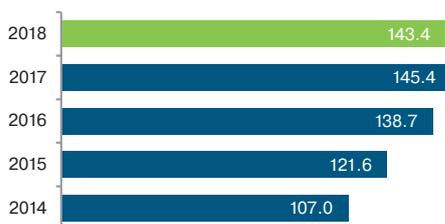
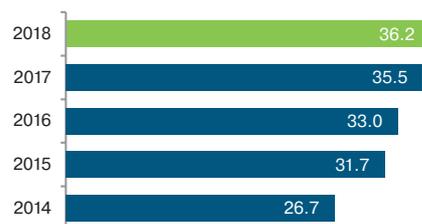


A man in a grey suit is shown from the back, holding a soccer ball. The background is a blurred stadium filled with spectators under a bright sky with a rainbow. The logo for bet-at-home.com is in the top right corner.

bet-at-home
.com

LIFE IS A GAME!

ANNUAL REPORT 2018

Gross betting and gaming revenue (in mEUR)

EBITDA (in mEUR)

Group and financial key figures

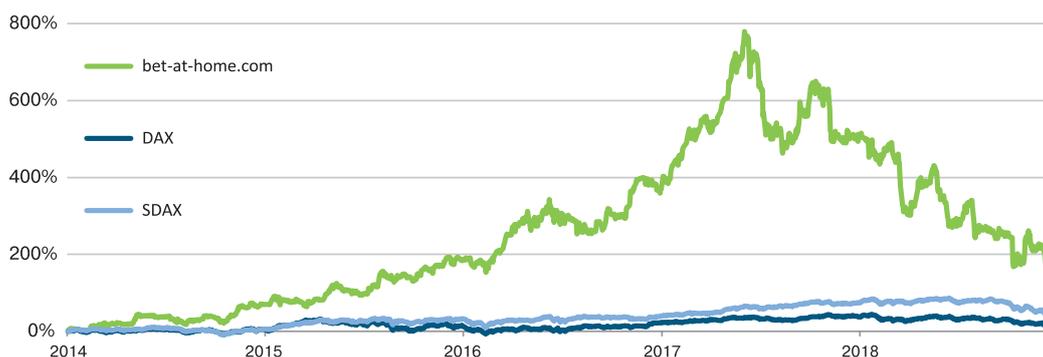
		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Betting and gaming volume	EUR'000	2,136,404	2,410,791	2,926,165	3,174,629	3,188,003
Betting volume	EUR'000	577,572	614,743	640,392	605,522	560,267
Gaming volume	EUR'000	1,558,832	1,796,047	2,285,773	2,569,107	2,627,736
Gross betting and gaming revenue	EUR'000	107,026	121,608	138,674	145,398	143,351
thereof online sports betting	EUR'000	55,676	61,186	66,152	64,554	60,529
thereof online gaming	EUR'000	51,351	60,421	72,522	80,844	82,822
Net betting and gaming revenue	EUR'000	94,744	100,312	112,888	117,763	115,125
thereof online sports betting	EUR'000	49,199	49,851	54,008	52,645	49,529
thereof online gaming	EUR'000	45,545	50,461	58,879	65,118	65,596
EBITDA	EUR'000	26,731	31,690	33,044	35,474	36,220
EBIT	EUR'000	25,802	30,764	31,884	34,133	34,946
Consolidated profit for the period	EUR'000	25,643	30,672	31,004	32,847	32,612

Balance sheet total as at 31.12.	EUR'000	94,474	126,775	145,375	124,648	103,339
Group equity ratio as at 31.12.	%	71.40	74.15	75.37	71.65	67.05
Financial debts and liabilities as at 31.12.	EUR'000	0	0	0	0	0
Liabilities to customers as at 31.12.	EUR'000	10,304	10,126	10,139	8,324	7,705
Number of employees as at 31.12.		264	264	296	311	301
Number of employees (average)		256	266	289	302	304
Registered customers as at 31.12.	mEUR	3.98	4.27	4.60	4.83	5.05

Stock market indicators

		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Closing price as at 31.12.	EUR	28.84	48.30	79.99	104.05	45.80
Market capitalisation as at 31.12.	EUR'000	202,399	338,969	561,370	730,223	321,424
Dividend per share	EUR	0.60	2.25	7.50	7.50	6.50*
Dividend	EUR'000	4,211	15,791	52,635	52,635	45,617*
Dividend yield	%	2.08	4.66	9.38	7.21	14.19*
Earnings per share	EUR	3.65	4.37	4.42	4.68	4.65

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

Stock chart


CONTENTS

COMPANY PROFILE	3
REPORT BY THE MANAGEMENT BOARD	9
REPORT BY THE SUPERVISORY BOARD	13
BET-AT-HOME.COM SHARE	19
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	25
CONSOLIDATED STATEMENT OF INCOME	29
CONSOLIDATED STATEMENT OF CASH FLOWS	33
STATEMENT OF CHANGES IN GROUP EQUITY	37
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	41
SUMMARISED MANAGEMENT REPORT	83
INDEPENDENT AUDITOR'S REPORT	101
IMPRINT	111

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------



Pro Sieben Wintergames in St. Anton

COMPANY PROFILE

Founded in 1999 in Wels/Austria by Jochen Dickinger and Franz Ömer, bet-at-home.com initially offered online sports betting. Thanks to an expansive growth strategy, the development of new markets and the ongoing expansion of the product range, the company developed into a comprehensive entertainment provider with a betting and gaming volume of EUR 3,188.0 million in the 2018 financial year, resulting in a gross betting and gaming revenue of EUR 143.4 million. With more than 5.0 million registered customers, the listed company and its subsidiaries are now among the most successful gaming providers in Europe.

bet-at-home.com has companies in Germany, Austria, Malta and Gibraltar. As of December 31, 2018, 301 employees contributed to the Group's successful development. Through its Maltese companies, the Group holds various online sports betting and gaming licenses. The licenses entitle the company to organize and distribute online sports betting and online casinos.

Innovative product portfolio and comprehensive entertainment offer

In the online sports betting segment, customers are offered sports bets in 83 different types of sport. Over the last few years, live betting has become particularly popular, allowing customers to place bets during an event up to the last minute.

The online gaming segment includes offers for casino, poker, games and virtual sports. Customers can choose between classics such as blackjack or roulette, as well as participating in international casino and poker tournaments. With the live casino, a particularly authentic casino atmosphere was created, as with a live broadcast of the tables an interaction with the croupiers is feasible. Since 2015, the launch of the product line virtual sports, a new possibility of betting on virtual events in the sports of football, basketball and tennis was offered.

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

As at 31 December 2018, bet-at-home.com AG was listed in the regulated market of Frankfurt Stock Exchange in the Prime Standard segment. The core business of the Company's associates is sports betting, casino and poker games, which is exclusively offered online.

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 stock company. 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, Betclic Everest Group SAS, a leading French group specialising in online gaming 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 conditions for using its entertainment-services responsibly. It also intervenes if customers are at risk of developing a gambling addiction so as to protect them from the negative effects as best as possible. In order to meet the high standards and assume the related responsibility, bet-at-home.com undergoes regular and voluntary product tests, which exceed legal requirements, and has been cooperating with organisations such as the Institut Glücksspiel und Abhängigkeit (Gambling and Dependency Institute), which operates in Austria and Germany, for many years. In addition, the continuously developed anti-fraud department investigates the gaming behaviour of customers, in order to prevent gambling addiction. Voluntary memberships in associations such as the European Sports Security Association (ESSA), along with annual voluntary compliance audits by the eCogra industry audit federation, complete the activities in this area.

Further memberships in the German Sports Betting Association (DSW), the German Online Casino Association (DOCV) and the Austrian Association for Betting and Gambling (OWG) have been entered in recent years. The latter association 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

- Franz Ömer, CEO
- Michael Quatember, CEO

Supervisory Board

- Martin Arendts, President of the Supervisory Board
- Isabelle Andres, Member of the Supervisory Board
- Jean-Laurent Nabet, Member of the Supervisory Board

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
------------------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------



eSports-Festival 2018

REPORT BY THE MANAGEMENT BOARD

Company
Profile

**Report by the
Management
Board**

Report by the
Supervisory
Board

bet-at-home.com
Share

Consolidated
Statement of
Financial Position

Consolidated
Statement of
Income

Consolidated
Statement of
Cash Flows

Statement of
Changes in
Group Equity

Notes to the
Consolidated
Financial Statements

Management
Report

Independent
Auditor's
Report

Dear shareholders,

the 2018 financial year once again offered us the opportunity to set targeted marketing focuses with the Football World Cup in Russia. International advertising campaigns and customer-friendly bonus programs as well as the expansion in the live betting area and the new sports betting app made it possible to continue our successful path. In addition, we were again able to expand our position as one of the top players in the European market for online sports betting and online gaming. Since October 2018, the customer base on our platform has grown to more than 5.0 million registered customers. Our employees, who work daily to drive innovation and continually expand and optimize the product portfolio, again made a key contribution to this great development.

By successfully acquiring new customers and reactivating existing customers, we were able to further strengthen our presence and brand awareness in our European core markets. As a result, we were able to achieve the highest number of betting and gaming revenue since the founding of bet-at-home.com at EUR 3,188.0 million in the past financial year. The gross betting and gaming revenue amounted to EUR 143.4 million. At EUR 36.2 million, the EBITDA achieved the highest value in the history of bet-at-home.com in the 2018 financial year.

Since the 2011 financial year, we have let our shareholders participate in the company's success in the form of regular dividend payments. Due to the excellent liquidity situation of the bet-at-home.com AG Group, together with the Supervisory Board we will propose the distribution of a total dividend of EUR 6.50 per share to the Annual General Meeting on May 22, 2019.

Ongoing innovations coupled with reliable customer service

The permanent further development of our extensive product portfolio paired with trustworthy and reliable customer service in eleven languages offers exciting entertainment at the highest level for our customers, which enables us to constantly strengthen our international competitive position and to sustainably expand our market share. Innovations on our mobile platform as well as the optimization of the offer for smartphones and tablets are clearly focused goals, whereby in the fourth quarter of 2018 already 54% of the gross betting and gaming revenue could be achieved via mobile devices.

In the online sports betting sector, we had over 411,000 events on more than 83 sports in the 2018 financial year. Live betting continues to be a key growth driver in the online sports betting segment. In fiscal year 2018, our customers took the opportunity to virtually sit in the stadium at more than 97,000 live events.

The offer in the online gaming segment was also very well received in the 2018 financial year. Through numerous bonus promotions in the areas of casino, live casino, poker, games and virtual sports the success of the segment was continued analogous to the sports betting offer.

Further increase of the brand’s popularity thanks to targeted marketing campaigns

With the Football World Cup in Russia, we placed a further marketing focus especially in the second quarter of 2018 on increasing the brand awareness of bet-at-home.com and the market shares in our core markets through international advertising campaigns. Before and during the Football World Cup in Russia from 14 June to 15 July, we invested in international advertising campaigns in the form of TV spots, print and online media as well as extensive bonus promotions from May 2018 onwards. For us, international football tournaments have always been the ideal time to increase brand awareness and the number of registered customers.

