

Miinto Holding ApS
Central Business Registration No
33036191
Prags Boulevard 49
DK-2300 Copenhagen S

Annual report 2015

The Annual General Meeting adopted the annual report on 16.06.2016

Chairman of the General Meeting

Name: Martin Dahl Carstensen

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	10
Consolidated income statement for 2015	18
Consolidated balance sheet at 31.12.2015	19
Consolidated statement of changes in equity for 2015	21
Consolidated cash flow statement for 2015	22
Notes to consolidated financial statements	23
Parent income statement for 2015	27
Parent balance sheet at 31.12.2015	28
Parent statement of changes in equity for 2015	30
Notes to parent financial statements	31

Entity details

Entity

Miinto Holding ApS
Prags Boulevard 49
DK-2300 Copenhagen S

Central Business Registration No: 33036191

Founded: 02.06.2010

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Internet: www.miinto.com

Board of Directors

Konrad Artur Kierklo
Norman Fiore
Jesper Buch
Eva Kruse
Carsten Mikkelsen

Executive Board

Konrad Artur Kierklo

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
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 Miinto Holding ApS 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 and cash flows 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, 16.06.2016

Executive Board

Konrad Artur Kierklo

Board of Directors

Konrad Artur Kierklo

Norman Fiore

Jesper Buch

Eva Kruse

Carsten Mikkelsen

Independent auditor's reports

To the owners of Miinto Holding ApS Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of Miinto Holding ApS 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 for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015, and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Emphasis of matter affecting the financial statements

Without qualifying our opinion, we refer to note 1 on going concern, in which Management describes the uncertainty related to the Company's ability to continue its operations. According to Management, the Group will realise positive cash flows sufficient to fund the Company's cash requirements up to and at least until the end of 2016. On this basis, the financial statements have been presented based on the assumption of going concern.

Report on other legal and regulatory requirements

Emphasis of matter regarding other issues

In contravention of the provisions of the Danish Withholding Tax Act, the Company has omitted to withhold tax on remuneration to the Board of Directors of the Company. As such, in our opinion, Management may be held liable.

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 consolidated financial statements and parent financial statement.

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

Copenhagen, 16.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Bjørn Winkler Jakobsen
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015	2014
	DKK'000	DKK'000
Financial highlights		
Key figures		
Gross profit	17.350	19.224
Results from ordinary activity (EBITDA)	970	(4.779)
Operating profit/loss	(763)	(6.404)
Net financials	(2.465)	(4.552)
Profit/loss for the year	(2.219)	(10.550)
Total assets	38.259	45.583
Investments in property, plant and equipment	54	32
Equity	(28.440)	(25.841)
Invested capital including goodwill	(14.327)	(15.932)
Interest bearing debt, net	15.113	9.909
Cash flows from (used in) operating activities	(1.431)	(1.261)
Cash flows from (used in) investing activities	(6.079)	(7.984)
Cash flows from (used in) financing activities	(238)	13.636
Employees in average	69	78
Ratios		
Return on invested capital including goodwill (%)	(4,9)	32,2
Financial gearing (%)	(0,5)	(0,4)
Return on equity (%)	8,2	40,8
Equity ratio	(77,1)	(56,7)

The Group only discloses financial highlights for the 2015 and 2014 financial years due to the fact that 2014 is the first year for the Group to prepare consolidated financial statements.

Management commentary

Primary activities

The Group's primary activity is to host, operate and develop software and marketplaces for fashion and lifestyle and carry on related activities in Denmark, Norway, Sweden, and the Netherlands.

Development in activities and finances

Management is extremely pleased that the Group successfully continued the turnaround completed in 2014, while sale of clothes and orders continues to grow significantly in 2015 compared to 2014.

	2015 DKK'000	2014 DKK'000
Gross margin	47.878	47.286
External cost	(30.528)	(28.062)
Staff cost	(16.380)	(24.003)
Results from ordinary activity (EBITDA)	970	(4.779)
Depreciation, amortisation	(1.733)	(1.625)
Operating profit/loss	(763)	(6.404)

The Group is in the midst of a very positive development, in which the sale of clothes has increased by 13%. Compared to last year, growth in DKK has actually been even better if adjusted for the drop in the NOK exchange rate in the Group's largest market in Norway as well as a drop in the SEK exchange rate.

