

Indkøb DK A/S
Bredgade 65 A, 1.
1260 København K
Central Business Registration No
24219690

Annual report 2018

The annual general meeting adopted report on 25.06.2019

Chariman of the general meeting

Name: Niels Torben Munck

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Entity details

Entity

Indkøb DK A/S
Bredgade 65 A, 1.
1260 København K

Central Business Registration No: 24219690

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Michael Vinther, Chairman
Niels Torben Munck
Amer Ramzan

Executive Board

Niels Torben Munck

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Indkøb DK A/S for the financial year 01.01.2018 - 31.12.2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 25.06.2019

Executive Board

Niels Torben Munck

Board of Directors

Michael Vinther
Chairman

Niels Torben Munck

Amer Ramzan

Independent auditor's report

To the shareholders of Indkøb DK A/S

Opinion

We have audited the financial statements of Indkøb DK A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Material uncertainty related to going concern

We draw your attention to note 1 in the financial statements stating that the Company and its main suppliers are negotiating instalment agreements for the settlement of trade payables. The Company's ability to continue as a going concern depends on the conclusion of satisfactory instalment agreements. At the presentation of the financial statements, Management has taken for granted that satisfactory instalment agreements can be concluded and, consequently, has presented the financial statements on the assumption that the Company is a going concern. As stated in note 1 to the financial statements, a material uncertainty is indicated which may raise considerable doubts about the Company's ability to continue as a going concern. We have not modified our opinion in this respect.

Emphasis of matter regarding circumstances in the financial statements

We draw your attention to note 2 in the financial statements stating that the repayment of the Company's receivables from group enterprises depends on distributions being made by the Company in order for the group enterprises to reduce the receivables. Due to the uncertainty inherent in the Company's ability to continue as a going concern and thus, the possibilities of settling the receivables through distributions, material uncertainty is related to the valuation of the receivables. We have not modified our opinion in this respect.

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.

Independent auditor's report

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

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 judgement and maintain professional scepticism 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 25.06.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Keld Juel Danielsen
State Authorised Public Accountant
Identification number (MNE) mne26741

Management commentary

Primary activities

Indkøb DK A/S is a market leading company offering easy procurement services to small and medium sized companies in Denmark.

The company's strategy is to transform the existing business into an online purchasing service offering pre-negotiated supplier agreements within non-strategic products and services for the Danish market.

Development in activities and finances

The results for the year are unsatisfactory, but positive by DKK 670 thousand. The reason for the disappointing performance is mainly heavy selling costs in connection with the start-up and development of a new brand.

Significantly improved results are expected in 2019 and the years ahead through a reduced cost level.

Management has decided to stop re-invoicing. The re-invoicing has provided a great deal of working capital, for which reason the cash flow is under high pressure upon termination. A dialogue about an instalment agreement is taking place between the Company and its main suppliers.

The Company's ability to continue as a going concern depends on the conclusion of these agreements with the main suppliers, and it is expected that satisfactory agreements can be concluded as the Company has had profitable operations, positive cash flows from operations, and that its budgets for the coming years also show profitable operations and positive cash flows, which can help the settlement of trade payables.

Uncertainty relating to recognition and measurement

The repayment of the Company's receivables from group enterprises amounting to DKK 26.2 million at 31 December 2018 depends on distributions being made by the Company in order for the group enterprises to reduce the receivables. Due to the uncertainty inherent in the Company's ability to continue as a going concern and thus, the possibilities of settling the receivables through distributions, material uncertainty is related to the valuation of the receivables. Management expects that the receivables will be settled at the value recognised in the financial statements, but that a longer settlement period must be expected.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Revenue		134.915.577	82.869.175
Cost of sales		(125.114.740)	(72.375.356)
Other external expenses		(5.728.682)	(4.663.745)
Gross profit/loss		4.072.155	5.830.074
Staff costs	3	(1.622.243)	(1.093.854)
Depreciation, amortisation and impairment losses		(1.748.825)	(2.035.452)
Operating profit/loss		701.087	2.700.768
Other financial income	4	967.680	669.003
Other financial expenses	5	(806.560)	(406.048)
Profit/loss before tax		862.207	2.963.723
Tax on profit/loss for the year	6	(192.171)	(654.621)
Profit/loss for the year		670.036	2.309.102
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		0	2.000.000
Retained earnings		670.036	309.102
		670.036	2.309.102

