

# MailUp Nordics A/S

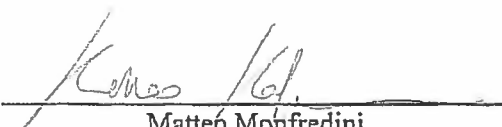
CVR-no. 21 06 12 71

Emdrupvej 28 A, 3. sal  
2100 København Ø

## Annual Report 2016

(Financial year 1 January 2016 - 31 December 2016)

The Annual Report is presented and  
adopted at the Annual General Meeting of  
shareholders on the 11 April 2017



Matteo Monfredini  
*Chairman of the meeting*

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## Management's Statement

The Supervisory Board and the Executive Board have today considered and approved the Annual Report of 1 January 2016 - 31 December 2016 for MailUp Nordics A/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2016.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

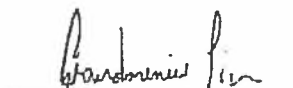
Copenhagen, 11 April 2017

Executive Board:

  
Matteo Monfredini

Board of Directors:

  
Nazzareno Gorni

  
Giandomenico Sica

  
Matteo Monfredini

# **Independent Auditor's Reports**

*To the Shareholders of MailUp Nordics A/S*

## **Report on financial statements**

### **Opinion**

We have audited the Financial Statements of MailUp Nordics A/S for the financial year 1 January 2016 - 31 December 2016, which comprise the income statement, balance sheet, notes and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the operations for the financial year 1 January 2016 - 31 December 2016, in accordance with the Danish Financial Statements Act.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Independent Auditor's Reports (-continued)**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, 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 opinion. 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. 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 Company to cease to continue as a going concern.

## **Independent Auditor's Reports (-continued)**

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management's Review.

## **Independent Auditor's Reports (-continued)**

Copenhagen, 11 April 2017

**BDO,**

**statsautoriseret revisionsaktieselskab**

**CVR. no.: 20 22 26 70**

*Brian Halling*

Brian Olsen Halling

State Authorized Public Accountant

## Company details

<b>Company details</b>	MailUp Nordics A/S Emdrupvej 28 A, 3. sal 2100 København Ø
	Website: <a href="http://www.mailup.com">www.mailup.com</a>
	CVR no.: 21 06 12 71
	Founded: 25 May 1998
	Registered office: Copenhagen
	Financial year: 1 January - 31 December
<b>Executive Board</b>	Matteo Monfredini
<b>Supervisory Board</b>	Nazzareno Gorni Giandomenico Sica Matteo Monfredini
<b>Auditor</b>	BDO, Statsautoriseret Revisionsaktieselskab Havneholmen 29 1561 København K



## **Management's Review**

### **Primary activities of the Company**

The companies activity is to own shares in subsidiaries.

### **Development in activities and financial affairs**

The company's income statement for the year 2016 shows a loss for the year of DKK 40.017, and balance sheet at 31 December 2016 shows a equity of DKK 7.629.155

Loss for the year is considered unsatisfactory.

### **Significant events occurred after the end of the financial year**

No events materially affecting the financial position of the company have occurred after the end of the financial year.

## Income statement 1 January - 31 December

DKK	Notes	2016	2015
<b>Gross profit (loss)</b>		<b>-54.350</b>	<b>-22.029</b>
Staff costs	1	0	-41.369
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		0	-167
Other operating expenses		0	-2.451
<b>Operating profit</b>		<b>-54.350</b>	<b>-66.016</b>
Income from investments in group enterprises		0	0
Other finance income from group enterprises		14.333	0
Financial income		0	4.816.019
Financial expenses	2	0	-36.802
<b>Profit before tax</b>		<b>-40.017</b>	<b>4.713.201</b>
Tax expense	3	0	610.000
<b>Loss for the year</b>		<b>-40.017</b>	<b>5.323.201</b>
<b>Proposed distribution of results</b>			
Retained earnings		-40.017	5.323.201
Proposed dividend recognised in equity		0	0
<b>Total distribution</b>		<b>-40.017</b>	<b>5.323.201</b>

## Balance sheet at 31 December

### Assets

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
Fixtures, fittings, tools and equipment		0	0
<b>Property, plant and equipment</b>		<b>0</b>	<b>0</b>
Long-term investments in group enterprises		5.208.153	5.208.153
Long-term receivables from group enterprises	4	1.514.333	0
<b>Financial fixed assets</b>		<b>6.722.486</b>	<b>5.208.153</b>
<b>Fixed assets</b>		<b>6.722.486</b>	<b>5.208.153</b>
Deferred tax assets		610.000	610.000
<b>Receivables</b>		<b>610.000</b>	<b>610.000</b>
<b>Cash and cash equivalents</b>		<b>328.937</b>	<b>1.876.819</b>
<b>Current assets</b>		<b>938.937</b>	<b>2.486.819</b>
<b>Assets</b>		<b>7.661.423</b>	<b>7.694.972</b>

