

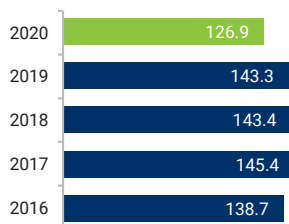
bet-at-home

LIFE IS A GAME!



ANNUAL REPORT 2020

Gross betting and gaming revenue (in mEUR)



EBITDA (in mEUR)



Group and financial key figures		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Betting and gaming volume	EUR'000	2,926,165	3,174,629	3,188,003	3,217,021	2,698,269
Betting volume	EUR'000	640,392	605,522	560,267	525,432	449,828
Gaming volume	EUR'000	2,285,773	2,569,107	2,627,736	2,691,589	2,248,441
Gross betting and gaming revenue	EUR'000	138,674	145,398	143,351	143,289	126,928
thereof sports betting	EUR'000	66,152	64,554	60,529	58,993	52,556
thereof eGaming	EUR'000	72,522	80,844	82,822	84,296	74,372
Net betting and gaming revenue	EUR'000	112,888	117,763	115,125	117,470	100,585
thereof sports betting	EUR'000	54,008	52,645	49,529	48,604	42,862
thereof eGaming	EUR'000	58,879	65,118	65,596	68,866	57,723
EBITDA	EUR'000	33,044	35,474	36,220	35,173	30,945
EBIT	EUR'000	31,884	34,133	34,946	33,243	28,923
Consolidated profit for the period	EUR'000	31,004	32,847	32,612	17,964	23,294

Balance sheet total as at 31.12.	EUR'000	145,375	124,648	103,339	95,179	95,136
Group equity ratio as at 31.12.	%	75.37	71.65	67.05	43.74	53.49
Financial debts and liabilities as at 31.12.	EUR'000	0	0	0	0	0
Liabilities to customers as at 31.12.	EUR'000	10,139	8,324	7,705	7,354	5,908
Number of employees as at 31.12.		296	311	301	288	284
Number of employees (average)		289	302	304	292	289
Registered customers as at 31.12.	mEUR	4.60	4.83	5.05	5.24	5.36

Stock market indicators		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Closing price as at 31.12.	EUR	79.99	104.05	45.80	52.90	31.85
Market capitalisation as at 31.12.	EUR'000	561,370	730,223	321,424	371,252	223,523
Dividend per share	EUR	7.50	7.50	6.50	2.00	2.50*
Dividend	EUR'000	52,635	52,635	45,617	14,036	17,545*
Dividend yield	%	9.38	7.21	14.19	3.78	7.85
Earnings per share	EUR	4.42	4.68	4.65	2.56	3.32

* **according to the proposed resolution submitted to the Annual General Meeting of Shareholders

Stockchart



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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 internet sports betting. Thanks to an expansive growth strategy, the development of new markets and the ongoing expansion of the product range, the company developed into the bet-at-home.com AG Group and comprehensive entertainment provider, which generated a betting and gaming volume of EUR 2.7 billion in the financial year 2020. With 5.4 million registered customers, the listed company and its subsidiaries are now among the most successful gaming providers in Europe.

bet-at-home has companies in Germany, Austria, Malta and Gibraltar. As of 31 December 2020, 284 employees contributed to the successful development of the group. The group holds various online sports betting and online gaming licenses through its Maltese companies. The licenses entitle the company to organize and sell online sports betting and online gaming.

Innovative product portfolio and extensive entertainment offer

In the online sports betting segment, customers can find betting offers on more than 50 sports. Live betting has become particularly popular in recent years, allowing customers to place bets down to the last minute during an event. In addition, bet-at-home has been continuously expanding the wide range of bets in the rapidly growing product segment in the area of eSports in a separate channel and exclusive partnerships.

The online gaming segment comprises casino, poker, games and virtual sports. Customers of bet-at-home can choose between classics such as blackjack or roulette, but also take part in international casino and poker tournaments. With the live casino, a particularly stylish casino atmosphere was created, since an interaction with the dealers can be realized with a live transmission of the tables. Since 2015, the launch of the Virtual Sports product line has offered the opportunity to bet on virtual events in the sports of football, basketball and tennis.

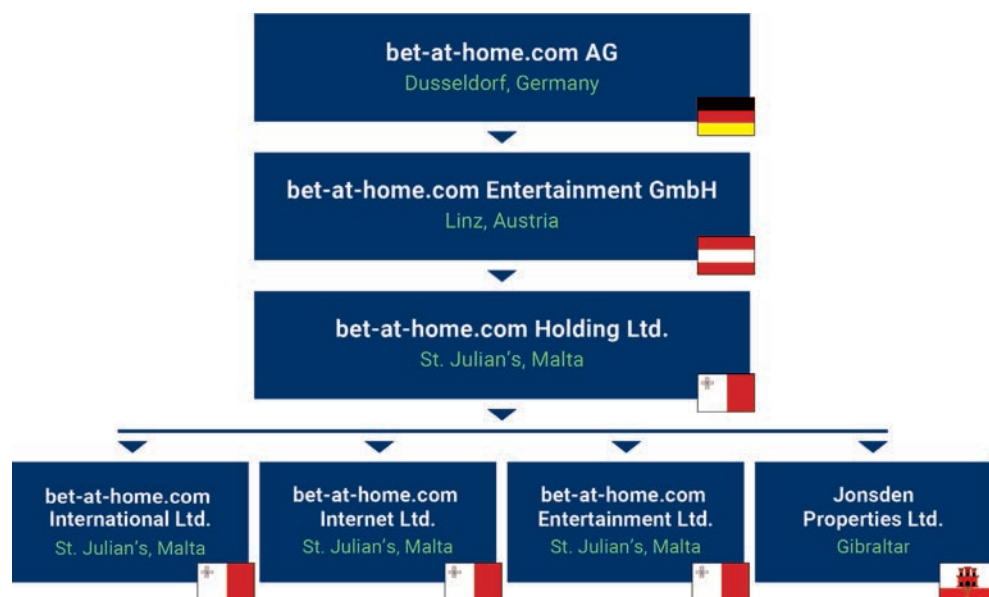
The group structure of the bet-at-home.com AG group in detail

As of 31 December 2020, bet-at-home.com AG was listed on the regulated market of the Frankfurt Stock Exchange in the Prime Standard market segment. The core business of the investments held by the company is the offering of sports betting as well as casino and poker games exclusively via the Internet.

The company holds 100% of bet-at-home.com Entertainment GmbH. The company based in Linz/Austria is mainly responsible for the constant transfer of technology within the group as well as for further developing its own software. The business in Malta is part of bet-at-home.com Holding Ltd.

Founded in 1999 as a limited liability company, its capital was increased in 2004 and the company was transformed into a company limited by shares. In December of the same year the company was listed on the Frankfurt stock exchange in Germany. Further capital increases were made in the

following years. Since 2009, Betclik Everest Group SAS, a leading French group specialising in on-line gambling and online sports betting, has been the majority shareholder of bet-at-home.com AG. The following chart illustrates the corporate structure in detail:



Responsible Gaming

The company is aware of its social responsibility and creates sustainable framework conditions in order to deal responsibly with the entertainment services offered and to protect customers in the best possible way from the negative consequences in the event of a risk of gambling addiction. In order to meet the high standards and assume the related responsibility, bet-at-home regularly undergoes extensive and voluntary product tests that go beyond the legal scope and has been cooperating with the Gambling and Dependency Institute [Institut für Glückspiel und Abhängigkeit], which is active in Austria and Germany for many years. In addition, the continuously expanded anti-fraud department examines customer behavior to prevent gambling addiction. Voluntary memberships in associations such as the European Sports Security Association (ESSA) together with annual voluntary compliance tests by the industry association eCogra, complete the activities in this area.

Further memberships in the German Sports Betting Association (DSWV), the German Online Casino Association (DOCV), the Austrian Association for Betting and Gambling (OVWG) and the Czech Internet Gaming Association have been entered in recent years. These associations advocates the creation of clear framework conditions such as European regulation, uniform tax rates and legal certainty for online sports betting and gambling providers.

Management Board	Supervisory Board
Franz Ömer, CEO	Martin Arendts Chairman of the Supervisory Board
Michael Quatember, CEO	Véronique Giraudon Deputy Chairman of the Supervisory Board
	Nicolas Béraud Member of the Supervisory Board
	Isabelle Andres (until 07/07/2020) Member of the Supervisory Board
	Jean-Laurent Nabet (until 07/07/2020) Member of the Supervisory Board



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REPORT BY THE MANAGEMENT BOARD

Dear shareholders,

the global spread of the COVID-19 pandemic had a significant economic impact on the bet-at-home.com AG Group from mid-March 2020 with the cancellation or postponement of national and international sporting events. On March 16, 2020, we successfully transferred the majority of employees across the Group to home offices and created the technical conditions so that all operational processes, including technological enhancements, could continue without delay. During this challenging phase, our employees not only showed patience and great commitment, but have since completed all work processes in homeworking mode without restriction and in their customary professional manner, for which we would like to take this opportunity to expressly thank them for their exemplary commitment.

The resumption and finalization of the national soccer leagues in spring 2020, as well as the delayed staging of the Champions League or Europe League, had a positive impact on the summer months, which are usually weak in terms of revenue. In addition, international tennis tournaments were fortunately held again in the course of the summer months, which meant that the second most important revenue driver in the sports betting segment after soccer could be included in the betting program again. Irrespective of this, the online gaming segment was not negatively affected by the pandemic.

Overall, gross betting and gaming revenue in the financial year 2020 amounts to EUR 126.9 million and is 11.4% below the previous year's figure due to COVID-19-related losses in betting volume as well as legal restrictions in individual markets. The negative effects from regulatory developments were already foreseeable in the planning phase at the end of 2019 and were accordingly considered in the budget for the full year 2020. Overall, the revenue guidance for the past financial year was therefore achieved.

At EUR 30.5 million, marketing investments in the financial year 2020 were lower than in the same period of the previous year. This is mainly due to the postponement of the European Football Championship to 2021 and also to the cancellation and postponement of many sporting events.

After the first three quarters of 2020, we already reached the lower end of the full-year EBITDA guidance range of EUR 23 million to EUR 27 million. Due to the clearly positive revenue and earnings development in the fourth quarter of 2020, the full-year guidance was ultimately exceeded with EBITDA of EUR 30.9 million in the financial year 2020.

Consolidated net income in the financial year 2020 amounted to EUR 23.3 million, up 29.7% on the prior-year figure. This corresponds to earnings per share of EUR 3.32.

In times of the global pandemic and the associated economic turbulence, it was nevertheless possible for bet-at-home to pay a dividend of EUR 2.00 per share in July 2020. This corresponds to a dividend yield of 5.0% on the day of the Annual General Meeting. In addition, we were able

to increase consolidated equity to EUR 50.9 million as of December 31, 2020. This corresponds to an equity ratio of 53.5%. In addition, cash and cash equivalents and short-term time deposits amount to EUR 56.8 million as of the end of December 2020 – this corresponds to EUR 8.1 per share.

