

Infare Solutions A/S
Central Business Registration No
25525639
Borgergade 14, 2
1300 København K

Annual report 2015

The Annual General Meeting adopted the annual report on 31.05.2016

Chairman of the General Meeting

Name: Philip Christopher Schwarck

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Entity details

Entity

Infare Solutions A/S
Borgergade 14, 2
1300 København K

Central Business Registration No: 25525639

Founded: 17.07.2000

Registered in: København

Financial year: 01.01.2015 - 31.12.2015

Phone: +4533362525

Internet: www.infare.com

E-mail: info@infare.com

Board of Directors

Lars-Erik Houmann Christensen, Chairman

Lau Henrik Sloth Kristensen

Philip Christopher Schwarck

Nils Gelbjerg-Hansen

Søren Leth Truelsen

Executive Board

Peter Freiesleben

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 Infare Solutions A/S for the financial year 01.01.2015 - 31.12.2015.

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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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, 31.05.2016

Executive Board

Peter Freiesleben

Board of Directors

Lars-Erik Houmann Christensen
Chairman

Lau Henrik Sloth Kristensen

Philip Christopher Schwarck

Nils Gelbjerg-Hansen

Søren Leth Truelsen

Independent auditor's reports

To the owners of Infare Solutions A/S

Report on the financial statements

We have audited the financial statements of Infare Solutions A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Thomas Frommelt
State Authorised Public Accountant

Martin Langhoff Hansen
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015	2014	2013	2012	2011
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial high-lights					
Key figures					
Gross profit	19.009	15.418	18.234	14.837	11.353
Operating profit/loss	5.328	3.416	5.540	4.003	2.496
Net financials	48	335	(283)	(77)	(101)
Profit/loss for the year	4.160	2.862	4.098	2.926	1.792
Total assets	23.357	28.660	30.737	26.794	21.923
Investments in property, plant and equipment	1.409	642	669	390	308
Equity	8.113	14.311	13.499	9.400	5.889
Employees in average	23	22	22	19	17
Ratios					
Return on equity (%)	37,1	20,6	35,8	38,3	35,9
Solvency ratio (%)	34,7	49,9	43,9	35,1	26,9
Return on assets	24,4	11,9	18,0	14,9	11,4

Management commentary

Primary activities

The objective of the Company is trade and internet related activities by way of web fare intelligence sales to the airline industry.

Development in activities and finances

The income statement of the Company for 2015 shows a profit of DKK 4,160,358 and at 31 December 2015 the balance sheet of the Company shows equity of DKK 8,113,400.

The Company is the world's premium supplier of online competitor web fare intelligence to the airline industry.

The Company's main product, Infare Pharos, is based on an advanced robot search technology, collecting airline fare data via the internet and other data sources. Data is processed and presented in a form relevant to the customers in Infare's online analytical tool or sent directly to the customers in a format selected by them, often to be used in their revenue management systems.

The Company holds the world's biggest database of air fares, which in 2015 has been released as a SaaS product, Infare Altos, giving airlines and other companies' access to more than 10 years of detailed historical air fares, enabling customers to conduct in-depth analysis of these air fares.

Investments will increase in the coming years.

The Company continues to gain market share and the revenue growth and profit for the year are satisfactory.

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.

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 for 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Accounting policies

Revenue

Revenue from the sale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and equipment.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets 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.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, 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, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

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.

Accounting policies

Balance sheet

Intellectual property rights etc

Costs of development projects comprise salaries, amortisation and other expenses directly og indirectly attributable to the Company's development activities.

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.

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

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:

Completed development projects	7-10 years
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Property, plant and equipment

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.

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 years
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Equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

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.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

