR 0 thousand) due to bet-at-home.com Entertainment Ltd. (in liquidation), resulting from ongoing business transactions with this company until May 13, 2022, EUR 2,500 thousand in liabilities from the reconciliation of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) (as of December 31, 2021: EUR 0 thousand), as well as provisions for employee benefits in the amount of EUR 82 thousand (as of December 31, 2021: EUR 97 thousand).

Current liabilities include other provisions in the amount of EUR 1,903 thousand (as of December 31, 2021: EUR 1,709 thousand), trade payables in amount of 1,548 thousand (as of December 31, 2021: EUR 1,432 thousand), tax liabilities in the amount of 11,852 thousand (as of December 31, 2021: EUR 14,608 thousand), liabilities to customers (contractual liabilities according to IFRS 15) amounting to EUR 4,940 thousand (as of December 31, 2021: EUR 5,437 thousand), lease obligations according to IFRS 16 amounting to EUR 443 thousand (as of December 31, 2021: EUR 900 thousand) and liabilities relating to assets held for closure amounting to 0 thousand (as of December 31, 2021: EUR 27,322 thousand).

Due to the licensing of the casino business in Germany, additional collateral (bank guarantee) amounting to EUR 5 million, secured by the parent company of bet-at-home.com AG, was provided.

As in the previous year, no financing measures were carried out in the financial year 2022.

B.3.4 OVERALL EVALUATION OF THE GROUP'S SITUATION

The economic situation of the Group in its continuing operations, which now mainly comprise the online sports betting segment, is overall positive, due to the restructuring measures implemented and the future outsourcing of key corporate functions, although lawsuits from customers in connection with their requests to cover gambling losses in Austria and Germany, represent a risk and will continue to tie up capacities.

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 monitor future regulatory and tax developments and will endeavour to apply for licenses for online sports betting and online gaming in countries selected on the basis of economic criteria that allow fair market access, in order to create greater legal certainty. The European states are increasingly endeavouring to block customers of unlicensed private gambling offers from market participation by means of website blocking measures and provider blocks, especially since such measures are expressly provided for in some legal regulations. These measures increase the attractiveness of national licenses.

Regulatory environment and risks from existing legal uncertainties

Provided that the bet-at-home.com AG Group cannot rely on a national license in an EU member state, business activities within the European Union are offered on the basis of licenses for online gaming and online sports betting granted in Malta, which, according to the legal opinion of the bet-at-home.com AG Group, apply in all EU states due to the European freedom to provide services and freedom of establishment, as long as the regulations in the respective member state regarding online gambling and online sports betting remain in violation of European law.

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

In the core market of Germany, the Group managed to achieve a high level of legal and planning certainty at the end of the financial year 2022 by obtaining concessions for all products offered.

The major regulatory developments were as follows:

- In Germany, a new gaming treaty came into effect as of 1 July 2021, in which the market for online casino products has been opened for the first time. In addition to nationwide concessions for sports betting, these regulations also provide for the first time for concessions for virtual automated games and for a possibility of granting licences for gambling games on the Internet at country level. bet-at-home.com Internet Ltd. applied for a virtual slot machine license immediately after entry into force, and the company was granted the license by the competent authority in Saxony-Anhalt in the fourth quarter of 2022. The sports betting license, which expired at the end of 2022, was also reissued to bet-at-home.com Internet Ltd. in the fourth quarter of 2022 with a validity period until the end of 2027.

In the case of traditional gambling (casino) games, such as roulette and blackjack, it is up to individual federal states to decide whether to grant licenses to private providers or to award these licenses exclusively to casinos, with the number of such licenses being linked by law to the number of casinos in respective federal states. As of the end of 2022, the states of Schleswig-Holstein and North Rhine-Westphalia have decided to open up the market for gambling (casino) games, whereby an application was already

possible in Schleswig-Holstein in the third quarter of 2022. The Group is considering an application for a concession for gambling (casino) games in North Rhine-Westphalia, subject to the conditions.

In September 2020, the German federal states agreed on a transitional regulation until the new State Treaty on Gaming comes into force. Accordingly, those gambling providers that operate online gambling in compliance with the anticipated future regulations of the State Gambling Treaty 2021 were exempted from enforcement measures and sanctions due to the lack of a German license. On the basis of these transitional provisions, the Group company concerned restricted its casino offering on September 15, 2020 and approved requirements such as monthly payment limits. This resulted in significant losses in the online casino segment in the core market of Germany. This transitional regulation expired with the granting of the first concession for virtual slot machines in the fourth quarter of 2022. The Management Board welcomes the legal certainty in Germany resulting from the granting of the licenses.