In addition to traditional advertising in TV, online and print media, sponsoring is an essential part of our marketing strategy, as it is a meaningful interaction between the audience in promoting our long-term partnerships with sports clubs and events. As main sponsor of the traditional Berlin club Hertha BSC, we have been jersey sponsor since August 2015 until the end of the Bundesliga season 2017/2018. Since August 2011, we are a premium partner of FC Schalke 04. The football club founded in 1904 has more than 156,100 members and is one of the largest sports clubs in Germany. In international honors FC Schalke 04 came for the first time in 1997 with the triumph in the UEFA Cup, the precursor of today’s Europa League.

In addition, we are sponsor of two top clubs in the Austrian Football Bundesliga, Red Bull Salzburg and Austria Wien, and long standing partner of the WTA tennis tournament in Linz.

Expansive growth in the online sports betting and online gaming segment

The global market for online sports betting and online gaming continues to boom and is growing much faster than comparable offers in the offline sector. The sustained growth of the non-cyclical gaming industry – above all in Europe – confirms our strategic orientation. Demographic trends, increasing online affinity of the target group in our core markets, as well as the global penetration of smartphones and tablets favor the long-term growth of our products.

We would like to thank all those who helped bet-at-home.com to achieve such a successful 2018 financial year, especially our employees. Likewise, we would like to express our special thanks to our business partners and shareholders for their confidence in us. We hope that you will continue to accompany us on our journey!

Franz Ömer
CEO

Michael Quatember
CEO



WTA Tennis Tournament in Linz

REPORT BY THE SUPERVISORY BOARD

Company
Profile

Report by the
Management
Board

Report by the
Supervisory
Board

bet-at-home.com
Share

Consolidated
Statement of
Financial Position

Consolidated
Statement of
Income

Consolidated
Statement of
Cash Flows

Statement of
Changes in
Group Equity

Notes to the
Consolidated
Financial Statements

Management
Report

Independent
Auditor's
Report

Ladies and Gentlemen,

In 2018, the bet-at-home.com AG Group's business development was again successful. On 22 May 2018, the Annual General Meeting was once again able to approve the payment of dividends. The success and name recognition of the brand is reflected by its more than 5.0 million registered customers.

The Supervisory Board was involved in this welcome development at the bet-at-home.com AG Group. It carried out its responsibilities and duties in accordance with the law and the Sections of association and regularly monitored the work of bet-at-home.com AG's Management Board, as well as offering advice and support.

The Supervisory Board of bet-at-home.com AG met on 14 March 2018 in Düsseldorf, Germany, on 22 May 2018 in Frankfurt, Germany, on 6 July 2018 in Frankfurt, Germany, on 9 October 2018 in Paris, France, and on 3 December 2018 in Frankfurt, Germany. At these meetings, the members primarily discussed the company strategy with the Management Board. At the Supervisory Board meeting on 18 March 2019 in Frankfurt, the members discussed the financial statements, consolidated financial statements, summarised management report, related parties report and the audit procedures and audit reports with PKF FASSELLT SCHLAGE Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Rechtsanwälte, Duisburg, the auditor appointed by the general meeting of shareholders.

Information and opinions were constantly exchanged among the members of the Supervisory Board. Several decisions were made by written resolution without a meeting. As in the past, there was no need to form committees, as there are only three Supervisory Board members.

During the year under review, the Management Board provided us with regular updates on the Group's strategy, business development and significant business matters, such as license applications and risks. Discussions were held with the Management Board about the strategic development, the current figures, the marketing concept, tax issues, regulatory developments in the gaming and betting sector and ongoing administrative and legal proceedings. Based on the information we have obtained, we believe that business was conducted appropriately.

The Management Board and Supervisory Board have prepared a corporate governance report in accordance with the German Corporate Governance Code to increase transparency and account for the company's increased recognition in the capital market and the current market capitalisation. Please refer to the disclosures in the Annual Report 2018 of the bet-at-home.com AG Group.

Audit of the financial statements and consolidated financial statements for the 2018 financial year

As in previous years, PKF FASSELLT SCHLAGE 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 summarised 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 summarised management report.

The audited financial statements and consolidated financial statements as well as the summarised 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 summarised management report and discussed them in detail with the auditor on 18 March 2019. The auditor reported in detail on the audit findings.

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 discussion of the financial statements, consolidated financial statements and the summarised management report, the Supervisory Board approved the auditor's reports and audit findings, 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 45,617,000.00 of the retained earnings of EUR 47,003,241.46 for 2018 to be distributed to the shareholders and the remaining amount of EUR 1,386,241.46 be carried forward to the following financial year.

Audit of the report on related party transactions pursuant to Section 312 AktG for the 2018 financial year

The auditor also audited the Management Board's report on related party transactions pursuant to Section 312 AktG (related parties report) for the 2018 financial year. 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 2018 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 2018 financial year 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 18 March 2019. 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.

We especially wish to thank the Management Board of bet-at-home.com AG and all the Group's staff members. They have contributed significantly to the Group's positive development through their great commitment and excellent work.

Frankfurt/Main, March 2019

Supervisory Board

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	--	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------



Luge World Cup in Winterberg

BET-AT-HOME.COM SHARE

Company
Profile

Report by the
Management
Board

Report by the
Supervisory
Board

bet-at-home.com
Share

Consolidated
Statement of
Financial Position

Consolidated
Statement of
Income

Consolidated
Statement of
Cash Flows

Statement of
Changes in
Group Equity

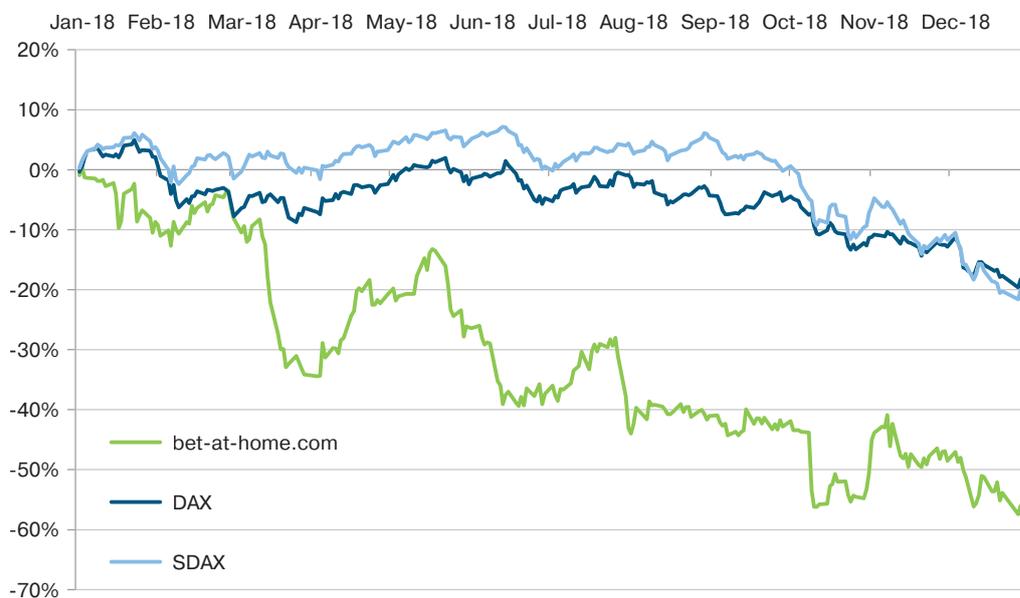
Notes to the
Consolidated
Financial Statements

Management
Report

Independent
Auditor's
Report

Development of the share in the financial year 2018

With the Football World Cup in Russia in June and July 2018, bet-at-home.com set a further marketing focus in the financial year 2018 through international advertising campaigns to increase the awareness of the bet-at-home.com brand and its market shares in the core markets of Germany and Austria. In addition to exceeding the mark of 5.0 million registered customers in October 2018, the highest EBITDA in the company’s history was achieved in the 2018 financial year. Nonetheless, this positive economic development was evidently not reflected in the company’s share price, but appeared to be significantly influenced by negative news on regulatory developments. Overall, the bet-at-home.com share price fell by 55.98% in the 2018 financial year. Within the financial year 2018, the share reached its high of EUR 104.50 on January 3, 2018, and the low of EUR 44.30 on December 27, 2018.



Investor relations

bet-at-home.com AG pursues open and active communication with institutional investors, analysts, financial journalists, private investors and other stakeholders 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 talks were once again held during roadshows, investor and analyst conferences in the financial centers of Europe, Asia and the USA in financial year 2018. These talks enable the Company to further intensify and maintain personal contacts with investors and stakeholders. At these events, the Management Board and Investor Relations Management mainly presented the quarterly financial statements, the Company’s strategic targets and market environment in our dynamic industry.

The focus of discussions with analysts and investors was once again on the regulatory and operational performance of the individual markets, as well as strategic questions on the future use of cash and cash equivalents and expectations for the 2018 Football World Cup in Russia and the related investments in comprehensive marketing measures.

Dividend

In addition to potential gains in share price development, bet-at-home.com AG has pursued a continuous dividend policy since the 2011 financial year to participate in the company's profit through attractive profit distributions.

The Management Board and Supervisory Board will propose a dividend of EUR 6.50 per share (previous year: EUR 7.50) to the Annual General Meeting on May 22, 2019. The dividend payout thus amounts to EUR 45,617,000.00 (previous year: EUR 52,635,000.00). The proposed resolution to the Annual General Meeting will consist of an ordinary dividend of EUR 3.50 (previous year: EUR 3.00) and an extraordinary dividend of EUR 3.00 (previous year: EUR 4.50). Through the distribution of an extraordinary dividend, the shareholders of bet-at-home.com AG should again be adequately involved in the above average overall development of recent years.

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

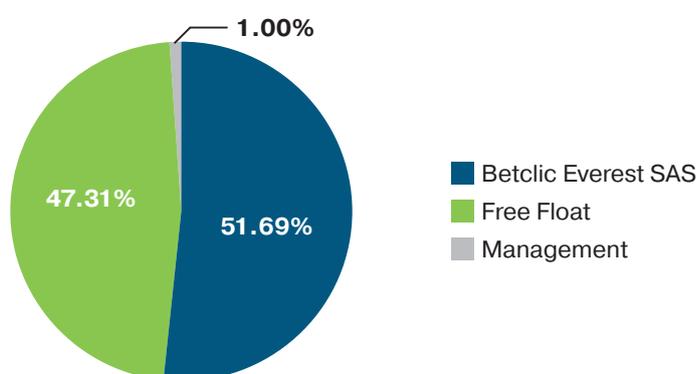
The dividend of EUR 6.50 per share proposed by the Management and Supervisory Board for the financial year 2018 corresponds to a dividend yield of 14.19%.

Stable shareholder structure

With Betclik Everest Group SAS and its 51.69% stake, the company has a stable core shareholder with its sights set on the long term. Betclik 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, Betclik, 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 Betclik Everest Group SAS.