In October 2020, nationwide sports betting licenses for Germany were issued for the first time, one of them to a bet-at-home.com AG Group company. In addition to issuing sports betting licenses, in October 2020, the minister-presidents of the German federal states signed the State Treaty on Games of Chance 2021, which also intends for the issuance of licenses for virtual slot games and online poker and requires compliance with the future licensing terms and conditions, even in the transitional period, which started in October 2020. Although the terms and conditions of the licenses for online sports betting and virtual slot machines impose monthly wagering and deposit limits, as well as restrictions on the range of products, we welcome the significantly increased legal certainty and predictability for business operations in Germany, despite the expected decline in gross betting and gaming revenue in the financial year 2021.

We can thus look back on a very challenging and equally successful reporting period and would like to thank our business partners and shareholders for the trust they have placed in us. We hope that you will continue to accompany us on our future journey!

Franz Ömer
CEO

Michael Quatember
CEO

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REPORT BY THE SUPERVISORY BOARD

Ladies and Gentlemen,

in the past financial year 2020, the bet-at-home.com AG Group's business again developed successfully despite the challenges posed by the COVID-19 pandemic and the associated negative impact on international sporting events, as the revenue guidance was achieved and the earnings guidance for the financial year 2020 was successfully exceeded.

In order to protect the health of our shareholders, employees and all service providers, the Supervisory Board, together with the Management Board, has decided to hold the Annual General Meeting in July 2020, which is usually held physically in the first half of the year, as a virtual Annual General Meeting. At this virtual Annual General Meeting on July 7, 2020, all proposed resolutions were adopted by majority vote, including the resolution to pay a dividend of EUR 2.00 per share.

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

The Supervisory Board of bet-at-home.com AG held meetings on March 26, 2020, May 20, 2020, July 7, 2020, October 14, 2020 and December 15, 2020, at which in particular the corporate strategy was discussed with the Management Board. Due to travel restrictions in connection with the COVID-19 pandemic, all Supervisory Board meetings in the financial year 2020 were held as video conferences. All members of the Supervisory Board participated in all meetings.

At the Supervisory Board meeting on 16 March 2021, the members discussed the financial statements, consolidated financial statements, combined management report, related parties report and the audit procedures and audit reports with PKF FASSELLT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, the auditor appointed by the general meeting of shareholders.

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

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

Audit of the financial statements and consolidated financial statements for the financial year 2020

As in previous years, PKF FASSELT Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, was appointed as auditor of the financial statements of bet-at-home.com AG and of the consolidated financial statements and combined management report at the Annual General Meeting. The audits were discussed with the auditor. On completion of the audits, the auditor stated that the audits had not led to any reservations and issued an unqualified audit opinion on the financial statements and consolidated financial statements, including the accounting records and the combined management report.

The audited financial statements and consolidated financial statements as well as the combined management report and also the Management Board's proposal for the appropriation of profits pursuant to Section 170 of the German Companies Act (AktG) were available to the Supervisory Board together with the audit reports.

The Supervisory Board reviewed the financial statements and consolidated financial statements as well as the combined management report and discussed them in detail with the auditor on 16 March 2021. The auditor reported in detail on the audit results.

The auditor also reported on the findings regarding the internal control and risk management system in relation to the accounting process.

All of the Supervisory Board's questions were answered in detail by the Management Board and the auditor.

Following the discussions of the financial statements, consolidated financial statements and the combined management report, the Supervisory Board approved the auditor's reports and audit results, did not have any reservations upon completion of its own review and approved the financial statements and consolidated financial statements. The financial statements of bet-at-home.com AG are thus adopted.

The Supervisory Board concurs with the proposal by the Management Board that EUR 17,545,000.00 of the retained earnings of EUR 17,877,414.36 for 2020 to be distributed to the shareholders and the remaining amount of EUR 332,414.36 be carried forward to the following financial year.

Audit of the report on related party transactions pursuant to Section 312 AktG for the financial year 2020

The auditor also audited the Management Board's report on related party transactions pursuant to Section 312 AktG (related parties report) for the financial year 2020. The Management Board

prepared the related parties report with a view to the controlling interest held by Betclie Everest Group SAS, Paris, France in bet-at-home.com AG, which specifies legal transactions and measures undertaken within the meaning of Section 312 (1) AktG.

As a result of the audit of the related parties report and the financial statements for the year ended 31 December 2020 and based on the associated audit findings the auditor was satisfied that the related parties report contains the information required under section 312 (1) AktG and that the report fairly presents in all material respects the company's accounts.

As the auditor did not raise any objections to the related parties report for the financial year 2020 following the final results of the audit, the auditor issued an independent auditor's report pursuant to section 313 (3) AktG as follows:

"Based on our statutory audit and assessment, we confirm that

1. the disclosures in the report are accurate; and
2. the company's compensation with respect to the legal transactions disclosed in the report was not inappropriately high."

The related parties report and associated auditor's report were submitted in time to all members of the Supervisory Board. The Supervisory Board reviewed these documents and discussed them with the auditor at the meeting on 16 March 2021. The auditor reported on the audit findings. The Supervisory Board's questions were answered by the Management Board and auditor.

The Supervisory Board approved the auditor's findings on the related parties report. Following the final results of its own review, the Supervisory Board did not raise any objections to the concluding statement by the Management Board in the related parties report. The concluding statement by the Management Board in the related parties report is presented under the statement of financial position in the financial statements and in the notes to the consolidated financial statements.

Corporate Governance in the financial year 2020

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

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

The Supervisory Board of bet-at-home.com AG is composed exclusively of members who bring industry-relevant expertise and all have extensive experience in international business and with regard to accounting and auditing. Martin Arendts, who has been Chairman of the Supervisory Board for many years, specializes in capital investment law as well as gaming and betting law and thus has a very high level of expertise not only in corporate law, capital market law and corporate governance issues, but also in gaming and betting law topics that are important for the bet-at-home.com AG Group. Nonetheless, the area of expertise is expanded through individual training and development measures for Supervisory Board members as required. The Supervisory Board meetings held in October and December 2020 focused on the new version of the Corporate Governance Code, in which the new recommendations were explained, evaluated and subsequently implemented in operational processes. As a result, the rules of procedure of the Management Board and Supervisory Board were revised and adapted to the new version of the Code.

We want to grant our special thanks to the Management Board of bet-at-home.com AG and all employees of the Group. Through their great commitment and excellent work, they have made a significant contribution to the positive development of the Group.

Düsseldorf, March 2021

Supervisory Board



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Development of the share in the financial year 2020

The COVID-19 pandemic did not leave the international financial markets unscathed either. In particular, the suspension of top-level global sports and the originally uncertain timeframe for the resumption of gaming operations in the first half of 2020 had a negative impact on all sports betting providers. In this context, the bet-at-home share reached its low for the reporting period at EUR 18.28 on March 18, 2020. After the initial shock on the financial markets, the share price recovered quickly by June 2020. In the second half of 2020, the share price performance was predominantly characterized by the expected impact of regulatory developments in Germany, when the Group anticipates revenue losses in the online sports betting and online gaming segments for the financial year 2021. In the long term, however, the new licensing regulations are expected to significantly increase legal certainty and predictability for business operations in Germany.



Investor Relations

Even in times of existing travel restrictions, bet-at-home is committed to open and active communication with institutional investors, analysts, financial journalists, private investors and other interested parties, in order to present the company as faithfully as possible and thus to meet the capital market's expectations for transparency while boosting the capital market's trust in the share. To achieve this goal, numerous individual and group meetings were held with investors, analysts and journalists from the financial centers in Europe, the USA and Asia by means of video conferences in the financial year 2020. In this way, personal contact with investors and interested parties maintained to the same extent as before. The Management Board and Investor Relations Management mainly presented the quarterly reporting, the strategic objectives, and the regulatory and operational market environment.

Discussions with analysts and investors focused on the impact of the COVID-19 pandemic on the net assets, financial position and results of operations, regulatory developments in the individual markets, the continued growth potential of the dynamic online sports betting and online gaming

industry, and strategic topics relating to the future use of the bet-at-home.com AG Group's cash and cash equivalents.

Dividend

Management Board and the Supervisory Board will propose a dividend of EUR 2.50 per share to the Annual General Meeting on 18 May 2021. This proposed resolution thus corresponds to a dividend yield of 7.85% at the year-end price in 2020. The total dividend payment is EUR 17,545,000.00.

Dividend per share (dividend yield in %)	
FY 2019	2.00 EUR (3.78 %)
FY 2018	6.50 EUR (14.19 %)
FY 2017	7.50 EUR (7.21 %)
FY 2016	7.50 EUR (9.38 %)
FY 2015	2.25 EUR (4.66 %)
FY 2014	0.60 EUR (2.08 %)
FY 2013	0.40 EUR (2.36 %)
FY 2012	0.30 EUR (2.70 %)
FY 2011	0.30 EUR (2.44 %)

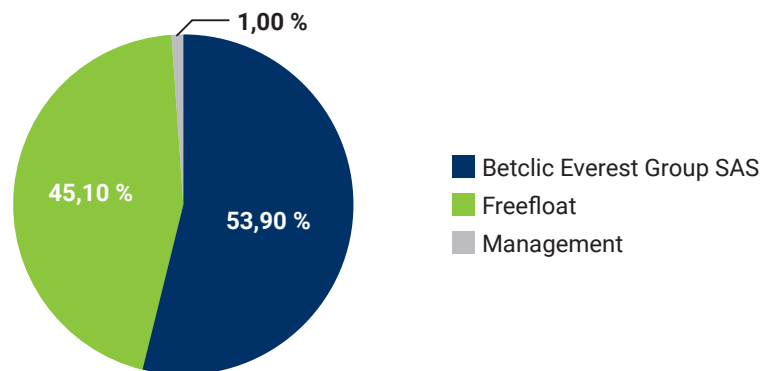
Stable Shareholder Structure

With Betcltic Everest Group SAS and its 53.9% stake, the company has a stable core shareholder with its sights set on the long term. Betcltic Everest, France, is a European group with shares in online gaming providers based in France that invests in strong brands like bet-at-home.com, Betcltic, Everest Poker and Expekt. Société des Bains de Mer (SBM) with head office in Monaco (ISIN: MC0000031187) and a broad portfolio of casinos, hotels and restaurants, as well as the LOV Group founded by Stéphane Courbit with focus on companies with increasing growth and deregulation hold equal shares in the Betcltic Everest Group SAS.

The management of bet-at-home.com holds 1.0% of the shares, resulting in a total free float of 45.1% as of the reporting date December 31, 2020. Within the free float, Union Investment Privatfonds GmbH from Frankfurt am Main reports a total voting interest in bet-at-home.com AG of 3.1% as of 30 January 2020.

Due to the above-average international capital market presence in the financial year 2020, bet-at-home.com AG's top 50 institutional investors are now increasingly made up of investors from the Anglo-American region.