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

Accounting policies

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Soliditetsgrad (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$	The Entity's return on assets.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Gross profit		19.008.987	15.417.607
Staff costs	1	(10.389.984)	(9.341.267)
Depreciation, amortisation and impairment losses		<u>(3.290.512)</u>	<u>(2.660.070)</u>
Operating profit/loss		5.328.491	3.416.270
Other financial income	2	956.412	657.595
Other financial expenses	3	<u>(908.854)</u>	<u>(323.032)</u>
Profit/loss from ordinary activities before tax		5.376.049	3.750.833
Tax on profit/loss from ordinary activities	4	<u>(1.215.691)</u>	<u>(888.979)</u>
Profit/loss for the year		<u><u>4.160.358</u></u>	<u><u>2.861.854</u></u>
 Proposed distribution of profit/loss			
Extraordinary dividend		11.000.000	0
Retained earnings		<u>(6.839.642)</u>	<u>2.861.854</u>
		<u><u>4.160.358</u></u>	<u><u>2.861.854</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Completed development projects		11.238.627	9.746.000
Intangible assets	5	<u>11.238.627</u>	<u>9.746.000</u>
Other fixtures and fittings, tools and equipment		1.641.600	969.815
Property, plant and equipment	6	<u>1.641.600</u>	<u>969.815</u>
Investments in group enterprises		45.517	45.517
Deposits		318.071	305.782
Fixed asset investments	7	<u>363.588</u>	<u>351.299</u>
Fixed assets		<u>13.243.815</u>	<u>11.067.114</u>
Trade receivables		6.488.676	4.979.869
Receivables from group enterprises		12.484	0
Other short-term receivables		452.608	37.408
Prepayments		606.431	661.125
Receivables		<u>7.560.199</u>	<u>5.678.402</u>
Cash		<u>2.552.486</u>	<u>11.914.085</u>
Current assets		<u>10.112.685</u>	<u>17.592.487</u>
Assets		<u>23.356.500</u>	<u>28.659.601</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital	8	4.440.001	2.885.035
Retained earnings		<u>3.673.399</u>	<u>11.426.379</u>
Equity		<u>8.113.400</u>	<u>14.311.414</u>
Provisions for deferred tax		<u>2.337.000</u>	<u>1.254.000</u>
Provisions		<u>2.337.000</u>	<u>1.254.000</u>
Subordinate loan capital		<u>0</u>	<u>3.198.932</u>
Non-current liabilities other than provisions		<u>0</u>	<u>3.198.932</u>
Subordinate loan capital		0	400.000
Other credit institutions		226.444	266.210
Prepayments received from customers		6.883.999	5.748.625
Trade payables		3.493.285	1.394.505
Debt to group enterprises		0	252.516
Payables to shareholders and management		5.342	1.906
Income tax payable		55.705	0
Other payables		<u>2.241.325</u>	<u>1.831.493</u>
Current liabilities other than provisions		<u>12.906.100</u>	<u>9.895.255</u>
Liabilities other than provisions		<u>12.906.100</u>	<u>13.094.187</u>
Equity and liabilities		<u>23.356.500</u>	<u>28.659.601</u>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Ownership	11		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	2.885.035	11.426.379	14.311.414
Increase of capital	460.815	2.158.688	2.619.503
Bonus shares	1.094.151	(1.094.151)	0
Costs related to increase of capital	0	(2.054.861)	(2.054.861)
Extraordinary dividend paid	0	(11.000.000)	(11.000.000)
Tax of equity postings	0	76.986	76.986
Profit/loss for the year	0	4.160.358	4.160.358
Equity end of year	4.440.001	3.673.399	8.113.400

Notes

	2015	2014
	DKK	DKK
1. Staff costs		
Wages and salaries	13.123.723	11.322.347
Pension costs	199.870	86.099
Other social security costs	150.830	158.313
Other staff costs	614.305	946.751
Staff costs classified as assets	(3.698.744)	(3.172.243)
	10.389.984	9.341.267
Average number of employees	23	22
	2015	2014
	DKK	DKK
2. Other financial income		
Interest income	48.334	82.390
Exchange rate adjustments	908.078	575.205
	956.412	657.595
	2015	2014
	DKK	DKK
3. Other financial expenses		
Interest expenses	33	258
Exchange rate adjustments	894.356	302.276
Other financial expenses	14.465	20.498
	908.854	323.032
	2015	2014
	DKK	DKK
4. Tax on ordinary profit/loss for the year		
Current tax	132.691	91.979
Change in deferred tax for the year	1.083.000	797.000
	1.215.691	888.979

Notes

	Completed development projects DKK	
5. Intangible assets		
Cost beginning of year	25.674.541	
Additions	4.045.846	
Cost end of year	29.720.387	
Amortisation and impairment losses beginning of year	(15.928.541)	
Amortisation for the year	(2.553.219)	
Amortisation and impairment losses end of year	(18.481.760)	
Carrying amount end of year	11.238.627	
		Other fix- tures and fittings, tools and equipment DKK
6. Property, plant and equipment		
Cost beginning of year	3.051.434	
Additions	1.409.078	
Cost end of year	4.460.512	
Depreciation and impairment losses beginning of the year	(2.081.619)	
Depreciation for the year	(737.293)	
Depreciation and impairment losses end of the year	(2.818.912)	
Carrying amount end of year	1.641.600	
	Investments in group enterprises DKK	Deposits DKK
7. Fixed asset investments		
Cost beginning of year	45.517	305.782
Additions	0	12.289
Cost end of year	45.517	318.071
Carrying amount end of year	45.517	318.071

Notes

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity interest %</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Subsidiaries:					
Infare VNO, UAB	Litauen	UAB	100,00	208.763	82.900

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
8. Contributed capital			
Shares	<u>4.440.001</u>	1,00	<u>4.440.001</u>
	<u>4.440.001</u>		<u>4.440.001</u>

	<u>2015 DKK</u>	<u>2014 DKK</u>	<u>2013 DKK</u>	<u>2012 DKK</u>	<u>2011 DKK</u>
Changes in contributed capital					
Contributed capital beginning of year	2.885.035	2.885.035	2.885.035	2.885.035	2.885.035
Increase of capital	<u>1.554.966</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contributed capital end of year	<u>4.440.001</u>	<u>2.885.035</u>	<u>2.885.035</u>	<u>2.885.035</u>	<u>2.885.035</u>

	<u>2015 DKK</u>	<u>2014 DKK</u>
9. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	<u>0</u>	<u>365.665</u>

10. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Infare Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

Notes

11. Ownership

The following share holders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Infare Holding ApS, Borgergade 14, 2, DK-1300 København K