

Wupti.com A/S


**Rosbjergvej 33
DK-8220 Brabrand**

Annual report

2015

CVR no. 28 66 02 19

The Annual report has been presented
and approved on the company's annual
general meeting at ~~26~~ / 3 2016



Chair

Table of contents

| | <u>Page</u> |
|-----------------------------------|-------------|
| Management's review | |
| Financial highlights | 1 |
| Management's review | 2 |
| Statements | |
| Management's statement | 4 |
| Independent auditors' reports | 5 |
| Financial statements | |
| Accounting policies | 7 |
| Income statement | 9 |
| Balance sheet | 10 |
| Statement of changes in equity | 12 |
| Notes to the financial statements | 13 |

Financial highlights

| <i>Amounts in TDKK</i> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|-------------|-------------|-------------|-------------|-------------|
| Gross profit | 24,732 | 23,190 | 23,445 | 24,529 | 22,692 |
| Result before financial items | 3,546 | 3,811 | 5,351 | 5,472 | 2,550 |
| Net financial items | -385 | -80 | 2 | 95 | 26 |
| Result for the year | 2,492 | 2,805 | 4,015 | 4,175 | 1,932 |
| Total assets | 97,257 | 60,129 | 66,247 | 70,690 | 65,805 |
| Equity | 4,492 | 14,136 | 15,345 | 15,247 | 11,072 |
| Investment in property, plant and equipment | 0 | 18 | 113 | 1 | 301 |
| Return on equity (%) | 26.8 | 19.0 | 26.2 | 34.2 | 19.1 |

Return on equity is the result for the year divided by the average equity (average of equity at the beginning of the year and at the end of the year).

Management's review

Primary business area

The company's activities primarily consist of distribution of household appliances and consumer electronics in Denmark on competitive terms and with a high level of service using the internet.

The assortment is dynamic and develops based on customer expectations.

Development during the financial year

In 2015 the company has realised a result for the year after tax of TDKK 2,492 against a result after tax of TDKK 2,805 in 2014.

The result for 2015 is lower than expected due to competition in the market.

Particular risks

The retailing activities include sale of consumers' goods and is to a degree market sensitive. The company is not significantly dependent on certain customers or suppliers. The company's credit risk is primarily related to trade receivables.

Expected development

The company expects that the result for the year 2016 improve compared to the result in 2015.

Legal merger between Wupti.com A/S and Dansk Supermarked A/S is expected to be approved in 2016 with Dansk Supermarked A/S as the continuing entity.

Subsequent events

No subsequent events have occurred that would affect the annual report for 2015.

Management's statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of F. Salling A/S for the financial year 1 January – 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the results of the company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

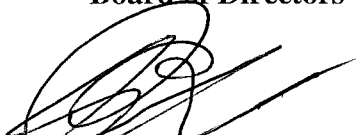
Brabrand, 30 March 2016

Executive Board



Peter Gram Møller
CEO

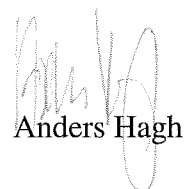
Board of Directors



Kenneth Nielsen
Chairman



Per Bank



Anders Hagh

Independent auditors' reports

To the shareholder of Wupti.com A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Wupti.com A/S for the financial year 1 January – 31 December 2015, which comprise 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.

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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 as to 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company'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 company'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 evaluating 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 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 December 2015 and of the results of its operations for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.


Independent auditors' reports

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aarhus, 30 March 2016

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Henrik Kronborg Iversen
State Authorised Public Accountant



Morten Friis
State Authorised Public Accountant

Accounting policies

The annual report for Wupti.com A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

Accounting policies are unchanged compared to last year.

Income statement

Gross Profit

Gross profit comprises net revenue, cost of goods sold and external expenses.

Net revenue

Net revenue from sale of goods for resale is recognised in the income statement provided that delivery and transfer of risks and rewards to the buyer have taken place. Net revenue is measured exclusive of VAT and taxes charged on behalf on third parties, and net of discounts relating to sales.