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



Financial Calendar 2021

08/03/2021	Full Year Results 2020
29/03/2021	Annual Report 2020
03/05/2021	Quarterly Statement Q1 2021
18/05/2021	Annual General Meeting 2021
02/08/2021	Interim Report January to June 2021
06/09/2021	Interim Financial Report 2021
08/11/2021	Quarterly Statement Q1-Q3 2021
07/03/2022	Full Year Results 2021

Key Share Data

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

Fundamentals as at 31 December 2020

Total number of shares	7,018,000
Market capitalisation	EUR 223.5 million
Cash and cash equivalents	EUR 56.8 million
Enterprise value	EUR 166.7 million

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

ASSETS

		Note	31/12/2020		31/12/2019
		No.	EUR	EUR	EUR
A.	Non-current assets				
1.	Intangible assets		881,500.02		946,607.95
2.	Goodwill	(8)	1,369,320.30		1,369,320.30
3.	Leased office buildings	(9)	2,499,146.69		3,369,683.75
4.	Property and equipment	(10)	2,616,535.88		2,486,273.20
			7,366,502.89		8,171,885.20
B.	Current assets				
1.	Receivables from taxes	(11)	24,805,642.85		23,684,877.24
2.	Own advance payments	(12)	1,427,653.19		1,885,676.42
3.	Other receivables and assets	(13)	4,728,747.30		6,680,417.47
4.	Short-term fixed deposits	(14)	5,000,000.00		5,000,000.00
5.	Cash and cash equivalents	(15)	51,807,043.25		49,756,317.60
			87,769,086.59		87,007,288.73
Total assets			95,135,589.48		95,179,173.93

EQUITY & LIABILITIES

		Note	31/12/2020		31/12/2019
		No.	EUR	EUR	EUR
A.	Equity				
1.	Share capital	(16)	7,018,000.00		7,018,000.00
2.	Capital reserves	(16)	7,366,000.00		7,366,000.00
3.	Total comprehensive income	(16)	36,508,604.44		27,250,566.64
			50,892,604.44		41,634,566.64
B.	Non-current liabilities				
1.	Provisions for employee benefits	(17)	74,223.98		66,441.09
2.	Lease liabilities	(17)	1,694,578.61		2,566,160.45
			1,768,802.59		2,632,601.54
C.	Current liabilities				
1.	Trade payables	(18)	4,004,449.99		4,168,475.18
2.	Liabilities from taxes	(19)	27,305,634.04		32,059,223.61
3.	Short-term provisions	(20)	1,418,728.56		1,608,008.34
4.	Customer payables	(21)	5,907,507.39		7,354,388.78
5.	Lease liabilities	(22)	871,581.86		845,199.22
6.	Other liabilities	(23)	2,966,280.61		4,876,710.62
			42,474,182.45		50,912,005.75
Total equity and liabilities			95,135,589.48		95,179,173.93



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CONSOLIDATED STATEMENT OF INCOME

for the Period from 1 January to 31 December 2020, bet-at-home.com AG, Düsseldorf

	Note	01/01 - 31/12/2020	01/01 - 31/12/2019
	No.	EUR	EUR
Gross betting and gaming revenue	(1)	126,927,692.03	143,289,359.55
Betting fees and gambling levies	(1)	-22,385,209.34	-20,934,973.50
VAT on electronic services	(1)	-3,957,596.47	-4,884,040.28
Net betting and gaming revenue		100,584,886.22	117,470,345.77
Other operating income	(2)	1,599,193.40	1,383,275.37
Total operating income		102,184,079.62	118,853,621.14
Personnel expenses	(3)	-19,926,097.81	-19,968,844.76
Advertising expenses	(4)	-30,501,626.43	-39,847,338.45
Other operating expenses	(4)	-20,811,794.09	-23,864,323.83
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		30,944,561.29	35,173,114.10
Depreciation and amortisation	(5)	-2,021,866.70	-1,930,089.29
Earnings before interest and taxes (EBIT)		28,922,694.59	33,243,024.81
Financial result	(6)	-126,397.79	-137,860.84
Earnings before taxes (EBT)		28,796,296.80	33,105,163.97
Taxes on income and earnings	(7)	-5,502,259.00	-15,141,636.57
Consolidated profit for the period		23,294,037.80	17,963,527.40

Earnings per share		
Basic earnings per share	3.319184639	2.559636278
Diluted earnings per share	3.319184639	2.559636278

IFRS – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Period from 1 January to 31 December 2020, bet-at-home.com AG, Düsseldorf

	01/01 - 31/12/2020	01/01 - 31/12/2019
	EUR	EUR
Consolidated profit for the period	23,294,037.80	17,963,527.40
Items that are potentially reclassifiable to profit or loss:	0.00	0.00
Items that are not potentially reclassifiable to profit or loss:	0.00	0.00
Other comprehensive income	0.00	0.00
Comprehensive income	23,294,037.80	17,963,527.40

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the Year Ended 31 December 2020, bet-at-home.com AG, Düsseldorf

	Note	2020	2019
	No.	TEUR	TEUR
Earnings before taxes (EBT)		28,796	33,105
+ Depreciation of non-current assets	(5)	2,022	1,930
+/- Increase/decrease in provisions		-181	-1,014
-/+ Increase/decrease in trade and other receivables not attributable to investing or financing activities		2,410	4,454
+/- Increase/decrease in trade and other payables not attributable to investing or financing activities		-3,521	1,570
- Payments for income taxes		-11,377	-10,162
= Cash flows from operating activities		18,148	29,884
- Acquisition of assets (excluding investments)		-1,216	-2,456
= Cash flows from investing activities		-1,216	-2,456
- Redemption of lease liabilities		-845	-829
- Payments to shareholders (dividends)		-14,036	-45,617
= Cash flows from financing activities		-14,881	-46,446
= Net cash from operating, investing and financing activities		2,051	-19,018
+ Cash and cash equivalents at 1 January		49,756	68,774
= Cash and cash equivalents at 31 December	(15)	51,807	49,756



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020, bet-at-home.com AG, Düsseldorf

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR	EUR	EUR	EUR
As at 01/01/2019	7,018,000.00	7,366,000.00	54,904,039.24	69,288,039.24
Profit for the year	0.00	0.00	17,963,527.40	17,963,527.40
Total recognised gains and losses	0.00	0.00	17,963,527.40	17,963,527.40
Dividend distribution	0.00	0.00	-45,617,000.00	-45,617,000.00
As at 31/12/2019	7,018,000.00	7,366,000.00	27,250,566.64	41,634,566.64

	Share capital	Capital reserves	Total comprehensive income	Total equity
	EUR	EUR	EUR	EUR
As at 01/01/2020	7,018,000.00	7,366,000.00	27,250,566.64	41,634,566.64
Profit for the year	0.00	0.00	23,294,037.80	23,294,037.80
Total recognised gains and losses	0.00	0.00	23,294,037.80	23,294,037.80
Dividend distribution	0.00	0.00	-14,036,000.00	-14,036,000.00
As at 31/12/2020	7,018,000.00	7,366,000.00	36,508,604.44	50,892,604.44



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the Period Ended 31 December 2020, 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 2020 in accordance with international accounting standards.

The consolidated financial statements as at 31 December 2020 of bet-at-home.com AG have been prepared in accordance with the currently applicable International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), as adopted by the European Union, taking into consideration the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Combined Group Management Report 2020 was prepared in accordance with the provisions of the German Commercial Code [HGB].

These consolidated financial statements were generally prepared using the same accounting policies as applied to the previous year's financial statements as at 31 December 2019.

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 2020:

Standard	Content	Issued in	Date of EU endorsement	Mandatory for reporting periods beginning on or after
STANDARDS				
IFRS 17	Insurance contracts	May 2017	t.b.a.	01/01/2023
AMENDMENTS				
IFRS 3	Reference to the 2018 framework concept	May 2020	t.b.a.	01/01/2022
IFRS 4	Extension of the temporary relief of the application of IFRS 9	Jun 2020	Dec 2020	01/01/2021
IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16	Effects of the benchmark interest rate reform (IBOR reform - Phase 2)	Aug 2020	Jan 21	01/01/2021

Standard	Content	Issued in	Date of EU endorsement	Mandatory for reporting periods beginning on or after
IAS 1	Classification of debt as non-current and current Disclosure of accounting methods	Jan 2020 Feb 2021	t.b.a.	01/01/2023
IAS 8	Definition of accounting estimates	Feb 2021	t.b.a.	01/01/2023
IAS 16	Property, plant and equipment Income before an asset is ready to use	May 2020	t.b.a.	01/01/2022
IAS 37	Contracts that are a liability - costs of contractual fulfilment	May 2020	t.b.a.	01/01/2022
VARIOUS	Annual Improvements 2018 - 2020 for International Financial Reporting Standards	May 2020	t.b.a.	01/01/2022
IFRS 16	Covid-19-Related Rent Concessions (Deferrals, Waivers)	May 2020	Oct 2020	01/06/2020

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, these standards were not applied on a voluntary basis, with the exception of the amendment to IFRS 16.

Then amendment pertained to the impact of concessions made during the Coronavirus pandemic on the balance sheet. The aim is to grant lessees an easement when applying the provisions of IFRS 16 regarding lease modifications. In May 2020, the IASB published the amendment 'Covid-19-Related Rent Concessions (Amendment to IFRS 16)'.

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

The consolidated financial statements are denominated in euros.

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

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

Totals in amounts and percentages are subject to rounding differences.

II. CONSOLIDATED GROUP

General information

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

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

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

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

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

Changes in the consolidated group

There were no changes in group entities in 2020.

III. BASIS OF CONSOLIDATION

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

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

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

Jonsden Properties Ltd. concluded joint venture agreements with both bet-at-home.com Internet Ltd. and bet-at-home.com Entertainment Ltd. in accordance with IAS 31.3 (Agreement for Shared Conduct of Business), according to which each partner company uses its own assets, carries its own expenses, enters into its own liabilities and procures its own financing while carrying out all economic activities on a joint venture basis.

The Austrian subgroup was consolidated for the first time as at 31 December 2005. All hidden reserves to be recognised were disclosed in the Austrian IFRS subgroup accounts. The subgroup was therefore consolidated based on the subgroup's equity as determined using the acquisition method. The initial consolidation resulted in a surplus of EUR 1,052 thousand. This surplus was recognised as goodwill in the consolidated financial statements. There was no evidence of impairment of the goodwill.

Trade receivables, loans and other receivables are offset against the corresponding payables and provisions during the elimination of intercompany payables and receivables of entities included in the consolidated financial statements. As part of the consolidation of intercompany revenues and expenses, revenues from intercompany trade receivables were eliminated against expenses from intercompany trade payables. Any significant gains and losses on intercompany transactions during the six-month period were eliminated against each other. Discounts and other entries affecting only profit or loss were eliminated from the consolidated financial statements.

IV. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with IAS/IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures in the notes and in the consolidated income statement. 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.

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

Intangible assets and property, plant and equipment

Acquired intangible assets and office equipment are measured at cost less write-downs.

No internally produced intangible assets are capitalised. The development costs incurred in 2019 and 2020 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 straightline 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. In the Austrian subgroup, assets acquired at a cost of EUR 400 or less are fully written down in the year of acquisition and immediately recognised as disposals. In Germany, such items are written down on a pro rata temporis basis. Assets acquired at a cost of EUR 150 or less are expensed in full in the year of acquisition. The different approach does not have any material impact on the Group's financial position, financial performance and cash flows.

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 as-

sets are determined. If the recoverable amount of an asset is lower than its carrying amount, an impairment loss is recognised.

Goodwill

Goodwill has an indefinite useful life and is not amortised, but tested annually for impairment instead ('impairment-only' approach). 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

Leases in accordance with IFRS 16 are recognised in the consolidated statement of financial position as from 2019. 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 using the modified retrospective method, affects the recognition 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.

