



**Lauritz.com**  
A bid better

OFFERING OF SHARES IN  
LAURITZ.COM GROUP A/S

Global Coordinator **ABG**  
SUNDAL COLLIER



# Important information

## Information to investors

This prospectus (the “**Prospectus**”) relates to the offering and the admission for trading of Lauritz.com Group A/S’s shares (the “**Shares**”) on Nasdaq First North Premier (the “**Offering**”). In this Prospectus, the terms “**Lauritz.com**”, the “**Company**” or the “**Group**” all refer to Lauritz.com Group A/S and its subsidiaries, as the context requires. Lauritz.com is offering 4,666,667 new Shares at a offer price of SEK 15 (the “**Offer Price**”) to ensure gross proceeds of in total SEK 70,000,000 (the “**New Shares**”) and Lauritz.com Holding A/S (the “**Selling Shareholder**”) is offering 10,121,212 existing shares (the “**Existing Shares**”). The total number of Existing Shares sold by the Selling Shareholder may be increased. However, in no event will the Selling Shareholder sell more than 11,969,697 Existing Shares in the Offering, excluding any Existing Shares that may be sold pursuant to the Overallotment Option described below. The Offering consists of: (i) a public offering to investors in Denmark and Sweden; and (ii) a private placement in Sweden and certain other jurisdictions outside the United States. Outside the United States, the Offer Shares (as defined below) will be offered and sold only in offshore transactions in reliance on Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”). Further, the Selling Shareholder will grant the Global Coordinator (as defined below) an option to purchase additional Shares (the “**Additional Shares**”) up to 10 % of the aggregate of the New Shares and the Existing Shares, solely to cover potential overallotments or other short positions, if any, in connection with the Offering (such option, the “**Overallotment Option**”). The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Shares on Nasdaq First North Premier. The New Shares, the Existing Shares and the Additional Shares, if any are sold hereunder, shall be referred to as the “**Offer Shares**”. Rite Internet Ventures Holding AB, Carella Fondförvaltning AB, Swedbank Robur Fonder AB and Bure Equity AB, (the “**Cornerstone Investors**”) have agreed to acquire Shares in the Offering to such an extent that their holding in the Company immediately after completion of the Offering corresponds to approximately 5.0 %, 7.5 %, 8.0 % and 11.3 %, respectively, of the total number of Shares. The Cornerstone Investors’ undertaking is subject to, among other things, listing of the Shares occurring no later than 30 June 2016 and the Cornerstone Investors receiving full allocation of its undertaking. For definitions and the meaning of certain expressions used in this Prospectus, see “*Definitions and glossary*”.

This Prospectus has been prepared in compliance with Danish legislation and regulations, including Consolidated Act no. 1530 of 2 December 2015 on Securities Trading, Commission Regulation (EC) no. 809/2004 of 29 as amended, Executive Order no. 1257 of 6 November 2015 issued by the Danish FSA on prospectuses for securities admitted to trading on a regulated market and for public listings of securities of at least EUR 5 million. This Prospectus is subject to Danish law. This Prospectus has been prepared solely for the admission to trading and listing of the Shares on Nasdaq First North Premier. This Prospectus has been prepared in the English language only. A Danish summary of this Prospectus is included herein. In the event of a discrepancy between the English summary and the Danish summary, the English summary shall prevail. Unless otherwise explicitly stated, no financial information in this Prospectus has been audited or reviewed by the Company’s auditor. Financial information concerning the Company, which is not a part of the information audited or reviewed by the Company’s auditor as stated herein, is obtained from the Company’s internal accounting and reporting system.

No representation or warranty, expressed or implied, is made by ABG Sundal Collier ASA (“**ABG**” or the “**Global Coordinator**”) as to the accuracy or completeness of any information contained in this Prospectus. Certain risks apply when investments in Shares are made, see “*Risk factors*”. In making

an investment decision, investors must rely on their own assessment of the Company and the terms of this Offering, including the merits and risks involved. Investors should, before making an investment decision, engage their own professional advisors and carefully evaluate and consider their investment decision. No person is or has been authorised to give any information or make any representation in connection with the offer or sale of the Offer Shares other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by Lauritz.com, the Selling Shareholder or the Global Coordinator and none of them accept any liability with respect to any such information or representation. Neither the publication of this Prospectus nor any transaction made in respect of the Offering shall be deemed to imply that the information in this Prospectus is accurate or applicable at any time other than on the date of the publication of this Prospectus or that there have been no changes in the Company’s business since this date. In the event of any changes to the information in this Prospectus that may affect the valuation of the Offer Shares during the period from the date of announcement of this Prospectus to the first day of trading, such changes will be announced in accordance with the provisions of the Executive Order no. 1257 of 6 November 2015, *inter alia*, which governs the publication of prospectus supplements. The Global Coordinator is acting for the Selling Shareholder and the Company and no one else in relation to the Offering. The Global Coordinator will not be responsible to anyone other than the Selling Shareholder and the Company for providing the protections afforded to clients of the Global Coordinator or for providing advice in relation to the Offering.

## Information to investors in the United States and other jurisdictions outside of Denmark and Sweden

The distribution of this Prospectus and the offer or sale of the Offer Shares in certain jurisdictions is restricted by law. No action has been taken by the Company, the Selling Shareholder or the Global Coordinator to permit a public offering in any jurisdiction other than Denmark and Sweden. The Offering is not made to persons resident in the United States, Canada, Japan, Australia or any other jurisdiction where participation would require additional prospectuses, registration or measures besides those required by Danish law. Consequently, this Prospectus, the subscription form or any other documents in respect of the Offering may not be distributed in or into the mentioned countries or any other country or any other jurisdiction in which distribution or the Offering in accordance with this Prospectus require such measures or otherwise would be in conflict with applicable regulation. Acquisition of Offer Shares in violation of the restrictions described above may be void. Recipients of this Prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations. This Prospectus may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offer Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer.

All investors receiving this Prospectus are advised to carefully review the information included in the section “*Information to investors in jurisdictions outside of Denmark and Sweden*”. The Offer Shares have not been and will not be registered under the U.S. Securities Act or any securities laws of any state within the United States and may only be sold in the United States pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the



U.S. Securities Act, or offered and sold outside the United States in compliance with Regulation S. There will be no public offer of the Offer Shares in the United States. As a condition to the private placements to institutional investors in the rest of the world in compliance with Regulation S, each purchaser will be deemed to have made certain representations and warranties that will be relied upon by the Company, the Global Coordinator and others. The Company reserves the right, in its sole and absolute discretion, to reject any purchases of Shares that the Company or its representatives believe may give rise to a breach or violation of any law, rule or regulation. For a description of certain restrictions on resale or transfer, see “*Information to investors in jurisdictions outside of Denmark and Sweden—Selling restrictions*” and “*Information to investors in jurisdictions outside of Denmark and Sweden—Transfer restrictions*”.

No public offering of Shares is made to any countries within the European Economic Area (“EEA”) other than Denmark and Sweden. In other member states of the EEA which have implemented the Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and any relevant implementing measure in the Relevant Member State (“**Prospectus Directive**”), such offering may be made only under the exemptions in the Directive as well as every relevant implementation measure (including measures to implement European Parliament and Council Directive 2010/73/EU).

## Stabilisation

In connection with the Offering, the Global Coordinator, in its capacity as stabilising manager, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days from the first day of trading in the Shares on Nasdaq First North Premier. Specifically, the Global Coordinator may over-allot Shares or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail. The stabilising manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the stabilising manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the stabilising manager does not intend to disclose the extent of any stabilisation transactions under the Offering. See “*Legal considerations and supplementary information—Stabilisation*”.

## Forward-looking statements

This Prospectus contains various forward-looking statements that reflect management’s current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances. The words “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might” or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Prospectus, including, without limitation, in the sections entitled “*Summary*”, “*Risk factors*”, “*Dividends and dividend policy*”, “*Operating and financial review*”, “*Market and industry overview*” and “*Business*”. For further information see “*Forward-looking statements*”.

## Presentation of financial and other data

Certain financial and other information that is presented in this Prospectus has been rounded off in order to make the information more accessible for the reader. Consequently, in certain columns the numbers do not exactly correspond to the stated total amount, see “*Presentation of financial and other data – Adjustments*”.

## Market data

The information in this Prospectus on the market environment, market developments, growth rates, market trends and on the competitive situation in the markets and regions in which the Company operate is based on data prepared by the Company based on public and company information.

## Important information regarding the possibility to sell allotted Offer Shares

Notification of allocation to the public in Denmark and Sweden will be made through distribution of contract notes. Such contract notes are expected to be distributed on or about 22 June 2016. After payment has been received for allotted Offer Shares by 27 June 2016, the Offer Shares duly paid for will be transferred to the securities account, service account, securities depository account or investment savings account designated by the investor. Due to the time required for distribution of contract notes, transfer of funds and transfer of Offer Shares acquired to investors of Offer Shares, the Offer Shares acquired will not be available for the investors on the designated securities account, service account, securities depository account or investment savings account until 27 June 2016 or some days thereafter.

Trading in the Shares on Nasdaq First North Premier is expected to commence on or about 22 June 2016. The fact that the Offer Shares will not be available on the investor’s securities account, service account, securities depository account or investment savings account before, at the earliest, 22 June 2016 may result in the investor being unable to sell the allotted Offer Shares on Nasdaq First North Premier on the first day of trading. Instead they may only be able to sell Offer Shares once Offer Shares are available on their securities account, service account, securities depository account or investment savings account. Institutional investors are expected to receive information on or about 22 June 2016 in a particular order regarding allotment, whereupon contract notes will be distributed.

## First North

First North is a multilateral trading facility operated by an exchange within the NASDAQ OMX group. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on First North have a Certified Adviser who monitors that the rules are followed. The Exchange approves the application for admission to trading.



# Contents

<b>Responsibility and statements</b>	<b>8</b>
The Company's responsibility	8
The Company's statement	8
<b>Danish translation of the summary</b>	<b>9</b>
Danish summary	9
<b>Summary</b>	<b>31</b>
<b>Risk factors</b>	<b>54</b>
Risks related to the technology, industry and the business	54
Risks related to technology	54
Risks related to the industry	56
Risks related to the business	57
Risks relating to the Offering and the Shares	62
<b>Forward-looking statements</b>	<b>65</b>
<b>Presentation of financial and other data</b>	<b>66</b>
Historical financial and other data	66
Certain non-IFRS financial measures	66
Adjustments	68
Currency	68
Trademarks	68
Certain terms used	68
<b>Expected timetable of offering and financial calendar</b>	<b>69</b>
Expected timetable of principal events related to the Offering	69
Financial Calendar	69
<b>Invitation to acquire and subscribe for Shares</b>	<b>70</b>
<b>Background and reasons for the Offering</b>	<b>71</b>
<b>Terms and conditions of the Offering</b>	<b>72</b>
The Offering	72
Distribution of Shares	72
Application	73
Allotment	74
Information regarding allotment and settlement	75
Important information regarding the possibility to sell allotted Offer Shares	75
Registration and recognition of allotted Offer Shares	76
Listing on the stock exchange	76
Announcement of the outcome of the Offering	76
Withdrawal of the Offering	76
Right to dividend	76
Terms and conditions for completion of the Offering	77



Other information .....	77
Information about handling of personal information .....	77
<b>Business .....</b>	<b>78</b>
<b>Introduction to Lauritz.com .....</b>	<b>78</b>
History .....	80
Mission, vision and concept idea .....	81
Categories and lot development .....	81
Customer value proposition .....	83
Strengths and competitive advantages .....	84
Strategy and future opportunities .....	86
Geographical expansion .....	86
Business model .....	88
Customers .....	88
Revenue model .....	89
Auction houses – three models for establishment .....	90
Auction process .....	93
Authenticity, procedures on counterfeits/stolen goods, police collaboration .....	93
Marketing disciplines, brand activities and CRS .....	94
Online and IT platform .....	96
Customer service .....	96
Intellectual property rights .....	96
Insurance .....	97
Legal proceedings and disputes .....	97
Lease agreements and facilities .....	97
Employees .....	98
<b>Market and industry overview .....</b>	<b>99</b>
<b>Selected consolidated historical financial information .....</b>	<b>103</b>
Selected income statement data .....	105
Selected balance sheet data .....	106
Selected cash flow statement data .....	107
Selected financial and operating data .....	108
Definitions of key ratios .....	109
<b>Operating and financial review .....</b>	<b>110</b>
Overview .....	110
Factors affecting Lauritz.com's results of operations .....	112
Results of operations and cash flow for the three month periods ended on 31 March 2016 (Q1 2016) and 31 March 2015 (Q1 2015) .....	118



Results of operations and cash flow for the fiscal years ended on 31 December 2015, 31 December 2014 and 31 December 2013 .....	120
Quarterly financial information .....	125
Significant events since 31 March 2016 .....	126
Significant accounting policies .....	126
Government, economic, fiscal, monetary or political initiatives that materially affect Lauritz.com's operations .....	126
<b>Prospective consolidated financial information .....</b>	<b>127</b>
Statement by the Board of Directors and the Executive Board .....	127
Independent Auditors' Report on prospective financial information for 2016 .....	128
Prospective financial information for 2016 .....	129
<b>Capitalisation and indebtedness .....</b>	<b>131</b>
Working Capital Statement .....	132
<b>Board of Directors, Executive Board and auditor .....</b>	<b>133</b>
Board of Directors .....	133
Executive Global Board .....	134
Shareholdings and other interests in Lauritz.com .....	135
Other information on the Board of Directors and Executive Board .....	135
External auditor .....	135
<b>Corporate governance .....</b>	<b>136</b>
Objectives of Lauritz.com Group A/S .....	136
Internal control .....	136
General meetings .....	136
Nomination committee .....	137
The Board of Directors' responsibilities and work .....	137
Remuneration to the members of the Board of Directors and board committees .....	139
Executive Board .....	139
<b>Memorandum of Association .....</b>	<b>141</b>
<b>Articles of association .....</b>	<b>144</b>
<b>Shares, share capital and ownership structure .....</b>	<b>154</b>
Share information .....	154
<b>Certain rights attached to the Shares .....</b>	<b>155</b>
Share capital history and developments in connection with the Offering .....	155
Lock-up agreements .....	155
Central securities depository affiliation .....	156
Ownership structure .....	156
Authorisation to Increase the Share Capital .....	157
Authorisation to Acquire Treasury Shares .....	157
Transfer of Shares .....	157
Pre-emption Rights .....	157
Redemption and Conversion Provisions .....	158
Dissolution and Liquidation .....	158



Indication of Takeover Bids .....	158
<b>Dividends and dividend policy .....</b>	<b>159</b>
General .....	159
Dividend policy .....	159
Dividends under Danish law .....	159
Recent dividends .....	159
Payment of dividends .....	160
Share buyback .....	160
<b>Legal considerations and supplementary information .....</b>	<b>161</b>
General corporate information .....	161
Placing agreement .....	162
Stabilisation .....	163
Material contracts .....	163
Certified advisor .....	164
Interests of advisors .....	164
Related party transactions .....	164
Costs relating to the Offering .....	165
Investment undertaking .....	165
Documents on display .....	167
Legal and other matters .....	167
<b>Taxation .....</b>	<b>168</b>
Certain tax considerations .....	168
Shareholders who are tax resident in Denmark .....	168
Shareholders who are tax resident in Sweden .....	168
Shareholders who are tax resident outside Denmark and Sweden .....	170
<b>Information to investors in jurisdictions outside of Denmark and Sweden .....</b>	<b>171</b>
Important notice .....	171
Important information concerning the opportunity to sell allocated Offer Shares .....	172
Selling restrictions .....	172
Transfer restrictions .....	174
Exchange control regulations in Denmark .....	175
<b>The Swedish Securities Market Nasdaq First North and certain danish securities regulation .....</b>	<b>176</b>
Nasdaq First North .....	176
Nasdaq First North Premier .....	176
Trading on Nasdaq First North .....	176
Ownership Disclosure .....	176
Mandatory Redemption of Shares .....	177
<b>Definitions and glossary .....</b>	<b>178</b>
<b>Index to historical financial statements .....</b>	<b>179</b>
<b>Historical financial statements .....</b>	<b>F-1 - F-58</b>



# Responsibility and statements

## The Company's responsibility

Lauritz.com Group A/S is responsible for this Prospectus in accordance with Danish law.

## The Company's statement

We hereby declare that we, as the persons responsible for this Prospectus on behalf of Lauritz.com Group A/S, have taken all reasonable care to ensure that, to the best of our knowledge and belief, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import thereof.

Copenhagen, 14 June 2016

Lauritz.com Group A/S

## Board of Directors

Bengt Sundström  
*Chairman*

Thomas Skovlund Schnegelsberg  
*Board member*

Tim Frank Andersen  
*Board member*

John Tyrrestrup  
*Board member*

Petra Von Rohr  
*Board member*

Bengt Sundström – Chairman

John Tyrrestrup – CFO at Weco Invest A/S

Thomas Skovlund Schnegelsberg – Director at Microsoft Denmark ApS

Tim Frank Andersen – Partner and Chairman at In2Media A/S

Petra Von Rohr – Head of Group Communications and Investor Relations at Com Hem AB

## Executive Board

Mette Rode Sundström  
*CEO*

Henrik Engmark  
*COO*





# Danish translation of the summary

The Danish summary is a translation of the English summary beginning on page 31. In the event of any discrepancies between the Danish and English versions, the English version shall prevail.

## Danish summary

Det danske resume er en oversættelse af det engelske resume, der begynder på side 31. I tilfælde af uoverensstemmelser mellem den danske og den engelske version, har den engelske version forrang

*Resuméer består af oplysningskrav, der benævnes "Elementer". Disse elementer er nummereret i afsnit A—E (A.1—E.7). Dette resumé indeholder alle de Elementer, der skal være indeholdt i et resumé for denne type værdipapir og udsteder i henhold til prospektforordningen nr. 486/2012 med senere ændringer. Da nogle Elementer ikke skal medtages, kan der forekomme huller i nummereringen af Elementerne. Selv om et Element skal indsættes i resuméet på grund af typen af værdipapir og udsteder, er det muligt, at der ikke kan gives nogen relevante oplysninger om Elementet. I så fald indeholder resuméet en kort beskrivelse af Elementet med angivelsen "ikke relevant".*

Afsnit A – Indledning og advarsler		
<b>A.1</b>	Introduktion og advarsler	<p><b>Dette resumé bør læses som en indledning til Prospektet.</b></p> <p><b>Enhver beslutning om investering i værdipapirerne bør af investor træffes på baggrund af prospektet som helhed.</b></p> <p><b>Den sagsøgende investor kan, hvis en sag vedrørende oplysninger i Prospektet indbringes for en domstol i henhold til national lovgivning i medlemsstaterne i det Europæiske Økonomiske Samarbejdsområde, være forpligtet til at betale omkostningerne i forbindelse med oversættelsen af Prospektet inden sagen indledes.</b></p> <p><b>Kun de personer, som har indgivet resuméet eller eventuelle oversættelser heraf, kan ifalde et civilretligt erstatningsansvar, men kun såfremt resuméet er misvisende, ukorrekt eller uoverensstemmende med de andre dele af Prospektet, eller ikke, når det læses sammen med Prospektets andre dele, indeholder nøgleoplysninger, således at investorerne lettere kan tage stilling til, om de vil investere i de Udbudte Aktier.</b></p>
<b>A.2</b>	Tilsagn til formidlere	Ikke relevant. Finansielle formidlere har ikke ret til at bruge Prospektet til efterfølgende videresalg eller endelig placering af værdipapirerne.



<b>Afsnit B – Udsteder</b>		
<b>B.1</b>	<i>Juridisk og kommercielt navn</i>	Selskabets juridiske navn er Lauritz.com Group A/S og Selskabet har ingen binavne.
<b>B.2</b>	<i>Domicil, retlig form, registreringsland</i>	Selskabet er et dansk aktieselskab stiftet den 20. april 2016 og registreret hos Erhvervsstyrelsen den 20. april 2016. Selskabets nuværende navn (og handelsnavn), Lauritz.com A/S var registreret den 20. april 2016. Selskabets hjemstedsadresse er Lauritz.com Group A/S, Dynamovej 11C, 2860 Søborg, Danmark og Selskabets CVR-nr. er 37 62 75 42. Virksomheden udføres i overensstemmelse med selskabsloven.
<b>B.3</b>	<i>Nuværende virksomhed og hovedaktiviteter</i>	<p>Lauritz.com Group A/S ejer 100% af aktierne i driftsselskabet Lauritz.com A/S.</p> <p>Den nuværende majoritetsejer og bestyrelsesformand, Bengt Sundström, købte Lauritz Christensen Auktioner i 1998 og påbegyndte digitaliseringsprocessen. Selskabets navn blev ændret til Lauritz.com i 1999, og i december 1999 blev <a href="http://www.lauritz.com">www.lauritz.com</a> lanceret som en pioner inden for online auktioner, med et ønske om at revolutionere auktionsbranchen internationalt qua et idegrundlag, der kombinerer den traditionelle auktionsverden med moderne teknologi.</p> <p>Derved igangsatte Lauritz.com et paradigmeskift inden for den internationale auktionsbranche, ved at flytte fokus fra de traditionelle fysiske auktioner til online auktioner. Lauritz.coms vision er at lave "Auktioner for folket" ved at gøre det at handle på auktioner tilgængeligt for den moderne forbruger.</p> <p>Siden har Lauritz.com haft som mission at demokratisere auktionsverdenen internationalt ved at introducere "Kvalitetsauktioner online". Dette sker gennem tre greb, digitalisering, internationalisering og industrialisering.</p> <p>Selskabet er i dag bevidst om at udnytte sin first mover position til yderligere at forstærke sin førende status på det nordiske marked og sikre det rette afsæt for Lauritz.com's fremtidige internationale udvikling.</p> <p>Lauritz.com har i dag 26 auktionshuse placeret i Danmark (13), Sverige (8), Norge (1), Tyskland (3) og Belgien (1). I auktionshusene kan sælgere dagligt indlevere varer til Lauritz.coms egne eksperter, mens bydere kan gå på fysisk eftersyn. Alle varer beskrives, vurderes og fotograferes objektivt, inden de sættes på auktion. Al budgivning sker online, bortset fra få fysiske auktioner årligt. En online auktion løber typisk 7 dage.</p> <p>Lauritz.com platformen fokuserer på et bredt sortiment af varer inden for kunst, design, antikviteter og home luxury med en værdi over DKK 800. Selskabet tilbyder både sælgere og købere et kundeværdigrundlag, der prioriterer ekspertise, bekvemmelighed, online-traffik, sikkerhed og en konkurrencedygtig prisstruktur.</p>



## Afsnit B – Udsteder

		<p>Selskabet driver både egne auktionshuse og auktionshuse, der drives af partnere i henhold til indgåede partnerskabsaftaler. Ud af de 26 auktionshuse er otte ejet af Lauritz.com, og 18 er ejet af partnere. Partnermodellen, der er en variant af franchise, giver den lokale partner ret til at drive et auktionshus i Lauritz.coms navn inden for bestemte konceptuelle rammer. Selskabet definerer, udvikler, kontrollerer og markedsfører fra hovedkontoret sit auktionskoncept på tværs af alle auktionshuse, mens de lokale filialer dagligt eksekverer konceptet over for kunderne.</p> <p>Når Lauritz.com etablerer nye auktionshuse i koncernen, kan dette ske på en af følgende tre måder. For det første kan Lauritz.com indgå aftale med en ny partner; f.eks. ved at et traditionelt auktionshus konverterer til online auktioner på Lauritz.com eller ved, at en partner starter et nyt auktionshus (greenfield). For det andet kan Selskabet købe et traditionelt auktionshus, som helt eller delvist konverteres til online auktioner. For det tredje, kan Lauritz.com tilbyde traditionelle auktionshuse en associatemodel, hvor auktionshuset i sit eksisterende brand kan lægge varer online på Lauritz.com.</p> <p>Efter Bengt Sundström købte Lauritz Christensen Auktioner i 1998, har Lauritz.com fokuseret på online auktioner. Ved købet af Stockholms Auktionsverk og Helsingborgs Auktionsverk i 2014 og aktiverne i Kunst- &amp; Auktionshaus HERR i 2015, er selskabet også begyndt at afholde fysiske auktioner (fine art auktioner).</p> <p>Selskabets forretningsmodel er bygget op omkring en egenudviklet online auktionsplatform, et stramt styret og veldokumenteret koncept, en industrialiseret logistik model, processer for at sikre korrekt varekvalitet, processer for at detektere kopier, ægthedsgaranti, vurdering og sourcing af varer samt en in-house uddannelsesafdeling, Lauritz.com University. Derudover har virksomheden udviklet en høj brand awareness gennem en markedsføringsstrategi med fokus på både digital markedsføring og markedsføring gennem andre kanaler.</p> <p>Selskabets strategiske model er bygget op omkring syv vækstdrivere, der erfaringsmæssigt bedst muligt optimerer fremdriften i Lauritz.com koncernen. Strategimodellen understøttes af årlige handlingsplaner. De syv vækstdrivere er: geografisk ekspansion; kundeudvikling; brand opbygning; udvikling af varekategorier; forretningsoptimering; nye forretningsområder; og organisationsudvikling.</p> <p>Lauritz.com er også aktiv på de danske og norske markeder gennem de helejede datterselskaber QXL Denmark A/S og QXL.no AS (samlet benævnt "QXL"), der er en online peer-to-peer (kunde-til-kunde) auktionsplatform med fokus på varer under DKK 800.</p>
--	--	---

**Afsnit B – Udsteder****B.4a**

*Beskrivelse af de væsentligste nyere tendenser, der påvirker Selskabet og de sektorer, inden for hvilke Selskabet opererer*

I perioden fra 2010 til 2015 steg adgang til internettet i almindelige husholdninger i EU med 13 % til 83 %. Lauritz.coms centrale geografiske markeder repræsenterer nogle af de lande, hvor adgang til internettet er mest udbredt med henholdsvis 97, 96, 91 og 90 % af husholdningerne, der har adgang til internettet i Norge, Danmark, Sverige og Tyskland.

Selskabet er geografisk godt placeret til at drage fordel af det voksende marked for e-handel. Over 60 % af alle personer i Tyskland, Norge og Danmark har købt en vare online inden for de sidste tre måneder, fra de blev adspurgt i 2015, hvor det i Sverige er lige under 60 %. Desuden er privatpersoner i stigende grad begyndt at sælge auktionsvarer online i modsætning til salg gennem fysiske butikker eller via trykte medier. Denne udvikling er delvist drevet af internettets udbredelse og en modning af auktionsbranchen. I Danmark, der er Lauritz.com største marked, havde 37 % af de adspurgte personer brugt internettet til at sælge varer eller ydelser i 2015, hvilket er en stigning fra 2013 på 24 %. Det er væsentligt højere end EU-gennemsnittet på 19 %.