The management of bet-at-home.com holds 1.00% of the shares, resulting in a free float of 47.31% as of 31 December 2018. In the course of the financial year 2018, bet-at-home.com AG received notifications of voting rights, according to which BDL Capital Management SAS from Paris had 5.00% and Union Investment Privatfonds GmbH from Frankfurt had stock holdings above the reporting threshold of 3.00% as of 31 December 2018.

Even though it has a strong core shareholder, bet-at-home.com AG regards itself as a public company, and its investor relations have always exceeded the transparency and information requirements of Deutsche Börse and the Prime Standard market segment in the past.



Financial Calendar 2019

03/04/2019	10.00 am	Full Year Results 2018
03/28/2019	10.00 am	Annual Report 2018
04/29/2019	10.00 am	Quarterly Statement Q1 2019
05/22/2019	02.30 pm	Annual General Meeting 2019
07/29/2019	10.00 am	Interim Report January to June 2019
09/09/2019	10.00 am	Interim Financial Report 2019
11/04/2019	10.00 am	Quarterly Statement Q1-Q3 2019
03/09/2020	10.00 am	Full Year Results 2019

Key share data

ISIN	DE000A0DNAY5
Securities identification number	A0DNAY
Ticker symbol	ACX
Trading segment	Regulated market (Prime Standard)
Research coverage	EDISON, FMR Frankfurt Main Research, Hauck & Aufhäuser, Warburg Research

Fundamentals as at 31 December 2018

Total number of shares	7,018,000
Market capitalisation	EUR 321.4 million
Cash and cash equivalents	EUR 78.3 million
Enterprise value	EUR 243.1 million



FK Austria Wien

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	---	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2018

bet-at-home.com AG, Düsseldorf

ASSETS

		Note	31/12/2018		31/12/2017
		No.	EUR	EUR	EUR
A.	Non-current assets				
1.	Intangible assets		589,494.63		631,639.01
2.	Goodwill	(9)	1,369,320.30		1,369,320.30
3.	Property and equipment	(10)	1,446,891.31		2,035,064.80
			3,405,706.24		4,036,024.11
B.	Current assets				
1.	Receivables from taxes	(11)	13,139,085.92		11,322,469.42
2.	Own advance payments	(12)	1,533,190.81		1,822,740.82
3.	Other receivables and assets	(13)	6,962,739.91		5,617,512.10
4.	Short-term fixed deposits	(14)	9,524,870.12		4,588,000.00
5.	Cash and cash equivalents	(15)	68,773,842.34		97,261,486.95
			99,933,729.10		120,612,209.29
Total assets			103,339,435.34		124,648,233.40

EQUITY & LIABILITIES

		Note	31/12/2018		31/12/2017
		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)	54,904,039.24		74,926,781.81
			69,288,039.24		89,310,781.81
B.	Non-current liabilities				
1.	Provisions for employee benefits	(17)	48,668.36		46,684.11
			48,668.36		46,684.11
C.	Current liabilities				
1.	Trade payables	(18)	3,302,612.54		3,531,915.05
2.	Liabilities from taxes	(19)	16,534,124.03		17,342,121.68
3.	Short-term provisions	(20)	2,639,356.89		1,569,347.92
4.	Customer payables	(21)	7,704,647.00		8,323,726.10
5.	Other liabilities	(22)	3,821,987.28		4,523,656.73
			34,002,727.74		35,290,767.48
Total equity and liabilities			103,339,435.34		124,648,233.40



FIS World Cup Nordic Combination in Klingenthal

CONSOLIDATED STATEMENT OF INCOME

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2018
bet-at-home.com AG, Düsseldorf

	Note	01/01-31/12/2018	01/01-31/12/2017
	No.	EUR	EUR
Gross betting and gaming revenue	(1)	143,350,883.60	145,397,930.98
Betting fees and gambling levies	(1)	-20,952,947.85	-18,806,926.01
VAT on electronic services	(1)	-7,272,770.25	-8,828,399.04
Net betting and gaming revenue		115,125,165.50	117,762,605.93
Other operating income	(2)	1,073,451.55	913,012.78
Total operating income		116,198,617.05	118,675,618.71
Personnel expenses	(3)	-18,725,359.57	-18,071,254.54
Advertising expenses	(4)	-38,326,661.55	-41,958,227.07
Other operating expenses	(4)	-22,926,691.24	-23,171,964.29
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		36,219,904.69	35,474,172.81
Depreciation and amortisation	(5)	-1,274,024.52	-1,340,830.82
Earnings before interest and taxes (EBIT)		34,945,880.17	34,133,341.99
Finance income	(6)	49,485.03	1,517,386.15
Earnings before taxes (EBT)		34,995,365.20	35,650,728.14
Taxes on income and earnings	(7)	-2,383,107.77	-2,803,414.81
Consolidated profit for the period		32,612,257.43	32,847,313.33

Earnings per share		
Basic earnings per share	4.646944632	4.680437922
Diluted earnings per share	4.646944632	4.680437922

**GROUP CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2018**

bet-at-home.com AG, Düsseldorf

	01/01-31/12/2018	01/01-31/12/2017
	EUR	EUR
Consolidated profit for the period	32,612,257.43	32,847,313.33
Items that are potentially reclassifiable to profit or loss		
Revaluation in accordance with IAS 39	0.00	0.00
Reclassified profits (recycling)	0.00	-543,720.09
Items that are potentially not reclassifiable to profit or loss		
Revaluation in accordance with IAS 19	0.00	5,242.46
Income tax and other recognised income and expense	0.00	65,691.79
Other comprehensive income	0.00	-472,785.84
Comprehensive income	32,612,257.43	32,374,527.49

Independent Auditor's Report

Management Report

Notes to the Consolidated Financial Statements

Statement of Changes in Group Equity

Consolidated Statement of Cash Flows

Consolidated Statement of Income

Consolidated Statement of Financial Position

bet-at-home.com Share

Report by the Supervisory Board

Report by the Management Board

Company Profile



FC Schalke 04

CONSOLIDATED STATEMENT OF CASH FLOWS

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

bet-at-home.com AG, Düsseldorf

	Note	2018	2017
	No.	EUR'000	EUR'000
Earnings before taxes (EBT)		34,995	35,651
+ Depreciation of non-current assets	(5)	1,274	1,341
- Interest income related to loans issued to group companies		0	-451
+ Increase in provisions		1,072	1,167
- Increase in trade and other receivables not attributable to investing or financing activities		-5,973	-896
- Decrease in trade and other liabilities not attributable to investing or financing activities		-1,552	-2,078
- Payments for income taxes		-5,008	-3,421
- Other comprehensive income		0	-473
= Cash flows from operating activities		24,809	30,840
- Acquisition of assets (excluding investments)		-660	-636
+ Proceeds from sale of property, plant and equipment		0	140
+ Interest income/expense related to loans issued to group companies		0	29,451
= Cash flows from investing activities		-660	28,955
- Payments to shareholders (dividends)		-52,635	-52,635
= Cash flows from financing activities		-52,635	-52,635
= Net cash from operating, investing and financing activities		-28,487	7,160
+ Cash and cash equivalents at 1 January		97,261	90,101
= Cash and cash equivalents at 31 December	(15)	68,774	97,261

Independent Auditor's Report

Management Report

Notes to the Consolidated Financial Statements

Statement of Changes in Group Equity

Consolidated Statement of Cash Flows

Consolidated Statement of Income

Consolidated Statement of Financial Position

bet-at-home.com Share

Report by the Supervisory Board

Report by the Management Board

Company Profile



Pro Sieben Wintergames in St. Anton

STATEMENT OF CHANGES IN GROUP EQUITY

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**
bet-at-home.com AG, Disseldorf

	Share capital	Capital reserves	Other comprehensive income (after taxation)	Total comprehensive income	Total equity
	EUR	EUR	EUR	EUR	EUR
As at 01/01/2017	7,018,000.00	7,366,000.00	472,785.85	94,714,468.48	109,571,254.33
Profit for the year	0.00	0.00	-472,785.85	32,847,313.33	32,374,527.49
Total recognised gains and losses	0.00	0.00	-472,785.85	32,847,313.33	32,374,527.49
Dividend distribution	0.00	0.00	0.00	-52,635,000.00	-52,635,000.00
As at 31/12/2017	7,018,000.00	7,366,000.00	0.00	74,926,781.81	89,310,781.81

	Share capital	Capital reserves	Other comprehensive income (after taxation)	Total comprehensive income	Total equity
	EUR	EUR	EUR	EUR	EUR
As at 01/01/2018	7,018,000.00	7,366,000.00	0.00	74,926,781.81	89,310,781.81
Profit for the year	0.00	0.00	0.00	32,612,257.43	32,612,257.43
Total recognised gains and losses	0.00	0.00	0.00	32,612,257.43	32,612,257.43
Dividend distribution	0.00	0.00	0.00	-52,635,000.00	-52,635,000.00
As at 31/12/2018	7,018,000.00	7,366,000.00	0.00	54,904,039.24	69,288,039.24



Red Bull Salzburg

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

bet-at-home.com AG, Düsseldorf

I. GENERAL DISCLOSURES AND ACCOUNTING PRINCIPLES

bet-at-home.com AG, based at Tersteegenstrasse 30, Düsseldorf, Germany, and registered at Düsseldorf District Court under file number HRB 52673 (as holding company), prepared its consolidated financial statements as at 31 December 2018 in accordance with international accounting standards.

The consolidated financial statements as at 31 December 2018 of bet-at-home.com AG were prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in the EU, by taking account of the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The summarised Group Management Report 2018 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 2017. Any changes resulting from new standards are described below (particularly IFRS 9).

The following standards and interpretations have already been published, but were not yet mandatory for the consolidated financial statements for the period ended 31 December 2018:

Standard/ Interpre- tation	Title	Issued in	Date of EU endorse- ment	Mandatory for report- ing periods beginning on or after
STANDARDS				
IFRS 16	Leases	Jan 16	Q4 2017	01/01/2019
IFRS 17	Insurance Contracts	May 17	t.b.a.	01/01/2021
IFRIC 23	Uncertainty regarding the treatment of income taxes	Jun 17	Q4 2018	01/01/2019

Standard/ Interpretation	Title	Issued in	Date of EU endorsement	Mandatory for reporting periods beginning on or after
AMENDMENTS				
IFRS 3	Business Combinations	Oct 18	t.b.a.	01/01/2020
IFRS 9	Financial Instruments	Oct 17	Q1 2018	01/01/2019
Conceptual Framework	Revision of definitions and new guidance on measurement and derecognition, presentation and disclosure	Mar 18	t.b.a.	01/01/2020
IAS 1/IAS 8	Definition of materiality	Oct 18	t.b.a.	01/01/2020
IAS 19	Employee Benefits	Feb 18	t.b.a.	01/01/2019
IAS 28	Investment in Associates	Oct 17	t.b.a.	01/01/2019
VARIOUS	Annual Improvements 2015-2017 for International Financial Reporting Standards	Dec 17	t.b.a.	01/01/2019

As expected, the initial application of IFRS 15 had no effect on the recognition and presentation of the Group's income due to the date-related nature of the business activities.