The effect from the initial application of IFRS 16 resulted in a EUR 4,240 thousand increase of total assets as at 1 January 2019. In the income statement, the effect of IFRS 16 is reflected in amortisation of right-of-use assets as well as interest paid on the lease liabilities.

Financial assets and liabilities

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

Cash and cash equivalents and short-term deposits

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

Receivables and other assets

In accordance with IFRS 9, receivables and other assets as well as cash and cash equivalents must be allocated to the 'at amortised cost' category. A credit risk does not exist. The debtors are

usually financial and similar institutions with excellent credit ratings. No defaults worth mentioning have occurred in the past and are not expected to occur in the future.

Provisions for severance pay

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

A provision is made for such obligations. An actuary performed the calculation in accordance with IAS 19 "Employee benefits" for the consolidated financial statements for the period ended 31 December 2020 and the value was recognised in income accordingly.

As the anticipated actuarial gains and losses pertain to one employee only, they are expected to be low again. 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 if it appears likely that legal or actual obligations to third parties due to past events may occur, but have not occurred yet. However, it must be probable that these obligations will result in future cash outflow. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. When a reasonable estimate is not possible, no provision is recognised but this is disclosed in the notes to the consolidated financial statements instead.

Trade payables

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

Revenue recognition

bet-at-home.com AG Group generates its revenue 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 pay-outs to customers is initially recognised as gross betting and gaming revenue. The net betting and gaming revenue recognised in the consolidated income statement is the amount left after deducting betting fees and gaming levies as well as any VAT on electronic services payable on this income.

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

Income taxes

In the financial year 2020, the income tax refund from the Maltese tax entity, in which all Maltese group companies are combined for income tax purposes, was recognised in the financial statements of the same year, as was done in previous years.

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

Net finance income (costs)

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

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

The following sections provide additional information on items of the consolidated income statement, consolidated statement of financial position, consolidated statement of cash flows and the consolidated statement of changes in equity. The previous year's comparative figures were taken from the IFRS consolidated financial statements of bet-at-home.com AG as at 31 December 2019.

V.1. COMMENTS ON INDIVIDUAL ITEMS OF THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 DECEMBER 2020

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.

The Group operates in the online sports betting and online gaming products and operating segments. The Online Gaming segment comprises casino, poker, games and virtual sports.

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

Segment reporting in accordance with IFRS 8

2020	Operating segments			Group total
	Online sports betting	Online gaming (casino, poker, games, virtual sports)	Non-allocated segments / consolidation	
	EUR'000	EUR'000	EUR'000	EUR'000
Betting and gaming volume	449,828	2,248,441	0	2,698,269
Paid out winnings	-397,272	-2,174,069	0	-2,571,341
Gross betting and gaming revenue	52,556	74,372	0	126,928
Betting fees and gaming levies	-9,537	-12,848	0	-22,385
VAT on electronic services	-157	-3,801	0	-3,958
Net betting and gaming revenue	42,862	57,723	0	100,585
Segment assets	17,478	11,954	65,704	95,136

2019	Operating segments			Group total
	Online sports betting	Online gaming (casino, poker, games, virtual sports)	Non-allocated segments / consolidation	
	EUR'000	EUR'000	EUR'000	EUR'000
Betting and gaming volume	525,432	2,691,589	0	3,217,021
Paid out winnings	-466,439	-2,607,292	0	-3,073,731
Gross betting and gaming revenue	58,993	84,296	0	143,289
Betting fees and gaming levies	-10,196	-10,739	0	-20,935
VAT on electronic services	-193	-4,691	0	-4,884
Net betting and gaming revenue	48,604	68,866	0	117,470
Segment assets	17,341	21,184	56,654	95,179

The segment assets correspond to the respective total assets of the company operating within the segment.

Segment reporting – supplementary information

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

	2020		2019	
	EUR'000	in %	EUR'000	in %
Germany	879,386	33%	1,179,072	37%
Eastern Europe	359,801	13%	498,067	15%
Western Europe (other)	1,459,082	54%	1,539,882	48%
	2,698,269	100%	3,217,021	100%

In the financial year 2020, countries with similar markets were grouped together by region.

(2) Other operating income

	2020	2019
	EUR'000	EUR'000
Exchange rate gains	563	554
Income from the derecognition of irregular betting account balances	451	432
Income from the release of provisions	42	11
Other	544	387
	1,599	1,383

(3) Personnel expenses

Breakdown of personnel expenses:

	2020	2019
	EUR'000	EUR'000
Salaries	15,740	15,742
Expenses for severance payments and company pension plan contributions	230	224
Expenses for statutory social contributions and pay-based levies and statutory contributions	3,842	3,734
Other social contributions	115	268
	19,926	19,969

Expenses for severance (redundancy) and contributions to company pension plans include payments totalling EUR 222 thousand (previous year: EUR 206 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	
	31/12/2020	31/12/2019	2020	2019
Employees	284	288	289	292
Management Board of the parent company and managing directors of bet-at-home.com Entertainment GmbH	2	2	2	2

(4) Advertising and other operating expenses

These expenses include the following items:

	2020	2019
	EUR'000	EUR'000
Advertising expenses		
Advertising costs	14,614	20,408
Bonuses and vouchers	10,911	14,030
Sponsoring	3,797	3,831
Jackpot expenses	1,180	1,578
	30,502	39,847

	2020	2019
	EUR'000	EUR'000
Other operating expenses		
Additional transaction costs	6,152	8,366
Software provider expenses	6,071	7,158
Information services and software maintenance	2,699	2,416
Legal, audit and advisory fees	1,675	1,620
Additions to provisions for impairment losses on receivables, loan losses and claims	922	650
Exchange rate differences and similar expenses	802	780
Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs	409	493
Supervisory Board compensation	50	60
Other costs	2,033	2,322
	20,812	23,864

(5) Depreciation and amortisation

	2020	2019
	EUR'000	EUR'000
Amortisation and write-downs of intangible assets	217	213
Write-down of leased office building	871	871
Depreciation and write-downs of property, plant and equipment	870	817
Write-downs of low-value assets	64	28
	2,022	1,930

(6) Financial result

	2020	2019
	EUR'000	EUR'000
Finance income		
Interest receivable and similar income	1	16
Finance costs		
Interest expenses from lease agreements	-95	-122
Other financial expenses	-32	-32
	-126	-138

In financial year 2020, interest receivable and similar income exclusively pertained to interest income from fixed deposits and other interest receivable and income amounting to EUR 1 thousand (previous year: EUR 16 thousand).

(7) Taxes on income and earnings

This item can be presented as follows:

	2020	2019
	EUR'000	EUR'000
Current income taxes for the year under review, Austrian subgroup	5,653	6,019
Deferred taxes	-28	-8
Tax expense / income for previous years	-123	9,131
	5,502	15,142

The deferred tax liabilities recognised result from differences between the values of the leased office spaces, property, plant and equipment and employee benefits reported in accordance with company and tax law.

Difference between the estimated and actual income tax expense:

	2020	2019
	EUR'000	EUR'000
Earnings before taxes	28,796	33,105
Calculated income tax expense, Austria (25%)	7,199	8,276
Tax expense / income for previous years	-123	9,131
Tax differences for Malta tax group	-2,271	-3,112
Deferred taxes	-28	-8
Other differences and tax rate changes	725	854
Actual / recognised tax expense	5,502	15,142

The tax expense in the 2019 comparable year was primarily incurred through a tax audit in Austria concluded in financial year 2019 and pertained to findings relating to the transfer pricing structure within bet-at-home.com AG Group.

V.2. COMMENTS ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 DECEMBER 2020

(8) to (10) Non-current assets

A breakdown of non-current assets and their movements during the financial year 2020 is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(8) Goodwill

Composition:

	31/12/2020	31/12/2019
	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

Acquisition of the 'Wetten-Schwechat' business unit

The goodwill remaining after the purchase price allocation in accordance with IFRS 3 amounted to EUR 155 thousand. Pursuant to IFRS 3, this goodwill is not subject to systematic amortisation; it is tested for impairment annually instead. There was no objective evidence of impairment.

Acquisition of the Starbet International Ltd. business unit

In accordance with IFRS 3, this asset deal must be treated in the same way as a share deal. Therefore, initial consolidation was carried out at the date of acquisition pursuant to IFRS 3. Once the disclosed difference had been allocated to identifiable assets, the remainder (EUR 162 thousand) was recognised as goodwill. There was no objective evidence of impairment.

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

As at 31 December 2005, the subsidiary bet-at-home.com Entertainment GmbH, including its subgroup, was consolidated for the first time. All hidden reserves to be recognised were disclosed in the Austrian IFRS subgroup accounts. The subgroup was therefore consolidated based on the subgroup's equity as determined using the acquisition method. The initial consolidation resulted in a surplus of EUR 1,052 thousand. This surplus was recognised as goodwill in the consolidated financial statements. There was no evidence of impairment of the goodwill.

(9) 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.

(10) Property and equipment

A breakdown of property, plant and equipment and its movements during the financial year 2020 is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(11) Receivables from taxes

Receivables from taxes include the following items:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Tax refund claim 2020 (tax refund Malta)	3,574	0
Tax refund claim 2019 (tax refund Malta 2019)	4,875	4,778
Tax refund claim previous years tax audit Austria (BAH Internet Ltd)	8,372	8,372
Tax refund claim previous years tax audit Austria (BAH Entertainment Ltd)	7,308	7,308
Corporation tax advance payment Austria	0	1,084
Corporation tax advance payment Germany	0	562
Trade tax advance payment Germany	0	547
Other	676	1,035
	24,806	23,685

(12) Own advance payments

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

(13) Other receivables and assets

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

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Receivables from payment service providers	4,289	6,218
Other receivables	440	462
	4,729	6,680

(14) Short-term fixed deposits

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Cash at bank (maturities > 3 months)	5,000	5,000

(15) Cash and cash equivalents

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Cash at bank (maturities < 3 months) and in hand	51,807	49,756

Any cash and cash equivalents and short-term deposits used for securing liabilities may only be disposed of with limitations. Cash and cash equivalents includes EUR 380 thousand (previous year: EUR 450 thousand) in pledged funds, which can be availed at short notice within three months.

(16) Group equity

Breakdown of the Group's equity:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Share capital	7,018	7,018
Capital reserves	7,366	7,366
Consolidated net profit for the period	36,509	27,251
	50,893	41,635

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

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

The annual general meeting of shareholders on 18 May 2016 resolved to increase the share capital of the issuer by EUR 3,509,000.00 to EUR 7,018,000.00 through a capital increase from the

Company's own funds by issuing 3,509,000 new shares. As announced in the Federal Gazette [Bundesanzeiger] on 15 June 2016, following the capital increase from the Company's own funds, all shareholders were entitled to bonus shares at a ratio of 1:1 to their shareholdings at the close of the stock market on 20 June 2016. These bonus shares were registered on 21 June 2016 (share split). The shareholders' shareholdings did not change as a result of this capital measure.

The reserves are the result of a capital increase in 2005 by 290,000 shares at an issue price of EUR 11.00 per share (totalling EUR 2,900 thousand) and a further capital increase in 2006 by 319,000 shares at an issue price of EUR 26.00 per share (totalling EUR 7,975 thousand). The decrease in 2016 of EUR 3,509 thousand resulted from the conversion for the implementation of the capital increase from the Company's own funds.