Målt i lokal valuta voksede e-handelen i alle Lauritz.coms kernemarkeder, på nær Norge, med omkring 10 % årligt eller derover. Det danske e-handels marked voksede mest med 18 % i perioden 2013-2015. Det største enkelt-marked for e-handel er med betydelig margin Tyskland, der i henhold til den tyske organisation, German Trade & Invest, har en omsætning på næsten EUR 47 milliarder i 2015.

Siden lanceringen i 1999 har Selskabet haft et stærkt fokus på at udvikle mellemprismarkedet mellem de billigere varer, der sælges på peer-to-peer platforme og det eksklusive fine art auktionsmarked. Lauritz.com har således, efter ledelsens mening, opbygget en favorabel konkurrencemæssig position i auktionsmarked-segmentet for varer med en værdi over DKK 800. Dette segment er attraktivt på grund af den signifikante volumen af varer, der handles til relativt høje gennemsnitspriser, og på grund af at der er relativt få konkurrenter i samme segment.

Lauritz.coms position med fokus på det store mellemprismarked har ført til en fortsat stigning i registrerede kundenumre fra 8.000 i 2000 til mere end 2,5 millioner i 2015 (på alle platforme). Der registreres i dag cirka 13.100 nye kundenumre hver måned. Online trafikken viser for nuværende ca. 5,7 millioner månedlige besøg, ca. 2 millioner unikke besøg per måned, ca. 1.050.000 bids per måned og ca. 65 millioner månedlige sidevisninger. Online besøgene kommer fra ca. 200 forskellige lande.

Som et resultat af købet af Stockholms Auktionsverk i 2014 har Lauritz.com udvidet sin forretning i det højere prissegment af auktionsmarkedet inden for fine art. Tilsvarende, gav købet af QXL i 2013 Lauritz.com mulighed for at nå segmentet i den lavere prisklasse (under DKK 800) uden at kompromittere Lauritz.com som varemærke.



## Afsnit B – Udsteder

		<p>I 2006 lancerede Lauritz.com – som et af de første auktionshuse på verdensplan – salg af nyproducerede varer i større mængder på auktion. Disse varer kommer fra professionelle kunder, såsom producenter, grossister og detailforretninger, der bruger Lauritz.com som et luksus outlet eller en alternativ distributionskanal til detailhandel. Efter en ændring i vurderingsprincipperne i 2014, faldt salget af nye varer betydeligt. Siden ændringen i vurderingsprincipperne blev gennemført, har Lauritz.com arbejdet intensivt på at få de største professionelle sælgere tilbage samt på at kontakte andre anerkendte mærker som fremtidige sælgere. Der er stadig et forventet stort potentiale i at tiltrække producenter og butikker, som endnu ikke er bekendt med auktioner som distributionskanal for at nå et internationalt publikum med betydelig købekraft. Resultatet af Selskabets proaktive indsats har været positivt siden september 2015, hvor salget af nye varer på Lauritz.com platformen begyndte at stige tilfredsstillende (24% stigning i antallet af solgte nye varer ved sammenligning af september 2015 til marts 2016).</p> <p>I foråret 2015 oplevede Stockholms Auktionsverk en stor nedgang i omsætningen på de fysiske fine art auktioner. Faldet var generelt for fine art markedet i Sverige, hvor de store konkurrenter ligeledes oplevede en lignende udvikling. Stockholms Auktionsverks omsætning på fine art auktionerne blev i nogen grad forbedret i efteråret 2015.</p>
<p><b>B.5</b></p>	<p><i>Beskrivelse af Koncernen og Selskabets plads i Koncernen</i></p>	<p>Lauritz.com Group A/S er moderselskab i Koncernen, der består af tolv datterselskaber.</p> <pre> graph TD     LG[Lauritz.com Group A/S] -- "(100%)" --&gt; LA[Lauritz.com A/S]     LA -- "(100%)" --&gt; L1[LC Danmark ApS]     LA -- "(100%)" --&gt; L2[LC II ApS]     LA -- "(100%)" --&gt; L3[Aktiebolaget Stockholms Auktionsverk]     LA -- "(100%)" --&gt; L4[Helsingborgs Auktionsverk HAV AB]     LA -- "(100%)" --&gt; L5[QXL Denmark A/S]     L1 --&gt; L1a[LC Sverige AB]     L3 --&gt; L3a[Internet-auktioner I Helsingborg AB]     L3 --&gt; L3b[Stockholms Kommunala Auktions- och pantaktiebolag]     L4 --&gt; L4a[LC Deutschland GmbH]     L5 --&gt; L5a[QXL.no AS]   </pre>

**Afsnit B – Udsteder****B.6**

Personer, som enten direkte eller indirekte besidder en andel af selskabets kapital eller stemmerettigheder eller har kontrol over Selskabet

Pr. Prospektdatoen ejer Bengt Sundström og Mette Rode Sundström direkte eller indirekte 100% af aktierne i Selskabet.

Hver aktie giver ret til én stemme.

Nedenstående tabel viser fordeling af ejerskabet af Aktierne justeret for gennemførelse af Udbuddet.

Aktionærer	Aktiebesiddelser før udbuddet		Aktiebesiddelse efter udbuddet (hvis udbuddet ikke er øget og Overallokeringsretten ikke er udnyttet)		Aktiebesiddelser efter udbuddet (hvis Overallokeringsretten ikke er udnyttet)		Aktiebesiddelser efter udbuddet (hvis Overallokeringsretten er udnyttet)	
	Antal aktier	%	Antal aktier	%	Antal aktier	%	Antal aktier	%
Sælgende aktionær	34.200.000	95	24.078.788	59,2	22.230.303	54,7	20.566.667	50,6
Mette Rode Sundström	1.800.000	5	1.800.000	4,4	1.800.000	4,4	1.800.000	4,4
Bure Equity AB (publ)	-	-	4.595.333	11,3	4.595.333	11,3	4.595.333	11,3
Swedbank Robur Fonder AB	-	-	3.253.333	8,0	3.253.333	8,0	3.253.333	8,0
Catella Fond-förvaltning AB	-	-	3.050.000	7,5	3.050.000	7,5	3.050.000	7,5
Rite Internet Ventures Holding AB	-	-	2.033.333	5,0	2.033.333	5,0	2.033.333	5,0
Andre nye aktionærer <sup>1</sup>	-	-	1.855.879	4,6	3.704.364	9,1	5.368.000	13,2
<b>Total</b>	<b>36.000.000</b>	<b>100</b>	<b>40.666.667</b>	<b>100</b>	<b>40.666.667</b>	<b>100</b>	<b>40.666.667</b>	<b>100</b>

<sup>1</sup> Aktionærerne i Karlstad-Hammarö Auktionsverk AB vil som delvis betaling for i forbindelse med Lauritz.com køb af selskabet modtage 166.667 aktier.



## Afsnit B – Udsteder

<p><b>B.7</b></p>	<p><i>Udvalgte regnskabs- og virksomhedsoplysninger</i></p>	<p>De udvalgte konsoliderede historiske regnskabsoplysninger, der er angivet nedenfor for regnskabsårene afsluttet 31. december 2015, 2014 og 2013 er uddraget af Lauritz.com A/S' reviderede koncernregnskab for disse år, der blev revideret af Deloitte Statsautoriseret Revisionspartnerselskab ("Deloitte"), som anført i deres revisionserklæring. De udvalgte konsoliderede historiske regnskabsoplysninger angivet nedenfor for de tre måneder sluttet den 31. marts 2016 og 2015 er uddrag af Lauritz.com A/S' konsoliderede sammendragne delårsregnskaber, pr. og for de tre måneder afsluttet 31. marts 2016 og 2015, som blev reviewet af Deloitte. Sammenligningstallene pr. og for de tre måneder afsluttet 31. marts 2015 er ikke omfattet af den uafhængige revisors review. Lauritz.com A/S' reviderede koncernregnskab for regnskabsårene, der blev afsluttet 31. december 2015, 2014 og 2013 er udarbejdet i overensstemmelse med IFRS som godkendt af EU og yderligere danske oplysningskrav for børsnoterede selskaber. Lauritz.com A/S' konsoliderede sammendragne delårsregnskab for de tre måneder afsluttet den 31. marts 2016 og 2015 er udarbejdet i overensstemmelse med IAS34, som godkendt af EU og yderligere danske oplysningskrav for børsnoterede selskaber.</p> <p>Prospektet indeholder visse oplysninger, der ikke er udarbejdet i overensstemmelse med IFRS, herunder Omsætning på auktioner, EBITDA, justeret EBITDA, justeret EBIT og Justerede Frie Pengestrømme. Lauritz.com mener, at disse data giver nyttige oplysninger til investorerne, da det giver bedre grundlag for vurdering af relevante tendenser, når de betragtes i sammenhæng med (men ikke i stedet for) andre målinger, der er beregnet i overensstemmelse med IFRS. Da børsnoterede selskaber ikke altid beregner sådanne oplysninger på samme måde, kan præsentationen heri ikke sammenlignes med andre virksomheders tilsvarende oplysninger med samme titel.</p> <p>Oplysninger, der ikke er aflagt i overensstemmelse med IFRS såsom omsætning på Auktioner, EBITDA, justeret EBITDA, justerede EBIT og Justerede Frie Pengestrømme, er ikke målinger af Lauritz.coms resultat eller likviditet i henhold til IFRS eller andre almindeligt anerkendte regnskabsprincipper. Især omsætning på auktioner, EBITDA, justeret EBITDA, justerede EBIT og Justerede Frie Pengestrømme må ikke betragtes som alternativer til: (i) nettoomsætning (som fastsat i overensstemmelse med IFRS) som et grundlag for Lauritz.coms driftsresultater; (ii) pengestrømme fra drifts-, investerings- og finansieringsaktivitet som et mål for Lauritz.coms pengestrømme; eller (iii) enhver anden opgørelse for resultat under almindeligt anerkendte regnskabsprincipper.</p>
-------------------	---	--

**Afsnit B – Udsteder****Udvalgte oplysninger for resultatopgørelse**

DKK million	I. Kvartal		Regnskabsår (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
Omsætning på auktioner*	235.5	268.3	1,084.0	1,047.1	868.7
<b>Nettoomsætning</b>	<b>45.6</b>	<b>43.8</b>	<b>225.2</b>	<b>153.4</b>	<b>117.1</b>
Direkte omkostninger	3.8	2.6	17.8	14.9	6.5
<b>Bruttoresultat</b>	<b>41.8</b>	<b>41.2</b>	<b>207.3</b>	<b>138.5</b>	<b>110.6</b>
Andre driftsindtægter	0.2	-	0.4	-	2.0
Andre eksterne omkostninger	14.4	15.3	63.8	47.9	34.2
Personaleomkostninger	23.9	23.8	102.1	67.3	54.7
<b>Indkomst før renter, skat og afskrivninger (EBITDA)</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
Afskrivninger og amortisering	3.2	2.3	12.2	6.6	5.2
<b>Resultat af primær drift (EBIT)</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>16.6</b>	<b>18.6</b>
Finansielle indtægter	2.1	0.2	0.8	16.4	3.9
Finansielle omkostninger	7.4	15.6	41.2	18.7	5.4
<b>Resultat før skat (EBT)</b>	<b>-4.9</b>	<b>-15.5</b>	<b>-10.8</b>	<b>14.3</b>	<b>17.1</b>
Skat af resultat	-2.8	-3.6	-2.3	3.8	2.8
<b>Resultat</b>	<b>-2.1</b>	<b>-11.9</b>	<b>-8.5</b>	<b>10.5</b>	<b>14.3</b>
<b>Anden totalindkomst</b>					
Valutakursregulering vedrørende udenlandske virksomheder	-1.5	4.0	9.2	-4.8	-0.2
<b>Anden totalindkomst</b>	<b>-1.5</b>	<b>4.0</b>	<b>9.2</b>	<b>-4.8</b>	<b>-0.2</b>
<b>TOTALINDKOMST FOR PERIODEN</b>	<b>-3.5</b>	<b>-7.9</b>	<b>0.7</b>	<b>5.7</b>	<b>14.0</b>

\*Omsætning på auktioner er et mål for aktiviteten på [www.lauritz.com](http://www.lauritz.com), [www.qxl.dk](http://www.qxl.dk), [www.qxl.no](http://www.qxl.no), mobil apps, Stockholms Auktionsverk (herunder Magasin 5) og Helsingborgs Auktionsverk. Tallene består af knockdown, køber kommission (eksklusive moms) og salgspris for solgte varer gennem LauritzOneBid.





## Afsnit B – Udsteder

B.7	Udvalgte balanceposter	I. Kvartal		Regnskabsår (audited)			
		DKK million	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
	<b>AKTIVER</b>						
	<b>Langfristede aktiver</b>						
	Software under udvikling	6.9	13.8	6.0	10.6	3.4	
	Færdigudviklet software	12.8	4.9	14.0	5.0	5.2	
	Goodwill	138.0	134.4	138.5	127.9	21.0	
	Erhvervede rettigheder	51.5	53.1	52.6	52.9	9.1	
	Immaterielle aktiver i alt	209.1	206.2	211.1	196.4	38.8	
	Grunde og bygninger	51,9	-	52.0	-	-	
	Andre anlæg, driftsmateriel og inventar	16,7	15.9	17.1	15.1	6.9	
	Materielle aktiver i alt	68.6	15.9	69.0	15.1	6.9	
	Udskudt skat	4.9	2.6	0.9	1.9	3.6	
	Deposita	1.1	6.7	1.1	6.7	6.4	
	Andre tilgodehavender	15.9	-	15.9	-	-	
	Finansielle aktiver i alt	21.9	9.3	17.9	8.5	10.0	
	<b>Langfristede aktiver i alt</b>	<b>299.5</b>	<b>231.4</b>	<b>298.1</b>	<b>220.0</b>	<b>55.7</b>	
	<b>Kortfristede aktiver</b>						
	Varebeholdninger	1.6	1.3	1.5	1.2	1.2	
	Tilgodehavender fra salg og tjenesteydelser	16.2	10.9	18.3	18.0	7.7	
	Tilgodehavende hos moderselskab	110.1	128.6	113.8	124.7	117.9	
	Andre tilgodehavender	25.0	63.5	23.5	64.3	10.5	
	Likvide beholdninger	29.9	42.4	46.3	81.8	32.3	
	<b>Kortfristede aktiver i alt</b>	<b>182.8</b>	<b>246.8</b>	<b>203.5</b>	<b>289.9</b>	<b>169.5</b>	
	<b>AKTIVER I ALT</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>	

**Afsnit B – Udsteder**

DKK million	I. Kvartal		Regnskabsår (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
<b>PASSIVER</b>					
<b>Egenkapital</b>					
Aktiekapital	6.0	6.0	6.0	6.0	6.0
Andre reserver	2.9	-0.9	4.3	-4.9	-0.1
Overført resultat	0.9	1.6	3.0	13.4	14.4
<b>Egenkapital i alt</b>	<b>9.7</b>	<b>6.7</b>	<b>13.3</b>	<b>14.6</b>	<b>20.3</b>
<b>Langfristede forpligtelser</b>					
Udskudt skat	10.3	10.4	9.8	13.5	1.7
Bankgæld	-	-	-	-	15.2
Obligationsgæld	336.5	333.1	338.1	337.4	12.0
<b>Total langfristede forpligtelser</b>	<b>346.7</b>	<b>343.5</b>	<b>347.8</b>	<b>350.9</b>	<b>28.9</b>
<b>Kortfristede forpligtelser</b>					
Bankgæld	-	-	-	-	33.5
Obligationsgæld	-	12.9	13.4	-	19.1
Leverandører af vare og tjenesteydelser	88.4	85.9	91.5	113.8	87.9
Selskabsskat	-	0.5	-	0.5	2.6
Anden gæld	37.5	28.7	35.5	30.2	32.9
<b>Kortfristede forpligtelser i alt</b>	<b>125.9</b>	<b>128.0</b>	<b>140.4</b>	<b>144.4</b>	<b>176.0</b>
<b>Forpligtelser i alt</b>	<b>472.6</b>	<b>471.5</b>	<b>488.3</b>	<b>495.3</b>	<b>204.8</b>
<b>PASSIVER I ALT</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>


**Afsnit B – Udsteder**

B.7	Udvalgte oplysninger vedrørende pengestrømme	I. Kvartal		Regnskabsår (audited)			
		DKK million	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
		<b>Pengestrømme vedrørende driften</b>	-0.5	-30.0	-12.7	15.3	23.7
<b>Pengestrømme vedrørende investeringer</b>	-1.8	-9.4	-22.8	-207.1	-39.9		
<b>Pengestrømme vedrørende finansiering</b>	-13.9	-	-2.0	264.0	26.0		
<b>Pengestrømme i perioden</b>	-16.2	-39.4	-37.5	72.3	9.8		
Likvide beholdninger, åbningsbalance:	46.3	81.8	81.8	9.5	-0.3		
<b>Pengestrømme i perioden</b>	-16.2	-39.4	-37.5	72.3	9.8		
Valutakursudsving	-0.2	-	2.0	-	-		
<b>Likvide beholdninger, netto ultimo</b>	<b>29.9</b>	<b>42.4</b>	<b>46.3</b>	<b>81.8</b>	<b>9.5</b>		

**Afsnit B – Udsteder**

<b>Udvalgte finansielle og driftsmæssige data</b>					
<b>DKK million (medmindre andet er anført)</b>	<b>I. Kvartal (reviewed)</b>		<b>Regnskabsår (audited)</b>		
	<b>2016 (reviewed)</b>	<b>Q1 2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Omsætning på auktioner</b>					
Omsætning på auktioner	235.5	268.3	1,084.0	1,047.1	868.7
Vækst i omsætning på auktioner (%)	-12.2%	19.3%	3.5%	20.5%	20.4%
<b>Nettoomsætning</b>					
Nettoomsætning	45.6	43.8	225.2	153.4	117.1
<b>Indtjeningssevne</b>					
EBITDA	3.7	2.1	41.8	23.2	23.8
Justeret EBITDA	3.7	2.1	41.8	32.1	25.5
EBIT	0.5	-0.1	29.7	16.6	18.6
Justeret EBIT	0.5	-0.1	29.7	25.5	20.2
<b>Balance</b>					
Netto gæld	188.2	174.3	183.1	79.8	-70.9
Netto gæld/Justeret EBITDA (x)	4.3x	6.9x	4.4x	2.5x	neg.
Netto gæld/ EBITDA (x)	4.3x	9.9x	4.4x	n.a.	n.a.
Egenkapital/aktiver (%)	2.0%	1.4%	2.6%	2.9%	9.0%
Netto arbejdskapital	-83.1	-38.9	-83.6	-60.5	-101.4
<b>Pengestrømme</b>					
Justerede frie pengestrømme	5.1	-29.3	-2.2	22.1	24.0
Cash conversion ratio	137.7%	neg.	neg.	68.8%	94.5%
Investeringer i driften	1.8	5.8	17.7	16.5	12.3



## Afsnit B – Udsteder

B.7	Visse ikke IFRS målepunkter	I. Kvartal		Regnskabsår (audited)		
		2016 (reviewed)	Q1 2015	2015	2014	2013
		DKK million				
	EBIT	0.5	-0.1	29.7	16.6	18.6
	Afskrivninger og amortisering	3.2	2.3	12.2	6.6	5.2
	<b>EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
	<b>Justeringer til EBITDA og EBIT</b>					
	Særlige poster*	0.0	0.0	0.0	8.9	1.7
	<b>Justeret EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>32.1</b>	<b>25.5</b>
	<b>Justeret EBIT</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>25.5</b>	<b>20.2</b>
	<b>Justerede Frie Pengestrømme</b>					
	Justeret EBITDA	3.7	2.1	41.8	32.1	25.5
	Pengestrømme fra ændringer i arbejdskapitalen	3.2	-25.6	-26.3	6.5	10.9
	Investeringer i driften	1.8	5.8	17.7	16.5	12.3
	<b>Justerede Frie Pengestrømme</b>	<b>5.1</b>	<b>-29.3</b>	<b>-2.2</b>	<b>22.1</b>	<b>24.0</b>
	<p>*Særlige poster for 2013 relaterer sig til erhvervelser (fx juridiske omkostninger) og omkostninger i forbindelse med kompensationer til kunder, der har købt Eames-stole med ben fra en anden producent gennem et Lauritz.com auktionshus, herunder sagsomkostninger. Særlige poster for 2014 relaterer sig til erhvervelser (primært Stockholms Auktionsverk) og omkostninger i forbindelse med kompensationer til partnere (ex gratia), der havde solgt Eames-stole med ben fra en anden producent, herunder sagsomkostninger. Yderligere er en reservation til et tvivlsomt tilgodehavende relateret til en tidligere partner, der også havde solgt Eames-stole med ben fra en anden producent samt uretmæssigt håndteret moms, en del af engangsposterne.</p>					
	<p><b>Væsentlige begivenheder efter 31. marts 2016</b></p> <p>Lauritz.com har indgået aftale om etablering af to nye auktionshuse i koncernen i Sverige henholdsvis i Danmark. Lauritz.com har således indgået en betinget købsaftale for købet af Karlstad-Hammarö Auktionsverk AB. Endvidere har Lauritz.com indgået en ny 5-årig partneraftale for etablering og drift af en ny Lauritz.com filial i Midtjylland i Danmark. Herefter vil Lauritz.com have 28 filialer, hvoraf Lauritz.com selv ejer 9 samtidig med, at der bliver 19 filialer, som drives på partnerbasis.</p>					



<b>Afsnit B – Udsteder</b>		
		<p>Den 15. maj 2016 indgik Lauritz.com A/S en 5-årig partneraftale med en ny partner vedrørende driften og aktiviteten af Lauritz.com i Hamburg fra og med 1. juli 2016. Samlet vil dette have en positiv effekt på EBITDA i 2016 på ca. 2,5 millioner.</p> <p>Den 20. maj 2016 indgik Lauritz.com A/S en betinget aftale om sale and lease back af Selskabets ejendom beliggende på Rovsinggade 68, 200 København Ø.</p> <p>Den 9. juni 2016 besluttede Selskabet sammen med Global Coordinator at trække det på daværende tidspunkt igangværende offentlige udbud tilbage til fordel for nærværende offentlige udbud. Dette skete selvom det foregående udbud var fuldt tegnet, da det blev besluttet, at der var brug for mere tid til at opbygge en mere solid aktionærbase for Selskabet. For at sikre en mere solid aktionærbase i den nuværende offentlige udbud har selskabet indgået aftale med yderligere to cornerstone investors. Endvidere er udbudsprisen i det nye udbud en fast pris på SEK 15 pr Aktie i forhold til det tidligere udbudsprisinterval mellem SEK 19-21.</p>
<b>B.8</b>	<i>Udvalgte vigtige proforma-regnskabsoplysninger</i>	Ikke relevant. Selskabet har ikke udarbejdet proformaregnskabsoplysninger
<b>B.9</b>	<i>Resultatforventninger eller -prognoser</i>	<p>Lauritz.coms fremadrettede konsoliderede finansielle oplysninger for regnskabsårene 2016 afspejler Bestyrelsens og Direktionens skøn og estimat for 2016. Disse estimater for 2016 er udarbejdet i overensstemmelse med Lauritz.coms normale budgetprocedurer.</p> <p>Lauritz.com forventer i 2016 en stigning i nettoomsætningen og en stigning i EBITDA.</p> <p>Stigning i EBITDA forventes at være i niveau fra 20 til 40 % i forhold til 2015.</p>
<b>B.10</b>	<i>Forbehold i revisionspåtegningen for de historiske regnskabsoplysninger</i>	Ikke relevant. Revisionspåtegningerne på de historiske regnskabsoplysninger, der indgår i dette Prospekt, er afgivet uden forbehold.
<b>B.11</b>	<i>Forklaring, hvis udsteders driftskapital ikke er tilstrækkelig til at dække Selskabets nuværende behov</i>	Ikke relevant. Det er Selskabets vurdering, at driftskapitalen og likvide aktiver pr. Prospektdatoen er tilstrækkelige til at dække finansieringsbehovet i mindst tolv måneder fra dagen for offentliggørelse af Prospektet. Pr. 31. marts 2016 udgjorde Selskabets likvide beholdninger DKK 29,9 millioner.



