

# Handelselskabet af 1. september 2008 ApS

CVR-nr. 31 75 24 42

Høffdingsvej 34, 2 Sal  
DK-2500 Valby

## Annual Report for the period 1 January 2014 - 30 June 2015

The Annual Report is presented and  
adopted at the Annual General Meeting  
of shareholders on the 22. december  
2015

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Jaron Kramarz Cohen  
*Dirigent*

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## Management's Statement

The Supervisory Board and the Executive Board have today considered and approved the Annual Report of 1 January 2014 - 30 June 2015 for the financial year 2015.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 30 June 2015.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Copenhagen, 22. december 2015

Executive Board:

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Jaron Kramarz Cohen

Supervisory Board:

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Andrew John Dingle

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Carl William Jackson

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Jaron Kramarz Cohen

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Roland Gali Ronen  
Cohen

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Ian James Jackson

# **Independent Auditor's Reports**

*To the Shareholders of Handelsselskabet af 1. september 2008 ApS*

## **Report on the Financial Statements**

We have audited the financial statements of Handelsselskabet af 1. september 2008 ApS for the financial year 1 July 2015 - 30 June 2015, which comprise the income statement, balance sheet, notes and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility for the financial statements**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the 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 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 the Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

Our audit has not resulted in any qualification.

# **Independent Auditor's Reports (-continued)**

## **Opinion**

In our opinion the financial statements give a true and fair view of 30 June 2015 and of its financial operations for the financial year 1 January 2014 - 30 June 2015 in accordance with the Danish Financial Statements Act.

## **Supplementary information on matters pertaining to audited financial statement**

### ***Going concern***

Without modifying our conclusion, we refer to the description in note 1, where management outlines the uncertainties relating to going concern. The uncertainty is linked to the requirement that the company's stock and the stock/goods the company receive from its Shareholder can be sold with profits. Management is certain that the inventories and goods can provide sufficient liquidity to continue the company operations and therefor the Annual Report is prepared under the assumption of going concern.

### ***Uncertainty connected with recognition or measurement***

Without modifying our conclusion, we refer to the description in note 1, where management outlines the uncertainty regarding valuation of goodwill. The uncertainty is linked to the fact that the company needs to get online on the MySale platform.

## **Statements in accordance with other legislation and regulatory**

### **Statement on the Management's review**

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

Birkerød, 22. december 2015

**Piaster Revisorerne,  
Statsautoriseret Revisionsaktieselskab  
CVR-no.: 25 16 00 37**

Niels Kristian Tordrup Nielsen  
State Authorized Public Accountant

## Corporate information

<b>The Company</b>	Handelsselskabet af 1. september 2008 ApS Høffdingsvej 34, 2 Sal DK-2500 Valby
	Identification no.: 31 75 24 42
	Founded: 1. september 2008
	Registered office: Copenhagen
	Financial year: 1 July - 30 June
<b>Executive Board</b>	Jaron Kramarz Cohen
<b>Supervisory Board</b>	Andrew John Dingle Carl William Jackson Jaron Kramarz Cohen Roland Gali Ronen Cohen Ian James Jackson
<b>Auditor</b>	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Abildgårdsparken 8A DK-3460 Birkerød

# **Management's Review**

## **Primary activities of entity**

The company's main activity is web based trading.

Invitetobuy.dk and Agoodsale.dk are Denmark's leading online shopping clubs, where members get exclusive access to buy Danish and International leading brands at 30%-80% under market price.

## **Uncertainties relating to going concern**

The company's going concern requires that the company's stock and the stock/goods the company receive from its Shareholder can be sold with profits. Management is certain that the inventories and goods can provide sufficient liquidity to continue the company operations. The financial statements have been prepared under the assumption of going concern.

## **Uncertainty connected with recognition or measurement**

The company has activated goodwill of 469 tDKK which relates to the purchase of Agoodsale.dk and the members. The management are certain that the goodwill will provide sufficient turnover and thereby profits going forward, when the company gets online on the MySale Platforms.

## **Development in activities and financial affairs**

The gross profit for the year is materially affected by a debt release of 4.9m DKK and had this not been the case the gross profit would have been a loss of 0.7m DKK. The company is expecting to introduce a new online platform in connection with MySale Group and thereby be able to increase sales and profits.

The company's financial performance is considered dissatisfying.

## **Significant events occurred after the end of the financial year**

No events have occurred after the end of the financial year which have a material effect on the Company's profit and loss account or balance sheet.