- In Poland, the Group withdrew – at least temporarily – its offer in May 2021. Following a comprehensive market analysis, there are currently no plans to return to the Polish market, as the Management Board intends to focus on the development of the German-speaking core markets.
- Together with the Supervisory Board, the Management Board decided to discontinue the market in the United Kingdom. The gambling license was returned to the UK regulatory authority on July 12, 2022.
- In Switzerland, in June 2022, bet-at-home.com Internet Ltd. lost a legal dispute regarding the legality of IP blocking measures before the Swiss Supreme Court. bet-at-home.com Entertainment Ltd. (in liquidation) discontinued its casino offering in Switzerland as of December 31, 2021 as part of its initiated liquidation. The continuation of the sports betting offering is being evaluated on an ongoing basis by the Management Board together with its advisors.

In June 2016, the Maltese companies bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. (in liquidation) were requested by the Swiss tax authorities to register for national VAT. Following a comprehensive legal review and repeated correspondence with the authorities, bet-at-home.com Entertainment Ltd. (in liquidation) was registered in September 2018. The company retroactively paid VAT on Swiss casino sales as of January 1, 2017. No provisions were recognized for the period from 2013 to 2016 that were prescribed by the tax authority, because a potential outflow of resources had been not assessed as probable. In May 2022, the Swiss tax authority was notified of the opening of insolvency proceedings (“winding up by the court”) of bet-at-home.com Entertainment Ltd (in liquidation).

In October 2019, bet-at-home.com Internet Ltd. decided to conditionally register in the national VAT register and submit its financial data. The company achieved that any

tax demands from the authority would be suspended until a final court decision. This also applies to the matter described above regarding bet-at-home.com Entertainment Ltd. (in liquidation). 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 2.5 million for the years since 2017. No related provisions were recognized as of December 31, 2022 in accordance with IAS 37.

In December 2020, bet-at-home.com Internet Ltd. as well as bet-at-home.com Entertainment Ltd. (in liquidation) received tax rulings for the period from 2013 to 2016 and 2017, which were appealed against to the authorities. bet-at-home.com Internet Ltd. has taken legal action before the national courts against the appeal decision of the tax authorities issued in the second half of 2022; a final decision is not expected before the end of 2024.

Despite progressive regulatory efforts, betting and gaming providers are still exposed to legislative interventions, in particular due to prohibition regulations in the gaming sector, with the focus in the financial year 2022 shifting to recovery requests from customer under civil law. This has affected the companies of the bet-at-home.com AG Group as follows:

- Despite voluntary customer protection measures for comprehensive player protection that go beyond legal requirements, the Maltese Group company bet-at-home.com Entertainment Ltd. (in liquidation) in Austria was faced with requests from customers for the reimbursement of gaming losses in the online casino over recent financial years, as it has been reported. The bet-at-home.com AG Group still views the online casino monopoly of the Austrian national gambling regulations as contrary to European law and therefore considers the former Group company in question to be a legitimate online casino provider in Austria. The bet-at-home.com AG Group expected a positive development regarding the rulings, not least due to 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.

In the second half of 2021, the Austrian Supreme Court deemed the domestic monopoly to be in conformity with the law in several negative decisions and terminated the respective contracts with players. It was therefore decided in October 2021 to temporarily discontinue the online casino offering in Austria in any case.

In the absence of a positive prognosis for the continuation of bet-at-home.com Entertainment Ltd. (in liquidation), which was affected by the discontinuation, the application for winding-up proceedings ("winding up by the court") over this Maltese company was granted on May 13, 2022.

- In March 2022, bet-at-home.com Niederlande GmbH applied for a license to offer sports betting and gambling in the Netherlands. The granting of the licence was to be assessed as uncertain, due to a comprehensive exclusion catalogue, and would have

been associated with high conditions and implementation costs. After a careful consideration, the Management Board decided in the fourth quarter of 2022 to withdraw the license application and to continue to keep the Dutch market closed.

- In June 2019, the website www.bet-at-home.com was blocked in Croatia. The Group sees the Group company in question as a legitimate provider, especially since the national regulations provide that only stationary licensees may offer sports betting and gambling on the Internet, thus foreign entrepreneurs are discriminated against in violation of European law. Comprehensive appeals have therefore been lodged against the blocking measures. A court decision on this appeal is expected in the first half of 2023.

At the political level, the European Parliament, on the initiative of the EU Commission, passed a legislative initiative in 2011 with the aim of harmonizing national sports betting and gambling regulations. As a first step, player and data protection regulations as well as control mechanisms are to be largely harmonized. Due to diverging interests of the member states and national tax authorities, no significant standardization of relevant national regulations in the sports betting and gaming sector is to be anticipated in the foreseeable future. However, the member states are largely endeavouring to regulate the online sports betting and online gaming sectors and to establish a licensing system at the national level, even if it is not always in line with the provisions of European law. The European Court of Justice is increasingly shifting the review of legality of national licencing requirements to the level of national courts, which means that the provisions of European law are being increasingly neglected.