Pursuant to the resolution adopted at the general meeting of shareholders on 13 May 2013, the Management Board is entitled, with the Supervisory Board's consent, to increase the company's share capital by 12 May 2018 by issuing new bearer shares (non-par value shares) for cash or non-cash contributions, once or several times, up to a maximum amount of EUR 1,754,500.00. The authorised capital was revoked by shareholder resolution of 18 May 2016.

The general meeting of shareholders on 18 May 2016 resolved to authorise the Management Board, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2021 by issuing up to 3,509,000 new non-par value bearer shares for cash and/or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00.

The total comprehensive income for the year of EUR 36,509 thousand (previous year: EUR 27,251 thousand) is exclusively attributable to shareholders of the parent company.

(17) Non-current liabilities

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Provisions for employee benefits	74	66
Lease obligations	1,695	2,566
	1,769	2,633

In order to calculate provisions for severance pay (redundancy pay) in accordance with IAS 19 by applying the projected unit credit method, an actuary's opinion was obtained, which is based on a discount rate of 0.30% (previous year: 0.84%) and an annual growth rate of 2.50%. The interest cost (and employee service cost) is included in the personnel expenses and not presented in net finance income (costs). The remaining term is around 15 years.

(18) to (23) Current liabilities

Current liabilities include the following items:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Trade payables	4,004	4,168
Liabilities from taxes	27,306	32,059
Short-term provisions	1,419	1,608
Customer payables	5,908	7,354
Lease liabilities	872	845
Other liabilities	2,966	4,877
	42,474	50,912

Liabilities to customers include pending bets (in accordance with IFRS 9) in the amount of EUR 364 thousand (previous year: EUR 650 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 5,543 thousand (previous year: EUR 6,704 thousand).

Tax liabilities pertain to corporation tax payable in the amount of EUR 24,134 thousand (previous year: EUR 24,682 thousand), betting fees and gaming levies, and VAT on electronic services in the amount of EUR 3,032 thousand (previous year: EUR 3,523 thousand) as well as other taxes in the amount of EUR 139 thousand (previous year: EUR 3,854 thousand).

As at 31 December 2020, current liabilities from the rights of use from leases (less than 12 months) capitalised in accordance with IFRS 16 amounted to EUR 872 thousand (previous year: EUR 845 thousand).

Other current liabilities include the following items:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Liabilities to personnel	1,944	2,551
Social security liabilities	420	408
Other liabilities	602	1,918
	2,966	4,877

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

Movements in provisions during the financial year 2020 (in thousands of euro):

	Balance at 31/12/2019	Utilisation	Release	Addition	Balance at 31/12/2020
Audit and advisory	294	252	42	358	358
Affiliate programme	1,314	1,314	0	1,061	1,061
	1,608	1,566	42	1,419	1,419

Due to the high amount of cash and cash equivalents within bet-at-home-com AG Group, liabilities to customers and all other liabilities were sufficiently covered in the financial year 2020.

V.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 at bank an in hand' item in the statement of financial position. Interest received primarily results from current operating activities.

V.4. COMMENTS ON THE PRESENTATION OF CHANGES IN GROUP EQUITY UNDER IFRS

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

VI. OTHER DISCLOSURES

VI.1. FINANCIAL INSTRUMENTS

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

Fair value risk management

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

- Level 1: Quoted prices in active markets for identical assets and liabilities.
- Level 2: Inputs that are observable either directly (such as prices) or indirectly (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 2020, 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 risks arising from potential financial instruments (IFRS 7.31, 33(b)) are disclosed in the risk report below.

VI.2. 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 provisions 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.

VI.2.1 Tax and regulatory 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. Based on various rulings by the European Court of Justice, the Management Board assumes that the online sport betting and gaming market in the EU will continue to be deregulated in the long term. However, a large number of national laws and draft laws for foreign providers contain discriminatory provisions that aim to further seal off the market for national providers / monopolists.

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

Regulatory environment and risks from existing legal uncertainties

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

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

Individual countries have also initiated provider blocks and/or payment provider blocking measures to suppress betting and gaming offers, meaning that the websites of bet-at-home.com AG Group cannot be reached by potential customers in these countries and/or that cash flows are impeded. Such measures have the potential to damage the Group, even in the very short term, and possible quicker than it takes to defend the Group against such measures through the legal channels.

In the past reporting period, regulatory developments remained marked by further efforts to regulate the online sports betting and gaming sector and establish a licensing system for private providers. The developments in the past reporting period were as follows.

- On 1 January 2020, an amendment to the original State Treaty amending the State Treaty on Games of Chance [Glücksspieländerungsstaatsvertrag; GlüÄndStV] from 2012 came into effect in Germany. It rescinds the previously planned limitation of the number of sports betting licenses and at the same time extends the 'experimental clause' for sports betting until the expiry of the State Treaty on Games of Chance as at 30 June 2021. As at 1 January 2020, private providers were therefore able to once again apply for a national sports betting license. bet-at-home.com Internet Ltd. submitted its application documents to the authorities in February 2020 and was issued a corresponding license on 2 November 2020. Immediately after, the Company appealed against material constraints, such as betting limits and restrictions to the betting programme. A negative outcome of this appeal can result in revenue losses.

In January 2020, the German federal states agreed to a Fourth State Treaty on Games of Chance [GlüStV 2021], which is to come into effect on 1 July 2021. According to the EU Commission's notification in October 2020, 13 of 16 federal states must ratify the state treaty in the respective state parliaments [Landtage] by the end of April 2021. One of these federal states must be Saxony-Anhalt, where the regulators for games of chance [Glücksspielaufsicht] is to be located. A new government agency, which is yet to be founded, is to supervise all online games of chance and replace the game of chance council [Glücksspielkollegium]. The State Treaty on Games of Chance provides for a nation-wide license system for sports bets as well as online slots and online poker in Germany for the first time. The individual federal states are further to decide for themselves whether or not to issue their own licenses for traditional gaming, such as roulette and blackjack, to private providers or if these products should be exclusively reserved for casinos. The number of licenses is to be linked to the number of casinos in each federal state.

As part of the impending partial liberalisation of certain casino products on the internet as from mid-2021, the federal states agreed to a transitional regulation on 8 September 2020. It states that companies which provide online games of chance in compliance with the expected future regulations of the State Treaty on Games of Chance 2021 shall be excluded from enforcements and sanctions due to them not holding a German license. For the continued existence of sports betting licenses and the reliability of future authorisation and licensing processes, it is irrelevant if license holders exclusively provide virtual slot games and online poker within then meaning of the draft State Treaty on Games of Chance. Due to these transitional regulations, bet-at-home.com Entertainment Ltd. has limited its casino products to this effect and implemented constraints such as monthly deposit limits since 15 September 2020. This has created significant losses in the online casino segment in the German core market.

- On 1 April 2017, an amendment to the gambling laws of Poland already became effective. It generally enables private providers to apply for a sports betting license. One single online casino license was issued to the government provider, which constitutes illegal discrimination against foreign providers under EU law. The sports betting policy also contains unattractive general economic conditions as well as illegal provisions

under EU law. Since July 2017, the Group has been subject to enforcement measures by the authorities such as IP blocking and payment blocking. The Group therefore decided to maintain its offer, not to apply for a license for now and to take legal action against the discriminatory regulations. The main objective of the initiated legal steps is to affect a request of remittance to the European Court of Justice which should review the provisions of European law regarding the Polish gambling laws and determine that these violate EU law. The Group will continue to closely monitor the political and legal developments and adjust its strategy accordingly.

- On 1 January 2019, an amendment to the Swiss gambling laws came into effect which permits Swiss providers only to provide online sports betting and gambling services. It aims to stop foreign providers from entering the Swiss market. In accordance with this gambling law, the implementation regulations for blocking the IPs of non-licensed providers came into effect on 1 July 2019. On 3 September 2019, the authorities published a blacklist which also contained some of the Group's domains. These domains were blocked a few days later. The Group decided to appeal against these discriminatory measures and to maintain its offer until the date of legally binding ruling.

As far back as June 2016, the Swiss financial authorities requested for the Maltese company to register with the national VAT register. Following a comprehensive legal review and repeated correspondence with the authorities, bet-at-home.com Entertainment Ltd. was registered in September 2018. The Company paid VAT on casino revenues with retrospective effect as from 1 January 2017. bet-at-home.com Internet Ltd. decided to register for VAT in Germany with reservations and to transfer the financial data in October 2019. The Company has achieved that any tax demands from the authorities will be suspended until a final court ruling has been issued. In December 2020, the two Maltese group companies received tax demands for the period from 2013 to 2016 and 2017 respectively against which an appeal was raised with the authorities.

In spite of continuing regulatory efforts, betting and gaming providers continue to be targeted by legislative interventions aiming to terminate the offering and advertising of their activities, based in particular on regulations enforcing bans in the gambling sector. The companies of the bet-at-home.com AG Group were involved in the following proceedings in the financial year 2020:

- In mid-2017, the Federal State of Hesse issued an injunction against bet-at-home.com Entertainment Ltd. prohibiting the company from offering casino products. This injunction demands the discontinuation of the gaming products, with the exception of sports bets on real events, and threatens the issuance of penalties for any violations. Action was taken against this injunction before the Darmstadt Administrative Court. The regional authority previously approved the suspension of the immediate execution of the tax demand until the main ruling of the administrative court. The proceedings were suspended in then meantime once the transitional regulation for casino products

came into effect on 15 September 2020. As the group companies comply with all constraints, there should be no resulting detrimental consequences.

- In June 2018, the Dutch gaming regulators issued fines in the amount of EUR 410,000.00 against two Maltese Group companies. The companies are accused of having illegitimately addressed Dutch citizens, particularly through the use of the Dutch language and/or corresponding bonus offer. Comprehensive legal measures have already been implemented against these penalties. A legally binding court ruling is to be expected during the course of 2021.

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

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

Tax risks

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

In recent years, the regulatory environment for the taxation of multinational companies in general, as well as for bet-at-home.com AG Group in particular, has become considerably more complex, particularly with regard to transfer prices, with companies having to drastically increase their efforts to meet the tougher regulatory requirements. The discussion between the countries regarding the distribution of the global tax substrate is still in full swing at present and will result in other fundamental adjustments to the international taxation of multinational companies – not least due to the BEPS project of the OECD for combating base erosion and profit shifting.

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

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

Customer requests for reimbursement of gaming losses

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

bet-at-home.com Entertainment Ltd. in Austria has nevertheless received an increasing number of customer requests for the reimbursement of online casino gaming losses, particularly since the second quarter of 2020. The company regards itself as a legitimate provider of online casino products in Austria and reinforces this opinion with corresponding expert reports in the various court proceedings.

At the end of financial year 2020, bet-at-home.com AG Group was involved in pending court proceedings with a total disputed value of around EUR 4.8 million (previous year: EUR 3.4 million) where previous customers demand the reimbursement of gaming losses through the courts. The Group expects to have good chances of success before court.

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

Risk of the loss and/or revocation of licenses

bet-at-home.com AG Group bases its products on various licenses which entitle the bearer to non-discriminatory access to the markets in the EU member countries and the United Kingdom.

