

WhiteAway Group A/S
Central Business Registration No
33767986
Agerbækvej 21
8240 Risskov

Annual report 2015/16

The Annual General Meeting adopted the annual report on 03.01.2017

Chairman of the General Meeting

Name: Henrik Rennison Hansen

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Entity details

Entity

WhiteAway Group A/S
Agerbækvej 21
8240 Risskov

Central Business Registration No: 33767986

Founded: 24.06.2011

Registered in: Aarhus

Financial year: 01.11.2015 - 31.10.2016

Board of Directors

Ib Nørholm, chairman
Florian Karl Paul Seubert
Jon Kristensen
Lise Kaae
Johannes Gadsbøll

Executive Board

Johannes Gadsbøll, CEO
Esben Aabenhus

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus 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 WhiteAway Group A/S for the financial year 01.11.2015 - 31.10.2016.

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 31.10.2016 and of the results of its operations and cash flows for the financial year 01.11.2015 - 31.10.2016.

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.

Risskov, 03.01.2017

Executive Board

Johannes Gadsbøll
CEO

Esben Aabenhus

Board of Directors

Ib Nørholm
chairman

Florian Karl Paul Seubert

Jon Kristensen

Lise Kaae

Johannes Gadsbøll

Independent auditor's reports

To the owners of WhiteAway Group A/S Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of WhiteAway Group A/S for the financial year 01.11.2015 - 31.10.2016, 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 31.10.2016, and of the results of their operations and the Group's cash flows for the financial year 01.11.2015 - 31.10.2016 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

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 consolidated financial statements and parent financial statement.

Aarhus, 03.01.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Jakob B. Ditlevsen

State Authorised Public Accountant

Søren Alsen Lauridsen

State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015/16	2014/15	2013/14	2012/13	2011/12
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial high-lights					
Key figures					
Revenue	1.654.708	1.313.746	986.280	785.173	162.959
Gross profit/loss	108.872	102.837	73.710	47.160	15.812
Operating profit/loss	29.947	45.335	27.736	8.129	10.698
Net financials	5.668	(2.666)	1.070	(1.660)	(812)
Profit/loss for the year	27.619	32.087	20.535	5.750	7.118
Total assets	486.146	270.094	224.709	176.195	190.538
Investments in property, plant and equipment	3.945	2.252	1.179	2.452	1.918
Equity	108.169	95.127	67.370	46.864	40.931
Cash flows from (used in) operating activities	13.896	32.299	43.494	56.709	43.588
Cash flows from (used in) investing activities	(157.572)	(3.245)	(3.068)	(4.047)	(28.007)
Cash flows from (used in) financing activities	(14.000)	(1.295)	(6.000)	(17.358)	38.358
Ratios					
Gross margin (%)	6,6	7,8	7,5	6,0	9,7
Net margin (%)	1,7	2,4	2,1	0,7	4,4
Return on equity (%)	27,2	39,5	36,0	13,1	17,4
Equity ratio %	22,3	35,2	30,0	26,6	22,7

Management commentary

Primary activities

WhiteAway Group is an online trader of white goods and related product categories. All sales, B2C as well as B2B, are performed through the Group's websites.

Development in activities and finances

During the year the Group strengthened both the online and the Skousen franchisee sales channels.

The online area has seen solid growth in all of the Group's markets. In August 2016 WhiteAway Group acquired all shares in the Stockholm based online company Tretti AB. This acquisition added significantly to the Group's sales volume in the last two months of the fiscal year, and the year-end number of employees and consolidated balance sheet also reflects the magnitude of this acquisition.

The franchisee area also had significant growth overall in existing shops, along with 12 new opened shops in Norway during the fiscal year.

Profit for the year is considered satisfactory.

Uncertainty relating to recognition and measurement

Recognition and measurement in the consolidated financial statements and parent financial statements are not subject to any material uncertainties

Unusual circumstances affecting recognition and measurement

No particular risks exert material influence on the consolidated financial statements and parent financial statements.

Outlook

Positive development is expected in the coming financial year.

Intellectual capital resources

The Group's intellectual capital resources are primarily attributable to two factors: staff and the web platform. The Group currently focuses on maintaining and developing the web platform as well as staff skills.

Environmental performance

The Group weighs health, safety and environment highly. This is expressed through policies and work-ing groups working on current improvements and follow-up.

Through continuous negotiations, the Group ensures that all large suppliers assume responsibility for complying with applicable law with regard to environment, safety and health for the supplier's employees.