The risks of negative effects resulting from the regulatory environment and from existing regulatory legal uncertainties continue to be assessed as medium compared with previous years. If the risks were to materialize, the impact on the net assets, financial position and results of operations would be high. In particular, the focus on a smaller number of markets was taken into account.

Tax risks

Those countries, in which the operational Maltese companies within the bet-at-home.com AG Group operate, raise 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 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 relevant tax authorities has decreased significantly, particularly as intra-company cross-border transactions are being increasingly investigated by the national 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 a risk materialize, 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 supports its customers in their responsible use of gambling with a wide range of measures. Among others, the Group has been cooperating for many years with the Institute for Gambling and Addiction (Institut für Glücksspiel und Abhängigkeit), which actively implements measures for the prevention of addiction in Germany and Austria. In addition, voluntary customer protection measures that go beyond the legal requirements complete the efforts of the bet-at-home.com AG Group to ensure comprehensive player protection. These measures are verified through annual voluntary compliance audits by eCogra, the industry audit association.

Since the beginning of the financial year 2022, customers have been seeking to assert requests for reimbursement of their gambling losses at the online casino, which was offered by bet-at-home.com Entertainment Ltd. (in liquidation), against other Group companies. At the end of the financial year 2022, 35 legal proceedings with a total value in dispute of approximately EUR 5.5 million were pending in Austria. In Germany, other Group companies are also facing lawsuits from customers in connection with their requests for reimbursement of online casino gambling losses. At the end of the financial year 2022, 18 legal proceedings with a total value in dispute of approximately EUR 1.9 million were pending in Germany.

The risk of customer requests reimbursement of gambling losses or damages is to be rated as medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows would be medium.

Risk of the loss and/or Revocation of licenses

The Group companies base their offers on various licenses, which entitle them to non-discriminatory access to the markets in the member states of the European Union.

In Germany, bet-at-home.com Internet Ltd. has held a nationwide license to offer sports betting since October 2020 and a nationwide license to offer virtual slot machines since December 2022.

The license provisions provide for revocation in the event of repeated serious breaches of the conditions. An audit has not yet taken place. bet-at-home.com Internet Ltd. constantly monitors licensing changes and adjusts internal processes accordingly if changes are required.

The respective Maltese licenses of the Malta Gaming Authority (MGA) are issued subject to an ongoing system audit, whereby the technical equipment of the license holder is examined by the MGA, in particular in terms of functionality and IT security.

In the event that deficiencies are identified during the system audit, the Malta Gaming Authority may impose conditions or revoke the license, provided that

- 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 risk of revocation of existing licenses is to be classified as low. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as 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 backup systems and by continuous monitoring of betting odds through market comparison. The IT project team continues to develop 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.

Due to the strategic reorientation towards comprehensive outsourcing starting 2023, in particular the supply of the online sports betting product, essential aspects of the quota calculation are gradually outsourced to external service providers in the financial year 2023. Critical processes in the area of quota and customer risk management are to be adapted to the new circumstances and to the interaction with external service providers.

The risk in connection with quota management and critical bookmaker processes is to be assessed as low. Should such a risk materialize, the impact on the financial position, financial performance and cash flows would be high.

Technical risks

The products and services offered by the Group require a reliable functioning of a variety of technical systems. Serious disruptions of IT systems, in particular through adverse external influences such as hacker attacks, DDoS attacks, etc. could negatively impact on the Group's financial positions, financial performance and cash flows.

To minimise information security and IT risks, the bet-at-home.com AG Group has personnel structures in the form of a Chief Information Security Officer (CISO) and team. In addition to implementing individual security measures, this team ensures information security in day-to-day operations, investigates any security incidents, and is responsible for establishing an information security policy by means of awareness training, and focuses on the following measures within the bet-at-home.com AG Group, among others:

- 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.

Extensive outsourcing, in particular of the operation of the customer and payment platform and the online sports betting product, will also lead to a shift in risks in the technology area in 2023 and thus to necessary adjustments to the information security management system. For the period during and immediately after the changeover from the company's own complex system components, which have been optimized and stabilized over many years, to newly configured system components from the outsourcing partner, there will be a temporary increase in technical risks. In the medium and long term, the technical risk in connection with the Group's own system components developed and maintained by the Group will be significantly reduced, due to the decreasing number and reduced complexity.

The Management Board assumes that far-reaching measures have been taken to minimise IT risks, which means that the risks are to be classified as medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as high.

Compliance risks

Prevention of money laundering and terrorist financing

The basis for the money laundering prevention concept is formed by the requirements of the EU money laundering directives and their national implementations.

The aim of money laundering prevention is to prevent the introduction of illegal assets into the financial and economic cycle.

In an overall assessment, all potential risks relevant to money laundering were analysed. Based on this risk analysis, bet-at-home has implemented a money laundering prevention system that is based on a risk-based approach.