## Balance sheet at 31 December

### Equity and liabilities

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
Share capital		500.000	500.000
Retained earnings		7.129.155	7.169.172
<b>Equity</b>	<b>5</b>	<b><u>7.629.155</u></b>	<b><u>7.669.172</u></b>
Trade payables		32.268	25.800
<b>Short-term liabilities other than provisions</b>		<b><u>32.268</u></b>	<b><u>25.800</u></b>
<b>Liabilities other than provisions</b>		<b><u>32.268</u></b>	<b><u>25.800</u></b>
<b>Equity and liabilities</b>		<b><u>7.661.423</u></b>	<b><u>7.694.972</u></b>
Uncertainty connected with recognition or measurement	6		
Contingent liabilities	7		
Consolidated accounts	8		

## Notes

	<u>2016</u>	<u>2015</u>
<b>1 Staff costs</b>		
Wages and salaries	0	39.516
Social security contributions	0	1.853
	<u>0</u>	<u>41.369</u>
Average number of full time employees	<u>0</u>	<u>1</u>
<b>2 Financial expenses</b>		
Finance expenses arising from group enterprises	0	2.811
Other financial expenses	0	33.991
	<u>0</u>	<u>36.802</u>
<b>3 Tax expense</b>		
Tax expense on ordinary activities	0	0
Adjustment of deferred tax	0	-610.000
	<u>0</u>	<u>-610.000</u>
<b>4 Long-term receivables from group enterprises</b>		
Receivables from group enterprises are not expected repaid within a year.		

## Notes

	<u>2016</u>	<u>2015</u>
<b>5 Equity</b>		
Share capital at 1 January	500.000	500.000
Share capital at 31 December	<u>500.000</u>	<u>500.000</u>
Retained earnings at 1 January	7.169.172	-3.932.824
Grant from parent company	0	5.778.795
Proposed distribution of results this year	<u>-40.017</u>	<u>5.323.201</u>
Retained earnings at 31 December	<u>7.129.155</u>	<u>7.169.172</u>
Proposed dividend recognised in equity at 1 January	0	0
Dividend paid	0	0
Proposed distribution of results	<u>0</u>	<u>0</u>
Proposed dividend recognised in equity at 31 December	<u>0</u>	<u>0</u>
<b>Equity 31 December</b>	<u><b>7.629.155</b></u>	<u><b>7.669.172</b></u>

## Notes

### **6 Uncertainty connected with recognition or measurement**

Management has performed an impairment test of the investment in group enterprises per group policy. The impairment test has confirmed that there is no need to make a write down of the investment in group enterprises. The impairment test is based on an expected loss in 2017, break even in 2018 and expected profits from 2019 going forward. The expected future profits is also the basis for the recognised deferred tax assets.

### **7 Contingent liabilities**

The company is joint taxed with the other Danish companies in the MailUp group. The company is as administration company jointly liable with the other Danish companies in the joint taxation Danish corporation taxes and taxes on dividends, interest and royalties.

### **8 Consolidated accounts**

The consolidated financial statements, which comprise the smallest and largest group, can be obtained from:

MailUp S.p.A.  
via Comizi Agrari 10  
26100 Cremona  
Italy

<http://www.mailup.com/investors/documents/>

## **Accounting policies**

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

### **General**

#### **Reporting currency**

The Annual Report is presented in Danish Kroner (DKK).

#### **Currency retranslation**

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.



## **Accounting policies**

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

### **Consolidated financial statements**

In accordance with the exemption in the section 112 of the Danish Financial Statements Act no consolidated financial statements have been prepared.

### **Income statement**

#### **Gross profit**

With reference to section 32 of the Danish Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

#### **Other external expenses**

Other external expenses include expenses related to administration ei.

#### **Staff costs**

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

#### **Other operating income and expenses**

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

#### **Dividends from group enterprises**

Received dividends in the financial year from group enterprises are recognized in the income statement.

#### **Financial items**

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

## Accounting policies

### Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

### Balance sheet

#### Property, plant and equipment

Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Fixtures, fittings, tools and equipment	3-5 years	0-20%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

#### Impairment of equipment

The carrying amount of equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

## **Accounting policies**

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

### **Financial fixed assets**

#### *Investments in group enterprises*

Investments in group enterprises are recognized at historic cost less accumulated impairment losses. If the historic cost exceeds the recoverable amount the investment is written down to

### **Inventories**

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale, raw materials and consumables comprises purchase price plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, direct labor and direct production costs.

The net realisable value of inventories is determined taking into account marketability, obsolescence and development in expected sales price less completion costs and costs incurred to effectuate the sale.

### **Receivables**

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

### **Cash and bank balances**

Cash comprises cash balances and bank balances.

### **Dividends**

Dividends expected to be paid in respect of the year are stated as a separate line item under liabilities.

### **Current tax and current deferred tax**

The company is as an parent company liable for all outstanding taxes in the joint taxation.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

## **Accounting policies**

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deffered tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

### **Liabilities**

Other liabilities are measured at amortized cost, corresponding to the nominal value.