If adjusted for the effect of the exchange rate, the increase in sale of clothes would be 17.2%.

The Group's total external expenses have increased by DKK 2.4m which is the result of a intentional strategy of increased marketing which is expected to have a long-lasting positive effect on the Group's revenue. All other external expense groups have been reduced compared to 2014.

The turnaround process initiated at the end of 2013 and completed in the middle of 2014 has resulted in the Group reducing staff costs by DKK 7.6m compared to 2014.

Based on the above initiatives, the Group has achieved a profit from ordinary activities (EBITDA) of DKK 1.0m compared to a loss of DKK 4.8m in 2014.

The income statement for 2015 shows a loss of DKK 2.2m against a loss of DKK 10.6m last year and, in 2013, the loss was DKK 29.6m. At 31 December 2015, the balance sheet shows a deficit on equity of DKK 28.4m.

Management commentary

As such, the Group is continuing the positive development in the Company's results which were initiated with the turnaround process in 2013.

Profit/loss for the year is also impacted by a conscious decision to increase investments in technological development projects as well as long-term marketing initiatives. Both are expected to contribute significantly to an increase in income over the coming years.

The Group has an unutilised tax asset in the Danish and Swedish subsidiaries of DKK 5.8m which, in accordance with applicable accounting policies, is recognised when the companies' historical results make it probable to utilise the tax asset within a 1-3 year period. Based on the Company's budgets for the coming years, the taxable losses are expected to be utilised within the next few years, and a recognition of the entire tax asset in 2015 would have resulted in a profit for the year of DKK 3.6m.

Profit/loss for the year in relation to expected developments

The original budget for 2015 showing a profit was not achieved which, in particular, is due to the drop in the exchange rates of the Norwegian and Swedish krone as well as the decision to increase investments in the development of the technological platform and the long-term marketing initiatives.

If adjusted for the effect of the increased investments in technology and marketing as well as the negative impact of the development in exchange rates in several subsidiaries, the Group would by and large have met the original budget targets for 2015.

Description of material changes in activities and finances

Due to recorded losses from investments in group entities, the Parent has, however, lost more than 50% of its share capital. As a result, the Company now falls within the provisions of section 119 of the Danish Companies Act governing loss of capital. Management expects the share capital to be restored over a period of three to five years through ordinary activities.

According to Management, the Group will generate an operating profit for 2016. Based on the expected operating profit, Management has prepared a cash flow budget for the Group, which shows positive cash flows for 2016 and, according to Management, this is sufficient to fund the Group's cash requirements at least until the end of 2016. In connection with the assessment of the Group's capital resources, the Parent has entered into an agreement on loan extensions with shareholders with the loans to be repaid when the Group has sufficient cash resources, and is able to fulfil its other obligations as they fall due.

The Parent has submitted a letter of comfort to its subsidiaries with a guarantee to contribute the additional capital required to the subsidiaries up to and until 31 December 2016 thereby enabling the subsidiaries to settle their obligations as they fall due.

Management commentary

On this basis, Management assesses that the Group's capital resources are sufficient to continue operations for at least the next 12 months and, thus, the financial statements are presented under the assumption of going concern.

Outlook

The Group expects to continue the organic growth on all its markets in 2016 with further improvement of the results from ordinary activities. The Group expects positive results for 2016.

Particular risks

Operating risks

The Group's most material operating risks are related to the ability to be strongly positioned in the markets, in which the Group is conducting online trade through their websites. In addition, it is important that, at all times, the Group be at the forefront of the technological development within the Group's areas of activity.

Financial risks

Due to its operations and investments, the Group is exposed to changes in the exchange rates. It is group policy not to engage in active speculation concerning financial risks.