All customers go through a know-your-customer process. This includes, among other things, the unambiguous determination and documentation of customers' identity as well as the origin of assets used during the business relationship or a transaction on an occasion-related basis. As part of continuous monitoring of business relationships, politically exposed persons are identified and comparisons are made with terror and sanctions lists.

The anti-money laundering officer is responsible for ongoing developments and improvements to the overall AML system. Employees are informed about new developments and changes in the area of money laundering and terrorist financing prevention as part of annual training sessions, so that each employee can identify any risky transactions or business relationships at an early stage. Employees are required to report any suspicious circumstances to the anti-money laundering officer.

The anti-money laundering officer acts autonomously and without instructions and is responsible for submitting suspicious activity reports to the relevant competent authority. In order to perform his duties, she or he may call upon expert employees in her or his department.

The management is informed by the anti-money laundering officer at regular intervals about activities and measures to prevent money laundering and terrorist financing.

The sector-specific high money laundering risk potential associated with the fact that the Group companies are domiciled in Malta often leads to the imposition of increased due-diligence requirements on the bet-at-home.com AG Group by 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 further diversification of business relationships, meaning that the cooperation is focused 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 gambling legal risks of product offerings, differently in individual countries, so that the bet-at-home.com AG Group is faced with restrictions regarding means of payment available to end customers for paying in betting and gaming stakes and receiving betting and gaming winnings. A further consequence could be market entry barriers in the Company's geographical growth, especially as complex country-specific regulations must be fulfilled and it may be impossible to offer all payment options preferred by customers in the respective country. The continuously tightening of regulatory requirements to secure customer credit balances against payment default means that customer funds must be held available in full at all times in the form of liquid funds, additional bank guarantees and liabilities to the licensing authorities must be obtained and therefore excess security should be created, which significantly reduces available cash and cash equivalents. There is a resulting risk of being unable to meet the increasingly restrictive require-

ments, which decrease profitability, any further and therefore to no longer being able to meet legal licensing requirements and losing access to regulated markets.

The bet-at-home.com AG Group counteracts the above-mentioned compliance risks in the area of banks and payment providers with increased diversification. The Group is continuously working on integrating new business partners for treasury and payment solutions in order to diversify default risks, reduce increases in transaction costs and operate customer payment methods redundantly via several partners in order to prevent downtimes.

The risks in this context are classified as medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as high.

Risks from pandemics, natural disasters or war

The occurrence of events such as pandemics, natural disasters or a war, which could lead to sustained disruptions in the bet-at-home.com AG Group's ongoing business, cannot be ruled out. The Management Board has taken measures to ensure that business operations can be maintained.

The risks in this context are still considered to be low, but increased compared to the same period of the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as high.

Personnel and employee risk

The further development of the bet-at-home.com AG Group will continue in future to rely heavily on the performance of all employees and managers. With an increasing competition in the market for gambling and betting products, as well as a shortage of skilled workers in the context of ongoing digitalization, there is a growing risk that qualified employees may be poached or that it may not be possible to recruit a sufficient number of suitable new employees. Attractive framework conditions and sufficient prospects for committed employees, as well as ongoing training measures, are intended to successively reduce the personnel and employee risk.

The implementation of two extensive personnel reduction programs in direct succession in 2022 have a negative impact on employee satisfaction and loyalty and thus increase personnel and employee-related risks. The reduced number of personnel increases the risk that potential unforeseen staff departures cannot be compensated for in a timely manner.

In the medium and long term, the personnel and employee risk in critical areas will be reduced by out-sourcing and the resulting reduction in the number of employees required in these areas.

The risks in this connection continue to be classified as medium and increased compared with the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is increased compared with the previous year and is therefore classified as medium.

Deficient performance of external service providers

In order to conduct its operational business, the bet-at-home.com AG Group relies on cooperation with external service providers with relevant expertise and technologies. This mainly affected software products for the casino, games and virtual sports segments, as well as data and voice communication, procurement, installation, development, maintenance and servicing of hardware and software, and payment processing. In the financial year 2023, further important technology components, in particular the development and operation of the customer and payment platform, as well as the online sports betting product, will also be gradually outsourced to external service providers. The outsourcing of the core components is partly associated with a change in the connected third-party providers for ancillary services, or proven third-party providers are being newly integrated. New components and changes in integration give rise to an increased availability and process risk in the short term, which is countered by forward-looking planning and constant exchange with the external service providers. There is a possibility that one or more external service providers will fail to provide their services, or will not do so in a stable or error-free manner, or that their integration will be incorrect.

It is therefore possible that the bet-at-home.com AG Group could find itself unable to meet its own functional and non-functional obligations with respect to end customers properly or to a desired standard, due to errors or defaults on the part of external service providers engaged. In addition, this could lead to restrictions for customers in terms of general system availability or the range of products or payment methods offered, and even to errors in the settlement of gaming winnings, which could have a negative impact on the Group's earnings situation.