<b>Afsnit C – Værdipapirer</b>		
<b>C.1</b>	<i>En beskrivelse af type og klasse af de udbudte Aktier, herunder ISIN (International Security Identification Number)</i>	A-aktierne i Lauritz.com Group A/S. ISIN-koden for Aktierne er DK0060733368.
<b>C.2</b>	<i>De udbudte Aktiers valuta</i>	De Udbudte Aktier er denomineret i svenska kronor ("SEK").
<b>C.3</b>	<i>Antallet af udstedte og fuldt indbetalte Aktier og antallet af udstedte Aktier, der ikke er fuldt indbetalt</i>	Pr. Prospektdatoen udgør Selskabets aktiekapital nominelt DKK 3.600.000 fordelt på 36.000.000 stk. aktier á nominelt DKK 0,10. Alle aktier er udstedt og fuldt indbetalt.
<b>C.4</b>	<i>En beskrivelse af de rettigheder, der er knyttet til Aktierne</i>	<p>På generalforsamlingen giver hver Aktier ret til én stemme. Hver aktionær har en ret til uden begrænsninger at afgive stemme på det fulde antal Aktier, som aktionæren besidder.</p> <p>Hvis Lauritz.com udsteder nye aktier, warrants (tegningsoptioner) eller konvertible gældsbreve ved en kontant kapitalforhøjelse, har ejerne af Aktier forholdsmæssig fortegningsret til sådanne værdipapirer i forhold til antallet af Aktier i besiddelse forud for udstedelsen. Selskabets vedtægter indeholder ikke begrænsninger i Selskabets adgang til at udstede nye aktier, warrants (tegningsoptioner) eller konvertible gældsbreve ved fravigelse af aktionærernes fortegningsret i henhold til Selskabsloven.</p> <p>Aktierne har lige ret til udbytte og likvidationsprovenue ved selskabets likvidation.</p>
<b>C.5</b>	<i>En beskrivelse af eventuelle indskrænkninger i Aktiernes omsættelighed</i>	Ikke relevant. Aktierne er frit omsættelige omsætningspapirer, og der er ingen indskrænkninger i Aktiernes omsættelighed i henhold til Selskabets Vedtægter eller dansk ret.
<b>C.6</b>	<i>Optagelse til handel på et reguleret marked</i>	Ikke relevant. Aktierne bliver ikke optaget til handel på et reguleret marked. Bestyrelsen i Lauritz.com Group A/S har anmodet om notering af Selskabets Aktier på Nasdaq First North Premier.
<b>C.7</b>	<i>En beskrivelse af udbyttepolitik</i>	<p>Beslutning vedrørende forslag til udlodning af udbytte tager højde for Selskabets fremtidige indtjening, finansielle stilling, kapitalkrav og det makroøkonomiske miljø. Der kan ikke gives sikkerhed for, at der vil blive foreslået eller deklareret udbytte i et givent år.</p> <p>Desuden begrænser vilkårene for Obligationerne kontanteudbyttebetalingerne til 25 % af Koncernens konsoliderede nettoresultat i henhold til det reviderede årsregnskab for det forudgående år.</p>

**Afsnit D – Risici**

<b>D.1</b>	<i>Nøgleoplysninger om de vigtigste risici, der er specifikke for Selskabet eller dets branche</i>	<p>En investering i Aktierne indebærer en høj grad af risiko. Potentielle investorer bør nøje overveje disse risici, førend de beslutter at investere i Aktierne. Disse risici omfatter blandt andet følgende vigtigste industri – og selskabsrelaterede risici:</p> <ul style="list-style-type: none"><li>• Det er vigtigt for Lauritz.com's virksomhed, at Lauritz.com vedligeholder og fortsætter med at udvikle dets software, tjenester og bruger-interface til at forblive konkurrencedygtige. Der er dermed forbundne risici ved at lancere en ny tjeneste på markedet. Lauritz.coms software og tjenester er komplekse, og der er risiko for, at software og interfaces kan indeholde fejl, m.m.</li><li>• Lauritz.com er afhængig af online platforme og andre digitale kanaler til at servicere nye købere og sælgere, og teknologiske ændringer kan have en negativ indflydelse på, hvor attraktive Lauritz.com's tjenester er.</li><li>• Lauritz.com opererer på hurtigt skiftende globale markeder, og nye og eksisterende konkurrenter udgør en risiko på et stærkt konkurrencepræget og tilgængeligt marked.</li><li>• En væsentlig del af Lauritz.coms overskud stammer fra partnernes (en variant af franchise) ydeevne, og alle operationelle svigt af sådanne partnere kan medføre tab af nettoindtægter, omkostninger eller krav.</li><li>• Operationelle fejl eller rutiner kan skade Lauritz.coms brand og omdømme. Fejl såsom ikke at detektere stjalne varer eller kopier inden de sættes på auktion, eller at vurdere eller beskrive en varer forkert, kan gøre skade på Lauritz.coms brand og kunne have væsentlig negativ indflydelse på Lauritz.coms omdømme, forretning, driftsresultat og finansielle forhold.</li><li>• Lauritz.com står over for risici vedrørende dets variabelt forrentede virksomhedsobligationer, herunder at obligationsejerne har ret til at håndhæve deres sikkerhed i alle Aktier i Lauritz.com A/S i visse tilfælde ved brud på vilkårene for Obligationerne.</li><li>• Lauritz.com har indgået en sale and lease back aftale, hvor køber erhverver Lauritz.com ejendom beliggende på Røvsingsgade 68 i København. Aftalen er betinget af godkendelse fra obligationsejerne, og som led i godkendelsesprocessen har Lauritz.com tilbudt at tilbagebetale SEK 100 millioner på Obligationerne. Der er risiko for, at obligationsejerne ikke godkender aftalen, hvorfor hverken sale and lease back eller den planlagte tilbagebetaling ikke vil kunne gennemføres. Dette kan have en væsentlig negativ indflydelse på Lauritz.com virksomhed, driftsresultat og finansielle forhold.</li><li>• Det er vigtigt for Lauritz.com's forretningsmodel, at Lauritz.com bibeholder og udvikler sin software, service og bruger-interface. Cyberkriminalitet kan have væsentlig negativ indvikning på Lauritz.com's service og bruger-interface.</li></ul>
------------	--	--





Afsnit D – Risici		
<b>D.3</b>	<i>Nøgleoplysninger om de væsentligste risici i forbindelse med de udbudte Aktier</i>	<p>De største risici i forbindelse med Udbuddet og de Udbudte Aktier omfatter blandt andet følgende risici:</p> <ul style="list-style-type: none"> <li>• Nasdaq First North Premier er ikke et reguleret marked og kan være genstand for forstyrrelser og medfører en højere grad af risiko end investering i et selskab noteret på et reguleret marked. Der er også risiko for, at Aktierens likviditet på Nasdaq First North Premier vil være lav, og at Aktierne bliver afnoteret på Nasdaq First North Premier.</li> <li>• Lauritz.coms evne til at udbetale udbytte kan for fremtiden blive begrænset og afhænger af flere faktorer, herunder vilkårene for Obligationerne, da vilkårene for Obligationerne begrænser Lauritz.com's evne til at foreslå og deklare udbytte til sine nuværende og fremtidige aktionærer.</li> <li>• Der er en risiko for, at der ikke opstår et aktivt, likvidt og velfungerende marked for Lauritz.coms Aktier, og at aktiekursen kan vise sig at være svingende.</li> <li>• Den Sælgende Aktionær kan fortsætte med at udøve en betydelig indflydelse på Lauritz.com og dets aktiviteter, og den Sælgende Aktionærs interesser kan være i strid med de øvrige Aktionærs interesser.</li> <li>• Ankerinvestorenes tilsagn er ikke sikret ved bankgaranti, båndlagte midler, pantsætning af sikkerhed eller lignede ordning. Der er derfor en risiko for, at Ankernvestorerne ikke vil være i stand til at opfylde sit tilsagn.</li> </ul>



Afsnit E – Udbud		
<b>E.1</b>	<i>Samlet nettoprovenu fra Udbuddet og skønnede omkostninger</i>	Udstedelsen af 4.666.667 nye aktier, så Udbuddet ved gennemførelse giver selskabet et bruttoprovenu på SEK 70.000.000, svarende til ca. DKK 55.664.000, før fradrag af IPO og IPO-relaterede omkostninger på ca. DKK 7 millioner. Disse transaktionsomkostninger består af provision og udgifter til banker, salær og udgifter til finansielle, juridiske – og andre rådgivere samt andre transaktionsomkostninger.
<b>E.2a</b>	<i>Baggrund for Udbuddet og anvendelse af provenu, skønnet nettoprovenu</i>	<p>Efter mange år under privat ejerskab mener Bestyrelsen og aktionærerne i Lauritz.com, at det nu er et passende tidspunkt at udvide Lauritz.coms aktionærkreds og at søge notering af Aktierne på Nasdaq First North Premier.</p> <p>Lauritz.com forventer, at noteringen af dets Aktier på Nasdaq First North Premier vil øge Selskabets finansielle styrke til at kunne fremskynde både vækst inden for den nuværende organisation samt den fremadrettede akkvisitive strategi. Derudover forventer Lauritz.com, at noteringen af dets Aktier på First North Premier vil øge den offentlige profilering af Selskabet og dets aktiviteter, hvilket kan åbne nye forretningsmuligheder på markedet.</p> <p>Provenuet, på forventet DKK 48.664.000 efter transaktionsomkostninger modtaget af Selskabet efter udbuddet af Nye Aktier, forventes at blive brugt til at fremme Selskabets geografiske udbredelse, en delvis tilbagebetaling på Selskabets Obligation og kommercielle anliggender, herunder yderligere styrkelse af Selskabets it-udvikling.</p> <p>Selskabet vil ikke modtage provenu direkte fra salg af Eksisterende Aktier foretaget af den Sælgende Aktionær. Den sælgende Aktionær har dog forpligtet sig til i forbindelse med Udbuddets gennemførelse at tilbagebetale aktionærlånet til Selskabet.</p>



Afsnit E – Udbud		
<b>E.3</b>	Vilkår og betingelser for Udbuddet	<p><b>Udbuddet</b></p> <p>Der udbydes i alt 14.787.879 Udbudte Aktier (eksklusiv enhver udvidelse af Udbuddet og Overallokeringsretten), hvoraf Lauritz.com udbyder 4.666.667 Nye Aktier, der sikre et bruttoprovenu på i alt SEK 70.000.000 og den Sælgende Aktionær udbyder 10.121.212 Eksisterende Aktier. Udbuddet er opdelt i to dele:</p> <ul style="list-style-type: none"> <li>• udbuddet til institutionelle investorer i Sverige og i udlandet og</li> <li>• udbuddet til offentligheden i Danmark og i Sverige.</li> </ul> <p>Det institutionelle udbud refererer til privatpersoner og juridiske enheder, der anmoder om at erhverve flere end 50.000 aktier ved Udbuddet.</p> <p>Det offentlige udbud refererer til privatpersoner og juridiske enheder i Sverige og Danmark, der anmoder om at erhverve maksimum 50.000 aktier ved Udbuddet</p> <p>Udfaldet af Udbuddet forventes annonceret via en pressemeddelelse den 22. juni 2016.</p> <p>Gennemførelsen af Udbuddet er betinget af, at Udbuddet ikke bliver trukket tilbage. Udbuddet kan tilbagekaldes af Selskabet, den Sælgende Aktionær og Global Coordinator på ethvert tidspunkt før prisfastsættelsen og fordelingen af Udbuddet finder sted. Udbuddet kan også tilbagekaldes, hvis Nasdaq First North Premier ikke er overbevist om, at der vil være en tilstrækkelig bred fordeling af Aktierne til investorer (sådan en afgørelse forventes truffet af Nasdaq First North Premier på eller før den forventede optagelse til handel og officiel notering af Aktierne) eller hvis, Aktierne af andre grunde ikke kan blive optaget til handel og officiel notering på Nasdaq First North Premier.</p> <p><b>Udvidelse af Udbuddet</b></p> <p>Efter den Sælgende Aktionærs skøn kan det samlede antal Eksisterende Aktier solgt under Udbuddet øges med op til 1.848.485 Eksisterende Aktier.</p> <p><b>Overallokeringsret</b></p> <p>For at dække Overallokering eller andre korte positioner i Udbuddet, vil den Sælgende Aktionær give Global Coordinator ret til at erhverve Yderligere Aktier op til 10 % af det samlede antal Nye Aktier og Eksisterende Aktier til Udbudskursen. Overallokeringsretten kan udnyttes helt eller delvist i en periode på 30 dage fra første handelsdag for Aktierne på Nasdaq First North Premier.</p>

**Afsnit E – Udbud****Fordeling af Aktier**

Fordeling af de Udbudte Aktier baseres på efterspørgslen. Fordelingen vil blive bestemt af Bestyrelsen og den Sælgende Aktionær i samråd med Global Coordinator.

**Udbudskursen**

Prisen per Udbudt Aktie er SEK 15. Udbudsprisen er fastsat af Bestyrelsen og den Sælgende Aktionær i samråd med Global Coordinator og er baseret på den forventede investeringsinteresse fra institutionelle investorer. Prisen per Udbudt Aktie vil ikke overstige SEK 15. Provision vil ikke blive opkrævet.

**Tildeling**

træffes af Bestyrelsen og den Sælgende Aktionær i samråd med Global Coordinator, hvor målet vil være et institutionelt ejerskabsbasis og en bred fordeling af de Udbudte Aktier i offentligheden for derved at fremme en regelmæssig og likvid handel af de Udbudte Aktier på Nasdaq First North Premier. Tildelingen afhænger ikke af, hvornår ansøgningen indgives i ansøgningsperioden. Kun én ansøgning per person vil blive taget i betragtning.

**Placing Agreement**

Den Sælgende Aktionær, Selskabet og Global Coordinator har til hensigt at indgå en aftale om anbringelse af aktier i Lauritz.com ("**Placing Agreement**") på eller omkring den 21. juni 2016.

I henhold til Placing Agreement, forpligter Global Coordinator sig til at placere de Udbudte Aktier omfattet af Udbuddet i henhold til dette Prospekt til forskellige investorer, eller alternativt, såfremt dette er forgæves, at erhverve de Udbudte Aktier selv.



## Afsnit E – Udbud

<p><b>E.4</b></p>	<p><i>Væsentlige interesser i Udbuddet, herunder interessekonflikter</i></p>	<p>Det samlede vederlag til Global Coordinator vil afhænge af succesen af Udbuddet. Global Coordinator og dets respektive tilknyttede selskaber har fra tid til anden beskæftiget sig med, og kan for fremtiden engagere sig i, bankforretning, investeringsbankvirksomhed og finansielle rådgivningstransaktioner samt ydelser til Selskabet, den Sælgende Aktionær eller enhver af Selskabets respektive relaterede parter, som er sædvanlige i virksomhedens drift. Med hensyn til visse af disse transaktioner og ydelser er deling af informationer generelt begrænset af hensyn til fortrolighed, interne procedurer samt gældende regler og forskrifter. Global Coordinator har modtaget, og vil modtage, sædvanlige gebyrer og provisionsindtægter for disse transaktioner og ydelser og kan komme til at have interesser, der ikke er i overensstemmelse med eller kunne komme i konflikt med investorers og Selskabets interesser.</p> <p>CEO'ens årsløn vil stige fra DKK 1,8 millioner til 2,1 millioner hvis Aktierne bliver optaget til handel på Nasdaq First North Premier.</p> <p>Fra datoen for dette Prospekt har Bengt Sundström og Mette Rode Sundström en økonomisk interesse i Selskabet som følge af deres direkte eller indirekte besiddelse af aktier i Selskabet. Ingen medlemmer af Bestyrelse eller Direktion har nogen private interesser, der kan være i strid med Selskabets interesser.</p> <p>Ankerinvestorerne vil ikke modtage nogen kompensation for sit tilsagn og Ankerinvestorerne investering foretages til samme pris per Udbudt Aktie som for andre investorer i Udbuddet.</p>
-------------------	--	---



Afsnit E – Udbud		
<b>E.5</b>	<i>Sælgende aktionærs lock-up aftaler</i>	<p>Den Sælgende Aktionær forpligter sig til ikke at overdrage eller foretage andre dispositioner af sin aktiebeholdning uden samtykke fra Global Coordinator i 180 dage efter handel af Aktierne på Nasdaq First North Premier er påbegyndt, dog forudsat at lock-up begrænsning ikke skal gælde for eventuelle Aktier leveret tilbage af Global Coordinator til den Sælgende Aktionær efter stabiliserings periodens udløb ("<b>Lock-up Periode</b>").</p> <p>Endvidere vil den administrerende direktør i Selskabet forpligter sig til ikke at overføre, eller foretage visse andre dispositioner over sin beholdning af aktier i Selskabet uden samtykke fra Global Coordinator en periode på 360 dage efter handel på Aktierne på Nasdaq First North Premier er påbegyndt.</p> <p>I henhold til Placing Agreement vil Selskabet tillige i en periode på 180 dage fra første handelsdag på Nasdaq First North Premier undlade at stille forslag til sine aktionærer om gennemførelse af en kapitaludvidelse, eller på anden måde foretage sig noget der, direkte eller indirekte, vil muliggøre udstedelse, tilbud om salg, at sælge, kontrakt om at sælge eller på anden måde afhænde aktier i selskabet eller andre værdipapirer i selskabet, der i det væsentlige svarer til aktierne, herunder men ikke begrænset til værdipapirer, der kan konverteres til eller ombyttes til, eller som repræsenterer retten til at modtage aktier i Selskabet eller andre sådanne i det væsentlige samme værdipapirer, herunder heller ikke til at købe eller sælge nogen option eller anden sikkerhed eller indgå nogen swap, hedging eller anden aftale, som ville have lignende økonomiske konsekvenser som det foregående (bortset fra salg af Aktier i henhold til Udbuddet samt tildeling og udstedelser af retten til at modtage Aktier eller lignende belønning i henhold til en langsigtet incitamentsordning og køb af egne aktier i henhold til Selskabets aktietilbagekøbsprogram, der skal sikre at Selskabet eller dets datterselskab, hvor det vil være relevant, kan bruge aktierne i Selskabet som betaling for erhvervelse af nye auktionshuse eller selskaber) uden forudgående samtykke fra Global Coordinator.</p>
<b>E.6</b>	<i>Beløb og procentdel for umiddelbar udvanding som følge af Udbuddet</i>	4.666.667 Nye Aktier svarende til nominelt DKK 466.666,70 udstedes, hvorved det samlede antal Aktier og stemmer vil stige fra 36.000.000 til 40.666.667 svarende til en udvanding på ca. 13 % af kapitalen og stemmerne (baseret på antal Aktier forud for Udbuddet).
<b>E.7</b>	<i>Anslåede udgifter, som investor pålægges af Selskabet</i>	Ikke relevant. Hverken Lauritz.com Group A/S, den Sælgende Aktionær eller Global Coordinator vil pålægge investorerne omkostninger.









# Summary

Prospectus summaries consist of information requirements presented in “items”. The items are numbered in sections A–E (A.1–E.7).

The summary in this Prospectus includes all of the items required in a summary for the relevant type of security and issuer. However, since certain items are not applicable to all types of prospectuses, there may be gaps in the numbering of the items. Even if an item is required to be included in the summary for the relevant type of security and issuer, it is possible that no relevant information can be provided regarding the item. In such case, the information is replaced by a brief description of the item together with the indication “not applicable”.

Section A – Introduction and warnings		
<b>A.1</b>	Warning to investors	<p><b>This summary should be read as an introduction to the Prospectus.</b></p> <p><b>Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor.</b></p> <p><b>Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated.</b></p> <p><b>Civil liability may attach to those persons who produced the summary, including any translation thereof, only if the summary is misleading, inaccurate or inconsistent with other parts of the Prospectus or if, together with other parts of the Prospectus, it fails to provide key information to help investors when considering investing in such securities.</b></p>
<b>A.2</b>	Consent for intermediaries	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent resale or final placement of securities.



<b>Section B – Issuer</b>		
<b>B.1</b>	<i>Legal and commercial name</i>	The Company's legal name is Lauritz.com Group A/S and it does not have any secondary names.
<b>B.2</b>	<i>Domicile, legal form, country of incorporation</i>	The Company is a Danish public limited liability company incorporated on 20 April 2016 and registered with the Danish Companies Registration Office on 20 April 2016. The Company's current name (and trading name), Lauritz.com Group A/S, was registered on 20 April 2016. The registered office is situated at Dynamovej 11C, 2860 Søborg, Denmark and the Company's corporate identity number is 37 62 75 42. The business is conducted in accordance with the Danish Companies Act.
<b>B.3</b>	<i>Current operations and principal activities</i>	<p>Lauritz.com Group A/S owns 100% of the shares in Lauritz.com A/S.</p> <p>The current majority owner and Chairman, Bengt Sundström, acquired Lauritz Christensen Auktioner in 1998 and initiated the digitalisation process. The Company's name was changed to Lauritz.com in 1999 and in December 1999, www.lauritz.com was launched as a pioneer within online auctions with the aspiration to revolutionise the business internationally with a concept idea of combining the traditional auction world with modern technology.</p> <p>Thereby, Lauritz.com initiated a paradigm shift within the international auction business, by migrating focus from the traditional physical auctions to online auctions. Lauritz.com's vision is to do "Auctions to the people" by introducing the auction concept to the modern consumer.</p> <p>Thus, ever since, Lauritz.com has been on a mission to democratise the auction world internationally by introducing "Quality auctions online". This is done by three measures; digitalisation, internationalisation and industrialisation.</p> <p>Today, the Company is conscious to take advantage of its first mover position to further enhance its leading status in the Nordic market and provide the appropriate platform for Lauritz.com's future international development.</p> <p>At present, Lauritz.com has 26 auction houses located in Denmark (13), Sweden (8), Norway (1), Germany (3) and Belgium (1). In the auction houses, sellers are able to consign items daily to the auctions houses' own experts while bidders can examine items physically. All items are described, valued and photographed objectively before being put up for auction. All bidding is done online with the exception of a few physical auctions annually. An online auction normally runs for seven days.</p>



<b>Section B – Issuer</b>		
<b>B.3</b>	<i>Current operations and principal activities</i>	<p>The Lauritz.com platform focuses on a broad assortment of items within art, design, antiquities and home luxury with a value above DKK 800. The Company offers both sellers and buyers a customer value proposition prioritizing expertise, convenience, online traffic, security and a competitive price offering.</p> <p>The Company operates through its own auction houses and auction houses operated by partners under partnership agreements. Out of the 26 auction houses, eight are owned by Lauritz.com and 18 are owned by its partners. The partner model, a variation of franchise, allows the local partner the right to operate an auction house in Lauritz.com's name within certain conceptual frameworks. The Company defines, develops, monitors and markets from its headquarter the auction concept across all auction houses, while the local branches execute the concept to the customers on a daily basis.</p> <p>When Lauritz.com establishes new auction houses in the group, it is done in one of three ways. Firstly, Lauritz.com can enter into an agreement with a new partner, e.g. by a traditional auction house converting to online auctions on Lauritz.com or by a partner starting from greenfield. Secondly, the Company can buy a traditional auction house which is completely or partially converted into online auctions. Thirdly, Lauritz.com can offer traditional auction houses an associate model in which the auction house in its existing brand can put items online at Lauritz.com.</p> <p>Since Bengt Sundström's acquisition of Lauritz Christensen Auktioner in 1998, Lauritz.com has focused on online auctions. With the acquisitions of Stockholms Auktionsverk and Helsingborgs Auktionsverk in 2014 and Kunst- &amp; Auktionshaus HERR following an asset transfer in 2015, the Company also has a share of physical auctions (fine art auctions).</p> <p>The Company's business model is built around a proprietary online auction platform, a tight controlled and well documented concept, an industrialised logistics model, processes to ensure correct item quality, processes to detect copies, authenticity guarantee, estimation and sourcing of items, as well as the in-house education department, Lauritz.com University. In addition, the Company has developed high brand awareness through a marketing strategy focusing on both digital marketing and marketing through other channels.</p> <p>The Company's strategic model is built around seven growth drivers, which based on experiences optimise the best possible progress in the Lauritz.com group. The strategic model is supported by yearly action plans. The seven growth drivers are: geographical expansion; customer development; brand building; category development; business optimisation; new business areas; and organisation development.</p> <p>Lauritz.com is also active on the Danish and Norwegian markets through its wholly owned subsidiaries QXL Denmark A/S and QXL.no AS (jointly "QXL"), an online peer-to-peer auction platform with focus on items with a value below DKK 800.</p>

**Section B – Issuer****B.4a**

*Descriptions of the most significant recent trends affecting the Company and the industries in which it operates*

Between 2010 and 2015, access to the Internet in households across the EU has increased by 13 percentage points to 83 %. The Company's core geographical markets represent some of the countries where access to the Internet is highest, with 97, 96, 91 and 90 % of households having Internet access in Norway, Denmark, Sweden and Germany, respectively.

The Company is geographically well-positioned to take advantage of the growing e-commerce market. Over 60 % of all individuals in Germany, Norway and Denmark have purchased an item online within the last three months of being surveyed in 2015, with Sweden being just below 60 %. Also, individuals are increasingly selling goods online as opposed to sale via physical stores and print media. This development is partially driven by the increase in access to internet and the more mature auction business. In Denmark, Lauritz.com's largest market, 37 % of individuals surveyed had used the Internet to sell goods or services in 2015, up from 24 % since 2013. This is significantly higher than the EU average at 19 %.

E-commerce in all of Lauritz.com's core markets, with the exception of Norway, is growing at around 10 % annually in local currencies or faster, with the Danish e-commerce market expanding the most at 18.0 % annually 2013-2015. The largest market by a significant margin is Germany, where the Germany Trade & Invest organisation stated that total e-commerce turnover reached almost EUR 47 billion in 2015.

Since the launch in 1999, the Company has had a strong focus on developing the middle market between the cheaper items sold on peer-to-peer platforms and the exclusive fine art auction market. Thus, in the management's view, Lauritz.com has built up a favourable competitive position in the auction market segment for lots with a value above approximately DKK 800. This market segment is attractive because of the significant volume of goods traded coupled with the relatively high average lot price, and because there are relatively few competitors in the same segment.

Lauritz.com's position with focus on the large middle market has led to a continuous increase in registered customer numbers from 8,000 in 2000 to more than 2.5 million in 2015 (at all platforms). Today approximately 13,100 new customers are registered per month. The online traffic shows currently approximately 5.7 million monthly visits, 2 million unique visitors per month, 1,050,000 monthly bids and approximately 65 million monthly page views. The visits come from approximately 200 countries.

With the acquisition of Stockholms Auktionsverk in 2014, Lauritz.com expanded its business within the higher price range of the auction market within fine art. Similarly, the acquisition of QXL in 2013 allowed Lauritz.com to target the lower price segment (items below DKK 800), without compromising the Lauritz.com brand.



## Section B – Issuer

		<p>In 2006, Lauritz.com launched – as one of the first auction houses worldwide – sales of newly produced items in large volumes on auctions. These items come from professional customers such as producers, wholesalers and retail shops using Lauritz.com as a luxury outlet or an alternative distribution channel to retail. After a change in the valuation principle in 2014, the sales of new items decreased significantly. Since implementation of the new principles for valuation, Lauritz.com has worked intensively on getting back the biggest professional sellers as well as on contacting other acknowledged brands as future selling customers. There is still an expected great potential in attracting producers and shops, which have not yet known auctions as a distribution channel to reach an international audience with considerable purchasing power. The result of the Company's proactive efforts has been positive since September 2015 when sales of new items on the Lauritz.com platform started increasing to a satisfactory extent (24% increase in number of new items sold comparing September 2015 to March 2016).</p> <p>Stockholms Auktionsverk experienced a major decrease in the turnover on the physical fine art auctions in spring 2015. The decrease was general for the fine art market in Sweden, where the major competitors also experienced a similar development. Stockholms Auktionsverk's turnover to some extent improved on the physical fine art auction in the autumn of 2015.</p>
<p><b>B.5</b></p>	<p><i>Beskrivelse af Koncernen og Selskabets plads i Koncernen</i></p>	<p>Lauritz.com Group A/S is the parent company of the Group which consists of twelve subsidiaries.</p> <pre> graph TD     LG[Lauritz.com Group A/S] -- (100%) --&gt; LA[Lauritz.com A/S]     LA -- (100%) --&gt; H1[ ]     H1 --- LC1[LC Danmark ApS]     H1 --- LC2[LC II ApS]     H1 --- AS[Aktiebolaget Stockholms Auktionsverk]     H1 --- HAV[Helsingborgs Auktionsverk HAV AB]     H1 --- QXL1[QXL Denmark A/S]     LC2 --- LCA[LC Sverige AB]     AS --- LCI[LC III ApS]     AS --- SKA[Stockholms Kommunala Auktions- och pantaktiebolag]     HAV --- IA[Internet-auktioner I Helsingborg AB]     QXL1 --- LCG[LC Deutschland GmbH]     QXL1 --- QXL2[QXL.no AS]   </pre>

**Section B – Issuer****B.6**

*Persons who, directly or indirectly, have an interest in the issuer's capital or voting rights or have control over the Company*

As of the date of this Prospectus, Bengt Sundström and Mette Rode Sundström hold 100% of the shares in the Company as a consequence of direct or indirect holdings of shares in the Company.