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

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

- the licensee does not comply with the terms and conditions of the license,
- customer requirements are not met,

- the licensee becomes insolvent,
- the license was obtained under false pretences,
- the licensee violates anti-money laundering regulations,
- the licensee fails to pay taxes or levies on time,
- at the sole discretion of the licensing authority, there are sufficient reasons for revoking the license or the authority assumes that the licensee is damaging the reputation of the Maltese betting business.

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

In financial year 2020, the bet-at-home.com AG Group companies once again met the terms and conditions of the license and successfully concluded all system audits, which is why the risk of a revocation of licenses remains low. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

VI.2.2 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 all the software required to provide a competitive product in the betting market. All required measures, such as automated algorithms for the prevention of manually estimated inaccurate odds and for the minimisation of risks, were implemented so that the respective risks and impact on the financial position, financial performance and cash flows would be low.

As bet-at-home.com AG Group does not broker sports bets, but acts as a counterparty of its customers, the Group incurs a contractual risk for every bet. This risk is reduced by the highest possible number of customers participating in a bet with different expectations regarding the outcome so that the customers' betting positions balance each other out as much as possible. bet-at-home.com AG Group also determines betting odds, based on customers' expectations regarding the outcome of bets, and continuously adjusts them until the bet has been closed. To be able to provide customers with products in line with the market, the odds of competitors, and therefore the entire market, are also taken into consideration in addition to the betting odds that can be offered on the basis of the positioning of the Group's own customers.

Technical risks

The products and services offered by the Group depend on the reliable functioning of numerous technical systems. Serious interference with IT systems, particularly through adverse external influences such as hacker attacks, DDos attacks etc., may have a negative impact on the financial position, financial performance and cash flows of the Group. Another steep rise in business volume will place increasing demands on the accounting and controlling systems of group companies.

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

- Preparing guidelines and processes within the scope of the information security management system (ISMS);
- Risk management based on internationally recognised standards;
- Security monitoring (identifying weaknesses and potential threats to hardware and software);
- Risk management and awareness employee training;
- Encryption of confidential data (particularly credit card data and passwords);
- Security of the connections to the user interface of the customers via HTTPS protocol;
- Productive environment protection in the form of a web application firewall, IDS/IPS and fire-wall systems;
- Operating a centrally managed anti-virus software;
- Vulnerability management and monthly vulnerability scans;
- Annual penetration tests within the scope of system audits;
- Monitoring log files using a SIEM (Security Information Event Management);
- Security compliance regarding PCI-DSS, eCogra and established jurisdictions;
- Highly redundant infrastructure / ISO 27001 certified data centre provider.

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

Compliance risks

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

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

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

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

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

Risks from pandemics and natural disasters

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

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

Personnel and employee risk

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

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

Deficient performance of external service providers

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

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

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

VI.2.3 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. Based on the cash and cash equivalents currently available to the Group, the liquidity risk remains low, like in the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be low.

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

Interest rate, currency and exchange rate risks

The interest rate risk associated with investments is considered insignificant. The interest rates on the bank balances depend on the market interest rates, which depend on the maturities. The effect of a change in the currently low level of interest by 0.5 percentage points would amount to EUR 284 thousand (previous year: EUR 274 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. The Polish zloty created significant currency risks in the financial year 2020. while transactions denominated in other currencies were of minor importance. The Group does not hedge its currency risk. A 10% appreciation (depreciation) in the zloty would have decreased (increased) the profit for the period (and the balance of equity) by around EUR 82 thousand (previous year: EUR 139 thousand). Changes in these risk variables were assessed in relation to the potential for risks inherent in each financial instrument portfolio as at the reporting date.

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

Counterparty default (credit risk)

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

VI.3. RELATED PARTY TRANSACTIONS

In financial year 2020, the members of the Management Board of bet-at-home.com AG were

- Mr. Franz Ömer, graduate engineer Ansfelden, Austria,
- Mr. Michael Quatember, master's degree, Linz, Austria.

In financial year 2020, the members of the Management Board of the parent company received compensation from the group companies consisting of a fixed component of EUR 1,020 thousand (previous year: EUR 1,001 thousand) and a variable component in the form of a management bonus of EUR 1,090 thousand (previous year: EUR 995 thousand). In addition, one of the group companies received compensation for consulting services in the amount of EUR 400 thousand (previous year: EUR 400 thousand). A share-based compensation component for both members of the Management Board from the achievement of the 2019 targets amounts to EUR 410 thousand (previous year: EUR 64 thousand). The share-based compensation has been agreed for financial years 2019 to 2021 and is calculated each year on the basis of a fixed percentage on the difference between the average share price in the observation period of the respective financial year and a reference price (based on the total number of shares).

Cash inflow (in EUR)	Franz Ömer		Michael Quatember	
	CEO		CEO	
	2020	2019	2020	2019
Fixed compensation	600,000.00	581,486.43	420,000.00	420,000.00
Fringe benefits	400,000.00	400,000.00	0.00	0.00
Total	1,000,000.00	981,486.43	420,000.00	420,000.00
One-year variable compensation	471,500.24	417,907.73	471,500.24	417,907.73
Long-term management bonus	73,748.42	79,796.86	73,748.42	79,796.86
Share-based compensation	204,876.53	0.00	204,876.53	64,413.39
Multiple-year variable compensation	278,624.95	79,796.86	278,624.95	144,210.25
Total	750,125.19	497,704.59	750,125.19	562,117.98
Supply costs	0.00	0.00	0.00	0.00
Total compensation	1,750,125.19	1,479,191.02	1,170,125.19	982,117.98

In 2020, the parent company furthermore assumed the costs of an accident insurance policy in the amount of EUR 1 thousand (previous year: EUR 1 thousand) for one of the members of the Management Board and carried the costs of the contributions due in accordance with the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbstständigenvorsorgegesetz, BMSVG) in the amount of 18 EUR thousand (previous year: EUR 14 thousand).

Allocations granted (in EUR)	Franz Ömer				Michael Quatember			
	CEO				CEO			
	2019	2020	2020 (min.)	2020 (max.)	2019	2020	2020 (min.)	2020 (max.)
Fixed compensation	581,486.43	600,000.00	600,000.00	600,000.00	420,000.00	420,000.00	420,000.00	420,000.00
Fringe benefits	400,000.00	400,000.00	400,000.00	400,000.00	0.00	0.00	0.00	0.00
Total	981,486.43	1,000,000.00	1,000,000.00	1,000,000.00	420,000.00	420,000.00	420,000.00	420,000.00
One-year variable compensation	471,500.24	384,001.74	0.00	573,750.00	471,500.24	384,001.74	0.00	573,750.00
Long-term management bonus	73,748.42	83,205.92	0.00	101,250.00	73,748.42	83,205.92	0.00	101,250.00
Share-based compensation	204,876.53	0.00	0.00	14,672,076.61	204,876.53	0.00	0.00	8,872,076.61
Multiple-year variable compensation	278,624.95	83,205.92	0.00	14,773,326.61	278,624.95	83,205.92	0.00	8,973,326.61
Total	750,125.19	467,207.66	0.00	15,347,076.61	750,125.19	467,207.66	0.00	9,547,076.61
Supply costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total compensation	1,731,611.62	1,467,207.66	1,000,000.00	16,347,076.61	1,170,125.19	887,207.66	420,000.00	9,967,076.61

Members of the Supervisory Board of bet-at-home.com AG during financial year 2020:

- Martin Arendts, MBL-HSG, lawyer, Grünwald (Chairman);
- Jean-Laurent Nabet, member of the Management Board, Paris, France (until 7 July 2020);
- Isabelle Andres, member of the Management Board, Paris, France (until 7 July 2020);
- Véronique Giraudon, member of the Management Board, Paris, France (since 7 July 2020);
- Nicolas Béraud, member of the Management Board, Bordeaux, France (since 7 July 2020).

In 2020, the Chairman of the Supervisory Board received fixed compensation of EUR 40 thousand (previous year: EUR 40 thousand). In 2020, Ms Andres received fixed compensation of EUR 10 thousand (previous year: EUR 20 thousand). Necessary expenses were also reimbursed. Ms Giraudon, Mr Béraud and Mr Nabet waived their compensation in financial year 2020.

No material related-party transactions were concluded in financial year 2020.

Pursuant to Section 312(3) of the German Companies Act [Aktiengesetz; AktG], the Board of Management states that, according to the circumstances known to the Board at the time when legal transactions were concluded with related parties, the parent company received appropriate compensation for each legal transaction. Measures within the meaning of Section 3121 AktG were neither implemented nor omitted.

VI.4. AUDITOR'S FEE

The auditor's fee totalled EUR 84 thousand in 2020 (previous year: EUR 85 thousand) and related entirely to audit services.

VI.5. EXPLANATION REGARDING THE MANAGEMENT OF BET-AT-HOME.COM AG IN ACCORDANCE WITH SECTION 289F HGB AND THE GROUP IN ACCORDANCE WITH SECTION 315D HGB AS WELL AS THE CORPORATE GOVERNANCE REPORT

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

VI.6. MATERIAL SUBSEQUENT EVENTS

There were no other events materially affecting the Group's business development and financial position in the period between the end of the financial year 2020 and preparation of the consolidated financial statements.

VI.7. APPROPRIATION OF NET PROFIT

Subject to approval from the Supervisory Board, the Management Board will propose to the parent company at the annual general meeting of shareholders in 2021 to distribute a dividend of EUR 2.50 per share, or a total of EUR 17,545,000.00, from total assets as at 31 December 2020 and to carry EUR 332,414.36 forward to new account.