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Acquired trademarks		1.461.123	3.004.596
Development projects in progress		219.198	315.149
Intangible assets	7	<u>1.680.321</u>	<u>3.319.745</u>
Other fixtures and fittings, tools and equipment		11.661	20.712
Property, plant and equipment	8	<u>11.661</u>	<u>20.712</u>
Other receivables		690.368	100.524
Deferred tax		195.605	86.239
Fixed asset investments		<u>885.973</u>	<u>186.763</u>
Fixed assets		<u>2.577.955</u>	<u>3.527.220</u>
Trade receivables		1.911.321	1.465.243
Receivables from group enterprises	9	26.172.828	19.947.014
Other receivables		629.278	526.127
Prepayments		1.609.797	272.502
Receivables		<u>30.323.224</u>	<u>22.210.886</u>
Cash		<u>634.070</u>	<u>12.479.673</u>
Current assets		<u>30.957.294</u>	<u>34.690.559</u>
Assets		<u>33.535.249</u>	<u>38.217.779</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital	10	666.667	666.667
Reserve for development expenditure		562.085	562.085
Retained earnings		10.718.036	10.048.000
Proposed dividend		0	2.000.000
Equity		<u>11.946.788</u>	<u>13.276.752</u>
Trade payables		16.546.040	19.063.445
Joint taxation contribution payable		301.537	788.769
Other payables		4.740.884	5.088.813
Current liabilities other than provisions		<u>21.588.461</u>	<u>24.941.027</u>
Liabilities other than provisions		<u>21.588.461</u>	<u>24.941.027</u>
Equity and liabilities		<u>33.535.249</u>	<u>38.217.779</u>
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Contingent assets	11		
Contingent liabilities	12		
Mortgages and securities	13		

Statement of changes in equity for 2018

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed dividend DKK
Equity beginning of year	666.667	562.085	10.048.000	2.000.000
Ordinary dividend paid	0	0	0	(2.000.000)
Profit/loss for the year	0	0	670.036	0
Equity end of year	666.667	562.085	10.718.036	0
				Total DKK
Equity beginning of year				13.276.752
Ordinary dividend paid				(2.000.000)
Profit/loss for the year				670.036
Equity end of year				11.946.788

Contributed capital is divided into 666.667 shares with the amount of 1 kr.
The capital is not divided into classes.

Notes

1. Going concern

As mentioned in the management commentary, the Company has decided to stop the re-invoicing, which has led to an increase in the cash needs in connection with the settlement of the debt to the Company's main suppliers related to the re-invoicing. Consequently, the Company is negotiating instalment agreements with the main suppliers on the settlement of trade payables related to the re-invoicing made. Material uncertainty is related to the outcome of the negotiations and the Company's ability to continue as a going concern depends on the conclusion of satisfactory instalment agreements. Management expects that satisfactory instalment agreements can be concluded and, consequently, has presented the financial statements on the assumption that the Company is a going concern.

2. Uncertainty relating to recognition and measurement

As mentioned in the management commentary and note 9 to the financial statements, the repayment of the Company's receivables from group enterprises depends on distributions being made by the Company in order for the group enterprises to reduce the receivables. Due to the uncertainty inherent in the Company's ability to continue as a going concern and thus, the possibilities of settling the receivables through distributions, material uncertainty is related to the valuation of the receivables. Management expects that the receivables will be settled at the value recognised in the financial statements, but that a longer settlement period must be expected.