The Management Board assumes that sufficient measures have been taken to minimise these external risks by means of regular system audits, internal reviews and training courses, and ongoing monitoring by the Product Management and Controlling departments. However, the risks in this context will increase as a result of the future outsourcing of further key corporate functions and their performance by outsourcing partners. The risks are therefore assessed as medium and increased compared with the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is to be classified as high and thus increased compared with the previous year.

C.1.4 Financial risks**Cash and cash equivalents and liquidity risk**

Liquidity risk reflects the risk of not being able to provide sufficient liquidity resources in order to meet financial obligations due at any time.

The major uncertainty regarding the future liquidity situation arises from when and to what extent the bet-at-home.com AG Group will still have to make payments to bet-at-home.com Entertainment Ltd. (in liquidation) and to the Maltese tax authorities as part of the winding-up process, or will have its own receivables settled in this context. From today's perspective, a temporary

reduction in liquidity of up to EUR 13.9 million is possible, if the bet-at-home.com AG Group first settles all liabilities in this context and only then receives payments on its receivables in an amount that is still undetermined. In addition, the bet-at-home.com AG Group must be in a position to settle liabilities arising from its on-going operating business. Furthermore, it is necessary to provide guarantees to licensing authorities as part of regulatory requirements.

If the bet-at-home.com AG Group is unable to provide corresponding collateral in the form of bank guarantees, existing cash and cash equivalents would have to be deposited as security. The remaining freely available liquidity could prove critical even in the event of negative deviations from the existing planning, if, in addition, a significant reduction in liquidity were to occur, due to payments to bet-at-home.com Entertainment Ltd. (in liquidation) and to the Maltese tax authorities.

In this context, the liquidity risk is classified as medium and increased compared to the previous year. Should such a risk materialize, the impact on the financial position, financial performance and cash flows would be classified as high.

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered to be immaterial. Interest rates on bank balances are based on market interest rates depending on the maturities. A possible change in the current interest rate level by 0.5 percentage points would affect the financial result by EUR 177 thousand.

The foreign currency risk relates to exchange rate fluctuations. Despite the Group's international orientation, cash flows are predominantly denominated in the Group currency, the euro. Transactions denominated in currencies other than the euro are of minor significance. Irrespective of this, the foreign currency risk was not hedged in previous years either.

The Group's exposure to interest rate, foreign currency and exchange rate risks is considered to be low and lower than in the previous year. Should such risks materialize, the impact on the financial position, financial performance and cash flows is to be classified as low.

Counterparty default (credit risk)

Credit risk refers to the risk of late payment or payment default by contractual partners. With the exception of receivables from bet-at-home.com Entertainment Ltd. (in liquidation) (reported under non-current other receivables and assets), there is no credit risk. On the assets side, the amounts reported (current receivables and other assets) also represent the maximum credit and default risk, as there are no netting agreements.

The receivables from bet-at-home.com Entertainment Ltd. (in liquidation) recognized as of December 31, 2022 are subject to an increased risk of default, as this company is in insolvency proceedings ("winding up by court") and there is currently no certainty as to the amount of the

receivables against the estate to be recognized by the liquidator. The Management Board has addressed the resulting uncertainties in the valuation of the receivable from bet-at-home.com Entertainment Ltd. (in liquidation) by assuming and evaluating various scenarios in the sense of a best possible estimate. If, contrary to expectations, a significantly higher volume of claims against the estate than currently estimated by the Management Board is recognized, this will reduce the quota payment on the claims asserted by the bet-at-home.com AG Group and thus the recovery from these claims. The risk of default on receivables from bet-at-home.com Entertainment Ltd. (in liquidation) is classified as low to medium. Should such a risk materialize, the impact on the financial position, financial performance and cash flows is classified as medium to high.

The default risk with regard to bank balances is to be considered low, but increased compared to the previous year, due to a deterioration in the overall economic situation. Should such a risk materialize, the impact on the financial position, financial performance and cash flows would be high.

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 or department heads of the subsidiaries. The basic components of risk management include the general principles of risk prevention, such as the segregation of duties and the dual control principle, for important processes as part of internal controls. Various partially automated procedures using software systems are also applied.

For risk management purposes, for example, credit assessments and risk system checks in the form of credit card checks, payment verifications, and analyses of player behaviour are carried out on an ongoing basis. In addition, controlling activities in the areas of marketing, partner programme, payment systems, and intercompany clearing were further intensified. In order to reduce legal risks and assess a complex regulatory environment, the company engages reputable external legal advisers.

The Management Board also ensures that any negative developments are identified at an early stage by cross-departmental monitoring systems. For example, IT risks are monitored by voluntarily commissioning external certification bodies (e.g., eCogra), operational risks are monitored by means of automated plausibility checks during the preparation of offers, and financial risks are monitored and reported by means of ongoing analysis of key performance indicators.