The initial application of IFRS 16 is going to primarily affect the disclosure of rent liabilities for office space. IFRS 16 must be applied to all leases. A lease within the meaning of the standard exists if the lessor contractually grants the lessee the right to control an identified asset for a specified period of time and the lessee in turn pays the lessor consideration for this permission.

The Group will recognise new assets and liabilities for its office space operating leases. The type of application in connection with these leases will change as the Group now applies amortisation to right-of-use assets and recognises interest expenses arising from the lease liabilities. The Group previously recorded expenses from operating leases in a straight line over the lease term.

It is not anticipated that the initial application of the other standards and interpretations stated above will have any significant effect on the future presentation of bet-at-home.com AG's financial position, financial performance and cash flows. The Company chose not to exercise the option of voluntary early application of these standards and interpretations.

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 SAS Group (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. These subgroup accounts of bet-at-home.com Entertainment GmbH include five subsidiaries (second-tier subsidiaries of bet-at-home.com AG, Düsseldorf) 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 reporting period:

- 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 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 2018.

III. BASIS OF CONSOLIDATION

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

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

In the case of Jonsden Properties Ltd., Gibraltar, 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. has 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 venturer uses its own assets, incurs its own expenses and liabilities and raises its own funding 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.

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 any accumulated amortisation/depreciation and write-downs.

No internally produced intangible assets are capitalised. The development costs incurred in 2017 and 2018 do not meet the recognition criteria of IAS 38.

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

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

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

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

Goodwill

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

Financial assets and liabilities

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

Cash and cash equivalents and short-term deposits

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

Receivables and other assets

Receivables and other assets as well as cash and cash equivalents, which previously all had been allocated to 'loans and receivables' in accordance with IAS 39, are now allocated to 'at amortised cost' in accordance and within the meaning of IFRS 9. However, this change does not affect the Group's profit/loss or equity. There is no credit risk which would generally require a risk provision, which must be determined using the so-called simplified recognition method, to be stated during the initial recognition using the expected credit loss method. 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 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 or retirement.

A provision is made for such obligations. An actuary performed the calculation in accordance with the requirements of IAS 19 'Employee Benefits' for the consolidated financial statements as at 31 December 2018 and the figure specified in the expert report was recorded in income.

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

Other provisions

Other provisions are recognised 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 and this is disclosed in the notes to the consolidated financial statements.

Trade payables

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

Revenue recognition

bet-at-home.com AG Group generates its income from the conclusion and processing of sports bets and the provision of various other online games in the Online Gaming division. In line with the practices in the industry, the net income from betting and gaming volume placed by customers and payouts 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 gambling levies as well as any VAT on electronic services payable on this income.

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

Income taxes

In financial year 2018, 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 a 25% income tax rate for Austria and about 5% for Malta (taking tax refunds into account). As at the previous reporting date, the stated values did not show any differences as at 31 December 2018.

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 THE 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, Düsseldorf, as at 31 December 2017.

V.1. DISCLOSURES AND NOTES ON THE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2018

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 product and operating segments online sports betting and online gaming. The online gaming segment comprises casino, poker, games and virtual sports.

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

Segment reporting in accordance with IFRS 8

31/12/2018	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	560,267	2,627,736	0	3,188,003
Paid out winnings	-499,738	-2,544,914	0	-3,044,652
Gross betting and gaming revenue	60,529	82,822	0	143,351
Betting fees and gambling levies	-10,007	-10,946	0	-20,953
VAT recognised in profit and loss	-992	-6,281	0	-7,273
Net betting and gaming revenue	49,529	65,596	0	115,125
Segment assets	18,757	25,289	59,294	103,339

31/12/2017	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	605,522	2,569,107	0	3,174,629
Paid out winnings	-540,968	-2,488,263	0	-3,029,231
Gross betting and gaming revenue	64,554	80,844	0	145,398
Betting fees and gambling levies	-9,176	-9,631	0	-18,807
VAT recognised in profit and loss	-2,733	-6,095	0	-8,828
Net betting and gaming revenue	52,645	65,118	0	117,763
Segment assets	21,704	20,433	82,511	124,648

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:

	31/12/2018		31/12/2017	
	EUR'000	in %	EUR'000	in %
Germany	1,158,631	36%	1,100,485	35%
Eastern Europe	605,930	19%	741,542	23%
Western Europe (other)	1,423,442	45%	1,332,603	42%
	3,188,003	100%	3,174,629	100%

In the 2018 financial year, countries with similar markets were grouped together by region as follows:

Eastern Europe:

Bosnia and Herzegovina, Croatia, Montenegro, Poland, Serbia, Slovakia, Slovenia

Western Europe (other):

Austria, Cyprus, Finland, Ireland, Liechtenstein, Malta, Netherlands, Sweden, Switzerland, United Kingdom

(2) Other operating income

	2018	2017
	EUR'000	EUR'000
Exchange rate gains	379	459
Income from the release of provisions	20	176
Other	674	278
	1,073	913

Of the increase in other income, EUR 162 thousand related to the derecognition of incoming bank payments that could not be allocated from previous reporting periods which have expired by limitation by now and EUR 252 thousand to the derecognition of illegitimately acquired customer balances.

(3) Personnel expenses

Breakdown of personnel expenses:

	2018	2017
	EUR'000	EUR'000
Salaries	14,630	14,094
Expenses for severance payments and company pension plan contributions	204	205
Expenses for statutory social contributions and pay-based levies and statutory contributions	3,645	3,530
Other social contributions	247	242
	18,725	18,071

Expenses for severance and contributions to company pension plans include payments totaling EUR 202 thousand (2017: EUR 194 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	
	31/12/2018	31/12/2017	2018	2017
Employees	301	311	304	302
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:

	2018	2017
	EUR'000	EUR'000
Advertising expenses		
Advertising costs	18,393	18,251
Bonuses and vouchers	13,470	14,317
Sponsoring	5,074	7,843
Jackpot expenses	1,390	1,547
	38,327	41,958

	2018	2017
	EUR'000	EUR'000
Other operating expenses		
Additional transaction costs	7,444	7,410
Software provider expenses	6,825	6,219
Information services and software maintenance	2,064	1,946
Legal, audit and advisory fees	1,575	1,593
Exchange rate differences and similar expenses	497	1,397
Rent and lease expenses	945	891
Additions to provisions for impairment losses on receivables, loan losses and claims	148	440
Costs for the preparation of financial statements, general meeting of shareholders and stock exchange costs	462	343
Supervisory Board remuneration	60	40
Other costs	2,906	2,893
	22,927	23,172

(5) Depreciation and amortisation

	2018	2017
	EUR'000	EUR'000
Amortisation and write-downs of intangible assets	177	183
Depreciation and write-downs of property, plant and equipment	1,084	1,120
Write-downs of low-value assets	14	38
	1,274	1,341

(6) Net finance income

	2018	2017
	EUR'000	EUR'000
Finance income		
Interest receivable and similar income	49	494
Income from the disposal of marketable securities	0	1,023
	49	1,517

In financial year 2018, interest receivable and similar income exclusively pertained to interest income from fixed deposits and other interest receivable and income amounting to EUR 49 thousand (previous year: EUR 43 thousand).

(7) Income taxes

This item can be presented as follows:

	2018	2017
	EUR'000	EUR'000
Actual taxes		
Current income taxes for the year under review, Austrian subgroup	2,440	2,478
Current income taxes for the year under review, Germany	221	507
Tax income in previous years	-279	-181
	2,383	2,804

Difference between the estimated and actual income tax expense:

	2018	2017
	EUR'000	EUR'000
Earnings before taxes	34,995	35,651
Calculated income tax expense, Austria (25%)	8,749	8,913
Previous years' tax income	-279	-181
Tax differences for Malta tax group	-7,015	-7,132
Tax expense, Germany (corporation and trade taxes)	160	507
Other differences and tax rate changes	768	697
Tax expense	2,383	2,804

(8) Consolidated net profit for the period

Consolidated net profit for the period in the amount of EUR 54,904 thousand (previous year: EUR 74,927 thousand) exclusively pertains to the shareholders of the parent company.

V.2. COMMENTS ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 DECEMBER 2018

(9) to (10) Non-current assets

A breakdown of non-current assets and their movements during the financial year 2018 is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(9) Goodwill

Breakdown:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Acquisition of Wetten-Schwechat business unit	155	155
Acquisition of the Starbet International Ltd. business unit	162	162
Acquisition 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.

Take-over 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 included and 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.

(10) Property, plant and equipment

A breakdown of property, plant and equipment and their movements during the financial year 2018 is presented in the Changes in Non-current Assets for the Group (appendix to the notes).

(11) Tax receivables

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Tax receivables	13,139	11,322

(12) Own prepayments

Own prepayments 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:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Receivables from payment service providers	6,523	4,294
Receivables from associated companies	64	824
Other receivables	375	500
	6,963	5,618

(14) Short-term fixed deposits

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Cash at bank (maturities > 3 months)	9,525	4,588

(15) Cash and cash equivalents

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Cash at bank (maturities < 3 months) and in hand	68,774	97,261

(16) Group equity

Breakdown of the Group's equity:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Share capital	7,018	7,018
Capital reserves	7,366	7,366
Consolidated net profit for the period	54,904	74,927
	69,288	89,311

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 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 was 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 or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00.

(17) Non-current assets

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Provisions for employee benefits	49	47

In order to calculate the provisions for severance pay in accordance with IAS 19 by applying the projected unit credit method, an actuary's opinion was obtained, which is based on an actuarial interest rate of 1.85% (previous year: 1.69%) and an annual growth rate of 2.5%.

(18) to (22) Total current liabilities

Breakdown of current liabilities and provisions:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Trade payables	3,303	3,532
Liabilities from taxes	16,534	17,342
Short-term provisions	2,639	1,569
Customer payables	7,705	8,324
Other current liabilities	3,822	4,524
	34,003	35,291

Customer payables include pending bets (in accordance with IFRS 9) in the amount of EUR 474 thousand (previous year: EUR 848 thousand) and customer balances (in accordance with IFRS 15) in the amount of EUR 7,231 thousand (previous year: EUR 7,467 thousand).

Liabilities from taxes pertain to corporation tax payable in the amount of EUR 12,940 thousand (previous year: EUR 13,758 thousand), betting fees and gambling levies and VAT on electronic services in the amount of EUR 3,359 thousand (previous year: EUR 3,557 thousand) as well as other taxes in the amount of EUR 235 thousand (previous year: EUR 27 thousand).