Management commentary

Corporate social responsibility

Corporate social responsibility policies

The Group takes corporate social responsibility in different ways, but has not yet defined an actual policy for this area.

Diversity in management

For the composition of the Board of Directors, the Board has decided that WhiteAway Group will seek to ensure that both genders are represented from 2017. Currently the Board of Directors consists of 5 members, whereof 1 is female. In WhiteAway Group, we strive to have at least 20% women in the board. However, the key criteria for nomination of candidates will be to seek competent Board members being able to add value to the WhiteAway Group strategy and business control.

At other levels of management, we also wish to enhance diversity. The structure of our policy and culture widely appeals to male as well as female managers with highly flexible working hours and focus on work-life balance. At the end of 2017, it is our aim that female managers account for at least half of the female share among WhiteAway Group's total number of employees. Currently 49% of staff in the WhiteAway Group is female and 17% in our management team is female.

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 C enterprises (large).

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.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of WhiteAway Group A/S 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.

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.

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.

Accounting policies

Income statement

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.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

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.

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.

Accounting policies

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 usually five years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

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, 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.

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.

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

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

Property, plant and equipment

Land and buildings as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Accounting policies

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:

Buildings	4-50 years
Other fixtures and fittings, tools and equipment	5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount. Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as an adjustment of depreciation and impairment losses, or under other operating income if selling price exceeds original cost. Property, plant and equipment with an acquisition price below 100 t.DKK are written off.

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 5 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Investments in group enterprises 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.

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.

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Treasury shares

Acquisition and selling prices and dividends for treasury shares are classified directly as equity under retained earnings. Gains and losses on sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to the nominal value.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructurings, etc.

Accounting policies

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.

Other financial liabilities

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

Income tax receivable or payable

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

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 acquisition and divestment of enterprises, 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 and short-term securities with an insignificant price risk less short-term bank debt.

Accounting policies

Financial highlights

Financial highlights are defined and calculated as follows:

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The Entity's operating profitability.
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.

Consolidated income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Revenue	1	1.654.708	1.313.746
Cost of sales		(1.411.087)	(1.110.310)
Other external expenses	4	<u>(134.749)</u>	<u>(100.599)</u>
Gross profit/loss		108.872	102.837
Staff costs	2	(69.086)	(49.100)
Depreciation, amortisation and impairment losses	3	<u>(9.839)</u>	<u>(8.402)</u>
Operating profit/loss		29.947	45.335
Other financial income	5	19.607	9.758
Other financial expenses	6	<u>(13.939)</u>	<u>(12.424)</u>
Profit/loss from ordinary activities before tax		35.615	42.669
Tax on profit/loss from ordinary activities	7	<u>(7.996)</u>	<u>(10.582)</u>
Profit/loss for the year		<u>27.619</u>	<u>32.087</u>
Proposed distribution of profit/loss			
Dividend for the financial year		0	14.000
Retained earnings		<u>27.619</u>	<u>18.087</u>
		<u>27.619</u>	<u>32.087</u>

Consolidated balance sheet at 31.10.2016

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Completed development projects		907	1.295
Acquired licences		27	2.217
Goodwill		161.268	4.766
Intangible assets	8	<u>162.202</u>	<u>8.278</u>
Land and buildings		0	18
Other investment assets		0	0
Other fixtures and fittings, tools and equipment		5.305	2.470
Property, plant and equipment	9	<u>5.305</u>	<u>2.488</u>
Other receivables		6.510	3.507
Fixed asset investments	10	<u>6.510</u>	<u>3.507</u>
Fixed assets		<u>174.017</u>	<u>14.273</u>
Manufactured goods and goods for resale		217.378	116.078
Inventories		<u>217.378</u>	<u>116.078</u>
Trade receivables		44.357	34.187
Deferred tax assets	12	7.969	0
Other short-term receivables		562	1.114
Prepayments	13	7.336	6.361
Receivables		<u>60.224</u>	<u>41.662</u>
Cash		<u>34.527</u>	<u>98.081</u>
Current assets		<u>312.129</u>	<u>255.821</u>
Assets		<u>486.146</u>	<u>270.094</u>