Exchange rate risks

The Group's foreign enterprises are not offhand impacted by exchange rate fluctuations as both income and expenses are settled in local currency.

The Group's share of results for the year are impacted by changes in the exchange rates as the foreign subsidiary and the associates are translated into DKK. The Group's exchange rate risks are primarily hedged through allocation of income and expenses in the same currency.

Interest risks

The Group's interest-bearing net debt has been entered into with the group of owners at a fixed rate of interest.

Credit risks

The Group's credit risks relate to customers or collaborators. The Group has no material risks related to one individual customer or collaborator. Group policy for assumption of credit risks entails that all major customers and other collaborators be rated on a continuous basis.

Research and development activities

The Company researches and develops its own internet-based software with innovative content. The Company owns its own software.

Management commentary

Events after the balance sheet date

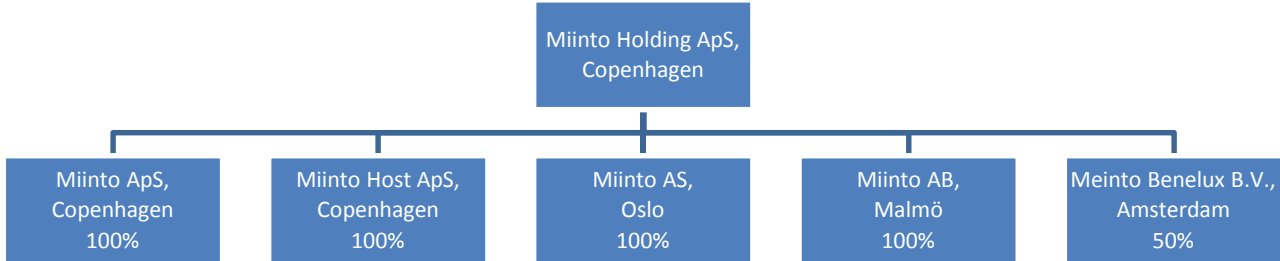
In March 2016, a capital increase was performed in the Parent of DKK 4.4m earmarked for continued investments in technological development and long-term marketing initiatives which will further increase the Company’s earnings potential.

At the end of May 2016, the Company’s shareholders have decided to convert all loans from the shareholders into share capital. Such capital increase has resulted in an injection of DKK 30.6 million to the Company’s equity. By converting the loans and through the capital injection in March, the Company’s share capital is re-established and by the end of May, the Company has generated positive equity of DKK 5 to 6 million.

In the beginning of June 2016, an agreement has been made with M Nederland Holding B.V. (which holds RTL Nederland Ventures B.V. in its group of owners) on an investment in Miinto Holding ApS of DKK 31 million.

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

Group Structure



Accounting policies

Reporting class

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

For the 2015 financial year, the Company is subject to the rules governing reporting class C, including the rules on preparation of consolidated financial statements. Due to the fact that, in 2014, the Company was governed by reporting class B and, thereby exempt from the requirement to prepare consolidated financial statements, these are the Company's first consolidated financial statements.

A consolidated cash flow statement has been compiled for 2015. The comparative figures for 2014 are compiled for the Parent and therefore, the cash flow statements are not comparable.

The accounting policies applied for this consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Accounting policies

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

Profits or losses from divestment of equity investments

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill and estimated divestment or winding-up expenses.

Accounting policies

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. 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, other operating income and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. 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.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes ordinary write-downs of such inventories.

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 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.

Accounting policies

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on 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 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.

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is seven years. Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights.

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.

Accounting policies

Indirect production costs in the form of indirect attributable staff costs 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 the estimated useful lives of the assets. The amortisation period is five years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

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	3-5 years
Leasehold improvements	5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life which is normally seven years.

Accounting policies

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

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.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Income tax payable or receivable

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, decided and published restructurings, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Accounting policies

Other financial liabilities

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash less short-term bank debt.