## Income statement 1 January - 30 June

DKK	Notes	<i>15 months</i> 2015	<i>12 months</i> 2012/13
<b>Gross profit</b>		<b>4.281.084</b>	<b>263.910</b>
Staff costs	3	-1.556.467	-1.321.692
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	4	-83.616	-4.645
Other operating expenses		-15.659	0
<b>Operating profit</b>		<b>2.625.342</b>	<b>-1.062.427</b>
Financial income		0	45
Financial expenses		-33.049	-12
<b>Profit before tax</b>		<b>2.592.293</b>	<b>-1.062.394</b>
Tax expense	5	13.658	19.530
<b>Profit for the year</b>		<b>2.605.951</b>	<b>-1.042.864</b>
<b>Proposed distribution of results</b>			
Retained earnings		2.605.951	-1.042.864
Proposed dividend recognised in equity		0	0
<b>Total distribution</b>		<b>2.605.951</b>	<b>-1.042.864</b>

## Balance sheet at 30 June

<b>Assets</b>		30/6	31/12
DKK	Notes	2015	2013
Goodwill	6	469.179	552.795
<b>Intangible assets</b>		<b>469.179</b>	<b>552.795</b>
Other long-term receivables		11.095	70.097
<b>Financial fixed assets</b>		<b>11.095</b>	<b>70.097</b>
<b>Fixed assets</b>		<b>480.274</b>	<b>622.892</b>
<b>Inventories</b>	7	<b>78.821</b>	<b>668.038</b>
Trade receivables		150.261	89.507
Receivables from group enterprises	8	722.391	0
Tax receivables		13.658	19.530
Receivables from owners and management	9	327.081	0
<b>Receivables</b>		<b>1.213.391</b>	<b>109.037</b>
<b>Cash and cash equivalents</b>		<b>56.818</b>	<b>144.463</b>
<b>Current assets</b>		<b>1.349.030</b>	<b>921.538</b>
<b>Assets</b>		<b>1.829.304</b>	<b>1.544.430</b>

## Balance sheet at 30 June

<b>Equity and liabilities</b>		30/6	31/12
DKK	Notes	2015	2013
Share capital		125.000	125.000
Retained earnings		546.847	-4.257.724
Proposed dividend recognised in equity		0	0
<b>Equity</b>	10	<b>671.847</b>	<b>-4.132.724</b>
Provisions for deferred tax	11	0	0
Other provisions		14.036	105.401
<b>Provisions</b>		<b>14.036</b>	<b>105.401</b>
Subordinate loan capital	12	0	4.310.006
<b>Long-term liabilities other than provisions</b>		<b>0</b>	<b>4.310.006</b>
Subordinate loan capital	12	0	0
Trade payables		514.355	859.396
Tax payables		0	0
Other payables		629.066	402.351
<b>Short-term liabilities other than provisions</b>		<b>1.143.421</b>	<b>1.261.747</b>
<b>Total liabilities other than provisions</b>		<b>1.143.421</b>	<b>5.571.753</b>
<b>Equity and liabilities</b>		<b>1.829.304</b>	<b>1.544.430</b>
Uncertainties relating to going concern	1		
Uncertainty connected with recognition or measurement	2		
Contingent liabilities	13		

# Noter

## 1 Uncertainties relating to going concern

The company's going concern requires that the company's stock and the stock/goods the company receive from its Shareholder can be sold with profits. Management is certain that the inventories and goods can provide sufficient liquidity to continue the company operations. The financial statements have been prepared under the assumption of going concern.

## 2 Uncertainty connected with recognition or measurement

The company has activated goodwill of 469 tDKK which relates to the purchase of Agoodsale.dk and the members. The management are certain that the goodwill will provide sufficient turnover and thereby profits going forward, when the company gets online on the MySale Platforms.

	<i>15 months</i> 2015	<i>12 months</i> 2012/13
	<hr/>	<hr/>
<b>3 Staff costs</b>		
Wages and salaries	1.475.570	1.296.432
Post-employment benefit expense	0	0
Social security contributions	80.897	25.260
	<hr/> <b>1.556.467</b>	<hr/> <b>1.321.692</b>
<b>4 Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible</b>		
Amortisation, goodwill	83.616	4.645
	<hr/> <b>83.616</b>	<hr/> <b>4.645</b>
<b>5 Tax expense</b>		
Calculated tax on taxable income for the year	-13.658	-19.530
Adjustment of deferred tax	0	0
Tax, prior years	0	0
	<hr/> <b>-13.658</b>	<hr/> <b>-19.530</b>

## Noter

	30/6 2015	31/12 2013
	<u>          </u>	<u>          </u>
<b>6 Goodwill</b>		
Cost price at 1 January	557.440	0
Additions	0	557.440
	<u>557.440</u>	<u>557.440</u>
Cost price at 30 June		
	<u>557.440</u>	<u>557.440</u>
Amortisation at, 1 January	4.645	0
Amortisation for the period	83.616	4.645
	<u>88.261</u>	<u>4.645</u>
Amortisation at 30 June		
	<u>88.261</u>	<u>4.645</u>
<b>Accounting value at 30 June</b>	<b><u>469.179</u></b>	<b><u>552.795</u></b>
<b>7 Inventories</b>		
Manufactured goods and goods for resale	78.821	668.038
	<u>78.821</u>	<u>668.038</u>

### 8 Receivables from group enterprises

The receivable from group companies arised in connection with the sale of a part of the company to MySale Group PLC (ultimate owner). The new owner has provided a grant of 250.000 AUD, which will on a ongoing basis be remunerated in goods to be sold on the online platforms in the Nordic market.