	2018	2017
	DKK	DKK
3. Staff costs		
Wages and salaries	1.460.421	984.908
Pension costs	134.326	87.197
Other social security costs	11.980	21.749
Other staff costs	15.516	0
	1.622.243	1.093.854
Average number of employees	3	2

	2018	2017
	DKK	DKK
4. Other financial income		
Financial income arising from group enterprises	952.553	612.688
Interest income	15.127	0
Other financial income	0	56.315
	967.680	669.003

Notes

	2018	2017
	DKK	DKK
5. Other financial expenses		
Interest expenses	46.017	17.267
Other financial expenses	760.543	388.781
	806.560	406.048
	2018	2017
	DKK	DKK
6. Tax on profit/loss for the year		
Tax on current year taxable income	301.537	788.769
Change in deferred tax for the year	(109.366)	(134.148)
	192.171	654.621
	Acquired	Develop-
	trademarks	ment
	DKK	projects in
	DKK	progress
	DKK	DKK
7. Intangible assets		
Cost beginning of year	8.007.898	1.997.931
Additions	0	100.350
Cost end of year	8.007.898	2.098.281
Amortisation and impairment losses beginning of year	(5.003.302)	(1.682.782)
Impairment losses for the year	0	(196.301)
Amortisation for the year	(1.543.473)	0
Amortisation and impairment losses end of year	(6.546.775)	(1.879.083)
Carrying amount end of year	1.461.123	219.198

Development projects in progress

Indkøb DK A/S has used 100.350 kr. to develop a danish version of the Justt platform and a homepage.

Notes

	Other fixtures and fittings, tools and equipment DKK
8. Property, plant and equipment	
Cost beginning of year	359.465
Cost end of year	359.465
Depreciation and impairment losses beginning of the year	(338.753)
Depreciation for the year	(9.051)
Depreciation and impairment losses end of the year	(347.804)
Carrying amount end of year	11.661

9. Receivables from group enterprises

The Company has declared to the group enterprises that it will not call in the receivables in addition to the settlement that can be made through distributions by the Company.

The repayment of the Company's receivables from group enterprises depends on distributions being made by the Company in order for the group enterprises to reduce the receivables. Consequently, the settlement of the receivables depends on the positive results of the Company, which can be used for distribution and reduction of the receivables. As a result, it is expected that the settlement of the receivables will stretch over a number of years.

	Number	Par value DKK	Nominal value DKK
10. Contributed capital			
Shares	666.667	1	666.667
	666.667		666.667

11. Contingent assets

The company's research activities qualify for tax refund. As Indkøb DK A/S is part of a Danish joint taxation arrangement in which Anlama Holding ApS serves as the administration company. Therefore, it is not possible to reliably calculate the amount of receivable of tax refund concerning research and development costs at the time of the financial reporting.

Notes

12. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Anlama Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2015 for income taxes etc for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

The company have declared a subordination agreement of all revievables to the parent company Anlama 3 ApS and Justt A/S.

13. Mortgages and securities

Floating company charge nominal of DKK'000 3.250. The floating charge is secured with goods of recievables, property, plant and equipment and intangible assets.

There have been provided a payment guarantee to suppliers with the amount of 3.500 DKK'000.

The guarantees to the suppliers have expired after the balance sheet date.

Collateral security provided for parent company and other group enterprises

The Entity is jointly and severally liable with the jointly registered group enterprises for the total VAT payable. The group enterprises' VAT payable amounts to DKK 0.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue is recognized when invoiced and includes invoiced sales. Revenue from the sale of commodities, including central invoicing, are recognized in the income statement when delivery is made and transfer of risk to the buyer has passed. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Net sales of subscriptions are recognized in the income statement when invoiced since subscriptions are non-refundable and are not associated with subsequent consumption of resources.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for stationery and office supplies, etc.

Accounting policies

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the parent company. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Accounting policies

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects, protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3-5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 20 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Accounting policies

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.