Each Share in the Company carries one vote.

The following table sets forth certain information regarding the ownership of the Shares on an actual basis and as adjusted to give effect to the sale of Shares in the Offering.

Shareholder	Shares held before the Offering		Shares held after the Offering (if the Offering is not increased and the Overallotment Option is not exercised)		Shares held after the Offering (if the Offering is increased in full, but the Overallotment Option is not exercised)		Shares held after the Offering (if the Offering is increased in full and the Overallotment Option is exercised in full)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Selling Shareholder	34,200,000	95	24,078,788	59.2	22,230,303	54.7	20,566,667	50.6
Mette Rode Sundström	1,800,000	5	1,800,000	4.4	1,800,000	4.4	1,800,000	4.4
Bure Equity AB (publ)	-	-	4,595,333	11.3	4,595,333	11.3	4,595,333	11.3
Swedbank Robur Fonder AB	-	-	3,253,333	8.0	3,253,333	8.0	3,253,333	8.0
Catella Fondförvaltning AB	-	-	3,050,000	7.5	3,050,000	7.5	3,050,000	7.5
Rite Internet Ventures Holding AB	-	-	2,033,333	5.0	2,033,333	5.0	2,033,333	5.0
Other new shareholders <sup>1</sup>	-	-	1,855,879	4.6	3,704,364	9.1	5,368,000	13.2
<b>Total</b>	<b>36,000,000</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>

<sup>1</sup> The shareholders in Karlstad-Hammarö Auktionsverk AB will as partial payment in connection with Lauritz.com acquisition of the company receive 166,667 Shares.



## Section B – Issuer

<p><b>B.7</b></p>	<p><i>Summary financial and business information</i></p>	<p>The selected consolidated historical financial data set forth below as of and for the years ended 31 December 2015, 2014 and 2013 have been derived from Lauritz.com A/S' audited consolidated financial statements for those years, which were audited by Deloitte Statsautoriserede Revisionspartnerselskab ("<b>Deloitte</b>"), as set forth in their audit report. The selected consolidated historical financial data set forth below as of and for the three months ended 31 March 2016 and 2015 have been derived from Lauritz.com A/S' consolidated condensed interim financial statements, as of and for the three months ended 31 March 2016 and 2015, which were reviewed by Deloitte. The comparative figures as of and for the three months ended 31 March 2015 are not covered by the independent auditors review. Lauritz.com A/S' audited consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013 have each been prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements for listed companies. Lauritz.com A/S' consolidated condensed interim financial statements as of and for the three months ended 31 March 2016 and 2015 have been prepared in accordance with IAS 34 as adopted by the EU and Danish disclosure requirements for listed companies.</p> <p>The Prospectus contains certain key information not prepared in accordance with IFRS, including Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow. Lauritz.com believes that this data provides useful information to investors as it enables more meaningful evaluation of relevant trends when considered in conjunction with (but not in lieu of) other measures that are calculated in accordance with IFRS. Since listed companies do not always calculate such data in the same manner, the presentation herein may not be comparable to other companies' key information with the same title.</p> <p>Non-IFRS measures such as turnover on auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow are not measurements of Lauritz.com's performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, turnover on auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow should not be considered as alternatives to: (i) net revenue (as determined in accordance with IFRS) as a measure of Lauritz.com's operating performance; (ii) cash flows from operating, investment and financing activities as a measure of Lauritz.com's cash flow; or (iii) any other measures of performance under generally accepted accounting principles.</p>
-------------------	--	--

**Section B – Issuer**

<b>Selected income statement data</b>					
<b>DKK million</b>	<b>Ist quarter</b>		<b>Fiscal year (audited)</b>		
	<b>Q1 2016 (reviewed)</b>	<b>Q1 2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Turnover on Auctions*	235.5	268.3	1,084.0	1,047.1	868.7
<b>Net revenue</b>	<b>45.6</b>	<b>43.8</b>	<b>225.2</b>	<b>153.4</b>	<b>117.1</b>
Direct costs	3.8	2.6	17.8	14.9	6.5
<b>Gross profit</b>	<b>41.8</b>	<b>41.2</b>	<b>207.3</b>	<b>138.5</b>	<b>110.6</b>
Other operating income	0.2	-	0.4	-	2.0
Other external costs	14.4	15.3	63.8	47.9	34.2
Personnel costs	23.9	23.8	102.1	67.3	54.7
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
Depreciation and amortisation	3.2	2.3	12.2	6.6	5.2
<b>Earnings before interest and tax (EBIT)</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>16.6</b>	<b>18.6</b>
Financial income	2.1	0.2	0.8	16.4	3.9
Financial expenses	7.4	15.6	41.2	18.7	5.4
<b>Earnings before tax (EBT)</b>	<b>-4.9</b>	<b>-15.5</b>	<b>-10.8</b>	<b>14.3</b>	<b>17.1</b>
Income taxes	-2.8	-3.6	-2.3	3.8	2.8
<b>Net income</b>	<b>-2.1</b>	<b>-11.9</b>	<b>-8.5</b>	<b>10.5</b>	<b>14.3</b>
<b>Other comprehensive income</b>					
Exchange adjustment, foreign companies	-1.5	4.0	9.2	-4.8	-0.2
<b>Total other comprehensive income</b>	<b>-1.5</b>	<b>4.0</b>	<b>9.2</b>	<b>-4.8</b>	<b>-0.2</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-3.5</b>	<b>-7.9</b>	<b>0.7</b>	<b>5.7</b>	<b>14.0</b>

\*Turnover on Auctions is a measure of the activity on www.lauritz.com, www.qxl.dk, www.qxl.no, mobile apps, Stockholms Auktionsverk (including Magasin 5) and Helsingborgs Auktionsverk. The figure consists of knockdown, buyer commission (excluding VAT) and sales price for lots sold through LauritzOneBid.





## Section B – Issuer

<b>Selected balance sheet data</b>					
<b>DKK million</b>	<b>Ist quarter</b>		<b>Fiscal year (audited)</b>		
	<b>Q1 2016 (reviewed)</b>	<b>Q1 2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Software under development	6.9	13.8	6.0	10.6	3.4
Developed software	12.8	4.9	14.0	5.0	5.2
Goodwill	138.0	134.4	138.5	127.9	21.0
Acquired rights	51.5	53.1	52.6	52.9	9.1
<b>Total intangible assets</b>	<b>209.1</b>	<b>206.2</b>	<b>211.1</b>	<b>196.4</b>	<b>38.8</b>
Land and buildings	51.9	-	52.0	-	-
Plant, equipment and fixtures	16.7	15.9	17.1	15.1	6.9
<b>Total property, plant and equipment</b>	<b>68.6</b>	<b>15.9</b>	<b>69.0</b>	<b>15.1</b>	<b>6.9</b>
Deferred tax	4.9	2.6	0.9	1.9	3.6
Deposits	1.1	6.7	1.1	6.7	6.4
Other non-current receivables	15.9	-	15.9	-	-
<b>Total other non-current assets</b>	<b>21.9</b>	<b>9.3</b>	<b>17.9</b>	<b>8.5</b>	<b>10.0</b>
<b>Total non-current assets</b>	<b>299.5</b>	<b>231.4</b>	<b>298.1</b>	<b>220.0</b>	<b>55.7</b>
<b>Current assets</b>					
Inventories	1.6	1.3	1.5	1.2	1.2
Trade receivables	16.2	10.9	18.3	18.0	7.7
Receivables from parent company	110.1	128.6	113.8	124.7	117.9
Other current receivables	25.0	63.5	23.5	64.3	10.5
Cash and cash equivalents	29.9	42.4	46.3	81.8	32.3
<b>Total current assets</b>	<b>182.8</b>	<b>246.8</b>	<b>203.5</b>	<b>289.9</b>	<b>169.5</b>
<b>TOTAL ASSETS</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>

**Section B – Issuer**

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	6.0	6.0	6.0	6.0	6.0
Other reserves	2.9	-0.9	4.3	-4.9	-0.1
Retained earnings	0.9	1.6	3.0	13.4	14.4
<b>Total equity</b>	<b>9.7</b>	<b>6.7</b>	<b>13.3</b>	<b>14.6</b>	<b>20.3</b>
<b>Non-current liabilities</b>					
Deferred tax	10.3	10.4	9.8	13.5	1.7
Bank loans	-	-	-	-	15.2
Bonds	336.5	333.1	338.1	337.4	12.0
<b>Total non-current liabilities</b>	<b>346.7</b>	<b>343.5</b>	<b>347.8</b>	<b>350.9</b>	<b>28.9</b>
<b>Current liabilities</b>					
Bank loans	-	-	-	-	33.5
Bonds	-	12.9	13.4	-	19.1
Trade payables	88.4	85.9	91.5	113.8	87.9
Corporate tax liabilities	-	0.5	-	0.5	2.6
Other payables	37.5	28.7	35.5	30.2	32.9
<b>Total current liabilities</b>	<b>125.9</b>	<b>128.0</b>	<b>140.4</b>	<b>144.4</b>	<b>176.0</b>
<b>Total liabilities</b>	<b>472.6</b>	<b>471.5</b>	<b>488.3</b>	<b>495.3</b>	<b>204.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>



## Section B – Issuer

<b>Selected cash flow statement data</b>					
<b>DKK million</b>	<b>Ist quarter</b>		<b>Fiscal year (audited)</b>		
	<b>Q1 2016 (reviewed)</b>	<b>Q1 2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Cash flow from operating activities</b>	<b>-0.5</b>	<b>-30.0</b>	<b>-12.7</b>	<b>15.3</b>	<b>23.7</b>
<b>Cash flow from investing activities</b>	<b>-1.8</b>	<b>-9.4</b>	<b>-22.8</b>	<b>-207.1</b>	<b>-39.9</b>
<b>Cash flow from financing activities</b>	<b>-13.9</b>	<b>-</b>	<b>-2.0</b>	<b>264.0</b>	<b>26.0</b>
<b>Cash flow for the period</b>	<b>-16.2</b>	<b>-39.4</b>	<b>-37.5</b>	<b>72.3</b>	<b>9.8</b>
Cash and cash equivalent, opening balance	46.3	81.8	81.8	9.5	-0.3
<b>Cash flow for the period</b>	<b>-16.2</b>	<b>-39.4</b>	<b>-37.5</b>	<b>72.3</b>	<b>9.8</b>
Exchange rate differences	-0.2	-	2.0	-	-
<b>Cash and cash equivalent, closing balance</b>	<b>29.9</b>	<b>42.4</b>	<b>46.3</b>	<b>81.8</b>	<b>9.5</b>

**Section B – Issuer**

<b>Selected financial and operating data</b>					
<b>DKK million (unless otherwise stated)</b>	<b>Ist quarter</b>		<b>Fiscal year (audited)</b>		
	<b>2016 (reviewed)</b>	<b>Q1 2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Turnover on Auctions</b>					
Turnover on Auctions	235.5	268.3	1,084.0	1,047.1	868.7
Turnover on Auctions growth (%)	-12.2%	19.3%	3.5%	20.5%	20.4%
<b>Net revenue</b>					
Net revenue	45.6	43.8	225.2	153.4	117.1
<b>Profitability</b>					
EBITDA	3.7	2.1	41.8	23.2	23.8
Adjusted EBITDA	3.7	2.1	41.8	32.1	25.5
EBIT	0.5	-0.1	29.7	16.6	18.6
Adjusted EBIT	0.5	-0.1	29.7	25.5	20.2
<b>Balance sheet</b>					
Net debt	188.2	174.3	183.1	79.8	-70.9
Net debt/adjusted EBIT-DA (x)	4.3x	6.9x	4.4x	2.5x	neg.
Net debt/EBITDA (x)	4.3x	9.9x	4.4x	n.a.	n.a.
Equity/total assets (%)	2.0%	1.4%	2.6%	2.9%	9.0%
Net working capital	-83.1	-38.9	-83.6	-60.5	-101.4
<b>Cash flow</b>					
Adjusted Free Cash Flow	5.1	-29.3	33.2	22.1	24.0
Cash conversion	137.7%	neg.	neg.	68.8%	94.5%
Investments in operating activities	1.8	5.8	17.7	16.5	12.3



## Section B – Issuer

## Certain non-IFRS financial measures

DKK million	1st quarter		Fiscal year (audited)		
	2016 (reviewed)	Q1 2015	2015	2014	2013
EBIT	0.5	-0.1	29.7	16.6	18.6
Depreciation and amortisations	3.2	2.3	12.2	6.6	5.2
<b>EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
<b>Adjustments to EBITDA and EBIT</b>					
Special items*	0.0	0.0	0.0	8.9	1.7
<b>Adjusted EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>32.1</b>	<b>25.5</b>
<b>Adjusted EBIT</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>25.5</b>	<b>20.2</b>
<b>Adjusted Free Cash Flow</b>					
Adjusted EBITDA	3.7	2.1	41.8	32.1	25.5
Cash flow from changes in net working capital	3.2	25.6	-26.3	6.5	10.9
Investments in operating activities	1.8	5.8	17.7	16.5	12.3
<b>Adjusted Free Cash Flow</b>	<b>5.1</b>	<b>29.3</b>	<b>-2.2</b>	<b>22.1</b>	<b>24.0</b>

\*Special items for 2013 related to acquisitions (e.g. legal costs) and costs related to compensations to customers who bought Eames-chairs with legs from a different producer through a Lauritz.com auction house, including legal costs. Special items for 2014 related to acquisitions (mainly Stockholms Auktionsverk) and costs related to compensations to partners (ex gratia) who had sold Eames-chairs with legs from a different producer, including legal costs. Further a reservation for a doubtful receivable related to a previous partner who had also sold Eames chairs with legs from a different producer as well as wrongfully handled VAT on a professional seller is part of the non-recurring items

## Significant events since 31 March 2016

Lauritz.com has entered into an agreement regarding the establishment of two new auction houses in Sweden and Denmark, respectively. Lauritz.com has entered into a conditional agreement for the acquisition of Karlstad-Hammarö Auktionsverk AB. Furthermore, Lauritz.com has entered into a new five-year partnership agreement for the establishment and operation of a new branch of Lauritz.com in Central Jutland in Denmark. After this, Lauritz.com has 28 branches of which Lauritz.com owns 9 while the remaining 19 branches are operated by partners.

**Section B – Issuer**

		<p>On 15 May 2016 Lauritz.com A/S signed a 5-year partnership agreement with a new partner in the operation and activity of Lauritz.com in Hamburg from July 1, 2016. Overall, this will have a positive effect on EBITDA in 2016 of approximately DKK 2.5 million.</p> <p>On 20 May 2016 Lauritz.com A/S entered into a conditional sale and lease back agreement regarding the Company's property located at Rovsinggade 68, 2200 Copenhagen.</p> <p>On 9 June 2016, the Company together with the Global Coordinator resolved to withdraw the then ongoing initial public offering in exchange of this new public offering. This was done despite that the book was fully subscribed, as it was concluded that more time was needed to build and complete a more solid shareholder base in the Company. To ensure a more solid shareholder base in the new public offering the Company has included two additional cornerstone investors. Furthermore the new offering is a fixed offer price of SEK 15 per Share compared to the previous offer price range of SEK 19-21.</p>
<b>B.8</b>	<i>Selected key pro forma financial information</i>	Not applicable. The Company has not prepared any pro forma financial information.
<b>B.9</b>	<i>Profit forecast or estimate</i>	<p>Lauritz.com's prospective consolidated financial information for the financial year 2016 reflects the Board of Directors' and the Executive Board's estimates and forecasts for 2016. These estimates 2016 have been prepared in accordance with Lauritz.com's normal budgeting procedures.</p> <p>For 2016, Lauritz.com expects an increase in net revenue and an increase in EBITDA.</p> <p>The increase in EBITDA is expected to be in the range of 20-40 % compared to 2015.</p>
<b>B.10</b>	<i>Qualifications in the audit report on the historical financial information</i>	Not applicable. The audit reports on the historical financial information included in the Prospectus have been issued without qualifications.
<b>B.11</b>	<i>Explanation if the Issuer's working capital is not sufficient for the Company's present requirements</i>	Not applicable. It is the Company's opinion that its present working capital and liquid assets are sufficient to meet the Group's requirements for the period of twelve months from the date of the publication of this Prospectus. As of 31 March 2016, the Company's cash and cash equivalents amounted to DKK 29.9 million.



<b>Section C – Securities</b>		
<b>C.1</b>	<i>Description of the type and the class of the Offer Shares. Including any security identification number</i>	Common shares in Lauritz.com Group A/S. The ISIN code for the Shares is DK0060733368.
<b>C.2</b>	<i>Currency of the Offer Shares</i>	The Offer Shares are denominated in Swedish kronor (“ <b>SEK</b> ”).
<b>C.3</b>	<i>The number of Shares issued and fully paid and issued but not fully paid</i>	As of the date of this Prospectus, the Company’s share capital has a nominal value of DKK 3,600,000, divided into 36,000,000 Shares with a nominal value of DKK 0.10 each. All Shares are issued and fully paid up.
<b>C.4</b>	<i>Description of the rights attached to the Shares</i>	<p>At general meetings of shareholders, each Share carries one vote. Each shareholder is entitled to vote for the full number of Shares such shareholder holds, without limitation on voting rights.</p> <p>If Lauritz.com issues new shares, warrants or convertibles in a cash issue, the holders of Shares have preferential rights to subscribe for such securities in proportion to the number of Shares held prior to the issue. Nothing in the Company’s Articles of Association restricts the Company’s ability to issue new Shares, warrants or convertibles with deviation from the shareholders’ preferential rights as provided for in the Danish Companies Act.</p> <p>The Shares carry equal rights to dividends and equal rights to the Company’s assets and potential surplus in the event of liquidation.</p>
<b>C.5</b>	<i>A Description of any restrictions on the free transferability of the Shares</i>	Not Applicable. The Shares are negotiable instruments and no restrictions under the Company’s Articles of Association or Danish law apply to the transferability of the Shares.
<b>C.6</b>	<i>Admission to trading on a regulated market</i>	Not Applicable. The Shares will not be traded on a regulated market. The Board of Directors of Lauritz.com has applied for a listing of the Company’s Shares on Nasdaq First North Premier.
<b>C.7</b>	<i>A description of dividend policy</i>	<p>Decisions relating to dividend proposals take into account the Company’s future earnings, financial position, capital requirements and the macro environment. There can be no assurances that in any given year a dividend will be proposed or declared.</p> <p>In addition, the terms of the Bond restrict dividend payments to 25 % of the Group’s consolidated net profit according to the audited annual financial statements for the previous year.</p>

**Section D – Risks**

<p><b>D.1</b></p>	<p><i>Key information on the key risks that are specified to the Company or its industry</i></p>	<p>An investment in the Shares involves a high degree of risk. Prospective investors should carefully consider these risks before deciding to invest in the Shares. These risks include, among others, the following main industry- and company-related risks:</p> <ul style="list-style-type: none"> <li>• It is important for Lauritz.com’s business that Lauritz.com maintains and continues to develop its software, services and user interface to remain competitive. There are inherent risks with launching a new service onto the market. Lauritz.com’s software and services are complex and there is risk that software or interfaces may contain errors etc.</li> <li>• Lauritz.com is dependent on online platforms and other digital channels to service its buyers and sellers and technology changes may adversely impact the attractiveness of Lauritz.com’s service offering.</li> <li>• Lauritz.com operates in a rapidly changing global marketplace and new and existing competitors constitute a risk in a highly competitive and accessible market.</li> <li>• A significant part of Lauritz.com’s profits derives from partnership (a variation of franchise) performance and any operational failure of such partners may lead to loss of net revenues, costs or claims.</li> <li>• Operational failures or practices may harm Lauritz.com’s brand and reputation. Failures such as not detecting stolen items or copies, before putting them up for auction, or wrongly valuating or describing an item can occur, which may cause Lauritz.com’s brand to suffer and could have a material adverse effect on Lauritz.com’s reputation, business, results of operations and financial condition.</li> <li>• Lauritz.com faces risks relating to its issued floating rate corporate bonds, including the Bond holders having the right to enforce its security over all Shares in Lauritz.com A/S in certain cases of breach of the terms for the Bond.</li> <li>• Lauritz.com has entered into a sale and lease back agreement under which the buyer purchases Lauritz.com’s property located at Rovsinggade 68 in Copenhagen. The agreement is subject to approval from the Bond holders and as part of the approval process, Lauritz.com intends to amortize SEK 100 million of the Bond. There is a risk that the approval will be voted down and that neither the sale and lease back nor the planned amortization will not be completed. This could have a material adverse effect on Lauritz.com’s business, results of operations and financial condition.</li> <li>• It is important for Lauritz.com’s business that Lauritz.com maintains and continues to develop its software, services and user interface. Cyber Crime may adversely impact Lauritz.com’s service offering and user interface.</li> </ul>
-------------------	--	--





## Section D – Risks

<p><b>D.3</b></p>	<p><i>Key information on the key risks relating to the Offer Shares</i></p>	<p>The main risks relating to the Offering and the Offer Shares include, among others, the following risks:</p> <ul style="list-style-type: none"> <li>• Nasdaq First North Premier is not a regulated market and may be subject to disruptions and carries a higher degree of risk than an investment in a company listed on a regulated market. There is also a risk that the liquidity of the Shares on Nasdaq First North Premier will be low and that the Shares are delisted from Nasdaq First North Premier.</li> <li>• Lauritz.com’s ability to pay dividends in the future may be constrained and depends on several factors, including the terms of the Bond since the terms of the Bond restricts Lauritz.com’s ability to propose and declare dividends to its current and future shareholders.</li> <li>• There is a risk that an active, liquid and functioning market for Lauritz.com’s shares does not emerge and that the share price may prove volatile.</li> <li>• The Selling Shareholder may continue to exercise considerable influence over Lauritz.com and its operations and the interests of the Selling Shareholder may conflict with those of Lauritz.com’s other shareholders.</li> <li>• The Cornerstone Investors’ undertaking is not secured through a bank guarantee, blocked funds, pledge of collateral or similar arrangement. Hence, there is a risk that the Cornerstone Investors will not be able to fulfil its undertaking.</li> </ul>
-------------------	---	---



<b>Section E – Offering</b>		
<b>E.1</b>	<i>Total net proceeds of the Offer and estimated expenses</i>	The new issue of 4,666,667 Shares will upon completion provide the Company with gross proceeds of SEK 70,000,000 equivalent to approximately DKK 55,664,000, before deducting IPO and IPO related costs of approximately DKK 7 million. These transaction costs consist of underwriting commissions and expenses, fees and expenses of financial, legal and other advisors, and other transaction costs.
<b>E.2a</b>	<i>Reasons for the Offer and use of the issue proceeds, estimated net amount of the proceeds</i>	<p>After many years under private ownership, Lauritz.com's Board of Directors and Shareholders believe that it is now an appropriate time to broaden Lauritz.com's shareholder base and to apply for the listing of the Shares on Nasdaq First North Premier.</p> <p>Lauritz.com expects that the listing of its Shares on Nasdaq First North Premier will increase the Company's financial strength in order to accelerate both growth within the current organisation and the acquisitive strategy going forward. Further, Lauritz.com expects that the listing of its Shares on Nasdaq First North Premier will increase the public profile of the Company and the business, opening new opportunities in the market.</p> <p>The proceeds in the expected amount of DKK 48,664,000 after transaction costs received by the Company from the offering of New Shares are expected to be used to facilitate the Company's geographical expansion, a partial repayment of the Bond and for corporate matters, including to further strengthening the Company's IT development.</p> <p>The Company will not directly receive any proceeds from the sale of Existing Shares carried out by the Selling Shareholder. The Selling Shareholder has however agreed to upon completion of the Offering to repay the shareholder loan to the Company.</p>



<b>Section E – Offering</b>	
<b>E.3</b>	<p><i>Terms and conditions of the Offer</i></p> <p><b>The Offering</b></p> <p>The Offering comprises in total 14,787,879 Offer Shares (excluding any expansion of the Offering and the Overallotment Option), of which Lauritz.com offers 4,666,667 New Shares to ensure gross proceeds of in total SEK 70,000,000 and the Selling Shareholder is offering 10,121,212 Existing Shares. The Offering is divided into two parts:</p> <ul style="list-style-type: none"> <li>• the offering to institutional investors in Sweden and abroad; and</li> <li>• the offering to the general public in Denmark and Sweden.</li> </ul> <p>The institutional offering refers to private individuals and legal entities who apply to acquire more than 50,000 shares in the Offering.</p> <p>The public offering refers to private individuals and legal entities in Sweden and Denmark who apply to acquire a maximum of 50,000 shares in the Offering.</p> <p>The outcome of the Offering is expected to be announced through a press release on 22 June 2016.</p> <p>Completion of the Offering is conditional upon the Offering not being withdrawn. The Offering may be withdrawn by the Company, the Selling Shareholder and the Global Coordinator at any time before pricing and allocation of the Offering take place. The Offering may also be withdrawn if Nasdaq First North Premier is not satisfied that there will be a sufficiently broad distribution of the Shares to investors (such determination by Nasdaq First North Premier is expected on or prior to the expected admission for trading and official listing of the Shares) or if, for other reasons, the Shares cannot be admitted for trading and official listing on Nasdaq First North Premier.</p> <p><b>Expansion of the Offering</b></p> <p>At the discretion of the Selling Shareholder, the total number of Existing Shares sold by the Selling Shareholder in the Offering may be increased by up to 1,848,485 Existing Shares.</p>

**Section E – Offering****Overallotment Option**

To cover overallotments or other short positions in the Offering, the Selling Shareholder will grant the Global Coordinator an option to acquire Additional Shares up to 10 % of the aggregate of the New Shares and Existing Shares at the Offer Price. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Shares on Nasdaq First North Premier.