The bet-at-home.com AG Group fulfils the requirement under Section 91 (2) of the German Stock Corporation Act (AktG) that it is able to identify at an early stage all significant developments and/or developments that could jeopardize the continued existence of the company by means of an early risk identification system by means of the Group-wide risk management system with uniform framework conditions and standards for the structuring of the early risk identification 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, procedures and measures designed to ensure the effectiveness, efficiency and correctness of financial reporting and compliance with relevant legal requirements. There have been no significant changes since the balance sheet 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, as well as designs and monitors the scope and focus of the systems in place based on specific requirements within the Group. Process-integrated and process-independent monitoring measures form the elements of the internal monitoring system.

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

C.2 OPPORTUNITIES REPORT

Within the last ten years, the European market for online gaming achieved the highest growth world-wide and is expected to continue to grow by approximately 10 % per year until 2026. This was stated in various studies by H2 Gambling Capital, most recently in January 2022. According to the studies, this trend is expected to continue, primarily due to a broader acceptance of e-commerce and a global penetration of mobile applications as well as demographic trends, and to help the gambling sector, which is not dependent on economic cycles, to achieve further sustainable growth in the following years.

C.3 FORECAST REPORT

In the financial year 2023, the implementation of the strategic reorientation towards increased out-sourcing and the corresponding adjustment of key processes, as well as the renewal of revenue growth, will be the key focus areas of the operating activities.

Through a close cooperation with the outsourcing partner, the bet-at-home platforms are tailored to the target markets and at the same time brought up to the latest technological standards. On the one hand, customers will benefit from a much broader betting offering, numerous new functionalities and attractive promotions. On the other hand, the bet-at-home.com AG Group expects some negative effects on the number of existing customers and betting and payment transactions, especially immediately after the migration, due to the necessary adjustment to the new platform.

In the financial year 2023, the number of employees will be maintained at a noticeably reduced level, resulting from the downsizing programs of the previous financial year. The strategic focus of internal resources will be on efficient and significantly improved customer management.

Financial resources, resulting from the reduction in the number of employees and various fixed cost cutting measures, will be used primarily for customer acquisition and marketing measures for existing customers in the financial year 2023.

The increased dominance of sports betting products in the product portfolio and its dependence on a sports event calendar will lead to magnified seasonal differences. This is particularly the case as there is no major off-season sports events, which can impact the sales, in the current year.

Due to a high level of awareness and acceptance of the “bet-at-home” brand, the strategic focus in terms of revenue in the financial year 2023 will be made on the expansion in the core markets of Germany and Austria. In fiscal year 2023, the Group will offer all products in Germany based on national licenses.

The Management Board expects a stable regulatory development in the core market of Germany, with implementation of the statutory deposit limit across providers and products, with the possibility of an increase for all licensed products under the conditions set by the authorities within the scope of regulatory requirements in the first half of 2023. The Management Board intends to further expand the company’s strong market position in the sports betting sector in the core market of Austria, in particular through a targeted marketing.

The Management Board expects an increase in market shares in the existing core markets, due to a more attractive product experience, resulting from a redesign of the platform and the company’s sports betting products, as well as focused internal capacities on marketing and customer relations management. National licenses will continue to gain importance in the EU member states and contribute to corresponding legal certainty.

As a result, from today’s perspective the Management Board expects the key financial metrics of the bet-at-home.com AG Group in the financial year 2023 to be in the following range:

- Gross betting and gaming revenue: EUR 50 million to EUR 60 million
- EBITDA: EUR -3 million to EUR 1 million

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

	2022	2021	Change	
	EUR'000	EUR'000	EUR'000	%
Revenue	572	833	-261	-31.3
Other operating income	21	73	-52	-71.5
Ordinary operating income	593	906	-313	-34.6
Personnel expenses	-684	-1,464	780	-53.3
Other administrative expenses	-3,799	-1,023	-2,775	271.3
	-4,483	-2,487	-1,996	80.3
Operating income (expenses)	-3,890	-1,581	-2,309	146.0
Income from investments	2,507	149	2,359	1,587.5
Interest received	2	35	-33	-94.3
Interest paid	-153	-11	-143	1,324.5
Net finance income (costs)	2,356	173	2,183	1,262.9
Earnings before taxes	-1,534	-1,408	-126	8.9
Income taxes	-309	111	-419	-378.9
Earnings after taxes	-1,842	-1,298	-545	42.0

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

Personnel expenses relate exclusively to the member(s) of the Management Board of the Company.

The increase in other operating expenses is mainly attributable to expenses on the reconciliation of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 2,500 thousand.