VI.8. RESPONSIBILITY STATEMENT

We assure that to the best of our knowledge, the consolidated financial statements give a true and fair view of the Group's financial position, financial performance and cash flows in accordance with the applicable reporting standards, and that the combined 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, 26 February 2021

Franz Ömer

Michael Quatember

APPENDIX TO THE NOTES

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

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

	At cost				Accumulated depreciation				Carrying amount 31/12/2019	Carrying amount 31/12/2020	
	Balance at 01/01/2020	Additions	Disposals	Reclassifications	Balance at 31/12/2020	Balance at 01/01/2020	Additions	Disposals			Balance at 31/12/2020
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
I. Intangible assets	3,579,690.11	152,445.77	367.26	0.00	3,731,768.62	2,633,082.16	217,553.70	367.26	2,850,268.60	881,500.02	946,607.95
II. Goodwill	1,369,320.30	0.00	0.00	0.00	1,369,320.30	0.00	0.00	0.00	0.00	1,369,320.30	1,369,320.30
III. Leased office buildings	4,240,220.81	0.00	0.00	0.00	4,240,220.81	870,537.06	870,537.06	0.00	1,741,074.12	2,499,146.69	3,369,683.75
IV. Property and equipment	7,504,913.52	1,064,817.45	68,634.94	0.00	8,501,096.03	5,018,640.32	933,775.94	67,856.11	5,884,560.15	2,616,535.88	2,486,273.20
1. Furniture and fixtures, office equipment	7,458,593.86	483,816.00	67,856.11	620,942.28	8,495,496.03	5,018,640.32	933,775.94	67,856.11	5,884,560.15	2,610,935.88	2,439,953.54
2. Construction in progress	46,319.66	581,001.45	778.83	-620,942.28	5,600.00	0.00	0.00	0.00	0.00	5,600.00	46,319.66
	16,694,144.74	1,217,263.22	69,002.20	0.00	17,842,405.76	8,522,259.54	2,021,866.70	68,223.37	10,475,902.87	7,366,502.89	8,171,885.20

CHANGES IN NON-CURRENT ASSETS FOR THE GROUP

as at 31 December 2019, bet-at-home.com AG, Düsseldorf

	At cost						Accumulated depreciation					
	Balance at 01/01/2019	Additions	Disposals	Reclassifications	Balance at 31/12/2019	Balance at 01/01/2019	Additions	Disposals	Balance at 31/12/2019	Carrying amount 31/12/2019	Carrying amount 31/12/2018	
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
I. Intangible assets	3,187,391.45	570,990.15	178,691.49	0.00	3,579,690.11	2,597,896.82	213,876.66	178,691.32	2,633,082.16	946,607.95	589,494.63	
II. Goodwill	1,369,320.30	0.00	0.00	0.00	1,369,320.30	0.00	0.00	0.00	0.00	1,369,320.30	1,369,320.30	
III. Leased office buildings	0.00	4,240,220.81	0.00	0.00	4,240,220.81	0.00	870,537.06	0.00	870,537.06	3,369,683.75	0.00	
IV. Property and equipment	6,826,736.87	1,885,058.98	1,206,882.33	0.00	7,504,913.52	5,379,845.56	845,675.57	1,206,880.81	5,018,640.32	2,486,273.20	1,446,891.31	
1. Furniture and fixtures, office equipment	6,826,736.87	1,838,739.32	1,206,882.33	0.00	7,458,593.86	5,379,845.56	845,675.57	1,206,880.81	5,018,640.32	2,439,953.54	1,446,891.31	
2. Construction in progress	0.00	46,319.66	0.00	0.00	46,319.66	0.00	0.00	0.00	0.00	46,319.66	0.00	
	11,383,448.62	6,696,269.94	1,385,573.82	0.00	16,694,144.74	7,977,742.38	1,930,089.29	1,385,572.13	8,522,259.54	8,171,885.20	3,405,706.24	



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COMBINED MANAGEMENT REPORT 2020

bet-at-home.com AG, Düsseldorf

A. ECONOMIC STATUS OF THE GROUP

A.1 BUSINESS MODEL

bet-at-home.com AG group is an online sports betting and online gaming company. With 5.4 million registered customers, the Group is one of the most successful providers in Europe.

The wide-ranging offerings on www.bet-at-home.com include sports betting, casino, poker, games, and virtual sports. In 2020, sports bets were placed on more than 606,000 events in over 50 types of sport. bet-at-home has companies in Germany, Austria, Malta and Gibraltar. As at 31 December 2020, the group employed 284 staff members, who contributed to the successful development of the Group.

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

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

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

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

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

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

A.2 DEVELOPMENT ACTIVITIES

The most important assets of the Group include functioning, state-of-the-art software that has been continuously expanded and developed since the beginning. In 2020, software development

focused on creating a platform for the German market which meets the conditions for German sports betting licenses as well as the adjustment of the online casino products to the German transitional regulations until the start of the licensing process in mid-2021. The 'seamless wallet' solution was also developed further, which enables customers to transfer between different payment modalities and facilitates the implementation of innovative product solutions in the future. At the same time, sports betting and casino products for the mobile and desktop platform have been constantly enhanced and optimised. The main factor in this sector are the IT employees.

B. BUSINESS REPORT

B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

Financial year 2020 showed that events such as the global COVID-19 pandemic can seriously impact sport events, and therefore the online sports betting product segment, at least temporarily, but that business developments, both in the online sports betting and online gaming product segments, do not depend on overall economic developments in the respective market.

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

B.2 BUSINESS TREND

(1) Highlights in 2020

bet-at-home.com AG Group strongly felt the effects of the COVID-19 pandemic as from mid-March 2020 due to the cancellation or postponement of national and international sport events. On 16 March 2020, the majority of employees started working from home and it was ensured that all technical requirements are met and all operating processes, including technological development, could be continued without delay.

As from the time of the sport lockdown in mid-March 2020, demand for alternative betting products remained almost constant and customers of bet-at-home.com AG Group diverted to eSport and fringe sports. The usually revenue-weak summer months have been positively affected by the gradual resumption of games in the national European football leagues during the course of May and the postponement of major events such as Champions League or Europe League. Fortunately, international tennis tournaments were once again held in the second half of 2020. The online gaming segment with its casino, live casino, virtual sports and poker products remained unaffected by the pandemic.

In financial year 2020, the gross betting and gaming revenue totalled EUR 126.9 million and is 11.4% down year-on-year due to the decrease in betting volume caused by COVID-19 as well as legal restrictions in individual markets. The negative effects from regulatory developments were already discernible in the planning phase at the end of 2019 and were accounted for accordingly in the budget calculation for the full year 2020.

Marketing investments in 2020 were down year-on-year with EUR 30.5 million. This is primarily due to the postponement of the European Football Championship to 2021 and also the cancellation and postponement of numerous sport events.

In financial year 2020, EBITDA amounted to EUR 30.9 million, down on the previous year's period (previous year: EUR 35.2 million). However, the initial EBITDA forecast of EUR 23 million to EUR 27 million for financial year 2020 was therefore significantly exceeded.

Due to the profit generated in 2020, Group equity as at 31 December 2020 increased to a total of EUR 50.9 million (31 December 2019: EUR 41.6 million). The resulting Group equity ratio amounted to 53.5% (31 December 2019: 43.7%). Cash and cash equivalents and short-term deposits within bet-at-home.com AG Group as at 31 December 2020 totalled EUR 56.8 million (31 December 2019: EUR 54.8 million).

In October 2020, sports betting licenses for all of Germany were issued for the first time, one of them to a bet-at-home.com AG Group company. In addition to issuing sports betting licenses, in October 2020, the minister-presidents of the German federal states signed the State Treaty on Games of Chance 2021, which also intends for the issuance of licenses for virtual slot games and online poker and requires compliance with the future licensing terms and conditions, even in the transitional period, which started in October 2020.

Ongoing innovations on the mobile platforms and apps and the optimisation of the mobile device product portfolio are the main focus of operations. As a result, more than 63 % of the gross betting and gaming revenue was already generated through mobile devices at the end of the financial year 2020.

(2) Human resources and social security

During the financial year 2020, the average number of staff (excluding the Management Board) employed by the Group amounted to 289 (previous year: 292). As at the reporting date 2020, the Group employed 284 staff (previous year: 288). Targeted personnel development combined with the recruitment of highly qualified professionals form the basis for the Group's continued successful development. Another key component to success is intensive further professional training.

B.3 GROUP SITUATION

The Group further strengthened its position, and in particular that of the bet-at-home brand, during financial year 2020. This can be measured, in particular, by the number of registered customers increasing to 5.4 million (previous year: 5.2 million).

B.3.1 Earnings position

In 2020, the gross betting revenue (betting volume less paid out winnings) amounted to EUR 52.5 million, down on the previous year's figure (previous year: EUR 59.0 million).

The gross gaming revenue (gaming volume less paid out winnings) amounted to EUR 74.4 million compared with the previous year (previous year: EUR 84.3 million). Online gaming comprises the products Casino, Poker, Games and Virtual Sports.

In financial year 2020, the gross betting and gaming revenue therefore amounted to EUR 126.9 million, thus down year-on-year, as expected (previous year: EUR 143.3 million), meaning that the 2020 forecast was achieved. The gross betting and gaming revenue is a crucial financial performance indicator for the Group.

Taking into consideration betting taxes and gaming levies and the tax payable due to the VAT regulations for electronic service providers, net gaming revenue in 2020 amounted to EUR 100.6 million (previous year: EUR 117.5 million).

During the financial year 2020, the Group's earnings position was as follows:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Gross betting and gaming revenue	126,928	143,289
Net betting and gaming revenue	100,585	117,470
Total operating income	102,184	118,854
EBT (earnings before taxes) *)	28,796	33,105
EBIT (earnings before interest and taxes) **)	28,923	33,243
EBITDA (earnings before interest, taxes, depreciation and amortisation) ***)	30,945	35,173

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

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

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

This means that the initial EBITDA guidance of EUR 23 million to EUR 27 million was clearly exceeded.

The betting fees and gaming levies payable in various countries decreased earnings by EUR 22,385 thousand during financial year 2020 (previous year: EUR 20,935 thousand). In addition, VAT regulations for electronic service providers decreased earnings by EUR 3,958 thousand (previous year: EUR 4,884 thousand).

In 2020, advertising expenses decreased to EUR 30,502 thousand (previous year: EUR 39,847 thousand). Personnel expenses in 2020 decreased marginally by EUR 43 thousand to EUR 19,926 thousand.

B.3.2 Financial situation

As at 31 December 2020, the financial situation was as follows:

	31/12/2020	31/12/2019
	EUR'000	EUR'000
Earnings before taxes (EBT)	28,796	33,105
Cash flows from operating activities	18,148	29,884
+ Cash flows from investing activities	-1,216	-2,456
+ Cash flows from financing activities	-14,881	-46,446
= Net cash from operating, investing and financing activities	2,051	-19,018
+ Cash and cash equivalents at 1 January	49,756	68,774
= Cash and cash equivalents at 31 December	51,807	49,756

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

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

B.3.3 Net assets

As at 31 December 2020, net assets were as follows:

Assets	31/12/2020	31/12/2019
	EUR'000	EUR'000
Non-current assets	7,367	8,172
Current assets		
Receivables from taxes	24,806	23,685
Own advance payments	1,428	1,886
Other receivables and assets	4,729	6,680
Short-term fixed deposits	5,000	5,000
Cash and cash equivalents	51,807	49,756
	95,136	95,179

The absolute decrease in cash and cash equivalents primarily resulted from the distribution of a dividend in July 2020 in the amount of EUR 14,036 thousand, corresponding to EUR 2.00 per share (previous year: EUR 6.50).

Equity and liabilities	31/12/2020	31/12/2019
	EUR'000	EUR'000
Group equity	50,893	41,635
Non-current liabilities	1,769	2,633
Current liabilities	42,474	50,912
	95,136	95,179

As at 31 December 2020, the equity ratio amounted to 53.5% (previous year: 43.7%).

Non-current liabilities include lease liabilities in the amount of EUR 1,695 thousand (previous year: EUR 2,566 thousand) as well as provisions for employee benefits in the amount of EUR 74 thousand (previous year: EUR 66 thousand).

Current liabilities include trade payables in the amount of EUR 4,004 thousand (previous year: EUR 4,168 thousand), liabilities from taxes in the amount of EUR 27,306 thousand (previous year: EUR 32,059 thousand), short-term provisions in the amount of EUR 1,419 thousand (previous year: EUR 1,608 thousand), customer payables (contractual liabilities in accordance with IFRS 15) in the amount of EUR 5,908 thousand (previous year: EUR 7,354 thousand), lease liabilities in accordance with IFRS 16 in the amount of EUR 872 thousand (previous year: EUR 845 thousand) and other liabilities in the amount of EUR 2,966 thousand (previous year: EUR 4,877 thousand).