**Distribution of Shares**

Distribution of Offer Shares will be based on demand. The distribution will be determined by the Board of Directors and the Selling Shareholder in consultation with the Global Coordinator.

**The Offer Price**

The Offer Price will be SEK 15 per Offer Share. The Offer Price has been set by the Board of Directors and the Selling Shareholder in consultation with the Global Coordinator, based on the anticipated investment interest from institutional investors. The Offer Price to the general public will be SEK 15 per Offer Share. Brokerage commission will not be charged.

**Allotment**

Decision on allotment of Offer Shares in the Offering will be made by the Board of Directors and the Selling Shareholder after consultation with the Global Coordinator, whereby the goal will be to achieve an institutional ownership base and a broad distribution of the Offer Shares among the general public, in order to facilitate a regular and liquid trading in the Offer Shares on Nasdaq First North Premier. The allotment does not depend on when the application is submitted during the application period. Only one application per person will be considered.

**Placing Agreement**

The Selling Shareholder, the Company and the Global Coordinator intend to enter into an agreement on the placing of shares in Lauritz.com on or about 21 June 2016 (the “**Placing Agreement**”).

Under the Placing Agreement, the Global Coordinator will undertake to place the Offer Shares comprised by the Offering pursuant to this Prospectus with various investors or, alternatively, should this be unsuccessful, to acquire the Offer Shares itself.



## Section E – Offering

<p><b>E.4</b></p>	<p><i>Material interest in the Offer including conflicts of interest</i></p>	<p>The total remuneration paid to the Global Coordinator will depend on the success of the Offering. The Global Coordinator and its respective affiliates have from time to time engaged in, and may in the future engage in, commercial banking, investment banking and financial advisory transactions and services in the ordinary course of its business with the Company or the Selling Shareholder or any of the Company's respective related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. The Global Coordinator has received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with investors' and the Company's interests.</p> <p>The CEO's yearly salary will increase from DKK 1.8 million to 2.1 million if the Shares are admitted for trading on Nasdaq First North Premier.</p> <p>As of the date of this Prospectus, Bengt Sundström and Mette Rode Sundstrøm have a financial interest in the Company as a consequence of direct or indirect holdings of shares in the Company. No other member of the Board of Directors or Executive Board has any private interest that might conflict with the Company's interests.</p> <p>The Cornerstone Investors will not receive any compensation for its undertaking and the Cornerstone Investors' investment is made at the same price per Offer Share as for other investors in the Offering.</p>
-------------------	--	--

**Section E – Offering**

<b>E.5</b>	<i>Selling shareholder and Lock-up Arrangements</i>	<p>The Selling Shareholder will undertake not to transfer, or make certain other dispositions of its holding without consent from the Global Coordinator during 180 days after trading of the Shares on Nasdaq First North Premier has commenced, however the lock-up restriction shall not apply in respect of any Shares redelivered by the Global Coordinator to the Selling Shareholder following stabilising activities (the “<b>Lock-up Period</b>”).</p> <p>Further, the CEO of the Company will undertake not to transfer, or make certain other dispositions of its holding without consent from the Global Coordinator during 360 days after trading of the Shares on Nasdaq First North Premier has commenced.</p> <p>Under the Placing Agreement, the Company will also agree, during a period of 180 days from the first day of trading on Nasdaq First North Premier, not to submit to its shareholders any proposal for a capital increase that would enable it to, or otherwise take any action to, directly or indirectly, issue, offer, sell, contract to sell or otherwise dispose of shares of the Company or any securities of the Company that are substantially similar to the Shares, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, shares of the Company or any such substantially similar securities; nor to purchase or sell any option or other security or enter into any swap, hedge or other agreement that would have similar economic consequences to the foregoing (except for the sale of Shares pursuant to the Offering, grants and issuances of rights to receive Shares or similar awards under a long term incentive plan and shares purchased by the Company as part of the Company’s buy-back program to ensure the Company or the Subsidiary, as the case may be, can use shares in the Company as payment in acquisitions of new auctions houses or companies) without the prior written consent of the Global Coordinator.</p>
<b>E.6</b>	<i>The amount and percentage of immediate dilution resulting from the Offering</i>	4,666,667 New Shares corresponding to a nominal value of DKK 466,666.70 will be issued, whereby the total number of Shares and votes will increase from 36,000,000 to 40,666,667, corresponding to a dilution of approximately 13 % of the capital and votes (based on number of Shares prior to the Offering).
<b>E.7</b>	<i>Estimated expenses charged to the investor by the Company or the Selling Shareholder</i>	Not applicable. None of Lauritz.com Group A/S, the Selling Shareholder or the Global Coordinator will charge expenses to the investors.



# Summary of the Offering

## Number of Shares being offered

Lauritz.com is offering 4,666,667 New Shares to ensure gross proceeds of in total SEK 70,000,000 and the Selling Shareholder is offering 10,121,212 Existing Shares. The total number of Existing Shares sold by the Selling Shareholder may be increased. However, in no event will the Selling Shareholder sell more than 11,969,697 Existing Shares in the Offering, excluding any Existing Shares that may be sold pursuant to the Overallotment Option. To cover overallotments or other short positions in the Offering, the Selling Shareholder will grant the Global Coordinator an option to acquire Additional Shares up to 10 % of the aggregate of the New Shares and the Existing Shares, at the Offer Price. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Shares on Nasdaq First North Premier.

## Offer Price

SEK 15 per Offer Share with a quota value of DKK 0.10 per Share

## Application period for the public offering

15–21 June 2016

## Publication of the result of the Offering

On or about 22 June 2016

## First day of trading in the Shares

On or about 22 June 2016

## Settlement date

On or about 27 June 2016

## Other information

Ticker symbol: ..... LAUR  
 ISIN code: ..... DK0060733368

## Financial calendar

Interim report, April–June 2016 ..... 24 August 2016  
 Interim report, July–Sept. 2016. .... 28 November 2016

## Definitions

For definitions and the meaning of certain expressions used in this Prospectus, see “*Definitions and glossary*”.



# Risk factors

An investment in the Shares involves a high degree of risk. Prospective investors should carefully consider each of the risks described below and all of the other information in this Prospectus before deciding to invest in the Shares.

Lauritz.com Group A/S was formed on 20 April 2016 with the purpose of holding 100% of the share capital in Lauritz.com A/S. Prior to the acquisition of shares in Lauritz.com A/S, the Company did not have any assets, liabilities or conducted any operating activities other than those related to its formation. The risks described below are derived from operations historically conducted by Lauritz.com A/S. After acquiring 100% of the share capital in Lauritz.com A/S, the described risks applies equally in relation to the Company and Lauritz.com A/S.

Lauritz.com's business, financial condition and results of operations could be materially adversely affected by any of these risks. The risks described below are those that Lauritz.com currently views as material, but these are not the only risks that Lauritz.com faces. Additional risks and uncertainties, including risks that are currently not known to Lauritz.com, or that Lauritz.com currently, based on its regular risk assessment, considers to be immaterial, may also arise and become material in the future which could significantly impair Lauritz.com's business activities and have a material adverse effect on Lauritz.com's business, results of operations and financial condition. The order in which these risks are presented is neither intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

This Prospectus also contains forward-looking statements that are based on assumptions and estimates and subject to risks and uncertainties. Lauritz.com's actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to the risks described below and elsewhere in this Prospectus.

## Risks related to the technology, industry and the business

### *Risks related to technology*

#### **Failure to maintain and develop Lauritz.com's software, services and user interface may adversely impact the Company's business, results of operations and financial condition**

Lauritz.com is dependent on its IT-platforms which are developed and maintained by Lauritz.com itself. Lauritz.com must develop, update and launch new software and services and expand new or redesigned services in a timely manner in order to remain competitive. Failure to do so might result in loss of customers and Lauritz.com falling behind its competitors. There are inherent risks with launching a new service onto the market. Lauritz.com's software and services are complex and there is risk that software or interfaces may contain errors, bugs, faults, interface or performance related problems or defects by the

time of launch. If such risks were to materialise and not be adequately managed or not possible to resolve, they could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

#### **Technology changes may adversely impact the attractiveness of Lauritz.com's service offering**

Being primarily an online auction house, Lauritz.com is dependent on online platforms and other digital channels to service its buyers and sellers. Today, the majority of Lauritz.com's buyers and sellers is accessing Lauritz.com's services through computers, tablets and smartphones via browsers and/or apps, and Lauritz.com's technical platforms and channels accommodate such entries. However, the IT industry is characterised by rapid technological change, evolving industry standards and constant new product and service introductions. Technology changes and technology developments may arise and change the attractiveness for the services offered by Lauritz.com. As Lauritz.com adjusts its software and services, it is continuously for-





ced to invest time and resources on updating existing software and services to be competitive. If Lauritz.com is unsuccessful in doing so, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com is exposed to certain risks attributable to its IT systems**

Lauritz.com is exposed to certain risks attributable to its IT systems that are central to the business activities and the operation of Lauritz.com's technical platforms. Lauritz.com uses advanced IT systems, for example, to operate online auctions and process payments, and Lauritz.com's dependence on advanced technology to conduct its business activities exposes the Company to a number of risks, including:

- interruptions to Lauritz.com's websites caused by unidentified third parties through a distributed denial-of-service attack that delays or denies customer visits to the websites which could cause losses of income and damage customer confidence;
- interruptions in Internet access or interruptions in communication with mobile devices due to, for example, major disruptions, delays or damage to Lauritz.com's IT system caused by, for instance, viruses, hacking attempts or access restrictions due to reduced capacity which individually could cause a loss of income and/or negative experiences for customers and lead to valuable information being lost or cause delays to the operations;
- failures of Lauritz.com's IT systems, or third party actions such as hacking, could result in unauthorised access to internal data and customer data, including credit-card numbers and other sensitive information;
- failures or flaws to Lauritz.com's data security system for payment processes, or third party actions such as hacking, could result in fraud and similar unlawful activities in connection with Lauritz.com's processing of payments to and from customers; and
- external IT service providers failing to provide services and technology in a satisfactory manner which could result in losses or disruptions in these functions and services.

Failure to maintain and develop sound IT infrastructure and virus protection could therefore result in disruptions and if they were to continue for a considerable length of

time they could adversely impact Lauritz.com's reputation, business, results of operations and financial condition.

### **Lauritz.com's hardware and physical installations are exposed to various risks**

Lauritz.com's business model, and in particular its ability to facilitate online auctions successfully and provide high quality customer service, depends on the efficient and uninterrupted operation of Lauritz.com's computers and communications hardware systems. Lauritz.com's servers, hardware systems and physical installations may be damaged or interrupted due to e.g. human errors, break-ins, power losses, telecommunications failures, fires and floods in warehouses, terrorist attacks, acts of war, and similar events. Should such events occur, there is a risk that Lauritz.com does not have sufficient protection or recovery plans, and its business interruption insurance may be inapplicable or insufficient to compensate Lauritz.com for losses that may occur. Lauritz.com relies heavily on its hardware and physical installations to conduct its business, and if any damage or disruption would occur, it could have a material adverse effect on its business, results of operations and financial condition.

### **Lauritz.com's integration of new businesses may lead to major disruptions, delays or damage to its IT systems**

Lauritz.com will continue to grow its business through acquisitions, greenfield establishments and partner establishments. The integration of acquired companies, such as the recently acquired Karlstad-Hammarö Auktionsverk and other future acquisitions into Lauritz.com's existing IT systems and platforms, could lead to, *inter alia*, major disruptions, delays or damage to Lauritz.com's IT systems and material related costs. If such risks were to materialise and not be adequately managed or not possible to resolve, they could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.



## Risks related to the industry

### New and existing competitors constitute a risk in a highly competitive and accessible market

Lauritz.com operates in a highly competitive and rapidly changing global marketplace. Lauritz.com's competitors and competition include:

- Other online auctions
- Physical auctions
- Classified sales peer-to-peer

Some of Lauritz.com's direct competitors and some of the service providers, facilitating classified sales, are large multi-national players with significantly greater financial resources than Lauritz.com. If competitors with greater financial resources were to intensify its marketing or offer quality services that Lauritz.com is unable to match, it could decrease the usage of Lauritz.com's services and lower its margins. In addition, online auctions, that have historically focused on other lots or price segments than Lauritz.com's, may refocus their service offering and intensify competition in that manner. Online auctions and classified sales have low start-up costs, and well reputed physical auction houses may use their brands to leverage business by developing online auctions in the same lot and price segment as Lauritz.com. These factors pose a significant risk for Lauritz.com, and if these risks were to materialise, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### Lauritz.com is dependent on the continued use and growth of online commerce and payment by buyers

Lauritz.com's future net revenues and profits are substantially dependent upon the widespread and continued acceptance and use of the Internet and other online channels as a medium for commerce, exchange of information and payment by buyers.

Growth in Lauritz.com's customer base relies on changing shopping patterns; buyers who have historically used traditional means of commerce to purchase and pay for lots should gradually migrate to online platforms. For Lauritz.com to grow, new customers must accept, trust and use online media.

If potential customers do not adapt to the usage of online media, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### Lauritz.com is dependent on buyer trends and demand for specific categories of lots

Lauritz.com derives substantially all of its net revenues from commissions and fees from successfully completed auctions of lots through Lauritz.com's platforms.

Lauritz.com's future net revenues will depend upon the attractiveness of the auction process for the categories of lots which Lauritz.com markets from time to time. The demand among buyers for lots, where the auction process has historically been accepted and which constitute a significant part of Lauritz.com's sales, such as furniture, pictorial art, porcelain, ceramics, antiquities, lighting, silver, clothing, accessories and jewellery, may vary over time due to perceived scarcity, subjective value, and social and buyer trends in general. A decline in the popularity of, or demand for, certain lots sold through Lauritz.com's service could reduce the overall volume of transactions on Lauritz.com's platforms, resulting in reduced net revenues. These trends might also cause significant fluctuations in Lauritz.com's operating results from one quarter to the next. Any decline in demand for the lots sold through Lauritz.com's platforms as a result of changes in buyer trends could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

When a seller applies for lots to be sold through Lauritz.com's platforms, Lauritz.com decides whether the lot can be launched on its service platform or not. Lauritz.com's decision is dependent on the quality of the lots as well as its fit into Lauritz.com's perception of current demand and existing lots offerings in Lauritz.com's platform. Lauritz.com has established procedures to select lots fitting the current demand, but Lauritz.com may in the future select categories of lots to be admitted for auctioning that do not match the general buyer demands. Continuous wrong selections over time could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### The global economy and the political conditions of various countries may negatively affect Lauritz.com's business and the supply of and demand for Lauritz.com's services as well as put pressure on knockdown prices and Lauritz.com's Turnover on Auctions

Since Lauritz.com facilitates trade of lots globally, Lauritz.com is dependent on lots handed in from different countries. These factors expose Lauritz.com to fluctuations in the global economy.



Lauritz.com is therefore impacted by general economic and buyer and seller trends beyond the Company's control. The business and financial performance of Lauritz.com may be adversely affected by general economic or buyer and seller trends, and the impact that such trends may have on the auction industry and behaviour of buyers and sellers. The Company's income is largely driven by buyers' disposable incomes and the level of selling and buying activity on its online auction platform. Unfavourable economic conditions or other macroeconomic factors may reduce the disposable incomes of buyers or the number of buyers that bid on offered lots. It could also lead to lower consumption levels in general. Any such developments could impact Lauritz.com because it derives substantially all of its net revenues from commissions and fees from successfully completed auctions of lots through Lauritz.com's services.

In particular, Lauritz.com's Turnover on Auctions could be adversely affected in case fewer lots are bought or lower amounts are spent by buyers on individual auction events. Any negative developments concerning the global economic outlook, macroeconomic and political factors, consumer trends and the impact of such trends on the auction industry could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

## Risks related to the business

### **Lauritz.com's brand and reputation may suffer from operational failures and practices or adverse media coverage**

Lauritz.com is a highly profiled business attracting substantial media coverage. At the same time, Lauritz.com is highly dependent upon its brand and reputation for its business.

Operational failures or practices may harm Lauritz.com's brand and reputation. Such failures include the offering by sellers on Lauritz.com's platform of stolen, fake, copied, socially unaccepted or flawed lots through Lauritz.com's services as well as inaccurate estimations or assessments of lots. Lauritz.com's strategic partners, who operate individual auction houses under its brand, and Lauritz.com's own auction houses, inspect, value and describe lots to be sold and investigate authenticity but with more than 354,000 lots sold in 2015, operational failures sometimes occur. Lauritz.com believes that its direct financial exposure as a result of authenticity and other guarantees is not significant but adverse media coverage associated with individual offerings or series of offerings may cause Lauritz.com's brand to suffer and could have

a material adverse effect on Lauritz.com's reputation, business, results of operations and financial condition.

### **A significant part of Lauritz.com's profits derives from partnership performance and any operational failure of such partners may lead to loss of net revenues, costs or claims**

A significant amount of Lauritz.com's net revenues are generated by strategic partnerships. Lauritz.com's partners are independent businesses with physical locations for hand-in and pick-up of lots and share a right to use Lauritz.com's brand and joint services developed by Lauritz.com.

Lauritz.com is unable to control its independent partners' auction houses which could expose Lauritz.com to reputational risks and financial liability due to errors made by its third party partners, including errors in the proper estimation of lots, non-compliance with the instructions provided by Lauritz.com and correct registration of customers master data including correct VAT number where required. In addition, partners may become financially restrained and/or operate its business with negative equity. There may be several reasons for negative equity and in some jurisdictions, including Denmark, liquidation may be avoided among others if the Board of Directors or shareholder(s) evaluates and states that the ongoing business operations are profitable and the equity thereby will be restored. Depending on the circumstances, however, the negative equity could also lead to the outcome that a partner's business ceases. All of the above factors, if they were to occur, could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

Further, the partnership agreements may have agency aspects and the activities carried out by the partner could be referred to as agent activities on behalf of Lauritz.com A/S. Consequently, the partnering relationship may possibly be categorised as an agency relationship. This will entail a risk that the partnering relationship becomes subject to the Danish Act on Trade Agents or Swedish Act on Trade Agents, which both include mandatory provisions protecting the agent, most notably in respect of entitlement to compensation upon termination of the agreement. Such compensation would amount to up to one year's commission.

### **Partners obligations to pay instalments under financing arrangements provided by Lauritz.com expose Lauritz.com to credit risks**

From time to time, a partner or Lauritz.com may dispose or divest auction houses, including the right to enter into a



partnering agreement with Lauritz.com A/S, to a new owner or a new partner. The latter was e.g. the case when Lauritz.com's fully owned auction houses in Århus and Aalborg were divested to new partners. An auction house may constitute a significant investment for a new owner. Due to this, Lauritz.com – in some cases where Lauritz.com divest an auction house – offers the possibility to let the partner purchase the auction house on a financing arrangement with Lauritz.com. When Lauritz.com enters into a financing agreement, it is in the form of a loan equivalent to the purchase price, or a part thereof, owed to Lauritz.com, where the partner pays instalments based on a percentage of EBITDA generated. Such financing arrangements are reflected as receivables in Lauritz.com's balance sheet. Lauritz.com believes that it has established suitable procedures for this kind of financing arrangements, and the Company has never been required to write down receivables, but there is a risk that write downs could occur in the future. If a partner would fail to meet its obligations to the Company under a financing agreement, and the Company would not be able to compensate for the loss, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com faces risks relating to its issued floating rate corporate bonds, including the Bondholders having the right to enforce its security over all shares in Lauritz.com A/S**

Lauritz.com has debt obligations deriving from the issuance of SEK 425 million senior secured callable floating rate corporate bonds with maturity on 17 June 2019 (the "Bond") and is required to dedicate a portion of its cash flows to service such debt which reduces cash available to pay dividends, fund acquisitions, finance operations, capital expenditures, working capital and other general corporate purposes.

On 20 May 2016 Lauritz.com entered into a sale and lease back agreement under which the buyer purchases Lauritz.com's property located at Rovsinggade 68 in Copenhagen with a subsequent lease back to Lauritz.com. The agreement is subject to approval from the Bond holders and as part of the approval process, Lauritz.com intends to amortize SEK 100 million at a rate of 104 to be distributed prorata between all Bondholders. In exchange, one of the pledges under the Bond pertaining to the property will be released. Several Bond holders have confirmed in writing that they will vote in favor of the proposal. Nevertheless, there is a risk that the approval will be voted down and that neither the sale and lease back nor the planned amortization will not be complet-

ed. This could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

The maximum total nominal amount of the Bonds may not exceed SEK 550 million. Subsequently issued Bonds shall have the same rights as the Bonds. Furthermore, the terms of the Bond restrict the level of indebtedness Lauritz.com may incur and thus limit Lauritz.com's possibilities to secure new credit facilities and expose Lauritz.com to an interest risk related to the development in 3M STIBOR.

In the future, Lauritz.com may need to refinance its Bond. Such refinancing depends on several factors, such as the applicable call option amount under the terms of the Bond and circumstances in the financial and credit markets.

Lauritz.com's access to external financing may thus be limited, in whole or in part, or be on less favourable terms than it has in the past. Disruptions and uncertainty in the capital and credit markets could also limit access to capital which could adversely affect Lauritz.com's operations.

There is a risk that Lauritz.com in the future violates the terms and conditions of the Bond, or that the Company historically has violated such terms, which may lead to the Bondholders having, among other things, the right to enforce its security over the entire share capital of Lauritz.com A/S which is pledged to the Bondholders or certain material property held by Lauritz.com A/S.

The occurrence of any of these events could have a material adverse effect on Lauritz.com Group A/S as the Bondholders would have the possibility to assume ownership of Lauritz.com A/S in which case Lauritz.com Group A/S would be left without any operational business.

### **Lauritz.com may not be able to realise the expected benefits from its recent acquisitions and might fail to assess future potential acquisitions correctly, including assessments on pricing, potential, consolidation processes and integration issues entailing losses**

The business segments within Lauritz.com are subject to continuous consolidation driven by the increase in crossborder trade and the search for economies of scale. Lauritz.com's strategy is to participate actively in this consolidation process by acquisition of local or regional auction house service providers. This strategy for long-term growth, improved productivity and profitability depends in part on Lauritz.com's ability to make acquisitions and to realise the expected benefits from its acquisitions. There is a risk that Lauritz.com's recent acquisitions, including the acquisition of the property located at Rovsinggade and the subsequent sale and lease



back of same, as well as future acquisitions will not meet Lauritz.com's expectations within the established time frame or at all which could result in a loss.

Acquisitions involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company, local law factors, pending and threatening lawsuits and risks associated with restructuring operations. The integration of acquired companies may also result in unforeseen operational difficulties and costs, and Lauritz.com may encounter unforeseen difficulties in retaining customers from, and key individuals in, acquired businesses. Lauritz.com may not be able to realise the expected benefits from a certain acquisition, e.g. the expected profit generated by the customer databases of the acquired businesses, or the profitability of the acquired company may be lower than expected or even result in a loss.

Lauritz.com's growth will depend on its ability to integrate new key individuals and any newly acquired businesses on a timely basis, and to maintain robust financial and management control and reporting systems and procedures. There is a risk that Lauritz.com will not succeed therein.

If Lauritz.com fails to successfully and in a timely manner integrate new businesses and personnel, or if Lauritz.com expands the business too rapidly in anticipation of increased customer demand that does not materialise, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Failure to manage potential growth and acquisitions and failure to implement the new activities in Lauritz.com's existing set-up may adversely impact its business**

Lauritz.com is experiencing a period of significant expansion and anticipates that further expansion will be required to address growth in Lauritz.com's markets and expand its market opportunities. This expansion has placed, and is expected to continue to place, a significant strain on Lauritz.com's management, operational and financial resources. A failure to manage and implement the new activities in Lauritz.com's business may entail that the acquired business as well as the existing business will not perform as expected, and it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com might fail to attract and retain the employees with relevant skills and qualifications**

For certain functions in Lauritz.com's business, such as authenticity and appraisal of values, Lauritz.com relies on human expertise and sector specific know-how which is valuable for Lauritz.com. Lauritz.com has generally not requested its employees to enter into non-competition and non-solicitation clauses in their individual employment contracts. If employees with sector specific know-how leave Lauritz.com, the Company might lose valuable knowledge, and the employees might be hired by competitors or establish their own competing businesses which could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com might fail to attract and retain board members, Executive Board members and other key individuals**

Lauritz.com depends on the continuous services of its senior personnel, including Lauritz.com's chairman, Bengt Sundström, its CEO Mette Rode Sundström, COO Henrik Engmark, Lauritz.com's CFO Claus Boysen and other key individuals who possess IT knowledge, estimation expertise, local branch managers and strategic, marketing, project management, financial and administrative skills and experience that are important to the operation of Lauritz.com's success. If Lauritz.com fails to attract and retain board members and management key individuals, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com cannot be assured of the amount and quality of lots consigned for sale**

The amount and quality of lots consigned for sale is influenced by a number of factors not within Lauritz.com's control.

Among other things, the amount and quality of lots consigned for sale depends on the perception of Lauritz.com being a convenient and attractive platform. As an example, a number of sellers are so called professional customers such as wholesalers, retail dealers, insurance companies, police, schools, company headquarters and other public authorities offering items in large volumes. The share of knockdowns sold by professional customers has decreased from 44 % in 2013 to 32 % in 2016 Q1 due to a change in the estimation principles for new items by Lauritz.com to be expected knockdown (as for the used items) instead



of retail price, resulting in some professional customers consigning new items becoming uncertain of the final knockdown prices after the introduction of the new lower estimation.

Further, many major consignments are made available as a result of the death or financial or marital difficulties of the owner, all of which are unpredictable and may cause significant variability in Lauritz.com's financial results from period to period.

A decline in the amount and quality of lots consigned for sale could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **False bidders may distort auctions and harm Lauritz.com's reputation**

Lauritz.com is from time to time experiencing auction bids being placed by false bidders. There is a risk that Lauritz.com fails to maintain, update and enforce its internal controls based on technical developments or otherwise fails to prevent false bidders and if so, it could have a material adverse effect on Lauritz.com's reputation, business, results of operations and financial condition.