Consolidated balance sheet at 31.10.2016

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Contributed capital		565	565
Retained earnings		107.604	80.562
Proposed dividend		0	14.000
Equity		<u>108.169</u>	<u>95.127</u>
Provisions for deferred tax	12	0	19
Other provisions	14	2.245	1.843
Provisions		<u>2.245</u>	<u>1.862</u>
Income tax payable		0	4.394
Non-current liabilities other than provisions		<u>0</u>	<u>4.394</u>
Bank loans		98.022	0
Trade payables		259.900	155.200
Income tax payable		7.304	7.956
Other payables		10.506	5.555
Current liabilities other than provisions		<u>375.732</u>	<u>168.711</u>
Liabilities other than provisions		<u>375.732</u>	<u>173.105</u>
Equity and liabilities		<u>486.146</u>	<u>270.094</u>
Subsidiaries	11		
Mortgages and securities	17		

Consolidated statement of changes in equity for 2015/16

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	565	80.562	14.000	95.127
Ordinary dividend paid	0	0	(14.000)	(14.000)
Exchange rate adjustments	0	(577)	0	(577)
Profit/loss for the year	0	27.619	0	27.619
Equity end of year	565	107.604	0	108.169

Consolidated cash flow statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Operating profit/loss		29.947	45.335
Amortisation, depreciation and impairment losses		9.839	8.402
Share-based payment		0	(3.942)
Other provisions		383	(781)
Working capital changes	15	<u>(20.206)</u>	<u>(15.080)</u>
Cash flow from ordinary operating activities		19.963	33.934
Financial income received		6.798	4.605
Financial income paid		(889)	(749)
Income taxes refunded/(paid)		<u>(11.976)</u>	<u>(5.491)</u>
Cash flows from operating activities		13.896	32.299
Acquisition etc of intangible assets		(412)	(775)
Acquisition etc of property, plant and equipment		(1.088)	(1.477)
Acquisition of fixed asset investments		(3.003)	(993)
Acquisition of enterprises		(196.313)	0
Other cash flows from investing activities	16	<u>43.244</u>	<u>0</u>
Cash flows from investing activities		(157.572)	(3.245)
Dividend paid		(14.000)	0
Acquisition of treasury shares		<u>0</u>	<u>(1.295)</u>
Cash flows from financing activities		(14.000)	(1.295)
Increase/decrease in cash and cash equivalents		(157.676)	27.759
Cash and cash equivalents beginning of year		98.081	77.234
Currency translation adjustments of cash and cash equivalents		<u>(3.900)</u>	<u>(6.912)</u>
Cash and cash equivalents end of year		<u>(63.495)</u>	<u>98.081</u>
Cash and cash equivalents at year-end are composed of:			
Cash		34.527	98.081
Short-term debt to banks		<u>(98.022)</u>	<u>0</u>
Cash and cash equivalents end of year		<u>(63.495)</u>	<u>98.081</u>

Notes to consolidated financial statements

	2015/16 DKK'000	2014/15 DKK'000
1. Revenue		
Denmark	1.119.969	1.068.148
Sweden	260.300	113.224
Norway	274.439	132.374
	1.654.708	1.313.746

	2015/16 DKK'000	2014/15 DKK'000
2. Staff costs		
Wages and salaries	63.099	44.954
Pension costs	1.014	2
Other social security costs	1.175	914
Other staff costs	3.798	3.230
	69.086	49.100

Average number of employees	132	106
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	Remune- ration of manage- ment 2015/16 DKK'000	Remune- ration of manage- ment 2014/15 DKK'000
Total amount for management categories	3.306	4.336
	3.306	4.336

Special incentive programmes

Management has been granted warranties to buy shares at a fixed price.

	2015/16 DKK'000	2014/15 DKK'000
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	8.615	6.395
Depreciation of property, plant and equipment	1.224	2.007
	9.839	8.402

Notes to consolidated financial statements

	2015/16 DKK'000	2014/15 DKK'000
4. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	540	300
Other assurance engagements	10	10
Tax services	25	25
Other services	211	455
	786	790
	2015/16 DKK'000	2014/15 DKK'000
5. Other financial income		
Interest income	1.640	965
Exchange rate adjustments	12.809	5.154
Other financial income	5.158	3.639
	19.607	9.758
	2015/16 DKK'000	2014/15 DKK'000
6. Other financial expenses		
Interest expenses	849	101
Exchange rate adjustments	13.050	11.675
Other financial expenses	40	648
	13.939	12.424
	2015/16 DKK'000	2014/15 DKK'000
7. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	16.202	12.053
Change in deferred tax for the year	(7.988)	(1.383)
Adjustment concerning previous years	(218)	(88)
	7.996	10.582