Financing measures were not required during the financial year 2020.

B.3.4 Overall evaluation of the Group's situation

In financial year 2020, the Group's economic position was very positive overall despite the challenges of the COVID-19 pandemic as well as the expected consequences of the legal restrictions in individual markets.

C. EVENTS AFTER THE REPORTING DATE

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

D. OPPORTUNITY AND RISK REPORT

D.1 OUTLOOK

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

Based on the assumptions and premises presented in Section B.1 above, the Management Board expects the following development in 2021:

From today's perspective, the Management Board expects gross betting and gaming revenue between EUR 106 million and EUR 118 million in 2021. The decrease to the gross betting and gaming revenue in 2020 is primarily due to the implementation of legal requirements in connection with the German sports betting license. Since October 2020, constraints issued by the German authorities regarding casino products also had to be complied with, which had a negative effect on revenue developments.

The Management Board expects an EBITDA between EUR 18 million and EUR 22 million in 2021. The maximum number of employees in the Group in 2021 should increase to around 295 persons by the reporting date on 31 December 2021.

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

D.2 OPPORTUNITIES

Within the past 10 years, the European online gaming market recorded the highest growth in the world and is expected to continue growing by 7.4% per annum until 2025. This was again con-

firmed by various studies by H2 Gambling Capital, most recently in February 2021. According to recent studies, this trend will continue in the wake of broad-based acceptance of e-commerce and the global penetration of mobile applications and demographic trends and help the gambling sector – which does not depend on the state of the economy – on its way to further sustained growth in the years to come.

D.3 RISKS

The Notes to Consolidated Financial Statements for the Period Ended 31 December 2020 contain detailed disclosures on the development of tax and regulatory risks, the risks from operating activities and financial risks (Section ‘VI.2. Risk report’) to which explicit reference is made.

Tax and regulatory risks:

- Regulatory environment and risks from existing legal uncertainties
- Tax risks
- Customer requests for reimbursement of gaming losses
- Risk of the loss and/or revocation of licenses

Risks from operating activities:

- Odds management and bookmaker risk
- Technical risks
- Compliance risks
- Risks from pandemics and natural disasters
- Personnel and employee risk
- Deficient performance of external service providers

Financial risks:

- Cash and cash equivalents and liquidity risk
- Interest rate, currency and exchange rate risks
- Counterparty default (credit risk)

D.3.1 Risk management system

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

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

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

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

The internal control and risk management system of the bet-at-home.com AG Group comprises all principles, processes and measures aimed to ensure the effectiveness, profitability and orderliness of the accounting system and compliance with the relevant legal requirements. There have been no material changes since the reporting date.

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

The measures of the internal control system focus on the orderliness and reliability of the Group's accounting system and ensure that business transactions are reported completely, on time and in compliance with the legal and statutory requirements.

The Group's consolidation and accounting policies also ensure that assets and liabilities are stated, measured and reported accurately in the consolidated financial statements. The policies also ensure that the accounting documents provide reliable and traceable information.

E. NOTES TO THE FINANCIAL STATEMENTS OF BET-AT-HOME.COM AG

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

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

E.1 FINANCIAL PERFORMANCE OF BET-AT-HOME.COM AG

	2020	2019	Change	
	EUR'000	EUR'000	EUR'000	%
Revenue	1,052	844	208	24.7
Other operating income	67	12	55	462.7
Ordinary operating income	1,119	856	264	30.8
Personnel expenses	-2,273	-2,477	204	-8.2
Administrative expenses	-1,111	-1,119	8	-0.8
	-3,384	-3,597	213	-5.9
Operating income (expenses)	-2,265	-2,741	476	-17.4
Income from investments	20,200	14,993	5,207	34.7
Interest received	170	220	-50	-22.7
Interest paid	-4	0	-4	-
Net finance income (costs)	20,366	15,213	5,153	33.9
Earnings before taxes	18,101	12,472	5,630	45.1
Income taxes	-224	178	-402	-225.8
Net income for the year	17,877	12,650	5,228	41.3

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

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

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

	31/12/2020		31/12/2019		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Non-current assets						
Financial investments	10,871	32.6	3,771	12.7	7,100	188.3
Current assets						
Other assets, including accruals and deferred income	452	1.4	1,388	4.7	-935	-67.4
Receivables from associated companies	20,463	61.4	15,055	50.5	5,408	35.9
Cash and cash equivalents	1,554	4.7	9,582	32.2	-8,028	> 100
	22,470	67.4	26,025	87.3	-3,555	-13.7
	33,341	100.0	29,796	100.0	3,545	11.9

Financial assets exclusively comprise the investment in bet-at-home.com entertainment GmbH. In financial year 2020, a voluntary, non-returnable shareholder contribution in the amount of EUR 7,100 thousand was issued to bet-at-home.com Entertainment GmbH, which increased the carrying amount of the investment without affecting profit or loss.

Receivables from affiliated companies in the amount of EUR 20,463 thousand contain the dividend of bet-at-home.com Entertainment GmbH for 2020 in the amount of EUR 20,045 thousand.

E.3 FINANCIAL PERFORMANCE OF BET-AT-HOME.COM AG

	31/12/2020		31/12/2019		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Equity	32,261	96.8	28,420	95.4	3,841	13.5
Current liabilities and provisions						
Suppliers	38	0.1	106	0.4	-68	-
Provisions	147	0.4	101	0.3	46	46.0
Other current liabilities	894	2.7	1,169	3.9	-275	-23.5
	33,341	100.0	29,796	100.0	3,545	11.9

F. RISK MANAGEMENT IN RELATION TO THE USE OF FINANCIAL INSTRUMENTS

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

G. COMPENSATION REPORT

G.1 MANAGEMENT BOARD

Compensation structure

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

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

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

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

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

a) Non-performance-based components

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

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

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

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

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

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

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

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

d) Fringe benefits

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

In 2020, the Company furthermore assumed the costs of an accident insurance policy in the amount of EUR 1 thousand (previous year: EUR 1 thousand) for one of the members of the Management Board and carried the costs of the contributions due in accordance with the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG) in the amount of 1.53% of gross salary. No other fringe benefits, particularly company cars, were granted.

Benefits and allocations granted in 2020

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

G.2 SUPERVISORY BOARD

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

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

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

H. ADDITIONAL DISCLOSURES UNDER ACQUISITION LAW (SECTION 289A (1) AND SECTION 315A (1) HGB)

The composition of the subscribed capital of the parent company and the capital investments exceeding 10% of the voting rights are stated in the notes to the consolidated financial statements (section V.2 no. (16) and section I.) where corresponding disclosures must be included.

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 annual general meeting of shareholders on 18 May 2016 resolved to authorise the Management Board of the parent company, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2021 by issuing up to 3,509,000 new non-par value bearer shares

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

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

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

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

J. NON-FINANCIAL PERFORMANCE INDICATORS

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

As at 31 December 2020, the Group had a total of 5,361,878 registered users (previous year: 5,238,789). In financial year 2020, bet-at-home received 123,089 new registrations (previous year: 192,431).

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

K. FINAL PROVISION IN ACCORDANCE WITH SECTION 312 (3) AKTG

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

Düsseldorf, 26 February 2021

Franz Ömer

Michael Quatember



INDEPENDENT AUDITOR'S REPORT

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The auditor's report reproduced below also includes a "Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and the Combined Management Report Prepared for the Purpose of Disclosure pursuant to § 317 para. 3b HGB" ("ESEF opinion"). The audit subject matter (ESEF documents to be audited) underlying the audit opinion is not attached. The audited ESEF documents can be viewed or downloaded from the Federal Gazette after publication [Bundesanzeiger].

INDEPENDENT AUDITOR'S REPORT

To bet-at-home.com AG, Düsseldorf

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the consolidated financial statements of bet-at-home.com AG, Düsseldorf, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, 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, 2020 to December 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of bet-at-home.com AG, Düsseldorf for the financial year from January 1, 2020 to December 31, 2020. In accordance with the German legal requirements, we have not audited the items listed in the chapter "Other Information" of this report.

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2020, and of its financial performance for the financial year from January 1, 2020 to December 31, 2020, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion does not cover the content of the items of the combined management report listed in the chapter "Other Information" of this report.

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

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer in Deutschland e.V. [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the Group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the 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, 2020 to December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

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

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

Regulatory risks with regard to the business of the Group

Matter and issue

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 bet-

ting and online gaming. In specific countries, state-granted monopolies questioning the admissibility of online sports betting and online gaming, contradict jurisdiction of the European Court of Justice, which is favourable for the providers. The European Court of Justice has – in its ruling dated September 8, 2010 – generally declined any discrimination against private providers of online sports betting and online gaming in favour of state-owned monopolies but at the same time has accepted current legislation for an indefinite transitory period.

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

The Group currently operates its business on the basis of licences obtained in Malta and it is assumed that these are valid in all EU states due to the European principles of freedom of services and of establishment, unless national licences have already been obtained in some EU states. As far as legally possible, the aim is to obtain national licences in order to reduce the risks regarding the permissibility of offering online sports betting and online gaming. Current regulatory developments in the core market of Germany indicate that the trend towards national regulations will continue.

Audit approach and findings

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

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

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

Reference to related information

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

Other Information

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

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

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

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

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

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

The executive directors of bet-at-home.com AG are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the

Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so. Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

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

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e para. 1 HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Legal and Regulatory Requirements

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

AUDIT OPINION

We have performed an audit in accordance with § 317 para. 3b HGB to obtaining reasonable assurance that the information contained in the attached file betathomeKA20.zip (SHA256-Hashwert: 0208a7b3ec147c8cc7c0be61209db9340b93cacf7abab319cbcac2d1e316ed98), assembled for the purpose of disclosure of the reproduction of the consolidated financial statements and the combined management report (hereinafter also referred to as "ESEF Documentation") comply with the requirements for the electronic reporting format ("ESEF format") pursuant to § 328 para. 1 HGB in all material respects. In accordance with German legal requirements,

this audit only covers the transfer of the information of the consolidated financial statements and the combined management report into the ESEF format and therefore does not include the information contained in these reproductions nor any other information contained in the abovementioned file.

In our opinion, the reproductions of the consolidated financial statements and the combined management report contained in the attached file referred to above and prepared for the purpose of disclosure comply, in all material respects, with the requirements for the for the electronic reporting format pursuant to § 328 para. 1 HGB. Beyond this audit opinion and the audit opinions on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1, 2020 to December 31, 2020, contained in the aforementioned "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report", we do not express an opinion on the information contained in these reproductions or on the other information contained in the above mentioned file.

Basis for the Audit Opinion

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

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

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

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

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

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

Auditor's Responsibility for the Audit of the ESEF Documentation

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

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

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on July 7, 2020. We were engaged by the supervisory board on November 4, 2020. We have been the group auditor of bet-at-home.com AG without interruption since the financial year 2006.

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

Auditor Responsible for the Engagement

The auditor responsible for the engagement is Frederik Hegmanns.
Duisburg, February 26, 2021

PKF FASSELT
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

Schienstock
Wirtschaftsprüfer

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IMPRINT

PUBLISHER

bet-at-home.com AG, Düsseldorf

TEXT

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Disclaimer

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

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