### **Credit card fraud may expose Lauritz.com to losses**

Payments at Lauritz.com are predominantly made online by credit card. Lauritz.com is therefore exposed to credit card fraud and may in some cases be liable for accepting fake or stolen credit cards, and if so, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com might be obliged to compensate the payments for an unauthentic lot**

Lauritz.com depends on the users' trust in regards to the fact that the lots offered for sale through Lauritz.com's services are authentic. Historically, Lauritz.com has issued authenticity guarantees which were valid for an unlimited time. From 1 March 2016, Lauritz.com has decided to adapt the business to the rest of the market by discontinuing the lifetime authenticity guarantee and solely implement the right to complain in accordance with the rules in applicable local law. Lauritz.com may from time to time compensate a buyer for the loss of acquiring an unauthentic lot which could have a material adverse effect on Lauritz.com's business, results of operations and financial position.

### **Lauritz.com's insurance policies may not cover all types of losses and liabilities that Lauritz.com may suffer or be deemed to pay**

Lauritz.com has customary market standard insurance coverage, and the Group's insurance policies are reviewed once a year. However, the insurance policies contain provisions on own risk and not all types of losses and liabilities are covered, including losses arising from buyers who have bought unauthentic lots through Lauritz.com's services.

There is a risk that Lauritz.com's current insurance policies would be insufficient to cover all potential losses, regardless of the cause, or cover a loss at all. In addition, there is a risk that no appropriate insurance policies would always be available at acceptable commercial rates, and if any of these risks were to materialise, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Changes in the current and applicable tax legislation could increase the amount of tax, VAT and duties payable by Lauritz.com. As Lauritz.com Group A/S and all its Danish as well as foreign subsidiaries are subject to international joint taxation in Denmark under Lauritz.com Holding A/S, there is a joint and severable liability for Danish corporate tax and certain withholding taxes. This could cause an increased tax liability in Lauritz.com.**

Lauritz.com conducts its operations through companies in a number of different jurisdictions. Applicable local taxes could increase significantly in each of these jurisdictions as a result of changes in the tax laws. Additionally, the tax laws of Denmark, Sweden, Norway and Germany may be subject to administrative or judicial interpretations. Because of this uncertainty, the Company's actual effective tax rate may vary from current expectations and that variance could be material. The G20 and the Organisation for Economic Co-Operation and Development are currently focused on the taxation of multinational corporations as part of the Base Erosion and Profit Shifting Project ("BEPS"). The outcome of the implementation of BEPS in the jurisdictions in which the Company operates may have an impact on the effective tax rate of the Group.

Lauritz.com and all its Danish and foreign subsidiaries are subject to international joint taxation in Denmark (in general binding for a ten year period as from 2014) together with Lauritz.com Holding A/S. Consequently, each entity in the tax group under Lauritz.com Holding



A/S is jointly and severally liable for Danish income tax, on-account tax, underpaid tax, withholding tax, etc. The joint and severable liability could increase the tax liability of Lauritz.com and its subsidiaries.

Furthermore, Lauritz.com may become subject to tax audits which could increase the amount of tax and VAT that Lauritz.com is required to pay and have a material adverse effect on its business, results of operations or financial condition.

**Lauritz.com has a complex VAT profile, and the VAT liabilities could therefore be understated. Lauritz.com's intra-group transactions may be subject to a transfer pricing review and readjustment by various governments which may adversely impact Lauritz.com's financial condition. Lauritz.com has received indemnities from the seller covering certain tax exposures in connection with the purchase of real estate. Should these indemnities come into effect, this would entail a credit risk for Lauritz.com**

Lauritz.com has a high number of transactions, and the VAT profile in the various countries is complex. This is particularly in relation to the split of transaction between the Margin Scheme and the normal VAT system. The calculation of the VAT liability requires judgment and correct registration of each item and customer which entails a risk that the VAT liability of the Group is understated.

The complexity of the VAT rules, within the countries Lauritz.com handles items on auctions, may lead to incorrect handling and thereby calculation of the VAT liability which may entail a risk that the VAT liability of the Group is understated.

Lauritz.com has transfer pricing arrangements among subsidiaries in relation to various aspects of its business, including operations, marketing, sales and delivery functions. Transfer pricing regulations require that all transactions involving associated enterprises must be carried out on arm's length terms. Lauritz.com considers the transactions to be on arm's length terms. The determination of Lauritz.com's consolidated provision for income taxes and other tax liabilities requires estimation, judgment and calculations where the ultimate tax determination may not be certain. Lauritz.com's determination of its tax liability is always subject to review or examination by authorities in various jurisdictions.

In 2015, Lauritz.com acquired real estate from a related party in a tax exempt transaction. The transaction implies a

tax risk for Lauritz.com which could cause an increase in the deferred tax liability of approximately DKK 13 million. In the asset transfer agreement the seller has provided an indemnity for this exposure. The transaction entails a credit risk for Lauritz.com which could inflict a loss for Lauritz.com.

Any change that adversely affects the amount of tax that Lauritz.com is required to pay could have an adverse effect on Lauritz.com's business, results of operations and financial condition.

### **Lauritz.com's processing of personal data**

Lauritz.com collates and/or processes large volumes of internal data and customer data, including credit-card numbers and other information that could be used to identify a person. There are a variety of operational purposes for doing this, such as providing targeted products and services, saving customer preferences in order to improve customer service and for marketing purposes.

When handling personal data, it is of great importance that Lauritz.com registers and processes personal data in accordance with applicable local and EU personal data laws, for example, that strict requirements are in place to inform registered persons that their personal data is processed and that such processing takes place in a manner compatible with the purpose when the personal data was collected. If Lauritz.com was to have shortcomings in e.g. its handling of personal data, or if Lauritz.com becomes subject to computer hacking or in any way accidentally becomes subject to violation of law, the Company risks having to pay damages for the harm and violation resulting from such events.

On 25 January 2012, the European Commission published a draft EU General Data Protection Regulation ("GDPR"). Subsequently, numerous amendments have been proposed in the European Commission, European Parliament and European Council. On 15 June 2015, the European Council formally approved a revised draft of the GDPR. On 15 December 2015, the European Institutions reached a compromise agreement on the proposal for a GDPR which includes a transition period of two years and proposes substantial changes to the current EU data protection regime, involving the replacement of national data protection laws, strengthening of individuals' rights, stricter requirements on companies processing personal data and stricter sanctions with administrative fines set at the higher of EUR 20 million and 4 % of an enterprise's annual global turnover where infractions are grouped into tiers attracting different maximum fine levels. A final version of the GDPR was approved



by the Council's COREPER and the European Parliament was then expected to endorse the text. Publication in the Official Journal is expected in April/May 2016, and the GDPR will enter into force two years later, i.e., April/May 2018. Lauritz.com is awaiting the publication in the Official Journal and will then begin to assess the full impact of the proposed regulation on Lauritz.com's business. It is not currently possible to assess the full impact of the proposed regulation on Lauritz.com's business, but the GDPR, especially if resulting in restrictions on use of personal data, and any shortcoming or otherwise inadequate handling of personal data or third party failures or actions, such as hacking, could have a material adverse effect on Lauritz.com's business, financial condition and results of operations.

**The fluctuation of Lauritz.com's earnings and net revenues may adversely impact Lauritz.com's liquidity, as part of its expenses may not fluctuate correspondingly on a short-term basis**

Lauritz.com's single largest expense is salary; almost all of Lauritz.com's staff are hired as salaried employees. It is therefore not possible to reduce the major part of Lauritz.com's expenses on a short-term basis. If Lauritz.com fails to launch programmes to attract customers to use Lauritz.com's services at all times and thereby providing a more steady flow of liquidity throughout the entire year or if such programs do not have the expected effect, it could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

**Lauritz.com's business is exposed to currency exchange risk**

Lauritz.com's accounts are consolidated in DKK whereas a proportion of the proceeds of sale of its services outside Denmark are denominated in other currencies. Further, the Bonds issued by Lauritz.com are denominated in SEK. As Lauritz.com does not hedge currency risks, fluctuations in currency exchange rates, including primarily SEK relative to DKK, could have a material adverse effect on Lauritz.com's business, results of operations and financial condition.

**Valuable lots could be subject to damage or theft**

Valuable lots are exhibited and stored at Lauritz.com's facilities which may be subject to damage and theft. In case the insurance policies do not cover the damage or theft, the damage or theft of valuable property could have a material

adverse effect on Lauritz.com's business, results of operations and financial condition.

**Risks relating to the Offering and the Shares**

**Nasdaq First North Premier is not a regulated market, may be subject to disruptions and could carry a higher degree of risk than an investment in a company listed on a regulated market**

The Shares are planned to be traded on Nasdaq First North Premier. Nasdaq First North Premier is a multilateral trading facility, operated by Nasdaq Stockholm. Companies, whose shares are traded on Nasdaq First North Premier, are covered by a less extensive regulatory framework than companies that are traded on the main market of Nasdaq Stockholm. Nasdaq First North Premier's regulatory framework has been adapted to suit comparatively small or high growth companies that seek to comply with higher transparency, disclosure and accounting standards than required by the standard First North rules. Nasdaq First North Premier is not a regulated market and is not obligated to implement rules or procedures that comply with existing EU-directives and requirements relating to companies listed on a regulated market, including directives and requirements regarding listings, disclosure and offerings. Shareholders may suffer actual or perceived prejudice to the extent the Company takes advantage of the increased flexibility that is allowed through a listing on Nasdaq First North Premier. An investment in the Shares therefore carries a higher degree of risk than an investment in a company listed on a regulated market, such as the main market of Nasdaq Stockholm. There is also a risk that the liquidity of the Shares on Nasdaq First North Premier will be low and that the Shares are delisted from Nasdaq First North Premier. If any of these risks would materialise, it may have a material adverse effect on an investor's ability to resell the Shares in the secondary market.

**Lauritz.com's ability to pay dividends in the future may be constrained and depends on several factors, including the terms of the Bond**

Any future dividends from Lauritz.com Group A/S will originate from Lauritz.com A/S. The terms of the Bond restrict Lauritz.com A/S's ability to propose and declare dividends to its shareholder. Under the terms of the Bond, Lauritz.com A/S may, among other things, not pay any





dividends, repurchase any of its own Shares, redeem its share capital or other restricted equity with repayments to shareholders, or make any other similar distribution or transfer of value (each, a “**Restricted Payment**”), provided however, that any Restricted Payment can be made, if such Restricted Payment is permitted by law and no event of default is continuing or would result from such Restricted Payment and to the extent the aggregated amount of all Restricted Payments in a financial year does not exceed 25 % of the Lauritz.com A/S group’s consolidated net profit according to the audited annual financial statements for the previous year.

Moreover, Lauritz.com relies on its operating subsidiaries to generate the funds necessary to distribute funds up to Lauritz.com. As the amount of future dividend payments Lauritz.com may make, if any, will be restricted by the Bond and further depend upon Lauritz.com’s future earnings, financial condition, cash flows, working capital requirements and other factors, there is a risk that in any given year no dividends will be proposed or declared. Further, if Lauritz.com would have significant non-recurring items in any given year this would negatively affect net profit and thus have a negative impact on Lauritz.com’s ability to pay dividends in respect of such year.

**Since an investment in shares can increase or decrease in value, it is not certain that an investor will regain the capital invested**

Since an investment in shares can increase or decrease in value, there is a risk that an investor will not regain the capital invested. The performance of a listed share depends on a number of factors, some of which are company-specific, while others are related to the equity capital markets as a whole. It is impossible for an individual company to control all of the factors that may affect its share price, and thus each investment decision concerning shares should be preceded by a careful analysis. If any of these risks would materialise, it could have a material adverse impact on the price of the Shares an investor could lose all, or a significant part of, its investment.

**There is a risk that an active, liquid and functioning market for Lauritz.com’s shares does not emerge and that the share price may prove volatile**

Prior to the Offering, there has been no public market for the Shares. The Offer Price has been set by the Company,

and there is a risk that the market price could differ significantly from the Offer Price.

The listing of Lauritz.com’s Shares on Nasdaq First North Premier should not be interpreted as meaning that there will be a liquid market for the Shares. There is also a risk that the price of the Shares will be highly volatile in connection with the listing and, if active and liquid trading does not develop or does not prove sustainable, this could result in difficulties for shareholders to sell their Shares. Should any of these risks materialise, it could have a material adverse impact on the price of the Share.

**The Selling Shareholder may continue to exercise considerable influence over Lauritz.com and its operations and the interests of the Selling Shareholder may conflict with those of Lauritz.com’s other shareholders**

Upon completion of the Offering, the Selling Shareholder will hold in the aggregate approximately 59.2 % of the Shares or 50.6 % if the Offering is fully extended and the Overallotment Option is exercised in full. The Selling Shareholder will be in a position to exercise considerable influence over all matters requiring the shareholders’ approval. These matters include the authorisation of any proposed capital increase and profit distribution, corporate mergers and sales involving all or substantially all of Lauritz.com’s assets. The Selling Shareholder may also be able to exercise control over the Board of Directors through its representation on the Board of Directors, thus influencing its direction of management, the operations and the business affairs. There is a risk that the interests of the Selling Shareholder may conflict with the interests of other shareholders. This concentration of share ownership could delay, postpone or prevent a change of control in Lauritz.com, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors.

**Future sales of Shares after the Offering may affect the market price of the Shares**

In connection with the Offering, the Selling Shareholder will agree to a lock-up arrangement with the Global Coordinator. When this lock-up arrangement expires, or if it is waived or terminated by the Global Coordinator, the Shares that are subject to the lock-up arrangement may become available for sale in the public market or otherwise. Sales of substantial amounts of Shares in the public market following the Offering, or the perception that such sales



could occur, could adversely affect the market price of the Shares and may make it more difficult for holders to sell their Shares at a time and price that they deem appropriate.

The Selling Shareholder may have interests that are different from Lauritz.com's other shareholders regarding the timing or amounts of Shares that may be sold. After the lock-up arrangement expires, or if it is waived or terminated by the Global Coordinator, no assurances can be given whether future sales of Shares will be made or as to the timing or amounts of Shares that may be sold.

### **Non-participation in future new share issues will result in dilution of ownership**

Issue of new Shares may result in a diluted ownership for shareholders who, for whatever reason, cannot participate in such an issue or who choose not to exercise their right to subscribe for Shares. This would also be the case where the issuance is made on a non-pre-emptive basis.

### **Investors will become subject to certain foreign exchange risks when investing in the Shares**

While Lauritz.com's equity capital is denominated in DKK and all dividends on the Shares will be paid by Lauritz.com in DKK, the distribution of the dividends to investors by Euroclear Sweden AB ("Euroclear Sweden") will be made in SEK and, the share price of the Company's shares on Nasdaq First North Premier will be denominated in SEK. Investors, whose reference currency is a currency other than DKK, may be adversely affected by any reduction in the value of DKK relative to the respective investor's reference currency as regards dividend payments. In addition, any depreciation of SEK in relation to an investors' reference currency will reduce the value of the investment in the Shares in foreign currency terms, and any appreciation of SEK will increase the value in foreign currency terms of any such investment. Investors are therefore urged to consult its financial advisors prior to investment.

### **Shareholders outside of Denmark may not be able to exercise pre-emptive rights to participate in rights offers or buy-back offers**

Under Danish law, holders of Shares will have certain pre-emptive rights in respect of certain issues of Shares, unless those rights are disapplied by a resolution of the shareholders at a general meeting or the Shares are issued on the basis of an authorisation to the Board of Directors under which the Board may disapply the pre-emption rights. Due

to laws and regulations in their respective jurisdictions, however, shareholders outside Denmark may not be able to exercise their pre-emptive rights unless local securities laws have been complied with. There is a risk that the Company does not take any action to register or otherwise qualify the offering of subscription rights or Shares under the law of any jurisdiction where the offering of such rights is restricted. If holders of Shares in such jurisdictions were unable to exercise their pre-emptive rights, their ownership interest in the Company would be diluted.

### **Stabilisation**

In connection with the Offering, the Global Coordinator, in its capacity as stabilising manager, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days from the first day of trading in the Shares on Nasdaq First North Premier. Such stabilisation may support a market price of the Shares at a level higher than that which might otherwise prevail.

### **The Cornerstone Investors' undertaking is not secured**

The Cornerstone Investors have agreed to acquire Shares in the Offering, at the same price per Share as for other investors, corresponding to approximately 31.8 % of the total number of outstanding Shares (calculated based on the number of outstanding Shares immediately after completion of the Offering). However, the Cornerstone Investors' undertakings are not secured through a bank guarantee, blocked funds, pledge of collateral or similar arrangement. Hence, there is a risk that the Cornerstone Investors will not be able to fulfil its undertaking. Furthermore, the Cornerstone Investors' undertakings are subject to, among other things, listing of the Shares occurring no later than 30 June, 2016 and that the Cornerstone Investors receiving full allocation of its undertakings. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors may not fulfil their undertakings, which could have an adverse affect on the completion of the Offering.



# Forward-looking statements

This Prospectus contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements referring to historical facts or present facts or circumstances. The words "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a

number of places in this Prospectus, including, without limitation, in the sections entitled "*Summary*", "*Risk factors*", "*Dividends and dividend policy*", "*Operating and financial review*", "*Market and industry overview*", and "*Business*". Although Lauritz.com believes that the expectations reflected in these forward-looking statements are reasonable, the Company can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including, among others:

- **The Company's strategy, outlook and growth prospects;**
- **The Company's planned investments and/or acquisitions;**
- **The Company's liquidity, capital resources and capital expenditure;**
- **The expectations as to future growth in demand for the Company's services;**
- **The competitive environment in which the Company operates; and**
- **The impact of changes in laws, regulations and tax regulations, to which the Company is subject.**

Should one or more of these risks or uncertainties materialise, or should any underlying estimates or assumptions prove to be inappropriate or incorrect, the Company's actual financial condition, cash flows or results of operations could differ materially from what is expressed or implied herein. Investors are urged to read the sections of this Prospectus entitled "*Risk factors*", "*Business*" and "*Operating and financial review*" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which it operate.

These forward-looking statements speak only as of the date of this Prospectus. The Company expressly undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law, regulation or the rulebook of Nasdaq First North. Accordingly, prospective investors are cautioned not to place undue reliance on any of the forward-looking statements herein.



# Presentation of financial and other data

## Historical financial and other data

Lauritz.com Group A/S was formed on 20 April 2016 via a share-exchange with the former owners of Lauritz.com A/S and founders of Lauritz.com Group A/S, Lauritz.com Holding A/S and Mette Rode Sundstrøm for the purpose of holding 100% of the shares in Lauritz.com A/S. No financial statements of Lauritz.com Group A/S have been published since its formation. In the next published consolidated financial statements of Lauritz.com Group A/S the share-exchange will be accounted for as an internal reorganisation of entities under common control and, therefore, the assets and liabilities of Lauritz.com A/S and its subsidiaries will be accounted for at their carrying amount in the consolidated financial statements of Lauritz.com A/S presented from the beginning of the accounting period and any prior period presented, i.e. assets and liabilities of Lauritz.com A/S and its subsidiaries will not be revalued.

This Prospectus contains Lauritz.com A/S' audited consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013, which have been prepared in accordance with IFRS and Danish disclosure requirements for listed companies and audited by the Company's independent auditors, Deloitte Statsautoriserede Revisionspartnerselskab ("**Deloitte**"), as set forth in their audit report included elsewhere herein.

Lauritz.com acquired Stockholms Auktionsverk effectively on 15 September 2014, and the operations of Stockholms Auktionsverk were consolidated into Lauritz.com A/S' accounts as of 15 September 2014. Accordingly, Lauritz.com A/S' consolidated income statement for the year ended 31 December 2014 reflects 3.5 months of operations of Stockholms Auktionsverk. Moreover, unless otherwise expressly set forth herein, consolidated financial, operating and other data presented as of or for the year ended

31 December 2014 reflects the operations of Stockholms Auktionsverk as of 15 September 2014.

Lauritz.com acquired Helsingborgs Auktionsverk effectively on 30 September 2014, and the operations of Helsingborgs Auktionsverk were consolidated into Lauritz.com A/S' accounts as of 30 September 2014. Accordingly, Lauritz.com A/S' consolidated income statement data for the year ended 31 December 2014 reflects three months of operations of Helsingborgs Auktionsverk. Moreover, unless otherwise expressly set forth herein, consolidated financial, operating and other data presented as of or for the year ended 31 December 2014 reflects the operations of Helsingborgs Auktionsverk as of 30 September 2014.

This Prospectus also contains Lauritz.com A/S' consolidated condensed interim financial statements as of and for the three months ended 31 March 2016 with comparative figures for the three months ended 31 March 2015, which have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU ("**IAS 34**") and Danish disclosure requirements for listed companies and reviewed by the Company's independent auditors, Deloitte, as set forth in their review report included elsewhere herein. The comparative figures for the three months ended 31 March 2015 are not covered by the independent auditors review.

## Certain non-IFRS financial measures

The Prospectus contains certain key financial information not prepared in accordance with IFRS, including Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow.

Lauritz.com believes that this data provides useful information to investors as it enables more meaningful evaluation

1 Special items for 2013 related to acquisitions (e.g. legal costs) and costs related to compensations to customers who bought Eames-chairs with legs from a different producer through a Lauritz.com auction house, including legal costs. Special items for 2014 related to acquisitions (mainly Stockholms Auktionsverk) as well as legal costs and costs related to compensations to partners (ex gratia) who had sold Eames-chairs with legs from a different producer, including legal costs. Further, a reservation for a doubtful receivable related to a previous partner who had also sold Eames chairs with legs from a different producer as well as wrongfully handled VAT on a professional seller is part of the non-recurring items.

2 See "Operating and financial review – Investment activity".



of relevant trends when considered in conjunction with (but not in lieu of) other measures that are calculated in accordance with IFRS. Since listed companies do not always calculate such data in the same manner, the presentation herein may not be comparable to other companies' key information with the same title.

Non-IFRS financial measures such as Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow are not measurements of Lauritz.com's performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow should not be considered as alternatives to: (i) net revenue (as determined in accordance with IFRS) as a measure of Lauritz.com's operating performance; (ii) cash flows from operating, investment and financing activities as a measure of Lauritz.com's

cash flows; or (iii) any other measures of performance under generally accepted accounting principles.

Turnover on Auctions for Lauritz.com for the periods presented is calculated as the knockdown price plus buyer's commission (excluding VAT) for the total number of lots sold through, among others, www.lauritz.com, mobile apps, Stockholms Auktionsverk and Helsingborgs Auktionsverk plus the knockdown price on www.qxl.dk, www.qxl.no and the sales price for lots sold on LauritzOneBid. Turnover on Auctions has been measured in the same way and consistently in the statements included in this Prospectus.

EBITDA, adjusted EBITDA and adjusted EBIT for Lauritz.com are calculated for the presented periods, as outlined below.

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
EBIT	0.5	-0.1	29.7	16.6	18.6
Depreciation and amortisations	3.2	2.3	12.2	6.6	5.2
<b>EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
<b>Adjustments to EBITDA and EBIT</b>					
Special items	0.0	0.0	0.0	8.9	1.7
<b>Adjusted EBITDA</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>32.1</b>	<b>25.5</b>
<b>Adjusted EBIT</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>25.5</b>	<b>20.2</b>
<b>Adjusted Free Cash Flow</b>					
Adjusted EBITDA	3.7	2.1	41.8	32.1	25.5
Changes in net working capital	3.2	-25.6	-26.3	6.5	10.9
Investments in operating activities	1.8	5.8	17.7	16.5	12.3
<b>Adjusted Free Cash Flow</b>	<b>5.1</b>	<b>-29.3</b>	<b>-2.2</b>	<b>22.1</b>	<b>24.0</b>



## Adjustments

Certain financial and other information that is presented in the Prospectus has been rounded off in order to make the information more accessible for the reader. Consequently, in certain columns the numbers do not exactly correspond to the stated total amount.

## Currency

In this Prospectus, all references to: (i) “**EUR**” are to euro, the single currency of the member states of the EU (the “**Member States**”) participating in the European Monetary Union having adopted the euro as its lawful currency; (ii) “**SEK**” are to the lawful currency of the Kingdom of Sweden; (iii) “**DKK**” are to the lawful currency of the Kingdom of Denmark and (iv) “**NOK**” are to the lawful currency of the Kingdom of Norway.

## Trademarks

The Company owns or has rights to certain trademarks, trade names or service marks that it uses in connection with the operation of its business. The Company asserts, to the fullest extent under applicable law, its rights to trademarks, trade names and service marks.

Each trademark, trade name or service mark of any other company appearing in this Prospectus belongs to its holder. Solely for convenience, the trademarks, trade names and copyrights referred to in this Prospectus are listed without the <sup>TM</sup>, ® and © symbols.

## Certain terms used

For definitions of certain terms used in this Prospectus as well as a glossary of other terms used in this Prospectus, see “*Definitions and glossary*”.



# Expected timetable of offering and financial calendar

## Expected timetable of principal events related to the Offering

Offer Period starts . . . . .	15 June 2016
Offer Period expires no later than . . . . .	21 June 2016 at 17 p.m. (CET)
Publication of the result of the Offering . . . . .	22 June 2016, no later than 8 a.m. (CET)
First day of trading and official listing of the Shares on Nasdaq First North Premier under the permanent ISIN DK0060733368 . . . . .	22 June 2016, no later than 9.00 a.m. (CET)
Completion of the Offering, including settlement of the Offer Shares (excluding the Overallotment Option, unless exercised by that date) . .	27 June 2016

## Financial Calendar

The Company's financial year runs from 1 January through 31 December.

Financial reporting will be published on a quarterly basis. The Company currently expects to publish financial reports according to the following schedule:

Interim report for the period 1 April to 30 June 2016 . . . . .	24 August 2016
Interim report for the period 1 July to 30 September 2016 . . . . .	28 November 2016



# Invitation to acquire and subscribe for Shares

The Board of Directors of Lauritz.com and the Selling Shareholder have decided to seek a listing of the Shares on Nasdaq First North Premier and, in connection therewith, to conduct a public offering in Denmark and Sweden and an offering to institutional investors in Sweden and abroad.

The Offering comprises in total 14,787,879 Offer Shares (excluding any expansion the Overallotment Option), of which Lauritz.com offers 4,666,667 New Shares to ensure gross proceeds of in total SEK 70,000,000 and the Selling Shareholder is offering 10,121,212 Existing Shares.

For detailed information regarding the Selling Shareholder and the number of Existing Shares the Selling Shareholder is offering to sell pursuant to the Offering, see “*Shares, share capital and ownership structure*”. Furthermore, the Global Coordinator has been granted an option by the Selling Shareholder to purchase Additional Shares up to 10 % of the aggregate of the New Shares and the Existing Shares, at the Offer Price, solely to cover overallotments or other short positions, if any, in the Offering. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Shares on Nasdaq First North Premier. See “*Legal considerations and supplementary information—Placing agreement*”.