Cost of goods sold

Cost of goods sold comprises the costs incurred in generating revenue. Supplier discounts attributable to the purchase price of the sold articles are part of cost of goods sold.

Other external expenses

Other external expenses comprise marketing costs, advertising, administration, rent etc.

Staff expenses

Staff expenses comprise wages and salaries, post-employment benefits as well as related expenses.

Amortisation and depreciation

Amortisation and depreciation comprises amortisation of intangible assets, depreciations on property, plant and equipment and gain/loss on disposal of non-current assets.

Financial items

Financial income and expenses comprise interest income and price adjustment of receivables.

Tax on the result for the year

Tax on the result for the year comprises current tax for the year and adjustment in deferred tax.

Until 20 July 2015 the company was jointly taxed with NTH 2012 ApS. As of the 21 July 2015 the company is jointly taxed with the Danish companies in the Købmand Herman Sallings Fond Group. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation).

Accounting policies

Balance sheet

Software

Acquired software and software licenses are measured on initial recognition at cost. Subsequent to initial recognition acquired software and software licenses are measured at cost net of accumulated amortisation and impairment losses if any.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

| | |
|----------|-----------|
| Software | 3-5 years |
|----------|-----------|

Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost comprises 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 their estimated useful lives as follows:

| | |
|--|---------|
| Fixtures and fittings, tools and equipment | 5 years |
|--|---------|

Impairment losses in excess of depreciations are recognised when deemed necessary.

Inventories

Inventories are valued at the lower of cost price (FIFO principle) and net realisable value.

Cost price comprises purchase price.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Net realisable value includes consideration of obsolescence and development in sales.

Receivables

Receivables are measured at amortised cost price less write-down for expected loss.

Prepayments (assets)

Prepayments comprises costs already incurred regarding the following year.

Cash at bank and in hand

Cash includes cash in hand and deposits held at call with banks.

Accounting policies

Equity – Dividend

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting. The expected dividend payment for the year is presented in a separate line item within equity.

Corporation tax and deferred tax

Corporation tax payable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Provision for deferred tax is made on differences between the accounting and tax values of assets and liabilities. Deferred tax assets are recognised at the value at which they are expected to be realised.

Liabilities other than provisions

Liabilities other than provisions are recognised as the net proceeds from the loan at the time of the raising of the loan. In the subsequent periods the debt is measured using amortisation of the cost price.

Other liabilities are measured at net realisable value.

Cash flow statement

The company is included in the consolidated financial statements for Dansk Supermarked A/S, Brabrand and the consolidated financial statements for Købmand Herman Sallings Fond, Brabrand, and in accordance with section 86, paragraph 4 of the Danish Financial Statements Act no cash flow statement has been prepared. As at 31 December 2014 the company was included in the consolidated financial statements for 3C RETAIL A/S, Odense and NTH 2010 ApS, Odense, and in accordance with section 86, paragraph 4 of the Danish Financial Statements Act no cash flow statement was prepared.

Income statement

Amounts in TDKK

| <u>Notes</u> | <u>2015</u> | <u>2014</u> |
|---|---------------|---------------|
| 1 Gross profit | 24,732 | 23,190 |
| 2 Staff expenses | -17,304 | -16,507 |
| 3 Amortisation and depreciation | -3,882 | -2,872 |
| Result before financial items | 3,546 | 3,811 |
| 4 Financial income | 265 | 427 |
| 5 Financial expenses | -650 | -507 |
| Result before tax | 3,161 | 3,731 |
| 6 Tax on the result for the year | -669 | -926 |
| Result for the year | 2,492 | 2,805 |
| Proposal for distribution of the result: | | |
| Proposed dividends | 0 | 12,136 |
| Retained earnings | 2,492 | -9,331 |
| | 2,492 | 2,805 |