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 invested capital incl goodwill (%)	$\frac{\text{EBITA} \times 100}{\text{Average invested capital incl goodwill}}$	The return generated by the Entity on the investors' funds.
Financial gearing	$\frac{\text{Net interest-bearing debt}}{\text{Equity}}$	The Entity's financial gearing..
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.
Equity ratio	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity

EBITA (Earnings Before Interest, Tax and Amortisation) is defined as operating profit plus the year's amortisation of and impairment losses relating to intangible assets including goodwill.

Net interest-bearing debt is defined as interest-bearing liabilities, including income tax payable, net of interest-bearing assets, including cash and income tax receivable.

Consolidated income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Gross profit		17.350	19.224
Staff costs	2	(16.380)	(24.003)
Depreciation, amortisation and impairment losses	3	<u>(1.733)</u>	<u>(1.625)</u>
Operating profit/loss		(763)	(6.404)
Income from investments in associates		(2.370)	(3.154)
Other financial income	4	1.434	374
Other financial expenses	5	<u>(1.529)</u>	<u>(1.772)</u>
Profit/loss from ordinary activities before tax		(3.228)	(10.956)
Tax on profit/loss from ordinary activities	6	<u>1.009</u>	<u>813</u>
Consolidated profit/loss		<u>(2.219)</u>	<u>(10.143)</u>
Minority interests' share of profit/loss		<u>0</u>	<u>(407)</u>
Profit/loss for the year		<u><u>(2.219)</u></u>	<u><u>(10.550)</u></u>
Proposed distribution of profit/loss			
Retained earnings		<u>(2.219)</u>	<u>(10.550)</u>
		<u>(2.219)</u>	<u>(10.550)</u>

Consolidated balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Goodwill		6.217	7.679
Development projects in progress		4.286	0
Intangible assets	7	<u>10.503</u>	<u>7.679</u>
Other fixtures and fittings, tools and equipment		168	290
Leasehold improvements		65	159
Property, plant and equipment	8	<u>233</u>	<u>449</u>
Deposits		337	513
Deferred tax	11	57	0
Fixed asset investments	9	<u>394</u>	<u>513</u>
Fixed assets		<u>11.130</u>	<u>8.641</u>
Manufactured goods and goods for resale		825	75
Inventories		<u>825</u>	<u>75</u>
Trade receivables		8.621	13.344
Receivables from associates		289	0
Other short-term receivables		276	160
Income tax receivable		1.892	0
Prepayments	12	1.173	1.562
Receivables		<u>12.251</u>	<u>15.066</u>
Cash		<u>14.053</u>	<u>21.801</u>
Current assets		<u>27.129</u>	<u>36.942</u>
Assets		<u>38.259</u>	<u>45.583</u>

Consolidated balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital		322	322
Retained earnings		<u>(28.762)</u>	<u>(26.163)</u>
Equity		<u>(28.440)</u>	<u>(25.841)</u>
Provisions for investments in associates	13	<u>766</u>	<u>310</u>
Provisions		<u>766</u>	<u>310</u>
Payables to shareholders and management	14	<u>30.080</u>	<u>30.258</u>
Non-current liabilities other than provisions		<u>30.080</u>	<u>30.258</u>
Trade payables		30.322	34.439
Payables to shareholders and management		327	387
Income tax payable		819	1.065
Other payables	15	<u>4.385</u>	<u>4.965</u>
Current liabilities other than provisions		<u>35.853</u>	<u>40.856</u>
Liabilities other than provisions		<u>65.933</u>	<u>71.114</u>
Equity and liabilities		<u>38.259</u>	<u>45.583</u>
Going concern	1		
Subsidiaries	10		
Unrecognised rental and lease commitments	17		

Consolidated statement of changes in equity for 2015

	Contri- buted capi- tal DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	322	(26.163)	(25.841)
Exchange rate adjustments	0	(330)	(330)
Other adjustments	0	(50)	(50)
Profit/loss for the year	0	(2.219)	(2.219)
Equity end of year	322	(28.762)	(28.440)