Notes to consolidated financial statements

	Completed develop- ment pro- jects DKK'000	Acquired licences DKK'000	Goodwill DKK'000
8. Intangible assets			
Cost beginning of year	4.940	5.859	23.902
Additions	393	19	162.130
Cost end of year	5.333	5.878	186.032
Amortisation and impairment losses beginning of year	(3.645)	(5.370)	(17.411)
Amortisation for the year	(781)	(481)	(7.353)
Amortisation and impairment losses end of year	(4.426)	(5.851)	(24.764)
Carrying amount end of year	907	27	161.268
			Other fix- tures and fittings, tools and equipment DKK'000
	Land and buildings DKK'000	Other in- vestment assets DKK'000	
9. Property, plant and equipment			
Cost beginning of year	200	4.975	9.813
Addition through merger and business combinations	0	0	2.857
Exchange rate adjustments	0	0	23
Additions	0	0	1.088
Cost end of year	200	4.975	13.781
Depreciation and impairment losses beginning of the year	(182)	(4.975)	(7.269)
Exchange rate adjustments	0	0	(1)
Depreciation for the year	(18)	0	(1.206)
Depreciation and impairment losses end of the year	(200)	(4.975)	(8.476)
Carrying amount end of year	0	0	5.305

Notes to consolidated financial statements

	Other receivab- les DKK'000
10. Fixed asset investments	
Cost beginning of year	3.507
Additions	3.003
Cost end of year	6.510
Carrying amount end of year	6.510

	Registered in	Corpo- rate form	Equity inte- rest %
11. Subsidiaries			
WhiteAway A/S	Aarhus	A/S	100,0
Skousen Online Service A/S	Aarhus	A/S	100,0
Karl Køkken ApS	Aarhus	ApS	100,0
Hvidevare-Finansieringsselskabet af 21/8 2002 ApS	Aarhus	ApS	100,0
Tretti AB	Stockholm	AB	100,0

	2015/16 DKK'000	2014/15 DKK'000
12. Deferred tax		
Intangible assets	(55)	(685)
Property, plant and equipment	922	735
Inventories	165	0
Receivables	76	(69)
Other deductible temporary differences	6.861	0
	7.969	(19)

13. Prepayments

Prepayments primarily relate to prepaid insurance, marketing etc.

14. Other provisions

Other provisions relate to guarantee commitments on goods sold.

Notes to consolidated financial statements

	2015/16	2014/15
	<u>DKK'000</u>	<u>DKK'000</u>
15. Change in working capital		
Increase/decrease in inventories	(55.825)	(36.835)
Increase/decrease in receivables	(7.667)	7.139
Increase/decrease in trade payables etc	<u>43.286</u>	<u>14.616</u>
	<u>(20.206)</u>	<u>(15.080)</u>

16. Other cash flows from investing activities

Other cash flow consist of liquidity acquired in connection with the purchase of Tretti AB.

17. Mortgages and securities

Bank debt is secured on a floating charge of DKK 95m.

Parent income statement for 2015/16

	Notes	2015/16 DKK'000	2014/15 DKK'000
Revenue		22.519	20.795
Other external expenses		<u>(1.315)</u>	<u>(1.103)</u>
Gross profit/loss		21.204	19.692
Staff costs	1	(89)	29
Depreciation, amortisation and impairment losses	2	(373)	(560)
Other operating expenses		<u>(10.800)</u>	<u>0</u>
Operating profit/loss		9.942	19.161
Income from investments in group enterprises		22.303	17.378
Income from other investments and receivables that are fixed assets		3	0
Other financial income	3	877	0
Other financial expenses	4	<u>(728)</u>	<u>(19)</u>
Profit/loss from ordinary activities before tax		32.397	36.520
Tax on profit/loss from ordinary activities	5	<u>(4.778)</u>	<u>(4.433)</u>
Profit/loss for the year		<u>27.619</u>	<u>32.087</u>
Proposed distribution of profit/loss			
Dividend for the financial year		0	14.000
Reserve for net revaluation according to the equity method		22.303	17.378
Retained earnings		<u>5.316</u>	<u>709</u>
		<u>27.619</u>	<u>32.087</u>