### 9 Receivables from owners and management

The receivable arised when former 100% owner provided a grant to cover the negative equity. It has been agreed that the grant is to be settled on a ongoing basis. The grant was provided and receivable was established when the owner had 100% ownership.

## Noter

	30/6 2015	31/12 2013
	<u>          </u>	<u>          </u>
<b>10 Equity</b>		
Share Capital at 1 January	125.000	125.000
Share Capital at 30 June	<u>125.000</u>	<u>125.000</u>
Retained earnings at 1 January	-4.257.724	-3.214.860
Grant / capital contribution 9.10.2014	950.000	0
Grant / capital contribution 12.11.2014	1.248.620	0
Proposed distribution of results this year	<u>2.605.951</u>	<u>-1.042.864</u>
Retained earnings at 30 June	<u>546.847</u>	<u>-4.257.724</u>
Proposed dividend recognised in equity at 1 January	0	0
Dividend paid	0	0
Proposed dividend recognised in equity in the period	<u>0</u>	<u>0</u>
Proposed dividend recognised in equity at 30 June	<u>0</u>	<u>0</u>
<b>Equity at 30 June</b>	<u><b>671.847</b></u>	<u><b>-4.132.724</b></u>

## Noter

	30/6 2015	31/12 2013
	<u>          </u>	<u>          </u>
<b>11 Provisions for deferred tax</b>		
Provisions for deferred tax at 1 January	0	0
Adjustment of deferred tax	0	0
	<u>          </u>	<u>          </u>
	<b>0</b>	<b>0</b>
	<u>          </u>	<u>          </u>
<b>12 Subordinate loan capital</b>		
Debt due later than 5 years	0	4.310.006
Debt due between 1-4 year	0	0
	<u>          </u>	<u>          </u>
Long term	0	4.310.006
Debt due in less than a year	0	0
	<u>          </u>	<u>          </u>
	<b>0</b>	<b>4.310.006</b>
	<u>          </u>	<u>          </u>

### 13 Contingent liabilities

The company was joint taxed with the other Danish companies in the Invitetobuy Holding ApS group until 11/12 2014. The company is jointly liable with the other Danish companies in the joint taxation Danish corporation taxes and taxes on dividends, interest and royalties.

## **Accounting policies**

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

The accounting policies are consistent with those of last year.

### **General**

#### **Reporting / functional currency**

The Annual Report is presented in Danish kroner (DKK).

#### **In general regarding accounting and measuring**

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

# **Accounting policies**

## **Currency retranslation**

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

## **Income statement**

### **Gross profit**

With reference to section 32 of the Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

### **Revenue**

Revenue includes invoiced sales of goods and rendering of services, recognition is done, when:

- delivery and transfer of risk to the buyer has taken place before year end
- a committing sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

## **Accounting policies**

### **Cost of sales**

Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

### **Staff costs**

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

### **Other operating income and expenses**

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

### **Income from investments in group enterprises**

The proportionate share of the results of group enterprises after tax is recognized in the income statement after the elimination of intercompany proceeds and deduction of goodwill depreciation and goodwill impairment losses.

### **Financial items**

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

### **Tax expense**

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

# **Accounting policies**

## **Balance sheet**

### **Intangible assets**

Acquired goodwill is measured at historic cost less accumulated amortisation and impairment losses. Goodwill is depreciated over the estimated useful economic life estimated at 10 years due to high loyalty from customers.

### **Impairment of intangible assets**

The carrying amount of intangible assets is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by amortisations. If this is the case a impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

### **Inventories**

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is determined taking into account marketability, obsolescence and development in expected sales price less completion costs and costs incurred to effectuate the sale.

# **Accounting policies**

## **Receivables**

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

## **Deferred income assets**

Deferred income, recognized under assets, comprise costs incurred concerning subsequent financial years.

## **Cash and cash equivalents**

Cash and cash equivalents are cash in the bank.

## **Dividends**

Dividends expected to be paid in respect of the year are stated as a separate line item under equity. Proposed dividends are recognized as a liability at the time of adoption by the shareholders at the annual general meeting.

## **Current tax and current deferred tax**

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

## **Liabilities**

Mortgage debt is recognized at amortized cost price, which for cash loans is equal to outstanding loan. For bond loans amortized cost price equals the underlying cash value at time of borrowing regulated with an exchange rate at the time of borrowing depreciated over the

Other liabilities are measured at amortized cost, corresponding to the nominal value.