Consolidated cash flow statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Operating profit/loss		(763)	(447)
Amortisation, depreciation and impairment losses		1.733	0
Working capital changes	16	<u>(1.120)</u>	<u>(1.452)</u>
Cash flow from ordinary operating activities		(150)	(1.899)
Financial income received		1.434	2.204
Financial income paid		(1.529)	(1.261)
Income taxes refunded/(paid)		<u>(1.186)</u>	<u>(305)</u>
Cash flows from operating activities		<u>(1.431)</u>	<u>(1.261)</u>
Acquisition etc of intangible assets		(4.286)	0
Acquisition etc of property, plant and equipment		(55)	0
Acquisition of fixed asset investments		0	(32)
Sale of fixed asset investments		176	0
Other cash flows from investing activities		<u>(1.914)</u>	<u>(7.952)</u>
Cash flows from investing activities		<u>(6.079)</u>	<u>(7.984)</u>
Loans raised		0	14.381
Instalments on loans etc		(238)	(1.730)
Repayment of debt to group enterprises		0	(4.149)
Cash increase of capital		<u>0</u>	<u>5.134</u>
Cash flows from financing activities		<u>(238)</u>	<u>13.636</u>
Increase/decrease in cash and cash equivalents		(7.748)	4.391
Cash and cash equivalents beginning of year		<u>21.801</u>	<u>(4.291)</u>
Cash and cash equivalents end of year		<u>14.053</u>	<u>100</u>

Notes to consolidated financial statements

1. Going concern

According to Management, the Group will generate positive operating results for 2016. Based on the expected operating profit, Management has prepared a cash flow budget for the Group, which shows positive cash flows for 2016 and, according to Management, this is sufficient to fund the Group's cash requirements at least until the end of 2016. In connection with the assessment of the Group's capital resources, the Company has entered into an agreement on loan extensions with shareholders with the loans to be repaid when the Company has sufficient cash resources, and is able to fulfil its other obligations as they fall due.

On this basis, Management assesses that the Company's capital resources are sufficient to continue operations at least the next 12 months and, thus, the financial statements are presented under the assumption of going concern.

	2015 DKK'000	2014 DKK'000
2. Staff costs		
Wages and salaries	14.247	20.538
Pension costs	77	78
Other social security costs	990	1.588
Other staff costs	1.066	1.799
	16.380	24.003
Average number of employees	69	78
	Remune- ration of manage- ment 2015 DKK'000	Remune- ration of manage- ment 2014 DKK'000
Total amount for management categories	1.321	1.724
	1.321	1.724
	2015 DKK'000	2014 DKK'000
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.462	1.276
Depreciation of property, plant and equipment	271	349
	1.733	1.625

Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
4. Other financial income		
Interest income	679	203
Exchange rate adjustments	681	0
Remission of debt etc	0	171
Other financial income	74	0
	1.434	374
	2015 DKK'000	2014 DKK'000
5. Other financial expenses		
Interest expenses	1.457	1.772
Exchange rate adjustments	72	0
	1.529	1.772
	2015 DKK'000	2014 DKK'000
6. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	(952)	(813)
Change in deferred tax for the year	(57)	0
	(1.009)	(813)
	Goodwill DKK'000	Develop- ment pro- jects in progress DKK'000
7. Intangible assets		
Cost beginning of year	10.237	0
Additions	0	4.286
Cost end of year	10.237	4.286
Amortisation and impairment losses beginning of year	(2.558)	0
Amortisation for the year	(1.462)	0
Amortisation and impairment losses end of year	(4.020)	0
Carrying amount end of year	6.217	4.286

Notes to consolidated financial statements

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
8. Property, plant and equipment		
Cost beginning of year	966	266
Additions	54	0
Cost end of year	1.020	266
Depreciation and impairment losses beginning of the year	(675)	(107)
Depreciation for the year	(177)	(94)
Depreciation and impairment losses end of the year	(852)	(201)
Carrying amount end of year	168	65

	Deposits DKK'000	Deferred tax DKK'000
9. Fixed asset investments		
Cost beginning of year	513	0
Additions	(176)	57
Cost end of year	337	57
Carrying amount end of year	337	57