Other current liabilities include the following items:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Liabilities to employees	1,857	1,941
Social liabilities	411	399
Other liabilities	1,554	2,184
	3,822	4,524

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

Movements in provisions during financial year 2018 (in EUR'000):

	Balance at 31/12/2017 before reclassification	Reclassification	Balance at 31/12/2017 after reclassification	Utilisation	Release	Addition	Balance at 31/12/2018
Taxes	13,758	13,758	0	0	0	0	0
Personnel provisions	1,659	1,659	0	0	0	0	0
Betting fees and gambling levies	3,557	3,557	0	0	0	0	0
Audit and advisory	277	0	277	256	20	252	252
Outstanding invoices	1,774	1,774	0	0	0	0	0
Provision affiliate program	1,271	0	1,271	0	0	177	1,447
Other	304	282	22	22	0	940	940
	22,600	21,030	1,569	278	20	1,369	2,639

With retrospective effect as at 31 December 2017, income tax provisions, current personnel provisions, provisions for betting fees, gambling levies and VAT on electronic services as well as provisions for outstanding invoices were reclassified to trade payables, liabilities from taxes and/or other liabilities. The customer accounts (previously other liabilities) and pending bets (previously prepayments and accrued income) were likewise moved to customers payables.

The effects of these reclassifications on the comparable period as at 31 December 2017 are as follows:

	31/12/2017 before reclassification	Reclassification Short-term provisions	Reclassification Customers payables	31/12/2017 after reclassification
	EUR'000	EUR'000	EUR'000	EUR'000
Income tax provisions	13,758,390	-13,758,390	0	0
Other provisions	8,841,215	-7,271,867	0	1,569,348
Trade payables	1,758,099	1,773,816	0	3,531,915
Liabilities from taxes	0	17,342,122	0	17,342,122
Customer payables	0	0	8,323,726	8,323,726
Other liabilities	10,084,879	1,914,319	-7,475,540	4,523,657
Deferred income	848,186	0	-848,186	0
Total		0	0	

Due to the high amount of cash and cash equivalents within bet-at-home.com AG Group, customers payables and all other liabilities were sufficiently covered in financial year 2018.

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 and in hand' item in the statement of financial position.

The interest income for loans issued to group companies was recognised in cash flow from investing activities. The other interest income was classified as cash flows from 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. In accordance with IFRS 9, pending bets are recognised as financial liabilities (derivatives). Apart from that, the Group does not deal in any derivative instruments and exclusively holds bank balances, cash and short-term time 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 2018, pending bets were recognised as financial liabilities in accordance with IFRS 9 (fair value measurement according to level 3) and stated in customer payables. 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 law and regulatory risks

In some European countries, betting and gaming providers remain 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 number of national laws or draft laws contain discriminatory regulations with respect to foreign providers intended to continue sealing off the market for national providers/monopolists.

The Management Board will continue to closely monitor future developments and strive to obtain online sport betting and gaming licenses in countries facilitating fair market access, in an effort to enhance legal certainty. However, there is the risk that individual countries could exclude customers from private foreign gaming offerings by imposing provider blocks and payment provider blocking measures, even though there are no legal grounds for such measures. This risk has only increased now that a number of new statutory provisions explicitly provide for such measures, in violation of EU law.

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 further implemented provider blocks and/or payment provider blocking measures so as to stamp down on betting and gaming products, in other words potential customers can no longer access the websites of bet-at-home.com AG Group in these countries and/or cash flows are impaired. 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.

- In Germany, bet-at-home.com Internet Ltd. successfully applied for one of the 20 sports betting licenses issued after the effective date of the Revised Interstate Gambling Treaty on 1 July 2012. The authorities informed the company as early as September 2014 that it will be issued with a license. In the meantime, the tendering procedure was stopped by the supreme court in response to an appeal filed by the losing bidders, meaning that it has been impossible until now to issue a license. The deregulation of the sports betting market in the form of an 'experimental clause' intended for this purpose in the existing treaty ends as soon as 1 July 2019 without any licenses having been issued. It appears probable that the Minister-Presidents will resolve to extend the experimental clause until the expiry of the Revised Interstate Gambling Treaty in mid-2021. Failure to do so would result in the risk of the sector reverting back to the sports betting online monopoly, which has been ruled to be illegal by the courts.

In the past financial year 2018, individual federal states were yet again unable to agree on a subsequent regulation of the existing Revised Interstate Gambling Treaty. Whilst an increasing number of federal states, led by Schleswig-Holstein, Hesse and North Rhine-Westphalia, are insisting on the deregulation of the online casino market, other federal states, led by Berlin and Hamburg, continue to insist on the continuation of the online casino ban.

The Federal State of Schleswig-Holstein went down a different route and issued licenses for sports betting and casino as early as 2012, including to bet-at-home.com Internet Ltd. These licenses expired in the summer and/or at the end of 2018 and could not be extended due to Schleswig-Holstein becoming a party to the Revised Interstate Gambling Treaty. The Group therefore resolved to discontinue the casino products in this federal state. It is possible to obtain a transitory license for sports bets until the effective date of a new government regulation. In the first quarter of 2019, bet-at-home.com Internet Ltd. will submit a corresponding application to retain a gambling license in Germany.

- At the end of February 2018, the Austrian Federal Ministry of Finance published a draft bill on the amendment of the Austrian gambling laws according to which online gaming providers without an Austrian license are to be blocked by internet service providers as from 1 October 2018. After massive intervention by the gaming sector, the draft bill was quickly withdrawn again and no new draft republished until the end of financial year 2018. The government plans to comprehensively revise the regulations for online sports betting and gaming. It therefore remains to be seen if a corresponding draft bill is going to be submitted for review during the course of 2019.
- On 1 April 2017, an amendment to the gambling laws of Poland 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 effect 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. Plans are to stop foreign providers from entering the Swiss market in the future. In accordance with this gambling law, the implementation regulations for blocking the IPs of non-licensed providers will come into effect on 1 July 2019.

The Group is reviewing the option of a cooperation with the location-based casinos to be able to maintain its offers beyond this period. As Switzerland is not a member of the European union nor part of the EFTA community of states, foreign companies cannot call on their national licenses.

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 plans to pay VAT for its casino income with retrospective effect as at 1 January 2017 and has recognised corresponding provisions. At the end of the reporting period, different legal opinions prevailed regarding the exact date on which the tax obligation was created as well as a potential obligation of bet-at-home.com Internet Ltd. regarding sports betting activities. The Group aims to find a mutually agreeable solution with the Swiss financial authorities in the first half of 2019.

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 financial year 2018:

- At the beginning of 2015, the Federal State of Berlin already issued an injunction against bet-at-home.com Entertainment Ltd. to refrain from advertising and offering casino products, which has now been approved by the Higher Administrative Court in Berlin-Brandenburg during summary proceedings. The affected companies appealed against this decision and the related penalties. A legally binding ruling is expected until mid-2019. The Group will continue to offer its casino products in Berlin in the meantime.
- 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 had previously agreed to suspend the immediate execution of the notice until the main ruling has been made by the Administrative Court. The penalty may therefore be imposed until the conclusion of the action before the first instance, which may take until the end of 2019.
- In June 2018, the Dutch gaming regulators issued fines in the total amount of EUR 410,000 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 ruling in the highest instance is not to be expected before the end of 2020.

In October 2017, the Federal Administrative Court in Leipzig decided that the ban on operating or brokering casino and poker games online complies with the Germany constitution and EU law, even after the partial deregulation of the 'online' sales channel. This decision was made during proceedings against another competitor. The Federal Administrative Court further emphasised the legality of an online sports betting ban if the provider does not hold the required license and also has not applied for one because the licensing requirement complies with the German constitution and EU law. Overall, the case law regarding the standardisation of German gambling law remains inconsistent. Final clarification by the Federal Constitutional Court and/or the European Court of Justice is still pending.

The Group strengthened the following activities at a national level in the past reporting period: In addition to its long-term membership with the European Gaming and Betting Association (EGBA) and its new membership with Deutscher Sportwettenverband (DSWV) [German Sports Betting Association] in 2015, bet-at-home.com became a founding member of Deutscher Online Casinoverband (DOCV) [German Online Casino Association] and Oesterreichische Vereinigung für Wetten und Glücksspiel (OVWG) [Austrian Association for Betting and Gaming]. All associations campaign for fair and legally sound regulations in the corresponding countries.

The risks of negative effects resulting from the regulatory environment and existing legal risks 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.

Risks relating to the continuing deregulation

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

The risk of negative developments within the scope of the continuing deregulation remains medium when compared with the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

The opening of the Dutch market to foreign providers was delayed further. It appears uncertain if the gambling law will be resolved during the course of 2019 as the senate continues to disagree on the specific contents of the law. From today's perspective, it appears unlikely that it will be possible to apply for a license in 2019. The draft bill generally conforms with EU law and the Group therefore aims to apply for national licenses.

In May 2018, the US Supreme Court resolved that the federal states will be able to freely regulate sports betting, both in shops and online. Following this decision, New Jersey, Delaware, Pennsylvania and Rhode Island opened the sports betting market to private providers as well. The Group continuously monitors regulatory developments and options for cooperations with national providers and, in particular, is interested in participating in the markets of the large federal states, such as New York and California.

Based on the rulings of the European Court of Justice, the Management Board assumes that the deregulation of the online sports betting and gaming market will progress in numerous EU member countries. However, a number of draft laws contain discriminatory regulations for foreign providers with a view to keeping the market sealed off to the benefit of national providers. The Management Board will closely monitor future developments and strive to obtain online sport betting and gaming licenses in countries facilitating fair market access, in an effort to enhance legal certainty.

Increase of the taxes on betting fees and gambling levies/introduction of new taxes

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.

Since the introduction of the respective taxes and levies, the tax and levy rates have neither been increased nor decreased. As a result, the risk is to be classed as unchanged year-on-year from today's perspective. Should such risk occur, the impact on the financial position, financial performance and cash flows would be high.

Customer compensation claims and/or reimbursement of gaming losses

bet-at-home.com has implemented numerous measures to encourage its customers to gamble responsibly and for many years has been cooperating with organisations such as the Institute for Gambling and Dependence [Institut für Glücksspiel und Abhängigkeit] in Salzburg, Austria. These measures are complemented by voluntary annual compliance checks by eCogra, the industry testing organisation.

Individual risks nevertheless exist, such as the possibility of customers who have incurred betting and/or gambling losses attempting, or continuing to attempt, to claim compensation for such losses from bet-at-home.com AG Group on the grounds of having been offered betting or gaming products that are banned under regulatory law. It is also conceivable that customers claim compensation for losses from the Group on the grounds of a gambling addiction, meaning that they were in an unfit condition to enter into a business transaction when concluding the bet and/or playing the game, or that gamer protection mechanisms (particularly blocks) were implemented not at all or too late to protect them.

Since October 2018, proceedings against an Austrian customer have been pending. He is claiming back EUR 627,000 in gaming losses before the court. The first hearing is scheduled for May 2019. The Group expects to have a good chance of success before the court, particularly as new studies can be provided that prove that the national gambling laws violate EU law.

The risk of customer compensation claims and/or claims for the reimbursement of gaming losses remains medium compared to the previous year. Should such risk occur, the impact on the financial position, financial performance and cash flows would be medium.