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

	31/12/2022		31/12/2021		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Non-current assets						
Financial investments	10,871	49.0	10,871	80.1	0	0.0
Financial investments						
Financial investments accruals and deferred income	7,819	35.2	215	1.6	7,605	3,541.3
Receivables from associated companies	2,539	11.4	309	2.3	2,230	722.2
Cash and cash equivalents	962	4.3	2,170	16.0	-1,207	-55.6
	11,321	51.0	2,693	19.9	8,628	320.3
	22,192	100.0	13,565	100.0	8,628	63.6

Financial assets exclusively comprise the investment in bet-at-home.com Entertainment GmbH. The item other assets, including prepaid expenses, comprises receivables from bet-at-home.com Entertainment Ltd. (in liquidation); please refer to our comments in the notes to the financial statements.

With regard to other assets including prepaid expenses, please refer to our comments in the notes to the financial statements of bet-at-home.com AG.

Receivables from affiliated companies mainly include receivables from dividend entitlements with respect to bet-at-home.com Entertainment GmbH, Linz, Austria, in the amount of EUR 2,500 thousand.

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

	31/12/2022		31/12/2021		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Equity	11,576	52.2	13,419	98.9	-1,842	-13.7
Non-current liabilities and provisions						
Other non-current liabilities	10,029	45.2	0	0.0	10,029	
Current liabilities and provisions						
Suppliers	49	0.2	1	0.0	48	4,815.5
Provisions	105	0.5	88	0.6	17	18.9
Other current liabilities	433	2.0	57	0.4	377	664.7
	22,192	100.0	13,565	100.0	8,628	63.6

The item other non-current liabilities comprises intercompany loan liabilities in the amount of EUR 7,529 thousand, as well as liabilities with regards to the reconciliation of legal disputes in connection with bet-at-home.com Entertainment Ltd. (in liquidation) amounting to EUR 2,500 thousand. We also refer to our comments in the notes to the annual financial statements.

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 VI.2 (19) 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 is available on bet-at-home.com AG's website at <https://www.bet-at-home.ag/de/corporate-governance>. Further information on corporate governance – such as the rules of procedure for the Supervisory Board, the remuneration systems for the Management Board and the Supervisory Board, and the corporate governance statements for previous financial years – is also available on the bet-at-home.com AG website.

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 5,631,965 registered users as of 31 December 2022 (previous year: 5,543,573). In financial year 2022, bet-at-home received 88,392 new registrations (previous year: 181,695).

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 regards 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 (Aktiengesetz; AktG) and based on the information known to us at the time, we declare that the Company received adequate consideration for all legal transactions with affiliated companies. No actions subject to Section 312 (1) AktG were taken or omitted.

Düsseldorf, 1. March 2023

Marco Falchetto

bet-at-home

INDEPENDENT AUDITOR'S REPORT

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	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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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 of December 31, 2022, 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, 2022 to December 31, 2022, and notes of 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, 2022 to December 31, 2022.

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, based on the knowledge obtained during 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, 2022, and of its financial performance for the financial year from January 1, 2022 to December 31, 2022, 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.

In accordance with § 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" the 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, 2022 to December 31, 2022. 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; however we do not provide a separate audit opinion on these matters.

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

1. regulatory risks relating to the Group's business activities
2. valuation of receivables due from bet-at-home.com Entertainment Ltd, Malta (in liquidation)

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

- a. Description of the matter under consideration (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 favorable 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 favor 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. In case that such measures are successful, it will have an adverse effect in the long-term on the economic situation of the Group. These actions, provided that important markets are affected to a significant extent, could potentially have a material adverse effect on the Group's results of operations. In principle, 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 based on 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. To the extent that it is legally accepted, efforts are being made 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 is planning a new independent gambling authority, which will be responsible for awarding licenses in the future. The planned reform follows developments 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 regulatory situation with regard to online sports betting and online gaming sector, as well as current developments, can be found more specifically 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 received written assessments from the Group's advisors specialized in this area of law regulations in addition to the conducted 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 specialized 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. Valuation of receivables due from bet-at-home.com Entertainment Ltd, Malta (in liquidation)

- a. Under the current Austrian Gambling Act (Glücksspielgesetz – GSpG), only Casinos Austria AG, Vienna, Austria, is permitted to offer online gambling (§ 3 GSpG Gambling Monopoly). In the opinion of the Austrian Ministry of Finance, foreign licenses do not entitle the company to offer online casino services to Austrian customers and are therefore currently classified as un-lawful and illegal. In contrast, bet-at-home.com AG continues to hold the view that the gambling monopoly under Austria's national gambling regulations is contrary to European law.

Due to the current legal situation, bet-at-home.com AG announced in October 2021 that, it would temporarily discontinue providing its online casino services to customers from Austria through the Maltese company bet-at-home.com Entertainment Ltd (in liquidation). In the absence of a positive going-concern forecast, winding up proceedings were applied by the court with respect to this Maltese company on 23 December 2021, as it was no longer in a position to service its liabilities from existing or independently generated funds.

