

Samlino.dk ApS

Langebrogade 6 E, 1. sal., 1411 Copenhagen

CVR no. 36 19 82 73

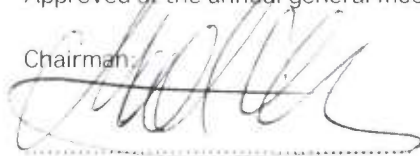


Annual report

for the year 1 January - 31 December 2016

Approved at the annual general meeting of shareholders on 31 May 2017

Chairman:



Mads Frederik Schilling Schubart

EY

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Samlino.dk ApS for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 31 May 2017
Executive Board:

Antonio Gagliardi



Kristian Pitzner-Jørgensen

Independent auditor's report

To the shareholders of Samlino.dk ApS

Opinion

We have audited the financial statements of Samlino.dk ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2017
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Michael Groth Hansen
State Authorised Public Accountant



Management's review

Company details

Name Samlino.dk ApS
Address, Postal code, City Langebrogade 6 E, 1. sal., 1411 Copenhagen

CVR no. 36 19 82 73
Registered office Copenhagen
Financial year 1 January - 31 December

Executive Board Antonio Gagliardi
Kristian Pitzner-Jørgensen

Auditors Ernst & Young Godkendt Revisionspartnerselskab
Osvold Helmuhs Vej 4, P.O. Box 250, 2000 Frederiksberg,
Denmark



Management's review

Management commentary

Financial review

The income statement for 2016 shows a loss of DKK 26,689,760 against DKK -8,776,337 last year, and the balance sheet at 31 December 2016 shows a negative equity of DKK 35,416,097.

Management considers the Company's financial performance in the year satisfactory due to start-up costs.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Company expects to continue the development of its activity on the Danish market in 2017 and expects a considerable improvement of the results in 2017.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2016 12 months	2014/15 16 months
	Gross margin	-8,951,370	-4,701,169
3	Staff costs	-16,778,541	-3,900,515
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-49,480	0
	Profit/loss before net financials	-25,779,391	-8,601,684
4	Financial income	145	89,646
5	Financial expenses	-910,514	-264,299
	Profit/loss for the year	<u>-26,689,760</u>	<u>-8,776,337</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-26,689,760</u>	<u>-8,776,337</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2016	2014/15
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	338,962	0
		<u>338,962</u>	<u>0</u>
	Total fixed assets	<u>338,962</u>	<u>0</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	1,133,119	688,189
	Other receivables	521,665	164,818
	Deferred income	101,536	20,267
		<u>1,756,320</u>	<u>873,274</u>
	Cash	1,186,239	664,407
	Total non-fixed assets	<u>2,942,559</u>	<u>1,537,681</u>
	TOTAL ASSETS	<u>3,281,521</u>	<u>1,537,681</u>
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	50,000	50,000
	Retained earnings	-35,466,097	-8,776,337
	Total equity	<u>-35,416,097</u>	<u>-8,726,337</u>
	Liabilities		
	Current liabilities		
	Trade payables	1,766,480	1,835,511
	Payables to group entities	35,855,714	8,121,376
	Other payables	1,075,424	307,131
		<u>38,697,618</u>	<u>10,264,018</u>
	Total liabilities other than provisions	<u>38,697,618</u>	<u>10,264,018</u>
	TOTAL EQUITY AND LIABILITIES	<u>3,281,521</u>	<u>1,537,681</u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2016	50,000	-8,776,337	-8,726,337
Transfer through appropriation of loss	0	-26,689,760	-26,689,760
Equity at 31 December 2016	50,000	-35,466,097	-35,416,097

At 31 December 2016, the Company has negative equity of DKK 35,416 thousand. In accordance with section 119 of the Danish Companies Act, the Executive Board is to consider whether the Company's capital resources are sound in the context of the Company's continued operations. The Executive Board expects to re-establish equity through own earnings in the next couple of years.

The Parent Company has issued a letter of support dated 24 May 2017 confirming that sufficient financing will be made available as necessary to ensure the Company's ability to continue as a going concern for the next 12 month ending 31 May 2018.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Samlino.dk ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

The items "revenue", "other operating income" and "external expenses" have been aggregated into one item in the income statement called "gross margin" in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No significant events have occurred after the balance sheet date.

	2016 12 months	2014/15 16 months
DKK		
3 Staff costs		
Wages/salaries	16,324,235	3,841,555
Other social security costs	454,306	58,960
	<u>16,778,541</u>	<u>3,900,515</u>
Average number of full-time employees	<u>65</u>	<u>11</u>
4 Financial income		
Exchange adjustments	128	86,952
Exchange gain	0	2,694
Other financial income	17	0
	<u>145</u>	<u>89,646</u>
5 Financial expenses		
Other interest expenses	124,225	264,299
Exchange adjustments	786,289	0
	<u>910,514</u>	<u>264,299</u>
6 Property, plant and equipment		
DKK		Other fixtures and fittings, tools and equipment
Additions in the year		<u>388,442</u>
Cost at 31 December 2016		<u>388,442</u>
Amortisation/depreciation in the year		<u>49,480</u>
Impairment losses and depreciation at 31 December 2016		<u>49,480</u>
Carrying amount at 31 December 2016		<u>338,962</u>
DKK	2016	2014/15
7 Share capital		
Analysis of the share capital:		
50,000 shares of DKK 1.00 nominal value each	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>



Financial statements for the period 1 January - 31 December

Notes to the financial statements

8 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	2016	2014/15
Rent and lease liabilities	<u>1,659,590</u>	<u>1,804,548</u>

9 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
CompareEuropeGroup Limited	United Kingdom	http://www.compareeuropegroup.com/