Risk of loss and/or revocation of licenses (compliance risk)

bet-at-home.com AG Group bases its products on Maltese licenses which entitle the bearer to non-discriminatory access to the markets in the EU member countries as well as licenses issued by individual member countries. If a member country were to revoke its national license, bet-at-home.com AG Group would possibly be able to continue providing its services under the Maltese license. However, if the Maltese license were to be revoked, the Group would either have to use an alternative license or lose access to markets in which it does not hold a license.

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 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 bet-at-home.com AG Group companies have always 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 for the minimisation of risks, were implemented so that the respective risks and impact on the financial position, financial performance and cash flows would be low.

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

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

Technical risks

The products and services offered by the Group depend on the reliable functioning of numerous technical systems. Any serious disruption of the IT systems, particularly through adverse external influences such as hacker attacks, DDos attacks, etc., could negatively affect the Group's financial position, financial performance and cash flows. Another steep rise in business volume will place increasing demands on the accounting and controlling systems of group companies.

To minimise the IT risks, personnel structures in the form of an IT Security Officer (CISO) and related IT Security Engineers were created in 2013. 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)
- 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 encryption
- Protecting the productive environment with IDS/IPS firewall systems
- Operating a centrally managed anti-virus software
- Annual penetration tests within the scope of system audits
- Monitoring log files using a SIEM (Security Information Event Management)
- 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.

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, 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.

Risks relating to sponsoring agreements

Sports sponsoring has always been crucial for the advertising strategy of bet-at-home.com AG Group. Sponsoring of national sports clubs increases the popularity of the bet-at-home.com brand. In addition, primarily persons with an interest in sports, who are the key target group for the products of bet-at-home.com AG Group, are made aware of the brand in this environment. Advertising materials can therefore be used particularly efficiently in the sports sponsoring sector, at least on the current cost level. The sponsoring of renowned sports clubs also results in their reputation and credibility having a positive effect on how the bet-at-home.com brand is perceived, also because sports events are highly regarded within society. Reputation and credibility are key success factors for bet-at-home.com AG Group.

Should bet-at-home.com AG Group be forced to reduce or discontinue its sponsoring activities in the future due to price increases in the sponsoring business or a revaluation of online betting and gaming products by the sponsoring partners or changes to the general legal conditions, this would reduce the popularity of the bet-at-home.com brand and could therefore have a negative impact on the revenue and income situation of bet-at-home.com AG Group. This 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.

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.

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 current low interest rate by 0.5 percentage points would amount to EUR 391 thousand (31 December 2017: EUR 509 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 2018, while transactions denominated in other currencies were of minor importance. The Group does not hedge its currency risk. A 10% appreciation (depreciation) in the Polish zloty would have decreased (increased) the profit for the period (and the balance of equity) by around EUR 367 thousand (31 December 2017: EUR 383 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. Provisions have been made for anticipated reversals due to credit card refunds. Default risk relating to bank balances must be considered minor as the lending institutions concerned are A-rated banks. Should such risk occur, the impact on the financial position, financial performance and cash flows would be low.

VI.3. RELATED PARTY TRANSACTIONS

Members of the Management Board of bet-at-home.com AG, Düsseldorf, during the financial year 2018:

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

In 2018, the members of the Management Board of the parent company received fixed compensation in the amount of EUR 795 thousand (previous year: EUR 795 thousand) and variable compensation in the form of a management bonus in the amount of EUR 1,055 thousand (previous year: EUR 996 thousand) from Group shareholders. One Group company also paid for one consulting service in the amount of EUR 280 thousand (previous year: EUR 280 thousand).

Cash inflow (in EUR)	Franz Ömer		Michael Quatember	
	CEO		CEO	
	2018	2017	2018	2017
Fixed compensation	470,000.00	470,000.00	325,000.00	325,000.00
Fringe benefits	280,000.00	280,000.00	0.00	0.00
Total	750,000.00	750,000.00	325,000.00	325,000.00
One-year variable compensation	452,231.42	425,960.00	452,231.42	425,960.00
Long-term management bonus	75,169.41	72,000.00	75,169.41	72,000.00
Variable third-party compensation	0.00	890,953.18	811,140.44	890,953.18
Multiple-year variable compensation	75,169.41	962,953.18	886,309.85	962,953.18
Total	527,400.84	1,388,913.18	1,338,541.28	1,388,913.18
Catering expenses	0.00	0.00	0.00	0.00
Total compensation	1,277,400.84	2,138,913.18	1,663,541.28	1,713,913.18

In 2018, the parent company furthermore assumed the costs of an accident insurance policy in the amount of EUR 1 thousand (previous year: EUR 1 thousand) for one of the members of the Management Board and carried the costs of the contributions due in accordance with the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG) in the amount of EUR 15 thousand (previous year: EUR 14 thousand).

Allocations granted (in EUR)	Franz Ömer					Michael Quatember				
	CEO					CEO				
	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)	2017	2018
Fixed compensation	470,000.00	470,000.00	470,000.00	470,000.00	325,000.00	325,000.00	325,000.00	325,000.00	325,000.00	325,000.00
Fringe benefits	280,000.00	280,000.00	280,000.00	280,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	750,000.00	750,000.00	750,000.00	750,000.00	325,000.00	325,000.00	325,000.00	325,000.00	325,000.00	325,000.00
One-year variable compensation	452,231.42	417,907.73	0.00	484,500.00	452,231.42	417,907.73	0.00	484,500.00	452,231.42	417,907.73
Long-term management bonus	75,169.41	79,796.86	0.00	85,500.00	75,169.41	79,796.86	0.00	85,500.00	75,169.41	79,796.86
Variable third-party compensation	0.00	0.00	0.00	0.00	811,140.44	64,413.39	0.00	n. a.	811,140.44	64,413.39
Multiple-year variable compensation	75,169.41	79,796.86	0.00	85,500.00	886,309.85	144,210.25	0.00	n. a.	886,309.85	144,210.25
Total	527,400.83	497,704.59	0.00	570,000.00	1,338,541.27	562,117.98	0.00	n. a.	1,338,541.27	562,117.98
Catering expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total compensation	1,277,400.83	1,247,704.59	750,000.00	1,320,000.00	1,663,541.27	887,117.98	325,000.00	n. a.	1,663,541.27	887,117.98

In 2016, Betclic Everest Group SAS, the majority shareholder of bet-at-home.com AG, approved variable compensation for the members of the Management Board for the first time. Betclic Everest Group SAS is the sole payee of this compensation, which therefore does not place any financial burden on bet-at-home.com AG or its subsidiaries. The accrual and amount of this variable compensation is based on the price of the shares of bet-at-home.com AG exceeding a certain level in 2016, 2017 and 2018 (basic allowance). An additional incentive for the members of the Management Board is to pay attention to the development of the share price. It is created by decreasing the percentage of compensation if the basic allowance is exceeded during the reporting period and that an agreed minimum dividend does not reduce the basic allowance. Contracts have been concluded to ensure that bet-at-home.com AG will not assume any liability in this respect, including for any taxes payable.

This form of variable compensation is paid as an additional incentive for an above-average presence in the capital market of the members of the Management Board and is therefore not paid for services provided directly for the company, which is why this compensation does not fall within the scope of application of IFRS 2.

Members of the Supervisory Board of bet-at-home.com AG, Düsseldorf, during the financial year 2018:

- Martin Arendts, MBL-HSG, Lawyer, Grünwald (Chairman)
- Jean-Laurent Nabet, Director, Paris, France
- Isabelle Andres, Director, Paris, France

In 2018, the Chairman of the Supervisory Board received fixed compensation of EUR 40 thousand (previous year: EUR 40 thousand). In 2018, Ms. Andres received fixed compensation of EUR 20 thousand. Ms. Andres had waived her entitlement to compensation in the previous year. Necessary expenses were also reimbursed. Mr. Nabet waived his entitlement to compensation in 2018 and the previous reporting period.

No material related-party transactions were concluded in financial year 2018.

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 312 (1) AktG were neither implemented nor omitted.

VI.4. OTHER COMMITMENTS AND CONTINGENT LIABILITIES

Other commitments

Future commitments in respect of rental and lease agreements for the next five years total EUR 4,682 thousand (previous year: EUR 4,600 thousand). Of this amount, EUR 936 thousand (previous year: EUR 920 thousand) fall due within one year. These are rent payments for office premises in Linz, Portomaso, Malta, and Düsseldorf. As the existing permanent lease of the premises in Linz, which accounts for the majority of these commitments, can be terminated by giving between three and nine months' notice at the end of a month (the respective notice periods depend on the size of the office space leased), the total commitment from the lease cannot be determined in greater detail due to the uncertainty of the contractual term.

VI.5. AUDITOR'S FEE

The auditor's fee totalled EUR 93 thousand in 2018 (previous year: EUR 96 thousand), which breaks down as follows:

	2018	2017
	EUR'000	EUR'000
Audit services	84	83
Tax advisory services	0	13
Other services	9	0
	93	96

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

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

VI.7. 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 2018 and preparation of the consolidated financial statements.

VI.8. APPROPRIATION OF NET PROFIT

Subject to the Supervisory Board's consent, the Management Board of the parent company will propose to the general meeting of shareholders in 2019 to pay a dividend of EUR 6.50 per share, totalling EUR 45,617,000.00, from net profit for the year as at 31 December 2018 and to carry EUR 1,386,241.46 forward to new account.

VI.9. 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 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, 28 February 2019