The Offer Price has been set by negotiations among the Company, the Selling Shareholder and the Global Coordinator to SEK 15 (the “**Offer Price**”). The Offer Price to the public will not exceed SEK 15 per Offer Share. The factors that considered when determining the Offer Price has included, among others feed back received from institutional and retail investors, prevailing market conditions, the Company’s historical performance, estimates of the Company’s business potential and earnings prospects, and the market valuation of publicly traded common stock of comparable companies.

The aggregate transaction costs associated with the Offering are expected to amount to approximately DKK 7 million. Lauritz.com will receive proceeds from the sale of Existing Shares corresponding to the shareholder loan by the Selling Shareholder in connection with completion of the Offering.

The total value of the Offering (including Upsize-shares) is SEK 250 million and SEK 275 million if the Overallotment Option is fully exercised.

In other respects, reference should be made to the full particulars of this Prospectus, which has been prepared by the Board of Directors in connection with the application for listing of the Company’s Shares on Nasdaq First North Premier and the Offering made in connection with the listing.

Copenhagen 14 June 2016

Lauritz.com Group A/S

Copenhagen 14 June 2016

Lauritz.com Holding A/S





# Background and reasons for the Offering

After many years under private ownership, Lauritz.com's Board of Directors and Shareholders believe that it is now an appropriate time to broaden Lauritz.com's shareholder base and to apply for the listing of the Shares on Nasdaq First North Premier.

In 1999 [www.lauritz.com](http://www.lauritz.com) was launched as a pioneer within online auction internationally with a concept idea of combining the traditional auction world with modern technology. Thereby, Lauritz.com initiated a paradigm shift within the international auction business, by migrating focus from the traditional physical auctions to online auctions. Ever since, the Company has been on a mission to democratize the auction business by introducing quality auctions online. To expand the traditional auction business and create growth, Lauritz.com has focused on three main measures; digitalisation, internationalisation and industrialisation.

Today, the Company wants to take advantage of its first mover position to further enhance its leading status in the Nordic market and provide the appropriate platform for Lauritz.com's future international development. The Company believes that there are growth opportunities both within the current organisation and with regards to acquisitions. The listing of the Shares on Nasdaq First North Premier is expected to increase Lauritz.com's financial strength in order to accelerate both growth within the current organisation and the acquisitive strategy going forward. Furthermore, a smaller part of the new capital will be dedicated to speeding up the development of major IT projects, which is expected to benefit existing customers and to attract new consumers. Finally, the Company expects that the listing of its Shares on Nasdaq First North Premier will

increase the public profile of the Company and the business, opening new opportunities in the market.

Upon completion of the Offering, the Selling Shareholder will hold in the aggregate approximately 59.2 % of the Shares or 50.6 % if the Offering is fully extended and the Overallotment Option is exercised in full. The Selling Shareholder will agree not to divest its remaining Shares for a period of 180 days, subject to certain exceptions, after the first day of trading of the Shares on Nasdaq First North Premier. See "*Certain rights attached to the Shares – Lock-up agreements*". The Company intends to apply for a listing on Nasdaq Stockholm within twelve months of the listing on Nasdaq First North Premier.

The new issue of 4,666,667 New Shares will upon completion provide the Company with gross proceeds of SEK 70,000,000 before deducting transaction costs of approximately DKK 7 million. These transaction costs consist of underwriting commissions and expenses, fees and expenses of legal and other advisors, and other transaction costs. The proceeds received by the Company is expected to be used to facilitate the Company's geographical expansion, to a partial repayment of the Bond and for corporate matters, including to further strengthening the Company's IT development.

Neither the Company nor the Selling Shareholder will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their account-holding banks.

The Company will receive proceeds from sale of Existing Shares corresponding to the shareholder loan by the Selling Shareholder.



# Terms and conditions of the Offering

## The Offering

The Offering comprises in total 14,787,879 Offer Shares (excluding any expansion of the Offering and the Overallotment Option), of which Lauritz.com offers 4,666,667 New Shares to ensure gross proceeds of in total SEK 70,000,000 and the Selling Shareholder is offering 10,121,212 Existing Shares. The New Shares will be issued on or around 22 June 2016.

The Offering is divided into two parts:

- the offering to institutional investors in Sweden and abroad;<sup>3</sup> and
- the offering to the general public in Denmark and Sweden.<sup>4</sup>

The outcome of the Offering is expected to be announced through a press release on 22 June, 2016.

## Expansion of the Offering

At the discretion of the Selling Shareholder, the total number of Existing Shares sold by the Selling Shareholder in the Offering may be increased by up to 1,848,485 Existing Shares.

## Overallotment Option

To cover overallotments or other short positions in the Offering, the Selling Shareholder will grant the Global Coordinator an option to acquire Additional Shares up to 10 % of the aggregate of the New Shares and the Existing Shares, at the Offer Price. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Shares on Nasdaq First North Premier. For further information about the Overallotment Option, see “*Legal considerations and supplementary information—Placing agreement*”.

<sup>3</sup> The institutional offering refers to private individuals and legal entities who apply to acquire more than 50,000 shares in the Offering.

<sup>4</sup> The public offering refers to private individuals and legal entities in Sweden and Denmark who apply to acquire a maximum of 50,000 shares in the Offering.

## Distribution of Shares

Distribution of Offer Shares will be based on demand. The distribution will be determined by the Board of Directors and the Selling Shareholder in consultation with the Global Coordinator.

## The Offer Price

The Offer Price will be SEK 15 per Offer Share. The Offer Shares are denominated in SEK. The Offer Price has been set by the Board of Directors and the Selling Shareholder in consultation with the Global Coordinator, based on the anticipated investment interest from institutional investors. The Offer Price to the general public will be SEK 15 per Offer Share. Brokerage commission will not be charged.

## Application

### The offer to the general public in Denmark and Sweden

Applications from the general public for acquisition of Offer Shares should be made during the period 15 June, 2016 – 20 June, 2016 and relate to a minimum of 100 Offer Shares and a maximum of 50,000 Offer Shares<sup>5</sup> in even lots of 50 Offer Shares each. Application must be made by using a certain application form which can be obtained from SEB and the Company. Application can also be made through Avanza's and Nordnet's Internet services, see further information below. Application forms are available on the website ([www.lauritz.com](http://www.lauritz.com)), SEB's website for prospectuses ([www.sebgroup.com/prospectus](http://www.sebgroup.com/prospectus)) as well as Avanza's website ([www.avanza.com](http://www.avanza.com)) and Nordnet's website ([www.nordnet.se](http://www.nordnet.se) or [www.nordnet.dk](http://www.nordnet.dk)).

The application must have been received by SEB or Avanza no later than 20 June 2016, by 17:00 CET, and no later than 23.59 CET at Nordnet. Note that certain bank offices

<sup>5</sup> Parties who wish to subscribe for more than 50,000 Offer Shares must contact the Global Coordinator in accordance with what is stipulated in section “The institutional offering”.



close before 17:00 CET. Applications received late, as well as incomplete or incorrectly filled-in application forms, may be discarded. No amendments or additions may be made to pre-printed text. Only one application per person may be made and only the application that SEB, Avanza or Nordnet receive first will be considered. Note that the application is binding. The Company and the Selling Shareholder, in consultation with the Global Coordinator, reserve the right to extend the application period. Such extension will require a prospectus supplement which in such case will be made public through Nasdaq and via a press release before the end of the application period. Applicants with a securities depository account or investment savings account with specific rules on securities transactions, such as endowment insurance, must check with the bank or institution managing the account, or providing insurance, if acquisition of Offer Shares within the terms of the Offering is possible. Note that the application must be submitted via the bank or institution with the account.

### **Application via SEB**

Applicants applying to acquire Offer Shares must have a securities account, a service account or a securities depository account with a securities institution. Applicants who do not have a securities account, a service account, a securities depository account with a securities institution of their choice, must open such an account prior to submission of the application form. Please note that it may take some time to open a securities account, a service account or a securities depository account. Applicants with SEB must also have a bank account with SEB. If the Offer Shares are to be registered in a securities depository account in an institution that is not SEB, a bank account with SEB must be specified. The account with SEB must be a Privatkonto, Enkla sparkontot, Företagskonto or Enkla sparkontot Företag. If the Offer Shares are to be registered on a securities deposit with SEB, no bank account has to be specified. Only one account may be specified for payment and the account holder must be the same person applying for acquisition of Offer Shares. It is not possible to apply for Offer Shares in the Offering using SEB's internet bank. In other respects, the application shall be made using the specific application form and handed in at one of SEB's offices in Sweden or sent by post to:

SEB  
Emissioner R B6  
106 40 Stockholm

The balance on the bank account with SEB or the securities depository account stated on the application form must, for the period from 00:00 CET on 21 June 2016 until 00:00 CET on 27 June 2016, correspond to at least the amount referred to in the application. Accordingly, the funds must be available in or deposited in the specified bank account or securities depository account no later than 20 June 2016 to ensure that the necessary amount is available in the stated bank account or securities depository account. This means that the account holder undertakes to keep the amount available in the specified account or securities depository account for the aforementioned period and that the holder is aware that no allotment of Offer Shares will take place if the amount is insufficient during this period. Note that the amount may not be withdrawn during the stated period of time. As soon as possible after allotment has taken place, the funds will be freely available for those who do not receive allotment. Funds, which are not available, will also give the right to interest during the specified period in accordance with the terms and conditions of the account or securities depository account specified in the application.

### **Application via Avanza**

Securities depository account and internet customers of Avanza Bank AB should apply via Avanza's Internet service. Instructions are available on [www.avanza.se](http://www.avanza.se). Applications via Avanza's Internet service can be made from 15 June 2016 until 20 June 2016 at 17:00 CET.

### **Application via Nordnet**

People who are account customers in Nordnet AB may apply for the acquisition of Offer Shares through Nordnet's Internet service in Sweden and Denmark. Application with Nordnet can be made during the period 15 June 2016 up until 23:59 CET on 20 June 2016. In order not to risk to lose the right to allotment, account customers in Nordnet are required to have enough cash equivalents available on 20 June 2016 at 23:59 CET. More information is available at [www.nordnet.se](http://www.nordnet.se) and [www.nordnet.dk](http://www.nordnet.dk).

Those who do not have a custodian account with Nordnet but wish to subscribe electronically in Denmark must open a custodial account with Nordnet before the application is made, which can be done through [www.nordnet.dk](http://www.nordnet.dk).



### **Special instructions for subscribers in Denmark, not subscribing via Nordnet**

The Company's Shares are not intended to be listed on Nasdaq Copenhagen nor registered with the central securities depository in Denmark, VP Securities. It will only be possible to subscribe, pay and trade in SEK. Potential future dividend will be paid by Lauritz.com in DKK and the final distribution of the dividends to the investors will be made by Euroclear Sweden in SEK.

Subscribers among the public in Denmark who would like to participate in the Offering should contact their local Danish bank or other securities institution for information on which type of securities depository account can be used and how to submit a subscription through the Danish custodian. A subscriber who has no Danish securities depository account through which Swedish Offer Shares denominated in SEK and registered with Euroclear Sweden can be held, must contact a Danish bank or other securities institution to open an account before the application for subscription is made. Note that this may take some time. Also note that registration and payment will be in accordance with the agreements, rules and procedures of the relevant custodian and that the last day for registration may be earlier than the last day of the application period.

A person in Denmark who has a VP account, service account or securities account with a Swedish bank or other Swedish securities institution and submits their participation in the Offering by such Swedish depository or account, shall follow the instructions set out above and the application form related to the Offering.

### **The institutional offering**

Institutional investors in Sweden and abroad are invited to participate from 15 June 2016 – 21 June 2016. Applications from institutional investors in Sweden and from abroad shall be submitted to ABG.

### **Applications by employees and partners**

Employees and partners with the Company that wish to subscribe for shares should follow specific instructions from the Company.

## **Allotment**

Decision on allotment of Offer Shares in the Offering will be made by the Board of Directors and the Selling Shareholder after consultation with the Global Coordinator,

whereby the goal will be to achieve an institutional ownership base and a broad distribution of the Offer Shares among the general public, in order to facilitate a regular and liquid trading in the Offer Shares on Nasdaq First North Premier. The allotment does not depend on when the application is submitted during the application period. Only one application per person will be considered.

### **The offering to the general public in Denmark and Sweden**

In the event of oversubscription, allotment may take place with a lower number of Offer Shares than the application concerns, at which allotment wholly or partly may take place by random selection. Allotment to those persons receiving Offer Shares will occur, in the first place, so that a certain number of Offer Shares are allotted per application. In addition thereto, allotment takes place with a certain (the same for all) percentage share of the excess number of Offer Shares that the application concerns and will only take place in even lots of 50 Offer Shares. Note that to qualify for allotment, the balance of the bank account or securities depository account stated on the application form must correspond to at least the amount the application concerns. In addition, certain related parties to Lauritz.com as well as customers of ABG may be considered separately during allotment. Allotment may also be made to employees of the Global Coordinator and may be prioritised. In such cases, the allotment takes place in accordance with the rules of the Swedish Securities Dealers Association and the Swedish Financial Supervisory Authority's regulations. Lauritz.com's employees in Sweden will be subject to an investment limitation of SEK 30,000.

### **The institutional offering**

Decision on the allotment of Offer Shares within the offering to institutional investors in Sweden and abroad will, as mentioned above, be made with the aim of achieving a good institutional ownership base in Lauritz.com. Allotment to the institutions submitting expressions of interest will take place on a fully discretionary basis. The Cornerstone Investors, however, are guaranteed allotment in accordance with their undertakings.

### **Employees within the Group**

Lauritz.com's employees have been offered the opportunity to participate in the Offering by investing in the Offer Shares. Employees will be entitled to invest up to SEK 30,000



in the Offering. Key employees and branch managers will be entitled to invest up to SEK 100,000. In addition, certain members of management and of the Board of Directors have been offered the opportunity to participate in the Offering by investing in up to SEK 300,000 in the Offering. The offering to Board members and employees of the Swedish companies shall, however, be limited to SEK 30,000. The combined preferred allotment for employees, key employees, certain members of the management and the Board of Directors will be up to 2.5% of the shares in the Company on a fully diluted basis.

### **Registered customers with Lauritz.com**

Depending on the outcome of the offering and the composition of subscribers, the company will work to ensure customers registered with Lauritz.com as on the date of the Prospectus, have a preferred allotment compared to other investors. The Company has reserved up to 2.5% of the shares in the Company on a fully diluted basis to meet subscription in the Offering by customers registered with Lauritz.com as set out above.

## **Information regarding allotment and settlement**

### **The offering to the general public in Denmark and Sweden**

Allotment is expected to take place on 22 June 2016. As soon as possible thereafter, contract notes will be distributed to those who have received allotment in the Offering. Those who have not been allotted Offer Shares will not be notified.

Information about allotment for those who have applied for shares through SEB is also expected to be provided from 09:00 CET on 22 June 2016 via telephone +46 (0)8 639 27 50. To receive information regarding allotment, the following information must be specified: name, personal identity number/corporate identity number as well as securities account, service account or securities depository account number with the bank or securities institution.

### **Payment for Offer Shares allotted via SEB**

Payment is expected to be deducted from the bank account specified on the application form on 22 June 2016 and from the securities depository account specified in the application form on 27 June 2016.

### **Payment for Offer Shares allotted via Avanza or Nordnet**

Securities depository account customers with Avanza or Nordnet are estimated to have their allotted Offer Shares available on their securities depository account on 22 June 2016. Liquid funds for payment of the allotted Offer Shares shall be available on the account from and including 20 June 2016 at 17:00 CET for Avanza and 23:59 CET for Nordnet up to and including the settlement date on 27 June 2016.

### **Insufficient or incorrect payment**

If sufficient funds are not available in the bank account or securities depository account on the settlement date or if full payment is not made in due time, allotted Offer Shares may be transferred and sold to another party. The party who initially received allotment of Offer Shares in the Offering may bear the difference, should the selling price in the event of such transfer be less than the price of the Offering.

### **The offering to institutional investors**

Institutional investors are expected to receive information regarding allotment in a particular order around 22 June 2016, after which contract notes will be distributed. Full payment for allotted Offer Shares shall be paid in cash no later than 27 June 2016. Note that if full payment is not made in due time, allotted Offer Shares may be transferred to another party. The party who initially received allotment of Offer Shares in the Offering may bear the difference, should the selling price in the event of such a transfer be less than the price in the Offering.

Allotment to the institutions submitting expressions of interest will take place on a fully discretionary basis. The Cornerstone Investors, however, are guaranteed allotment in accordance with its undertaking.

## **Important information regarding the possibility to sell allotted Offer Shares**

Please note that notification of allocation to the public in Denmark and Sweden will be made through distribution of contract notes. Such contract notes are expected to be distributed on 22 June 2016. After payment has been received for allotted Offer Shares by SEB, the Offer Shares duly paid for will be transferred to the securities account, service



account or securities depository account designated by the investor. Due to the time required for distribution of contract notes, transfer of funds and transfer of Offer Shares acquired to investors, the Offer Shares acquired will not be available for the investors on the designated securities account, service account or securities depository account until 27 June 2016 or some days thereafter.

Trading in the Shares on Nasdaq First North Premier is expected to commence on 22 June, 2016. The fact that the Shares will not be available in the investor's securities account, service account or securities depository account before, at the earliest, 22 June 2016 may result in the investor being unable to sell the allotted Offer Shares on Nasdaq First North Premier on the first day of trading. Instead, they may only be able to sell the Offer Shares once they are available on the securities account, service account or securities depository account, see also below.

## Registration and recognition of allotted Offer Shares

Registration of allotted Offer Shares with Euroclear Sweden is, for both institutional investors in Sweden and abroad and the general public of Denmark and Sweden, expected to be effected on 27 June 2016, after which Euroclear Sweden will distribute a VP notice stating the number of Offer Shares that have been registered in the receiver's securities account or service account. Notification to shareholders whose holdings are nominee registered will take place in accordance with the practices of the respective nominee.

## Listing on the stock exchange

The Board of Directors of Lauritz.com Group A/S has applied for a listing of the Company's Shares on Nasdaq First North Premier. Official listing at Nasdaq First North Premier and first day of trading is expected to begin on or about 22 June, 2016, subject to, among other things, Nasdaq First North Premier's approval of the distribution of the Offer Shares.

In the event that Offer Shares are not available on the acquirer's securities account, service account or securities depository account before, on or around 22 June 2016, the acquirer may not be able to sell those Offer Shares on Nasdaq First North Premier on the day the trading in the Share begins, i.e. on or about 22 June 2016, but at the earliest when the Offer Shares are available on the securities

account, service account or securities depository account. Moreover, trading will commence before the terms and conditions for the completion of the Offering have been fulfilled. Trading will be conditional upon completion of the Offering, and should the Offering not be completed, any Offer Shares delivered shall be returned and any payments cancelled. Trading which takes place on 22 June 2016 is expected to occur with delivery and settlement on 27 June 2016.

In connection with the Offering, the Global Coordinator may carry out transactions on Nasdaq First North Premier which stabilise the market price of the Share or maintain the price at a level that deviates from what would otherwise prevail in the market. Refer to section "Legal considerations and supplementary information – Stabilisation".

## Announcement of the outcome of the Offering

The final outcome of the Offering will be announced through a press release which will be available on Lauritz.com's website, [www.lauritz.com](http://www.lauritz.com) and via Nasdaq, on or about 22 June 2016.

## Withdrawal of the Offering

Completion of the Offering is conditional upon the Offering not being withdrawn. The Offering may be withdrawn by the Company, the Selling Shareholder and the Global Coordinator at any time before pricing and allocation of the Offering take place. The Offering may also be withdrawn if Nasdaq First North Premier is not satisfied that there will be a sufficiently broad distribution of the Shares to investors (such determination by Nasdaq First North Premier is expected on or prior to the expected admission for trading and official listing of the Shares) or if, for other reasons, the Shares cannot be admitted for trading and official listing on Nasdaq First North Premier.

## Right to dividend

For acquirers, the Offer Shares carry a right to dividend for the first time on the record date for the dividend that occurs immediately after completion of the Offering. Payment will be administered by Euroclear Sweden or, for nominee-registered shareholdings, in accordance with the procedures of the individual nominee. On the annual general meeting 2016, it was resolved not to declare any divi-



dend for the financial year 2015. For more information, refer to section “Dividends and dividend policy”.

## Terms and conditions for completion of the Offering

The Selling Shareholder, the Company and the Global Coordinator intend to enter an agreement on the placing of Shares in Lauritz.com on or about 21 June 2016 (the “**Placing Agreement**”). Pursuant to the Placing Agreement, the Global Coordinator’s commitment to procure purchasers for or, if the Global Coordinator fails to do so, purchase, such Shares themselves is conditional upon, inter alia, that certain force majeure events and material adverse changes to the Company’s business not occurring and certain other customary conditions. The Global Coordinator may terminate the Placing Agreement up until the settlement date, 27 June 2016, if certain of the warranties that the Company has given the Global Coordinator should not be true and correct or if any other conditions stipulated by the Placing Agreement are not satisfied. The Offering can be suspended if the above stated conditions are not satisfied and if the Global Coordinator terminates the Placing agreement. In such case, neither delivery of nor payment for Offer Shares will be effected under the Offering. For information regarding the terms and conditions for completion of the Offering and the Placing Agreement, refer to section “*Legal considerations and supplementary information — Placing agreement*”.

## Other information

The fact that SEB is the issuer agent does not imply that SEB regards any party that applies for Offer Shares in the Offering (the “**Acquirer**”) as clients of the bank in connection with the Offering. SEB’s receipt and handling of application forms will not result in any client relationship between the Acquirer and the bank. For the Offering, the Acquirer is only regarded as a client of the bank if the bank has advised the Acquirer about the Offering or has otherwise contacted the Acquirer individually about the Offering or if the Acquirer has applied via the bank’s office. The consequence of SEB not regarding the Acquirer as a client for the placement is that the rules for protecting investors under the securities market laws will not be applied to the placement. Among other things, this means, inter alia, that neither “client classification” nor “suitability assessment” will be applied to the placement. As a result, acquirers are

themselves responsible for having adequate experience and knowledge to understand the risks associated with participation in the Offering.

## Information about handling of personal information

Anyone acquiring Offer Shares in the Offering will submit certain information to ABG and SEB. Personal information submitted to ABG and SEB will be processed in data systems to the extent required to provide services and manage customer arrangements. Personal information obtained from sources other than the Acquirer may also be processed. The personal information may also be processed in the data systems of companies or organisations with which ABG and SEB cooperate. Information pertaining to the treatment of personal information can be obtained from ABG’s or SEB’s offices, which also accept requests for the correction of personal information. Address details may be obtained from ABG and SEB through an automatic procedure executed by Euroclear Sweden.



# Business

## Introduction to Lauritz.com

Lauritz.com Group A/S is the sole shareholder of Lauritz.com A/S, which stems from the auction house Lauritz Christensen Auktioner founded in 1885. The current majority owner and Chairman, Bengt Sundström, acquired Lauritz Christensen Auktioner in 1998 and initiated the digitalisation process. The Company's name was changed to Lauritz.com in 1999 and in December 1999 www.lauritz.com was launched as a pioneer with the aspiration to revolutionise the auction business with a concept combining the traditional auction world with modern technology. Today, Lauritz.com has auction house presence in Denmark, Sweden, Norway, Germany and Belgium.

Lauritz.com's vision was – and still is – to introduce “auctions to the people” that have not necessarily sold or purchased items on an auction before, since modern physical auctions historically have been more or less the preserve of the elite.

Thus, ever since the launch in 1999, Lauritz.com has been on a mission to democratise the auction business internationally by introducing “quality auctions online”. This is done by three main measures; digitalisation, internationalisation and industrialisation.

The digitalisation represents Lauritz.com's strong focus on accessibility, flexibility and reach to attract and satisfy bidding customers online; at all hours, at all seasons, at all digital/mobile devices, in all countries – to parallelly optimise the market prices for the selling customers.

The internationalisation represents Lauritz.com's ambition to ensure a position as the leading international player within online quality auctions in a fragmented market with local, regional and national auction houses, but with very few international players. Thus, one of Lauritz.com's most important growth drivers is the continuous establishment of physical auction houses, where local sellers can consign items for online auctions.

Finally, the industrialisation represents Lauritz.com's ability to modernise internal procedures within logistics and distribution to improve efficiency and earnings. Lauritz.com has prepared manuals on how to optimise lean logistics and rational distribution. Historically, traditional auction houses have prioritised expertise and sales, paying less attention to inefficient internal handling. Therefore, Lau-

ritz.com sees a potential in increasing earnings when purchasing a traditional auction house.

Lauritz.com has since its launch started a paradigm shift in the international auction business. With the listing, the Company seeks to exploit its first mover position within the online auction market. There are high entrance barriers for companies to become main players on the market. Traditional auction houses must be able to master the digitalisation process and to create enough traffic on the given online platform, while pure online players must be able to build up physical facilities, logistics, distribution and especially auction item expertise in order to succeed. Nevertheless, Lauritz.com is aware of maintaining and further developing its existing position as leading game changer in the industry. A listing is believed to be an important next step in Lauritz.com's future utilisation of the market potential.

Today, Lauritz.com has 26 auction houses. The auction houses are located in Denmark (13), Sweden (8), Norway (1), Germany (3) and Belgium (1). Here the sellers can on a daily basis consign items to the auction houses own experts, while bidders can see the items physically. All items are described, valued and photographed before they are made available for bidding. All bids are placed online with the exception of a few yearly physical auctions. Each online auction of each item will normally last seven days.

The Company operates both through its own auction houses and through auction houses operated by partners under partnership agreements (a variation of franchise). Out of the 26 Lauritz.com auction houses, eight are currently owned by Lauritz.com and 18 are owned by its partners. The Company develops, controls and markets the auction concept for all auction houses from its head office.

The Lauritz.com platform focuses on a broad assortment within art, design, antiquities and home luxury with an item value above DKK 800 (Stockholms Auktionsverk above SEK 1,500). The Company offers both sellers and buyers a customer value proposition prioritizing expertise, convenience, online traffic, security and a competitive price offering. Furthermore, the Company is committed to its responsibility to only sell items that are original, authentic and of high quality and therefore have processes in place for the control and detection of copies, counterfeits and stolen items.