Balance sheet

Amounts in TDKK

Assets

| <u>Notes</u> | <u>31/12 2015</u> | <u>31/12 2014</u> |
|--|-------------------|-------------------|
| Software | 11,070 | 9,539 |
| 7 Intangible assets | 11,070 | 9,539 |
| Fixtures and fittings, tools and equipment | 201 | 224 |
| 8 Property, plant and equipment | 201 | 224 |
| Total non-current assets | 11,271 | 9,763 |
| Inventories | 30,433 | 23,367 |
| Trade receivables | 10,553 | 11,648 |
| Other receivables | 13,028 | 10,925 |
| 9 Deferred tax assets | 230 | 664 |
| Prepayments | 989 | 3,762 |
| Receivables | 24,800 | 26,999 |
| Cash at bank and in hand | 30,753 | 0 |
| Total current assets | 85,986 | 50,366 |
| Total assets | 97,257 | 60,129 |

Balance sheet

Amounts in TDKK

Equity and liabilities

| <u>Notes</u> | <u>31/12 2015</u> | <u>31/12 2014</u> |
|-------------------------------------|-------------------|-------------------|
| Share capital | 2,000 | 2,000 |
| Retained earnings | 2,492 | 0 |
| Proposed dividends | 0 | 12,136 |
| Total equity | 4,492 | 14,136 |
| Bank loans | 0 | 8,618 |
| Payables to affiliated companies | 21,724 | 9,153 |
| Trade payables | 65,218 | 22,349 |
| Corporation tax | 235 | 650 |
| Other payables | 4,427 | 4,145 |
| Deferred income | 1,161 | 1,078 |
| Current liabilities | 92,765 | 45,993 |
| Total liabilities | 92,765 | 45,993 |
| Total equity and liabilities | 97,257 | 60,129 |

10 Contractual obligations and contingencies, etc.

11 Related party disclosures

Statement of changes in equity

Amounts in TDKK

| | <u>Share capital</u> | <u>Retained earnings</u> | <u>Proposed dividends</u> | <u>Total</u> |
|-----------------------------------|--------------------------|------------------------------|-------------------------------|---------------------|
| Equity at 1 January 2015 | 2,000 | 0 | 12,136 | 14,136 |
| Dividends paid | | | -12,136 | -12,136 |
| Result for the year | | 2,492 | 0 | 2,492 |
| Equity at 31 December 2015 | <u>2,000</u> | <u>2,492</u> | <u>0</u> | <u>4,492</u> |

The share capital is composed as follows:

| | |
|---------------------------|--------------|
| 2,000 shares of DKK 1,000 | <u>2,000</u> |
| | <u>2,000</u> |

Notes to the financial statements

Amounts in TDKK

| | <u>2015</u> | <u>2014</u> |
|--|---------------|---------------|
| 1 Gross profit | | |
| Revenue is not presented for 2015 or 2014 in accordance with section 32 in the Danish Financial Statements act. | | |
| Gross profit comprises other external expenses and thereby fees to the statutory auditors: | | |
| Fee for auditing | <u>112</u> | <u>117</u> |
| 2 Staff expenses | | |
| Salaries | 3,804 | 0 |
| Pensions | 327 | 0 |
| Other social security costs | 47 | 0 |
| Other staff expenses | 13,126 | 16,507 |
| | <u>17,304</u> | <u>16,507</u> |
| Average number of full-time employees | <u>5</u> | <u>0</u> |
| The total remuneration of the Board of Directors and the Executive Board amounts to TDKK 1,639 (31 December 2014: TDKK 1,071). | | |
| Other staff expenses comprise staff assistance purchased. | | |
| 3 Amortisation and depreciation | | |
| Software | 3,859 | 2,758 |
| Fixtures and fittings, tools and equipment | 23 | 23 |
| Loss on disposal of intangible and tangible assets | 0 | 91 |
| | <u>3,882</u> | <u>2,872</u> |
| 4 Financial income | | |
| Interest from affiliated companies | 125 | 330 |
| Other financial income | 140 | 97 |
| | <u>265</u> | <u>427</u> |