	Registered in	Corporate form	Equity interest %
10. Subsidiaries			
Miinto ApS	Copenhagen, Denmark	ApS	100,0
Miinto Host ApS	Copenhagen, Denmark	ApS	100,0
Miinto.se AB	Stockholm, Sweden	AB	100,0
Miinto.no AS	Oslo, Norway	AS	100,0
Miinto Spain SL	Alcobendas, Spain	SL	100,0

At 31 December 2015, the Group has a total tax asset generated by losses in prior years of DKK 29,886 thousand. The tax base of such totals DKK 6,548 thousand, of which DKK 740 thousand is recognised in the balance sheet.

Notes to consolidated financial statements

12. Prepayments

Prepayments comprise prepaid expenses concerning future financial years.

13. Provisions for investments in associates

Provisions for investments in associates relate to negative equity value of investments in associates, in which the Company has a legal and constructive obligation to cover the negative balance.

14. Payables to shareholders and management

Payables to shareholders and Management comprise loans advanced by the Company's shareholders. The loans fall due for payment when the Company has sufficient capital resources to repay the loans. Repayment of the loans must be approved by the Company's Board of Directors.

	2015	2014
	<u>DKK'000</u>	<u>DKK'000</u>
15. Other short-term payables		
VAT and duties	1.522	779
Wages and salaries, personal income taxes, social security costs, etc payable	427	471
Holiday pay obligation	1.383	775
Other costs payable	1.053	2.940
	<u>4.385</u>	<u>4.965</u>
	2015	2014
	<u>DKK'000</u>	<u>DKK'000</u>
16. Change in working capital		
Increase/decrease in inventories	(750)	0
Increase/decrease in receivables	4.707	(19)
Increase/decrease in trade payables etc	(4.697)	(1.433)
Other changes	(380)	0
	<u>(1.120)</u>	<u>(1.452)</u>
	2015	2014
	<u>DKK'000</u>	<u>DKK'000</u>
17. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	<u>2.546</u>	<u>3.725</u>

Parent income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Gross loss		(425)	(447)
Income from investments in group enterprises		(628)	489
Income from investments in associates		(2.370)	(3.154)
Other financial income	1	2.868	2.204
Impairment of financial assets		0	(7.952)
Other financial expenses	2	<u>(1.424)</u>	<u>(1.263)</u>
Profit/loss from ordinary activities before tax		(1.979)	(10.123)
Tax on profit/loss from ordinary activities	3	<u>(240)</u>	<u>(427)</u>
Profit/loss for the year		<u>(2.219)</u>	<u>(10.550)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(2.219)</u>	<u>(10.550)</u>
		<u>(2.219)</u>	<u>(10.550)</u>

Parent balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>
Investments in group enterprises		16.135	3.669
Investments in associates		<u>0</u>	<u>0</u>
Fixed asset investments	4	<u>16.135</u>	<u>3.669</u>
Fixed assets		<u>16.135</u>	<u>3.669</u>
Receivables from group enterprises		321	2.621
Prepayments	5	<u>18</u>	<u>18</u>
Receivables		<u>339</u>	<u>2.639</u>
Cash		<u>4</u>	<u>101</u>
Current assets		<u>343</u>	<u>2.740</u>
Assets		<u><u>16.478</u></u>	<u><u>6.409</u></u>

Parent balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital	6	322	322
Retained earnings		<u>(28.762)</u>	<u>(26.163)</u>
Equity		<u>(28.440)</u>	<u>(25.841)</u>
Provisions for investments in group enterprises	7	0	2.071
Provisions for investments in associates	8	<u>767</u>	<u>310</u>
Provisions		<u>767</u>	<u>2.381</u>
Payables to shareholders and management	9	30.078	19.120
Other payables		<u>0</u>	<u>3.587</u>
Non-current liabilities other than provisions		<u>30.078</u>	<u>22.707</u>
Trade payables		15	122
Payables to group enterprises		12.853	5.748
Payables to shareholders and management		287	287
Income tax payable		240	121
Other payables	10	<u>678</u>	<u>884</u>
Current liabilities other than provisions		<u>14.073</u>	<u>7.162</u>
Liabilities other than provisions		<u>44.151</u>	<u>29.869</u>
Equity and liabilities		<u><u>16.478</u></u>	<u><u>6.409</u></u>
Contingent liabilities	11		

