

**Villapartner A/S**  
Vesterbrogade 19 A  
3250 Gilleleje  
Central Business Registration No  
26281601

## **Annual report 2016**

The Annual General Meeting adopted the annual report on 20.06.2017

### **Chairman of the General Meeting**

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Name: Erling Holmbjerg Jensen

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## Entity details

### Entity

Villapartner A/S  
Vesterbrogade 19 A  
3250 Gilleleje

Central Business Registration No: 26281601

Registered in: Gribskov

Financial year: 01.01.2016 - 31.12.2016

### Board of Directors

Franz Markus Deutsch, chairman  
Shimon Sheves  
Erling Holmbjerg Jensen

### Executive Board

Erling Holmbjerg Jensen, CEO

### 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 Villapartner A/S for the financial year 01.01.2016 - 31.12.2016.

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 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

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.

Gribskov, 20.06.2017

### Executive Board

Erling Holmbjerg Jensen  
CEO

### Board of Directors

Franz Markus Deutsch  
chairman

Shimon Sheves

Erling Holmbjerg Jensen

# Independent auditor's report

## To the shareholders of Villapartner A/S

### Opinion

We have audited the financial statements of Villapartner A/S for the financial year 01.01.2016 - 31.12.2016, 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 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

### 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 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:

## Independent auditor's report

- 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.

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.

## Independent auditor's report

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, 20.06.2017

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

René Carøe Andersen

State Authorised Public Accountant

## Management commentary

### Primary activities

The Company's primary activity is rental of European holiday homes via the internet.

### Development in activities and finances

Result for the year after tax is a profit of DKK 93k against a loss of DKK 116k in 2015. The result is considered satisfying.

A shareholder has submitted a financial statement of support to the Villapartner A/S. The financial statement of support confirms that the shareholder will support Villapartner A/S the cash funds necessary for Villapartner A/S to meet its obligations as they mature.

### 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 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
<b>Gross profit</b>		<b>1.598.173</b>	<b>1.899.970</b>
Staff costs	1	(1.341.329)	(1.867.504)
Depreciation, amortisation and impairment losses	2	<u>(119.866)</u>	<u>(96.286)</u>
<b>Operating profit/loss</b>		<b>136.978</b>	<b>(63.820)</b>
Other financial income	3	154	3.795
Other financial expenses	4	<u>(43.667)</u>	<u>(56.083)</u>
<b>Profit/loss for the year</b>		<b><u>93.465</u></b>	<b><u>(116.108)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>93.465</u>	<u>(116.108)</u>
		<b><u>93.465</u></b>	<b><u>(116.108)</u></b>

## Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Completed development projects		490.781	320.186
<b>Intangible assets</b>	5	<b>490.781</b>	<b>320.186</b>
Other receivables		67.252	20.127
<b>Fixed asset investments</b>	6	<b>67.252</b>	<b>20.127</b>
<b>Fixed assets</b>		<b>558.033</b>	<b>340.313</b>
Trade receivables		2.551.250	3.089.786
Other receivables		64	13.187
Prepayments		10.202	35.348
<b>Receivables</b>		<b>2.561.516</b>	<b>3.138.321</b>
<b>Cash</b>		<b>102.704</b>	<b>90.105</b>
<b>Current assets</b>		<b>2.664.220</b>	<b>3.228.426</b>
<b>Assets</b>		<b>3.222.253</b>	<b>3.568.739</b>

## Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital	7	538.462	538.462
Retained earnings		(171.448)	(264.913)
<b>Equity</b>		<u><b>367.014</b></u>	<u><b>273.549</b></u>
Trade payables		481.525	388.129
Other payables		736.567	1.148.557
Deferred income		1.637.147	1.758.504
<b>Current liabilities other than provisions</b>		<u><b>2.855.239</b></u>	<u><b>3.295.190</b></u>
<b>Liabilities other than provisions</b>		<u><b>2.855.239</b></u>	<u><b>3.295.190</b></u>
<b>Equity and liabilities</b>		<u><b>3.222.253</b></u>	<u><b>3.568.739</b></u>
Unrecognised rental and lease commitments	8		
Mortgages and securities	9		

## Statement of changes in equity for 2016

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	538.462	(264.913)	273.549
Profit/loss for the year	0	93.465	93.465
<b>Equity end of year</b>	<b>538.462</b>	<b>(171.448)</b>	<b>367.014</b>

## Notes

	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	1.314.824	1.749.995
Pension costs	56.823	90.166
Other social security costs	(32.982)	24.581
Other staff costs	2.664	2.762
	<b>1.341.329</b>	<b>1.867.504</b>
Average number of employees	<b>4</b>	<b>4</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	119.866	96.286
	<b>119.866</b>	<b>96.286</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>3. Other financial income</b>		
Interest income	0	3.795
Exchange rate adjustments	152	0
Fair value adjustments	2	0
	<b>154</b>	<b>3.795</b>
	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>4. Other financial expenses</b>		
Interest expenses	21.263	25.495
Exchange rate adjustments	0	11.604
Other financial expenses	22.404	18.984
	<b>43.667</b>	<b>56.083</b>

## Notes

		<b>Completed develop- ment projects DKK</b>
		<u>DKK</u>
<b>5. Intangible assets</b>		
Cost beginning of year		621.136
Transfers		(7.291)
Additions		<u>290.461</u>
<b>Cost end of year</b>		<b><u>904.306</u></b>
Amortisation and impairment losses beginning of year		(300.950)
Transfers		7.291
Amortisation for the year		<u>(119.866)</u>
<b>Amortisation and impairment losses end of year</b>		<b><u>(413.525)</u></b>
<b>Carrying amount end of year</b>		<b><u>490.781</u></b>
		<b>Other receivables DKK</b>
		<u>DKK</u>
<b>6. Fixed asset investments</b>		
Cost beginning of year		20.127
Additions		<u>47.125</u>
<b>Cost end of year</b>		<b><u>67.252</u></b>
<b>Carrying amount end of year</b>		<b><u>67.252</u></b>
		<b>Nominal value DKK</b>
	<b>Number</b>	<b>Par value DKK</b>
	<u>Number</u>	<u>DKK</u>
<b>7. Contributed capital</b>		
Ordinær aktier	<u>538.462</u>	1
	<b><u>538.462</u></b>	<b><u>538.462</u></b>
		<b>2016 DKK</b>
		<b>2015 DKK</b>
<b>8. Unrecognised rental and lease commitments</b>		
Hereof liabilities under rental or lease agreements until maturity in total	<u>212.063</u>	<u>0</u>

## Notes

### **9. Mortgages and securities**

The company has provided a bank guarantee for an external party of DKK 69,125. The guarantee is secured by a mortgage on the company's cash of an equivalent amount.

## 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.

### 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 rate 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, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

#### Revenue

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



## Accounting policies

### 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 premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns 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.

### Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets 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.

### Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises and payables and transactions in foreign currencies.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and payables and transactions in foreign currencies.

### 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

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 4-5 years.

### Receivables

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

### Prepayments

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

### Cash

Cash comprises bank deposits.

### 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.

### Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.