Parent balance sheet at 31.10.2016

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Acquired intangible assets		0	373
Intangible assets	6	<u>0</u>	<u>373</u>
Investments in group enterprises		278.385	79.924
Fixed asset investments	7	<u>278.385</u>	<u>79.924</u>
Fixed assets		<u>278.385</u>	<u>80.297</u>
Receivables from group enterprises		47.681	14.948
Deferred tax assets	8	147	163
Other short-term receivables		101	86
Income tax receivable		4.199	1.442
Receivables		<u>52.128</u>	<u>16.639</u>
Cash		<u>1.095</u>	<u>106</u>
Current assets		<u>53.223</u>	<u>16.745</u>
Assets		<u>331.608</u>	<u>97.042</u>

Parent balance sheet at 31.10.2016

	<u>Notes</u>	<u>2015/16 DKK'000</u>	<u>2014/15 DKK'000</u>
Contributed capital	9, 10	565	565
Reserve for net revaluation according to the equity method		37.102	34.952
Retained earnings		70.481	45.610
Proposed dividend		0	14.000
Equity		<u>108.148</u>	<u>95.127</u>
Bank loans		98.022	0
Trade payables		0	56
Payables to group enterprises		123.978	18
Other payables		1.460	1.841
Current liabilities other than provisions		<u>223.460</u>	<u>1.915</u>
Liabilities other than provisions		<u>223.460</u>	<u>1.915</u>
Equity and liabilities		<u>331.608</u>	<u>97.042</u>
Contingent liabilities	11		
Mortgages and securities	12		

Parent statement of changes in equity for 2015/16

	Contributed capital DKK'000	Reserve for net revalua- tion accor- ding to the equity me- thod DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000
Equity beginning of year	565	34.952	45.610	14.000
Ordinary dividend paid	0	(19.555)	19.555	(14.000)
Exchange rate adjustments	0	(598)	0	0
Profit/loss for the year	0	22.303	5.316	0
Equity end of year	565	37.102	70.481	0
				Total DKK'000
Equity beginning of year				95.127
Ordinary dividend paid				(14.000)
Exchange rate adjustments				(598)
Profit/loss for the year				27.619
Equity end of year				108.148

Notes to parent financial statements

	2015/16 DKK'000	2014/15 DKK'000
1. Staff costs		
Wages and salaries	89	(29)
	89	(29)
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	373	560
	373	560
3. Other financial income		
Exchange rate adjustments	877	0
	877	0
4. Other financial expenses		
Interest expenses	268	0
Exchange rate adjustments	425	18
Other financial expenses	35	1
	728	19
5. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	4.684	4.551
Change in deferred tax for the year	16	(38)
Adjustment concerning previous years	78	(80)
	4.778	4.433

Notes to parent financial statements

	Acquired intangible assets DKK'000
6. Intangible assets	
Cost beginning of year	2.800
Cost end of year	2.800
Amortisation and impairment losses beginning of year	(2.427)
Amortisation for the year	(373)
Amortisation and impairment losses end of year	(2.800)
Carrying amount end of year	0
	Invest- ments in group enterpri- ses DKK'000
7. Fixed asset investments	
Cost beginning of year	44.971
Additions	196.313
Cost end of year	241.284
Revaluations beginning of year	34.951
Exchange rate adjustments	(598)
Amortisation of goodwill	(4.910)
Share of profit/loss for the year	27.213
Dividend	(19.555)
Revaluations end of year	37.101
Carrying amount end of year	278.385
	2015/16 DKK'000
8. Deferred tax	2014/15 DKK'000
Intangible assets	147
	147
	163
	163

Notes to parent financial statements

	Number	Par value DKK'000	Nominal value DKK'000
9. Contributed capital			
Shares	565.000	1	565
	565.000		565

	2015/16 DKK'000	2014/15 DKK'000	2013/14 DKK'000	2012/13 DKK'000	2011/12 DKK'000
Changes in contributed capital					
Contributed capital beginning of year	565	565	538	538	500
Increase of capital	0	0	0	27	38
Contributed capital end of year	565	565	538	565	538

	Number	Nominal value DKK'000	Share of contri- buted ca- pital %
10. Treasury shares			
Holding of treasury shares:			
Shares	975	975	1,7
	975	975	1,7

11. Contingent liabilities

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 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 dividends for these companies. The total net liability to the Danish tax authorities appears from the financial statements.

12. Mortgages and securities

Guarantees provided to subsidiaries and group enterprises

The Entity has guaranteed subsidiaries' bank loans. The subsidiaries' bank debt totals DKK 0.

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