Parent statement of changes in equity for 2015

	Contri- buted capi- tal DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	322	(26.163)	(25.841)
Exchange rate adjustments	0	(330)	(330)
Other adjustments	0	(50)	(50)
Profit/loss for the year	0	(2.219)	(2.219)
Equity end of year	322	(28.762)	(28.440)

Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
1. Other financial income		
Financial income arising from group enterprises	2.794	2.127
Exchange rate adjustments	0	77
Other financial income	74	0
	2.868	2.204
	2015 DKK'000	2014 DKK'000
2. Other financial expenses		
Financial expenses from group enterprises	419	191
Interest expenses	997	1.058
Other financial expenses	8	14
	1.424	1.263
	2015 DKK'000	2014 DKK'000
3. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	240	121
Adjustment concerning previous years	0	306
	240	427
	Investments in group enter- prises DKK'000	Investments in associates DKK'000
4. Fixed asset investments		
Cost beginning of year	10.322	5.639
Additions	47.544	0
Cost end of year	57.866	5.639
Impairment losses beginning of year	(8.727)	(5.950)
Exchange rate adjustments	(316)	(14)
Amortisation of goodwill	(1.462)	0
Share of profit/loss for the year	834	(2.370)
Investments with negative equity depreciated over receivables	(32.014)	1.934
Investments with negative equity transferred to provisions	0	767
Other adjustments	(44)	(6)
Impairment losses end of year	(41.729)	(5.639)
Carrying amount end of year	16.137	0

Notes to parent financial statements

The carrying amount of investments in group enterprises reaches a net amount of DKK 16,137 thousand at 31 December 2015. Goodwill totalling DKK 6,217 thousand is included in the carrying amount.

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity interest %</u>
Investments in associates comprise:			
Meinto Benelux B.V.	Amsterdam, Netherland	B.V.	50,0

5. Prepayments

Prepayments comprise prepaid expenses concerning future financial years.

	<u>Number</u>	<u>Nominal value DKK'000</u>
6. Contributed capital		
Shares, Class A	289	289
Shares, Class B	33	33
	<u>322</u>	<u>322</u>

	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>	<u>2013 DKK'000</u>	<u>2012 DKK'000</u>	<u>2011 DKK'000</u>
Changes in contributed capital					
Contributed capital beginning of year	322	286	267	125	125
Increase of capital	<u>0</u>	<u>36</u>	<u>19</u>	<u>142</u>	<u>0</u>
Contributed capital end of year	<u>322</u>	<u>322</u>	<u>286</u>	<u>267</u>	<u>125</u>

7. Provisions for investments in group enterprises

Provisions for investments in group enterprises relate to negative equity value of investments in group enterprises, in which the Company has a legal and constructive obligation to cover the negative balance.

8. Provisions for investments in associates

Provisions for investments in associates relate to negative equity value of investments in associates, in which the Company has a legal and constructive obligation to cover the negative balance.

Notes to parent financial statements

9. Payables to shareholders and management

Payables to shareholders and Management comprise loans advanced by the Company's shareholders. The loans fall due for payment when the Company has sufficient capital resources to repay the loans. Repayment of the loans must be approved by the Company's Board of Directors.

	2015	2014
	DKK'000	DKK'000
10. Other short-term payables		
Accrued interests	623	0
Other costs payable	55	884
	678	884

11. Contingent liabilities

The Company has submitted a letter of support to Miinto ApS, Miinto Host ApS and Meinto Benelux B.V. with a guarantee to contribute the additional capital required to the subsidiaries up to and until 31 December 2016 thereby enabling the subsidiaries to settle their obligations as they fall due.

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.