This proposal was approved by the competent Maltese court on May 13, 2022; while an insolvency administrator was appointed at the same time. Due to lack of control, the Maltese company was deconsolidated as of May 13, 2022. From the Group's perspective, there are still receivables from bet-at-home.com Entertainment Ltd. (in liquidation) as of December 31, 2022 with a net carrying amount, derived from the expected returned flows, of EUR 9,145 thousand, which represents around half of the nominal amount that the company is now expected to settle as part of the insolvency proceedings. The insolvency proceedings are expected to be completed by the end of 2024.

Whether and to what extent payment returns are made for claims of receivables from bet-at-home.com Entertainment Ltd. (in liquidation), depends on the outcome of the insolvency procedures. Therefore, the measurement of receivables from bet-at-home.com

Entertainment Ltd. (in liquidation) is heavily influenced by the estimates and discretionary assumptions of the legal representatives. Against this backdrop and due to the amount of the receivables from bet-at-home.com Entertainment Ltd. (in liquidation), classified as non-current and recognized as of December 31, 2022, risks from legal disputes, particularly in connection with bet-at-home.com Entertainment Ltd. (in liquidation) and the measurement receivables from bet-at-home.com Entertainment Ltd. (in liquidation), were of particular significance for the audit in our view.

As described in the notes of the consolidated financial statements in section IV. "Accounting policies", in section V "Discontinued operations (IFRS 5)", in section VI "Notes to the income statement, statement of financial position, statement of cash flows and statement of changes in equity of the Group" and in the combined management report in section C.1.4 "Financial risks" (section: "Default on receivables ("Credit risk")), the legal representatives have taken into account, in particular in their estimates and assumptions, that the Maltese bet-at-home.com Entertainment Ltd. (in liquidation) is currently subject to the Maltese insolvency proceedings, the timing and final outcome of which are difficult to predict.

In the case of legal procedures, the information available to the Management Board and the Group's legal department is used to assess, in close consultation with the lawyers and advisors working for bet-at-home.com AG, 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 insolvency proceedings in Malta, including explanations of the underlying causes and the effects on these financial statements, are provided in sections IV. "Accounting Policies" and V. "Discontinued Operations" (IFRS 5) and VI. Discontinued Operations (IFRS 5)" and VI. "Notes to the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity" of the notes to the consolidated financial statements and in section C.1.4. "Financial risks" (section: "Default on receivables ("Credit risk)") of the combined management report.

- b. As part of our audit, we assessed, among others, the process set up by the group to ensure the recording of court and out-of-court proceedings, the assessment of the course and outcome of the proceedings and an accurate presentation of the balance sheet. In order to assess the accuracy of the receivables valuation affected by the insolvency proceedings, we made a risk-oriented selection and, in addition to the available court decisions, we tested the plausibility and examined the results of the work, opinions and probability-weighted valuation scenarios of experts working for bet-at-home.com AG on the basis of internal and external audit evidence.

Furthermore, in addition to evaluating external lawyers' confirmations on the progress of the insolvency proceedings, we held regular discussions with the internal legal department in 2022 and in the following period, up to the completion of the audit of the

financial statements to obtain explanations of current developments and reasons that led to the assessments regarding ongoing proceedings. In each case, we used professional scepticism to assess explanations, information and evidence obtained.

Other information

The legal representatives are responsible for the “Other Information” section. This section 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 principle 23 of the German Corporate Governance Code (2022), 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 afterwards.

In accordance with our audit, our responsibility is to read the other provided information and, consider whether the other information:

- is materially inconsistent with the consolidated financial statements, the combined management report or our knowledge obtained during 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

the necessity to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

During the consolidated financial statements preparation, 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 also responsible for the 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) that 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 directing 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 certainty but, is not a guarantee that an audit conducted is 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 perform professional judgment and maintain professional scepticism 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, we 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 the 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 about 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 that were of most significance during the audit of the consolidated financial statements of the current period and are therefore defined as 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 file betathomeKA22.zip (SHA256-Hashcode: 4a4633bd0ef5f23c88149dd0ef761f5fdd93ba1749c0d3146af1fb94d8225b95), 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") complying with the requirements for the electronic reporting format ("ESEF format) pursuant to § 328

para. 1 HGB in all material respects. In accordance with the 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 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, 2022 to December 31, 2022, 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 file in accordance with § 317 para. 3a HGB in compliance with the IDW 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 (6-2022)). 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 preparing 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 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 17, 2022. We were actually engaged in the process by the supervisory board on December 22, 2022. 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, March 1, 2023

PKF Fasselt
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

A. Schienstock
Wirtschaftsprüfer
(German Public Auditor)

F. Hegmanns
Wirtschaftsprüfer
(German Public Auditor)

bet-at-home

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Disclaimer

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

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	Consolidated Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Combined Management Report	Independent Auditor's Report	Imprint
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LIFE IS A GAME!