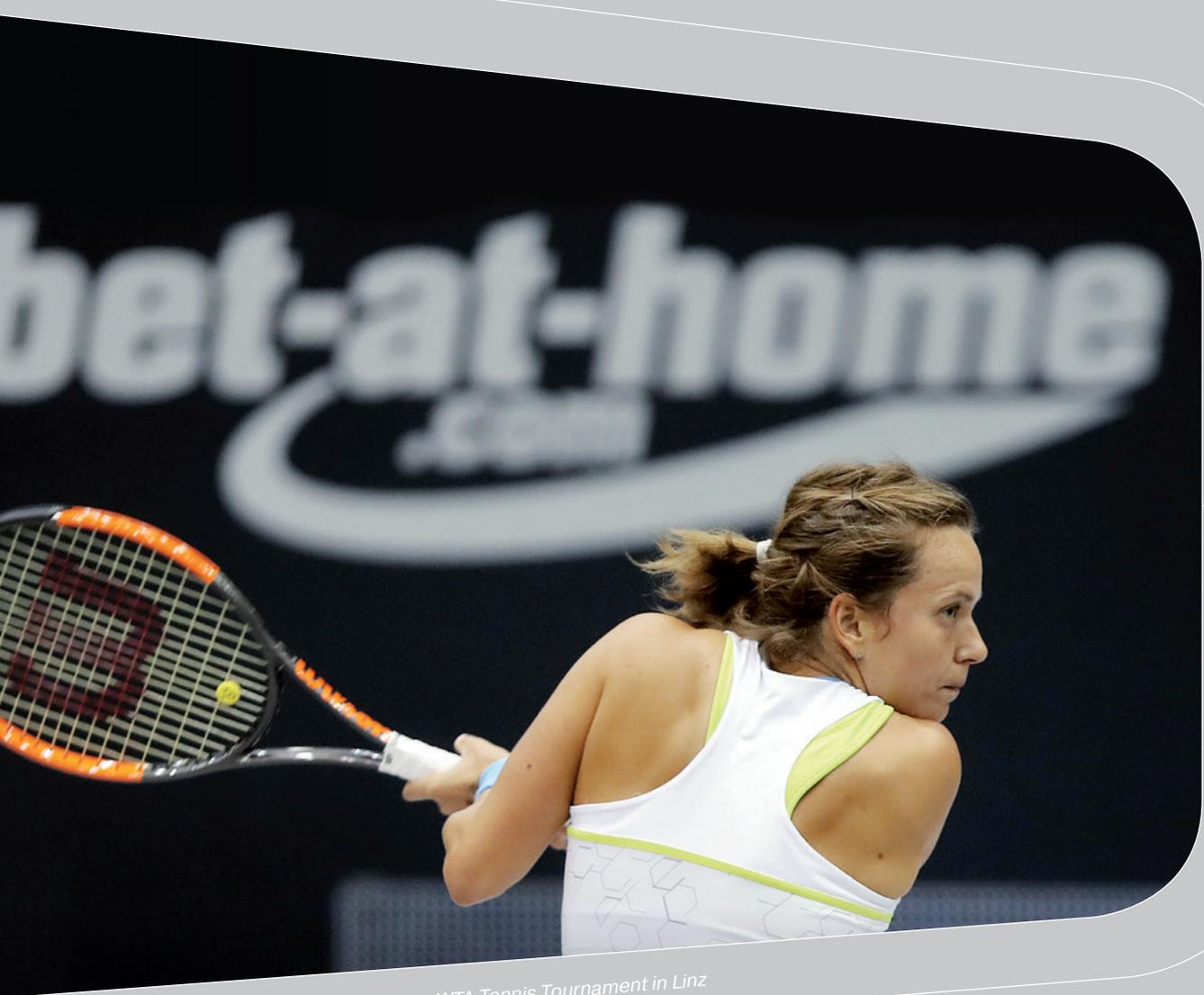
Franz Ömer

Michael Quatember

APPENDIX TO THE NOTES
CHANGES IN NON-CURRENT ASSETS FOR THE GROUP AS AT 31 DECEMBER 2018
bet-at-home.com AG, Düsseldorf

	At cost						Accumulated depreciation					
	Balance at 01/01/2018	Additions	Disposals	Reclassifications	Balance at 31/12/2018	Balance at 01/01/2018	Additions	Disposals	Balance at 31/12/2018	Carrying amount 31/12/2018	Carrying amount 31/12/2017	
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
I.	Intangible assets	4,422,277.05	56,203.70	799.00	79,030.00	4,556,711.75	2,421,317.74	177,377.97	798.89	2,597,896.82	1,958,814.93	2,000,959.31
	1. Software, Internet domains and similar rights and benefits and licenses derived therefrom	3,052,956.75	56,203.70	799.00	79,030.00	3,187,391.45	2,421,317.74	177,377.97	798.89	2,597,896.82	589,494.63	631,639.01
	2. 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
II.	Property and equipment	6,431,397.25	603,933.08	129,563.46	-79,030.00	6,826,736.87	4,396,332.45	1,096,646.55	113,133.44	5,379,845.56	1,446,891.31	2,035,064.80
	1. Furniture and fixtures, office equipment	6,306,397.25	138,348.08	113,133.46	495,125.00	6,826,736.87	4,396,332.45	1,096,646.55	113,133.44	5,379,845.56	1,446,891.31	1,910,064.80
	2. Construction in progress	125,000.00	465,585.00	16,430.00	-574,155.00	0.00	0.00	0.00	0.00	0.00	0.00	125,000.00
		10,853,674.30	660,136.78	130,362.46	0.00	11,383,448.62	6,817,650.19	1,274,024.52	113,932.33	7,977,742.38	3,405,706.24	4,036,024.11

	At cost						Accumulated depreciation					
	Balance at 01/01/2017	Additions	Disposals	Reclassifications	Balance at 31/12/2017	Balance at 01/01/2017	Additions	Disposals	Balance at 31/12/2017	Carrying amount 31/12/2017	Carrying amount 31/12/2016	
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
I.	Intangible assets	4,419,157.47	223,303.78	339,787.53	119,603.33	4,422,277.05	2,416,697.21	209,408.79	204,788.26	2,421,317.74	2,000,959.31	2,002,460.26
	1. Software, Internet domains and similar rights and benefits and licenses derived therefrom											
	2. 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
II.	Property and equipment	6,397,611.11	415,864.84	262,475.37	-119,603.33	6,431,397.25	3,518,366.80	1,131,422.03	253,456.38	4,396,332.45	2,035,064.80	2,879,244.31
	1. Furniture and fixtures, office equipment	5,564,277.78	282,593.13	262,475.32	722,001.66	6,306,397.25	3,518,366.80	1,131,422.03	253,456.38	4,396,332.45	1,910,064.80	2,045,910.98
	2. Construction in progress	833,333.33	133,271.71	0.05	-841,604.99	125,000.00	0.00	0.00	0.00	0.00	125,000.00	833,333.33
		10,816,768.58	639,168.62	602,262.90	0.00	10,853,674.30	5,935,064.01	1,340,830.82	458,244.64	6,817,650.19	4,036,024.11	4,881,704.57



WTA Tennis Tournament in Linz

SUMMARISED MANAGEMENT REPORT

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

SUMMARISED 2018 MANAGEMENT REPORT**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 gaming company. With more than 5.0 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 2018, sports bets were placed on more than 411,000 events in 83 types of sport. bet-at-home.com has companies in Germany, Austria, Malta and Gibraltar. The successful development of the company can be attributed to its 301 employees as at 31 December 2018.

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

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

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

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

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

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

A.2 RESEARCH AND DEVELOPMENT

One of the most important assets of the Group is its effective state-of-the-art software. We are continuously enhancing and developing this software. Sports betting and casino products for the mobile platform were continuously enhanced and optimised during the course of 2018. bet-at-home.com reached further international product development milestones with the launch of the new sports betting app in the second quarter of 2018 and a new eSports platform. The main factor in research and development are the IT employees.

B. BUSINESS REPORT

B.1 OVERALL ECONOMIC AND INDUSTRY SITUATION

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

The Management Board assumes that the overall gaming market will develop positively in the long term, with the online segment gaining further in importance. Particularly the penetration of the target group with mobile devices, mobile gaming as innovative sales channel as well as demographic trends and increasing online affinity will become supporting factors. This development will be supported by the high scalability of the business model and the expected progressive deregulation of the market.

B.2 BUSINESS TREND**(1) Highlights in 2018**

In 2018, bet-at-home.com AG Group once again showed its strength by generating new record gaming volumes and EBITDA in the history of the company. In financial year 2018, the gross betting and gaming revenue amounted to EUR 143.4 million, thus 1.4% down on the previous year (EUR 145.4 million). Investments in the brand's popularity remained high and as a result the EBITDA in 2018 increased by 2.1% to a record of EUR 36.2 million, thus around EUR 0.7 million up on the comparative figure of EUR 35.5 million in the previous year. Group-wide bundling of the procurement of marketing services at the group company in Gibraltar resulted in significant synergies also during the financial year 2018, which have influenced the Group's development positively.

Primarily in the second half of 2018, bet-at-home.com focussed more of its marketing activities on the Football World Cup in Russia by running international advertising campaigns to increase the popularity of the bet-at-home.com brand as well as its shares in the core markets. With view to the Football World Cup in Russia from 14 June to 15 July 2018, bet-at-home.com increased its investments in international advertising campaigns in the form of TV spots, posters and online media, as well as an extensive bonus offering as from May 2018.

Further permanent expansion in the area of live betting will strengthen the Group's market position further and ensure its continued positive development. 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 54% of the gross betting and gaming revenue was already generated through mobile devices at the end of financial year 2018.

(2) Staffing

During the 2018 financial year, the average number of staff (excluding the Board) employed by the Group rose to 304 (previous year: 302). As at the 2018 reporting date, the Group employed 301 staff (previous year: 311). 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.com brand, during financial year 2018. This can be measured, in particular, by the number of registered customers increasing to more than 5.0 million (previous year: 4.8 million) in 2018.

B.3.1 Earnings position

In 2018, the gross betting revenue (betting volume less paid out winnings) amounted to EUR 60.5 million, down on the previous year's figure of EUR 64.6 million.

Primarily due to the significant increase of gaming volume, the gross gaming revenue (gaming volume less paid out winnings) increased year-on-year to EUR 82.8 million (previous year: EUR 80.8 million). Online gaming comprises the products casino, poker, games and virtual sports.

In 2018, the total gross betting and gaming revenue therefore amounted to EUR 143.4 million (previous year: EUR 145.4 million), slightly short of the 2018 forecast and the comparable figures in 2017. The gross betting and gaming revenue is a crucial financial performance indicator for the Group.

Taking into consideration betting taxes and gambling levies and the tax payable due to the VAT regulations for electronic service providers in the European Union, net betting and gaming revenue in 2018 amounted to EUR 115.1 million (previous year: EUR 117.8 million).

During the financial year 2018, the Group's earnings position was as follows:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Gross betting and gaming revenue	143,351	145,398
Total operating income	116,199	118,676
EBT (Earnings Before Taxes) *)	34,995	35,651
EBIT (Earnings Before Interest and Taxes) **)	34,946	34,133
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) ***)	36,220	35,474

*) 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

The previous year's income guidance of EUR 36 million to EUR 40 million was therefore met.

The betting fees or taxes and gambling levies payable in various countries decreased earnings by EUR 20,953 thousand during the financial year 2018 (previous year: EUR 18,807 thousand). In addition, VAT regulations for electronic service providers in the European Union also decreased earnings by EUR 7,273 thousand (previous year: EUR 8,828 thousand).

In 2018, advertising expenses decreased to EUR 38,327 thousand (previous year: EUR 41,958 thousand). With almost identical staff numbers, personnel expenses increased by EUR 654 thousand, from EUR 18.071 thousand in financial year 2017 to EUR 18.725 thousand in financial year 2018, primarily due to salary increases.

B.3.2 Financial situation

As at 31 December 2018, the financial situation was as follows:

	31/12/2018	31/12/2017
	EUR'000	EUR'000
Comprehensive income	34,995	35,651
Cash flows from operating activities	24,809	30,840
+ Cash flows from investing activities	-660	28,955
+ Cash flows from financing activities	-52,635	-52,635
= Net increase (decrease) in cash from operating, investing and financing activities	-28,487	7,160
= Cash and cash equivalents at the end of the period	68,774	97,261

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

Cash and cash equivalents of EUR 68,774 thousand boost the Group's excellent financial position as at 31/12/2018 in view of liabilities amounting to EUR 31,363 thousand and provisions to EUR 2,688 thousand. The Group was therefore able to meet its financial liabilities at all times.