Notes to the financial statements

Amounts in TDKK

| | <u>2015</u> | <u>2014</u> |
|--|-------------------|----------------------|
| 5 Financial expenses | | |
| Interest to affiliated companies | 542 | 329 |
| Other financial expenses | 108 | 178 |
| | <u>650</u> | <u>507</u> |
| | | |
| 6 Tax on the result for the year | | |
| Current tax for the year | 235 | 650 |
| Adjustment of deferred tax for the year | 434 | 163 |
| Adjustment of deferred tax at the beginning of the year due to a change in the corporation tax rate from 25 % to 22 % (during 2014 - 2016) | 0 | 113 |
| | <u>669</u> | <u>926</u> |
| | | |
| 7 Intangible assets | | |
| | | <u>Software</u> |
| Cost: | | |
| 1 January 2015 | | 12,431 |
| Additions during the year | | 5,390 |
| Disposals during the year | | -210 |
| 31 December 2015 | | <u>17,611</u> |
| | | |
| Depreciation and impairment losses: | | |
| 1 January 2015 | | -2,892 |
| Depreciation for the year | | -3,859 |
| Disposals during the year | | 210 |
| 31 December 2015 | | <u>-6,541</u> |
| | | |
| Carrying amount at 31 December 2015 | | <u>11,070</u> |

Notes to the financial statements

Amounts in TDKK

8 Property, plant and equipment

| | Fixtures and fittings, tools and equipment |
|--|---|
| Cost: | |
| 1 January 2015 | 248 |
| 31 December 2015 | <u>248</u> |
| Depreciation and impairment losses: | |
| 1 January 2015 | -24 |
| Depreciation for the year | -23 |
| 31 December 2015 | <u>-47</u> |
| Carrying amount at 31 December 2015 | <u>201</u> |

| | 2015 | 2014 |
|--|-------------------|-------------------|
| 9 Deferred tax assets | | |
| Deferred tax at 1 January | 664 | 583 |
| Adjustment of deferred tax for the year | -434 | 194 |
| Adjustment of deferred tax at the beginning of the year due to a change in the corporation tax rate from 25% to 22% (during 2014 - 2016) | 0 | -113 |
| Deferred tax at 31 December | <u>230</u> | <u>664</u> |
| Deferred tax relates to: | | |
| Intangible assets | -1,680 | -2,099 |
| Property, plant and equipment | 1,910 | 2,389 |
| Receivables | 0 | 374 |
| | <u>230</u> | <u>664</u> |

Notes to the financial statements

Amounts in TDKK

10 Contractual obligations and contingencies, etc.

The company has entered into an agreement regarding purchase of IT services amounting to TDKK 0 (31 December 2014: TDKK 149).

Until 20 July 2015 the company was jointly taxed with NTH 2012 ApS, and had limited and subsidiary liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

As of the 21 July 2015 the company is jointly taxed with the Danish companies in the Købmand Herman Sallings Fond Group. As jointly taxed company, which is not wholly owned, the company has limited and subsidiary liability for Danish corporation taxes and withholding taxes on dividend, interest and royalties within the joint taxation group. However, the company has joint several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the Dansk Supermarked A/S subgroup. The total net taxes payable to the Danish Central Tax Administration by the companies included in the joint taxation is disclosed in the annual report of the administration company (F. Salling Holding A/S, CVR no. 41 94 01 15). Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends etc. may entail that the company's liability will increase.

11 Related party disclosures

Transactions with related parties take place at arm's length terms.

Controlling interest

As at 31 December 2015 the company is included in the consolidated financial statements for Dansk Supermarked A/S, Rosbjergvej 33-35, Brabrand and the consolidated financial statements for Købmand Herman Sallings Fond, Rosbjergvej 33-35, Brabrand, which has controlling interest. As at 31 December 2014 the company was included in the consolidated financial statements for 3C RETAIL A/S, Østre Stationsvej 3, 5000 Odense C and the consolidated financial statements for NTH 2010 ApS, Langelinie 187, 5230 Odense M, which has controlling interest.

Ownership

The following shareholder owns 100 % of the share capital as at 31 December 2015:

Dansk Supermarked A/S, Rosbjergvej 33-35, Brabrand

As at 31 December 2014 the following shareholders owned more than 5 % of the share capital:

NRGI a.m.b.a., Dusager 22, 8200 Århus N
3C RETAIL A/S, Østre Stationsvej 3, 5000 Odense C.