B.3.3 Net assets

As at 31 December 2018, net assets were as follows:

Assets	31/12/2018	31/12/2017
	EUR'000	EUR'000
Non-current assets	3,406	4,036
Current assets		
Receivables from associated companies	13,139	11,322
Prepayments and accrued income	1,533	1,823
Other receivables and assets	6,963	5,618
Short-term deposits	9,525	4,588
Cash and cash equivalents	68,774	97,261
	103,339	124,648

The absolute decrease in cash and cash equivalents resulted from the distribution of a dividend in May 2018 in the amount of EUR 52,635 thousand, corresponding to EUR 7.50 per share (previous year: EUR 7.50).

Equity and liabilities	31/12/2018	31/12/2017
	EUR'000	EUR'000
Group equity	69,288	89,311
Non-current liabilities (provisions)	49	47
Current liabilities (payables and provisions)	34,003	35,290
	103,339	124,648

As at 31 December 2018, the equity ratio was 67.0% (previous year: 71.7%).

Current liabilities include trade payables in the amount of EUR 1,083 thousand (previous year: EUR 1,758 thousand), liabilities from taxes in the amount of EUR 16,534 thousand (previous year: EUR 17,342 thousand), current provisions in the amount of EUR 2,639 thousand (previous year: EUR 1,569 thousand), customer payables (contractual liabilities in accordance with IFRS 15) in the amount of EUR 7,705 thousand (previous year: EUR 8,324 thousand) and other liabilities in the amount of EUR 6,042 thousand (previous year: EUR 6,297 thousand).

Financing measures were not required during the financial year 2018.

B.3.4 Overall evaluation of the Group's situation

The Group's economic position was very positive overall in 2018.

C. EVENTS AFTER THE REPORTING DATE

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

D. OUTLOOK, OPPORTUNITY AND RISK REPORT**D.1 OUTLOOK**

The bet-at-home.com 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 share.

Based on the assumptions and premises presented in Section B.1 above, the Management Board expects the following development in 2019:

From the current perspective and assuming that the regulatory and tax situation will remain unchanged in financial year 2019, the Management Board expects gross betting and gaming revenue of EUR 130 million to EUR 143 million, with this year-on-year decrease being primarily due to the legal uncertainties in Switzerland.

The Management Board expects EBITDA to amount to EUR 29 million to EUR 33 million in financial year 2019.

The maximum number of employees in the Group should increase to around 320 persons by 31 December 2019.

The management is currently evaluating the effects of the exit of the United Kingdom from the European union (Brexit), which is expected at the end of March 2019. As the Group holds a license in the United Kingdom and operates through this license, no material effects on the financial position, financial performance and cash flows are expected at present.

D.2 OPPORTUNITY REPORT

The bet-at-home.com brand is continuously enhanced in the international market in a cost-effective way through innovative marketing strategies. In accordance with regulatory developments in the respective countries, we are working intensively in all submarkets towards increasing our market.

The development of the global online gaming market shows that the European market (EU 28) has made the largest contribution to growth in the past 10 years worldwide and is expected to continue generating annual growth rates of around 7.1%. This is confirmed by various studies by H2 Gambling Capital, also in 2018. According to recent studies, this trend will continue in the wake of broad-based acceptance of e-commerce and the global penetration of mobile applications and demographic trends and help the gambling sector – which does not depend on the state of the economy – on its way to further sustained growth in the years to come.

D.3 RISK REPORT

The Notes to Consolidated Financial Statements for the Period Ended 31/12/2018 contain detailed disclosures on the development of tax and regulatory risks, the risks from operating activities and financial risks (Section 'VI.2. Risk report') to which explicit reference is made.

D.3.1 Risk management system

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

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

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

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

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

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

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

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

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

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

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

	2018	2017	Change	
	EUR'000	EUR'000	EUR'000	%
Revenue	881	780	101	12.9
Other operating income	20	32	-12	-37.3
Ordinary operating income	901	812	89	11.0
Personnel expenses	2,031	1,982	49	2.5
Administrative expenses	1,171	1,080	91	8.5
	3,203	3,062	141	4.6
Operating income	-2,302	-2,250	-52	2.3
Income from investments	46,094	55,106	-9,012	-16.4
Interest received	219	654	-436	-66.6
Interest paid	9	97	-89	-90.8
Net finance income	46,304	55,663	-9,359	-16.8
Earnings before taxes	44,002	53,413	-9,411	-17.6
Income taxes	160	525	-365	-69.6
Net income for the year	43,843	52,888	-9,045	-17.1

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

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

Tax expenses exclusively refer to income taxes.

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

	31/12/2018		31/12/2017		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Non-current assets						
Financial investments	3,771	6.0	3,771	5.2	0	0.0
Current assets						
Other assets, including accruals and deferred income	1,220	2.0	141	0.2	1,079	765.3
Receivables from associated companies	46,272	74.1	55,969	76.6	-9,697	-17.3
Cash and cash equivalents	11,193	17.9	13,168	18.0	-1,975	> 100
	58,685	94.0	69,278	94.8	-10,593	-15.3
	62,456	100.0	73,049	100.0	-10,593	-14.5

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

Receivables from affiliated companies in the amount of EUR 46,207 thousand contain the dividend of bet-at-home.com Entertainment GmbH, Linz, Austria, for 2018 in the amount of EUR 45,617 thousand.

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

	31/12/2018		31/12/2017		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Equity	61,387	98.3	70,179	96.1	-8,792	-12.5
Current liabilities and provisions						
Suppliers	0	0.0	28	0.0	-28	0.0
Provisions	910	1.5	1,987	2.7	-1,077	-54.2
Other current liabilities	159	0.3	855	1.2	-696	-81.4
	62,456	100.0	73,049	100.0	-10,593	-14.5

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
- Fringe benefits

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

a) **Non-performance-based components**

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

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

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

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

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

For a detailed description of the performance-related and non-performance-related 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) **Fringe benefits**

One Group company also paid for one consulting service in the amount of EUR 280 thousand.

In 2018, 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 the gross salary. No other fringe benefits, particularly company cars, were granted.

Third-party benefits for members of the Management Board

In 2016, Betclic Everest Group SAS, the majority shareholder of bet-at-home.com AG, approved variable compensation for the members of the Management Board for the first time. Betclic Everest Group SAS is the sole payee of this compensation, which therefore does not place any financial burden on bet-at-home.com AG or its subsidiaries. The accrual and amount of this variable compensation is based on the price of the shares of bet-at-home.com AG exceeding a certain level in 2016, 2017 and 2018 (basic allowance). An additional incentive for the members of the Management Board is to pay attention to the development of the share price. It is created by decreasing the percentage of compensation if the basic allowance is exceeded during the reporting period and that an agreed minimum dividend does not reduce the basic allowance. Contracts have been concluded to ensure that bet-at-home.com AG will not assume any liability in this respect, including for any taxes payable.

Benefits and allocations granted in 2018

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 17/05/2017, each member of the Supervisory Board receives, beginning from 01/01/2017, 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 INFORMATION REGARDING THE RIGHT TO TAKE OVER
(SECTION 315 A (1) HGB)**

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

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

The general meeting of shareholders on 18 May 2016 resolved to authorise the Management Board of the parent company, with the Supervisory Board's consent, to increase the Company's share capital by 17 May 2021 by issuing up to 3,509,000 new non-par value bearer shares for cash or non-cash contributions, once or several times, up to an amount of EUR 3,509,000.00. The shareholders shall be invited to purchase new shares. However, the Management Board is authorised, upon approval by the Supervisory Board, to exclude the shareholders' subscription right in certain cases.

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

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

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

J. NON-FINANCIAL PERFORMANCE INDICATORS

The business success of bet-at-home.com 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.com, these aspects are key components of a forward-looking positioning in the international competitive environment.

As at 31 December 2018, the Group had a total of 5,046,358 (31 December 2017: 4,828,694) registered users. In financial year 2018, bet-at-home.com received 217,664 (2017: 229,433) new registrations.

The continues increase in staffing numbers in the IT department is the result of the consistent further development of the internally developed software. The high standards of functioning software based on state-of-the-art technology and internally developed innovations are among the key assets within the Group. With regard to software development, the work performed by each employee is individually assessed and recorded by project teams to be able to sustainably plan and evaluate the IT project hours. In financial year 2018, around 220,000 project hours were spent on IT development (previous year: 218,000).

K. RESPONSIBILITY STATEMENT

We assure that to the best of our knowledge the Group management report provides a true and fair view of business developments, including the results of operations and situation of the Group, and that it describes the material opportunities and risks of future developments within the Group.

Düsseldorf, 28 February 2019

Franz Ömer

Michael Quatember



FC Schalke 04

INDEPENDENT AUDITOR'S REPORT

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------

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, 2018, 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, 2018 to December 31, 2018, 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, 2018 to December 31, 2018. 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, 2018, and of its financial performance for the financial year from January 1, 2018 to December 31, 2018, 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 items listed in the chapter "Other Information" of this report.

Pursuant to § 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the 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 [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, 2018 to December 31, 2018. 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 further information

Regulatory risks with regard to the business of the Group

Matter and issue

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

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

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

Audit approach and findings

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

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

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

Reference to further information

A detailed description of the regulatory situation in the area of online sports betting and online gaming as well as of the current developments is included in the notes to the consolidated financial statements in section VI.2. 1.

Other Information

Management is responsible for the Other Information. The Other Information comprises the following items as included in the combined management report:

- Responsibility Statement with regard to the consolidated financial statements (§ 297 para. 2 sentence 4 HGB) and with regard to the combined management report (§ 315 para. 1 sentence 5 HGB)
- the remaining parts of the Annual Report, with the exception of the consolidated financial statements, the combined management report and our audit opinion.

Our audit opinions with regard to the consolidated financial statements and the combined management report do not extend to include the Other Information and we thus do not express an opinion or any other form of assurance thereon.

In connection with our audit, our responsibility is to read the Other Information, and, 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.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on May 22, 2018. We were engaged by the supervisory board on December 18, 2018. We have been the group auditor of bet-at-home.com AG without interruption since the financial year 2006.

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

Auditor responsible for the Engagement

The auditor responsible for the engagement is Thomas Pannenbäcker.

Duisburg, February 28, 2019

PKF FASSELT SCHLAGE
Partnerschaft mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Rechtsanwälte

Th. Pannenbäcker
German Qualified Auditor

Dr. Harrison
German Qualified Auditor

Company Profile	Report by the Management Board	Report by the Supervisory Board	bet-at-home.com Share	Consolidated Statement of Financial Position	Consolidated Statement of Income	Consolidated Statement of Cash Flows	Statement of Changes in Group Equity	Notes to the Consolidated Financial Statements	Management Report	Independent Auditor's Report
-----------------	--------------------------------	---------------------------------	-----------------------	--	----------------------------------	--------------------------------------	--------------------------------------	--	-------------------	------------------------------



Luge World Cup in Winterberg

SPORT - CASINO - VEGAS - VIRTUAL - POKER

bet-at-home.com AG

Tersteegenstrasse 30, 40474 Dusseldorf, GERMANY

Phone: +49-211-179 34 770

Fax: +49-211-179 34 757

E-Mail: ir@bet-at-home.com