Lauritz.com is also active in the Danish and Norwegian markets through its wholly owned subsidiaries QXL Denmark A/S and QXL.no AS (jointly “QXL”), an online peer-to-peer auction platform, where the seller interacts directly with the buyer. The QXL platform is focusing on lower value items under DKK 800.

Lauritz.com’s position with focus on the large middle market have led to an continuous increase in registered customers numbers from 8,000 in 2000 to more than 2.5 million in 2015 (at all platforms). The online traffic shows currently approximately 5.7 million monthly visits from 2 million unique visitors per month. The visits come from approximately 200 countries. Today approximately 13,100 new customer numbers are registered each month.

Since Bengt Sundström’s acquisition of the Company in 1998, Lauritz.com has focused on online auctions, but with the acquisitions of Stockholms Auktionsverk and Helsingborgs Auktionsverk in 2014 and Kunst- & Auktionshaus HERR in 2015 (asset transfer), the Company also has a share of physical auctions (so-called fine art auctions)

However, in 2015, over 80 % of all knockdown was derived from online auctions. The Company’s ability to move classical auction houses online was demonstrated by the acquisition and integration of Stockholms Auktionsverk, which showed an online auction growth of 13.4 % in 2015 compared to full year 2014<sup>6</sup>. At the same time Lauritz.

com raised the EBITDA of Stockholms Auktionsverk from SEK 1.6 million in 2014 to SEK 8.5 million in 2015.

The Company operates an asset-light and scalable business model with attractive cash flow characteristic since all auctions are on commission, i.e. limited inventory, payment from buyers before handing out or sending the lots and payment to sellers generally after the cancellation right period ends. Further, in the partner structure, Lauritz.com receives a percentage on the buyer and seller commissions plus a marketing fee to cover regional and national marketing, while the partner employs the auction house staff, uses a percentage of the knockdown in local marketing spending and leases premises.

Since 2000, Lauritz.com has shown strong growth with healthy profitability. The growth has been both organic and acquisitive, as Lauritz.com has consolidated its market position in a fragmented market. In 2015, the Turnover on Auctions was DKK 1,084 million and EBITDA reached DKK 42 million, up 80 % from the previous year. For the first quarter 2016, Turnover on Auctions and EBITDA was DKK 235.5 million and DKK 3.7 million respectively. Together with its partners, Lauritz.com employs 362 persons as of 31 March 2016, of which 55 are stationed at HQ and approximately 195 persons are employed as estimation specialists.

---

<sup>6</sup> Please note that Lauritz.com acquired Stockholms Auktionsverk on 15 September, 2014.

## History

Lauritz.com was incorporated in 1885 under the company name Lauritz Christensen Auktioner as a traditional auction house. The current Chairman and majority owner, Bengt Sundström, acquired Lauritz Christensen Auktioner in 1998 and initiated the process of digitalising the business. In 1999, the Company's name was changed to Lauritz.com A/S and www.lauritz.com was launched as a pioneer within the world of online auctions with the aspiration to revolutionise the international auction business.

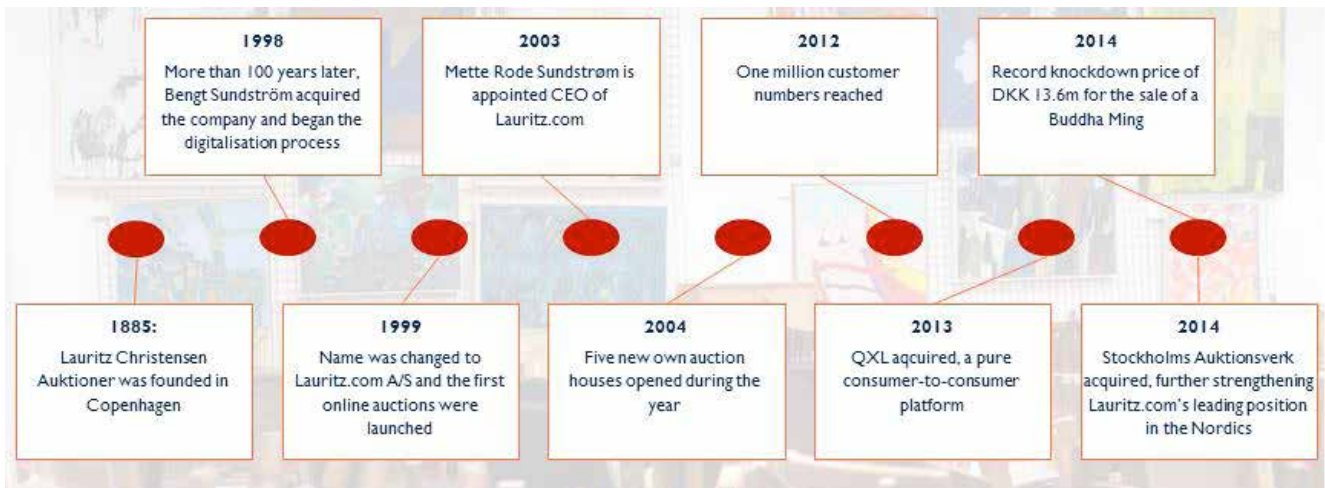
The Company has grown organically through establishment of own auction houses and partner auction houses, based on a partner model. The Company has also grown acquisitively, with the first acquisition being the Sweden-based Falkkloos Auktioner AB in 2000. In 2013, the Company acquired QXL Denmark A/S and QXL NO AS including, among other, the domain name qxl.com, which complemented the Company as it is a peer-to-peer platform focusing on lower value items. In recent years the acquisitive strategy has accelerated with the acquisitions of

Stockholms Auktionsverk and Helsingborgs Auktionsverk in 2014 and Kunst- & Auktionshaus HERR Köln in 2015 (asset transfer).

The acquisition of Stockholms Auktionsverk in 2014 was an important milestone for Lauritz.com as it strengthened its position in the Nordic market. Further, it has demonstrated the Company's ability to integrate acquired companies as well as to take traditional auction houses online since Lauritz.com succeeded in increasing Stockholms Auktionsverk's EBITDA from SEK 1.6 million in 2014 (full year) to SEK 8.5 million in 2015, while also showing online auction growth of 13.4 %.<sup>7</sup>

Through the years, Lauritz.com has evolved to become one of the Nordic's biggest and one of Northern Europe's leading auction houses. Since the first knockdown in 1999, the Turnover on Auctions has increased to DKK 1,084 million in 2015.

<sup>7</sup> Please note that Lauritz.com acquired Stockholms Auktionsverk 15 September 2014. The SEK 1.6 million in EBITDA relates to the period 1 January 2014 – 31 December 2014 and thus differs from the EBITDA contribution to Lauritz.com during the period 15 September 2014 to 31 December 2014.



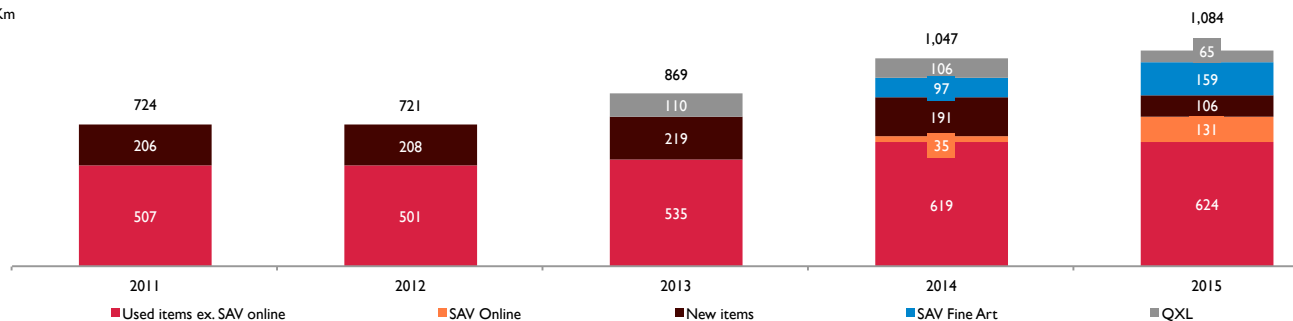
## Development in Turnover on Auctions





## Turnover on Auctions breakdown<sup>8</sup>

DKKm



<sup>8</sup> LauritzOneBid excluded in 2011-2013 (Turnover on Auctions) of DKK 12 million, DKK 12 million and DKK 5 million, respectively).

## Mission, vision and concept idea

**MISSION – Quality auctions online:** Lauritz.com's mission is to offer all the best attributes from the traditional auctions of art, design, antiques and home luxury - online. Lauritz.com cultivates diversity with an assortment that spans widely over a selection of art, design classics, antiques and home luxury. Most traditional auction categories are represented – from antique to modern art, furniture, lighting, carpets, ceramics, silver, jewellery, clocks, wine, weapons etc.

**VISION – Auctions to the people:** Lauritz.com would like to inspire everyone to sell and buy at auction in all countries where there is an IKEA.

**CONCEPT IDEA:** Democratising the auction world by combining the best elements from the traditional auction world (expertise, physical viewing and authenticity guarantee) with modern information technology (accessibility, flexibility and reach).

Sellers can consign daily in physical auction houses to Lauritz.com's own experts. All lots are estimated, described and photographed by Lauritz.com's experts. At the same time bidders can visit the showroom in each auction house to inspect items on viewing before bidding. All lots are sold online on Lauritz.com (and Auktionsverket.se).

Within the fine art segment, Stockholms Auktionsverk, Helsingborgs Auktionsverk and Kunst- & Auktionshaus HERR, a limited number of physical auctions are held

yearly. QXL is a peer-to-peer online platform with sellers interacting directly with the buyers.

## Categories and lot development

Lauritz.com cultivates diversity with an assortment that spans widely over a selection of art, design classics, antiques and home luxury. Most traditional auction categories are represented – from antique to modern art, furniture, lighting, carpets, ceramics, silver, jewellery, clocks, wine, weapons etc.

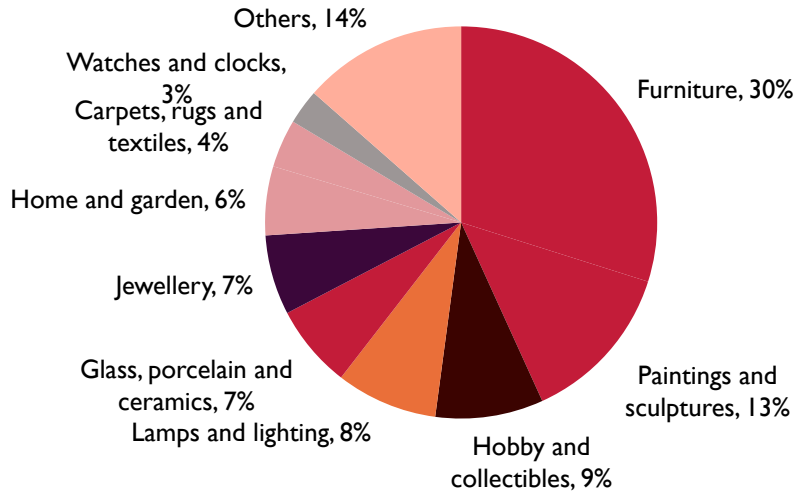
A broad assortment of categories and items are offered to suit every taste and budget – from DKK 800 and upwards, including everything from luxury flea market items to expensive works of art. Primarily used items, but also new items are presented. Today Lauritz.com is one of the leading auction houses selling Scandinavian design classics in the world. Items under DKK 800 can be sold on auctions through the QXL platform.

In 2015, the largest categories were furniture, paintings and sculptures and hobby and collectibles, at 30 %, 13 % and 9 % of numbers of lots sold respectively<sup>9</sup>. Looking across the categories, items used for decoration count for the major part of the turnover (e.g. furniture, art, lamps, glass/porcelain/ceramics, carpets).

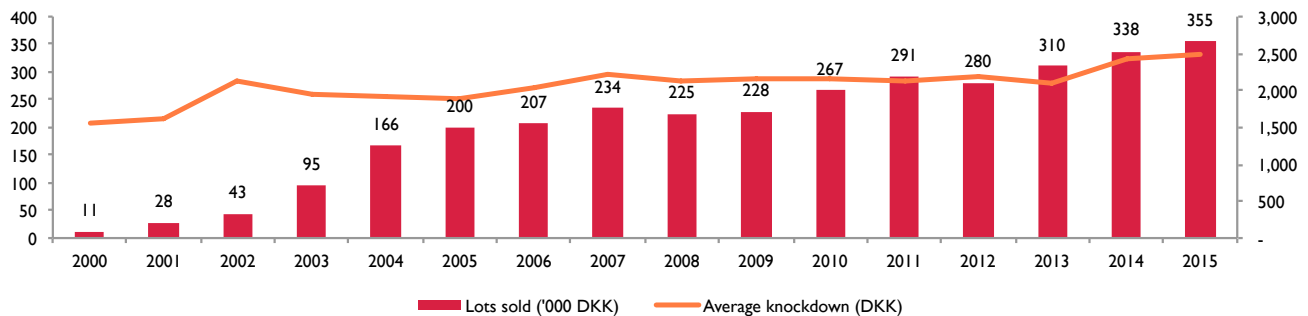
<sup>9</sup> Category split for the Lauritz.com platform excluding Stockholms Auktionsverk and QXL.



## Category split of lots sold 2015



## Lots sold and average knockdown<sup>10</sup>



<sup>10</sup> Average knockdown and total lots sold excludes QXL

Since 2000, the number of lots sold has increased by more than 3,000 %, from approximately 11,000 to more than 354,000<sup>11</sup> in 2015. Over the same period, the average knockdown has increased from DKK 1,557 to DKK 2,478<sup>12</sup>, an increase of 60 %. The increase in average knockdown and lots sold in 2014 is partly a consequence of the 2014 acquisition of Stockholms Auktionsverk. Category management is an important part of Lauritz.com's organic growth strategy and in its daily operations. The Company is active in category management, evalua-

ting existing categories and continuously looking at adding new categories. Since its inception, the Company has added a number of new business areas and auction categories, such as the addition of new items in 2006, home and garden in 2008 and travel and experiences in 2010. The knockdown of these areas has increased to approximately DKK 92 million, DKK 26 million and DKK 10 million respectively in 2015 with new items including sales from most categories, including travel and experience and home and garden. Going forward, the Company will seek to introduce new categories that reflect the potential in the market. One example of recent activities with regards to new categories is the classic car race auction in Aarhus to

<sup>11</sup> Excluding QXL.

<sup>12</sup> Excluding QXL.



be held in cooperation with Silverstone Auctions (by end May 2016).

## Customer value proposition<sup>13</sup>

Lauritz.com offers its customers expertise, convenience and security, not provided by general peer-to-peer platforms. At the same time Lauritz.com offers much higher online traffic than other traditional auction houses and lower auction costs, compared with many traditional auction houses. The Company divides its customer value proposition in five groups; expertise, convenience, online traffic, security and costs.

### Expertise

Lauritz.com acts as an intermediary between the seller and the buyer. The value proposition is anchored in the industry expertise of its professionals. The Company's 195 experts perform an objective evaluation of each item and describe the items in objective text. Lauritz.com's photographers take several photos of all items carefully showing possible defects, heavy patina and other aspects that may alter the value of each item. The Company also has an internal quality control checking running auctions for correct cataloguing. Lauritz.com University is an important tool for educating valuation experts and an integral part of maintaining high quality. The goal is that all valuation experts must attend one expertise course per year. Expertise courses are run e.g. within furniture, pictorial art and jewellery by external or internal teachers. The university is appreciated among employees since they receive the opportunity to further specialise and develop within the Company.

### Convenience

Lauritz.com provides the customer with a convenience not experienced on peer-to-peer platforms. The Company helps the seller with everything in the sales process after the item has been transported to one of Lauritz.com's auction houses<sup>14</sup>. The Company takes care of all auction procedures (expertise, description, evaluation, photography), layout on the website, marketing of item, payment streams from buyer to seller etc. The Company also supports with transportation services for both the seller (pick-up service from

the auction house itself) and the buyer through delivery with a third party solution. Furthermore the buyer is offered a 14 days cancellation right in order to make sure that the lots fits the purpose for the buyer.

### Online traffic

The Company's platforms have more than 2,500,000 registered customer numbers (including QXL and Stockholms Auktionsverk) ensuring a much larger buyer universe compared to physical auctions in general. Approximately 13,100 new customer numbers are registered monthly. The platforms currently have approximately 5.7 million visits and two million unique visitors, 65 million page views and 1 million bids per month. The online visits come from approximately 200 countries. Thus, Lauritz.com's online platforms deliver a large buyer universe for sellers, enabling a more market-based pricing of the lots compared to traditional local auction firms.

### Security

Lauritz.com is the objective expert intermediary between seller and buyer. Thus, there is no interaction directly between seller and buyer. The fact that the Company formally fronts as the selling platform, securing expertise, quality, authenticity and security for the customers, provides a high legitimacy. Lauritz.com offers the right to complaint in accordance with the rules in applicable local law. This means that the buyer, under certain circumstances, can get the money back if by mistake the Company has made an incorrect description of an item. Additionally, Lauritz.com today offers a five year authenticity guarantee, which makes it possible for the buyer to be reimbursed in up to five years, under certain circumstances. Both buyer and seller receive pricing comfort through Lauritz.com's valuations. All customers are anonymous to the public when selling at Lauritz.com. Finally, Lauritz.com has comprehensive internal procedures to detect and avoid copies, counterfeits or stolen items on auction. The procedures are supported by an internal watch-out list.

### Cost

Both considering and not considering the service offering provided to both the seller and the buyer, Lauritz.com offers an attractive fee structure compared to many of its competitors within the traditional auction business. Given that Lauritz.com sells lots valued at or above DKK 800, the fixed fee has less relative implication compared to many online classifieds.

<sup>13</sup> Section not relevant for QXL.

<sup>14</sup> If the customer chooses Lauritz.com's pick-up service, Lauritz.com will also pick-up the item.



Finally, as an addition to the above five customer value propositions, the Company believes that its industry – selling and buying used items – will appeal to more and more people as the interest in social responsibility and sustainability grows.

## Strengths and competitive advantages

Lauritz.com has a number of strengths that has historically facilitated the Company's growth and profitability and differentiates the Company from its competitors and which should give the Company a strong market position going forward. Five major strengths are described below.

### One of the Nordic's biggest and one of Northern Europe's leading auction houses

Lauritz.com is one of the largest online auction companies in Northern Europe with a clear leadership in Denmark, including an aided brand awareness of 97 %. Following the acquisition of Stockholms Auktionsverk and other expansions, Lauritz.com has further gained a strong position in Sweden and a foothold in Germany, Belgium and Norway. The development in Denmark, where Lauritz.com successfully has increased its presence through the roll-out of new partner houses, acts as a template for potential geographical expansion as Lauritz.com has been able to increase the number of auction houses significantly more than initially expected. Also, the aided brand awareness of 97 % shows the strength of the Lauritz.com brand and the potential in new geographies. In Sweden, Lauritz.com has been present since 2000, but the recent acquisition of Stockholm's Auktionsverk was a milestone for Lauritz.com and although the Company already has eight auction houses, there is further potential to grow with establishment of additional auction houses in large cities not fully covered. In addition, Germany, Norway and Belgium, as well as entirely new geographies e.g. UK, could be further growth avenues since the Company believes that all markets are in the beginning of the digital transformation of the auction industry and that there is large potential for increased online penetration going forward.

### Uniquely positioned towards the customer and first mover online

Since the launch in 1999, the Company has had a strong focus on developing the middle market between the cheaper items sold on peer-to-peer platforms and the exclusive fine art auction market. The Lauritz.com brand focuses on items with a minimum value of DKK 800 (Stockholms Auktionsverk above SEK 1,500), thus differentiating itself from peer-to-peer auction/classifieds platforms such as Den Blå Avis, Blocket, Tradera and eBay.

With the acquisition of Stockholms Auktionsverk in 2014, Lauritz.com expanded its business within the higher price range of the auction market within fine art. Similarly, the acquisition of QXL in 2013 gave Lauritz.com exposure to the market for lower value lots in Denmark and Norway that Lauritz.com had previously excluded itself from.

Lauritz.com differentiates itself from traditional auction houses with the Company's online focus, which is a competitive advantage since Lauritz.com believes more and more of the physical auctions are moving into the digital world.

Lauritz.com's positioning with focus on the large middle market - together with a strong customer proposition and an efficient marketing strategy, including attention on sustainability and social responsibility, have led to a continuous increase in registered customer numbers from around 8,000 in 2000 to more than 2,500,000 in 2015 (including QXL and Stockholms Auktionsverk).

Lauritz.com's customers are fairly evenly distributed independent of household income, age or gender. Although Lauritz.com's customer base has grown fast, the Company sees large potential both within the existing customer base, where a significant share of the buyers are currently not selling anything on Lauritz.com, but only bidding, and by attracting new customers. In addition, Lauritz.com has a strong relationship with professional sellers of both used items (e.g. the police, public institutions, company headquarters selling) and newly produced lots (e.g. manufactures, wholesalers, retail shops). The Company still sees potential in the latter channel, as the sale decrease following a change in valuation principles has turned and edged upwards once again in the beginning of 2016.

### Foundation built on an asset light and scalable business model with resiliency and barriers to entry

The Company's business model is built around an asset light and scalable infrastructure, where the Company has a proprietary auction platform, lean logistics setup, a strong



proven partner model, manuals defining auction procedures, internal quality control, Lauritz.com University securing further training of employees, a well-developed third party transportation network, and an efficient marketing strategy (comprising both digital and other marketing). Further, the large number of valuation experts together with the large network of auction houses and the large customer base act as barriers towards new companies wanting to enter Lauritz.com's core markets. Also, during the years 2011 and 2013 the Company invested significantly in the central organisation and the Company believes that the current central organisation will be sufficient for further expansion in existing geographies.<sup>15</sup>

Lauritz.com has a cash flow profile that is mainly driven by the fact that the Company has limited inventory risk, given that all sales are on commission; that Lauritz.com receives payments from buyers before they deliver the lots and sellers in general receive payment after the cancellation period has ended; and that the ongoing investment needs are relatively low. Furthermore, the Company's expansion strategy is partly based on establishing agreements with new partners who pay for both the staff and premises, marketing and other costs related to starting up, which put limited pressure on the Company's cash flow.

### Track record of M&A in a fragmented market

The Northern European auction market is fragmented and the Company sees a large potential in continuing its roll-up strategy both in existing and new countries. In recent years, the Company has for example acquired Stockholms Auktionsverk, Helsingborgs Auktionsverk and Kunst- & Auktionshaus HERR Köln (asset transfer)<sup>16</sup>, and has a pipeline of potential M&A targets going forward. Lauritz.com is continuously meeting with new companies regarding both acquisitions and potential partnerships. M&A will be an important factor to further broaden the Company's offering. When entering new geographic markets the Company continuously explores new leads with regards to M&A.

The Company's ability to integrate larger acquisitions was demonstrated by the acquisition and integration of Stockholms Auktionsverk, where Lauritz.com successfully raised the EBITDA from SEK 1.6 million in 2014 (full year) to

SEK 8.5 million in 2015, while also presenting an online auction growth of 13.4 %<sup>17</sup>. Moreover, Turnover on Auctions in Magasin 5 and Globen (Stockholms Auktionsverk) increased by 4 % and 24 % from Jan-Mar 2015 to Jan-Mar 2016, respectively. Through the acquisitions the Company has further strengthened the internal processes, facilitating the integration of future acquisitions. Lauritz.com therefore believes that it will be able to continue combining organic growth with add-on acquisitions.

### Excellent growth track record and future potential

The Company has successfully grown the business from DKK 20 million in Turnover on Auctions and 8,000 registered customer numbers in 2000 to DKK 1,084 million in Turnover on Auctions and more than 2,500,000 registered customer numbers as of 2015 through a combination of organic growth and acquisitions. The Company has pioneered the industry with its focus on digitalisation and believes that the industry is still in the beginning of the transformation, underlining further growth potential going forward as physical auctions continue to move online. Furthermore, Lauritz.com has successfully expanded into new geographies and succeeded in transferring the online knowledge and mindset into new businesses, as well as expanded into new categories, which has led to a continued growth of the customer base. Today, people from more than 200 different countries visit the Lauritz.com platforms.

The Company sees large potential in continuing the growth going forward with support from a continued migration online, expansion of auction categories, attracting new customers, improving the conversion of bidders and buyers to sellers, further penetration of existing geographies as well as entry into new geographies with establishment of more auction houses in bigger cities, while the expansion into new items e.g. home and garden, and travel and experiences shows the Company's ability to utilise the large customer base in order to drive further growth by new business areas and auction categories.

<sup>15</sup> The cost for the central organisation (defined as costs not relating to own auction houses or QXL and adjusted for special items) was DKK 57 million in 2015 and DKK 56 million in 2014 and 2013 compared to DKK 50 million in 2012 and DKK 45 million in 2011.

<sup>16</sup> The Company has also entered a conditional agreement for acquiring Karlstad-Hamarö Auktionsverk AB.

<sup>17</sup> Please note that Lauritz.com acquired Stockholms Auktionsverk 15 September 2014. The SEK 1.6 million in EBITDA relates to the period 1 January 2014 – 31 December 2014 and thus differs from the EBITDA contribution to Lauritz.com during the period 15 September 2014 to 31 December 2014



## Strategy and future opportunities

Through strong growth, geographic expansion, successful branding and establishment of efficient internal processes, the Company has built a foundation for continued profitable growth. The Company's strategic model is built around seven growth drivers: geographical expansion; customer development; brand building; category development; business optimisation; new business areas; and organisation development.

### Geographical expansion

Lauritz.com has a track record of entering new geographies through both M&A, greenfield establishments and partner establishments, with the latest being in Fredrikstad, Norway through a new partnership in 2016 (although Lauritz.com already had presence in Norway through QXL). Openings signed to be executed are an auction house in Sweden (conditional agreement for acquiring Karlstad-Hammarö Auktionsverk) and a Danish partner house. In addition to growing in existing geographies, the Company sees potential in entering new geographies in the near-term. The next markets where Lauritz.com sees potential entries are UK and Finland. This can be done by launching additional partner houses, by buying existing traditional auction houses (might be sold on to partners) and by establishing associates (can sell items under their own brand on Lauritz.com). Alternatively, an own Lauritz.com auction house can be established greenfield. It is prioritised to enter new markets through establishing an own Lauritz.com auction house and thus a flagship auction house for each country.

### Customer development

The Company sees large potential in both attracting new sellers and buyers and optimising activities with existing sellers, bidders and buyers. This should be made possible by increasing the number of both buying and selling customers, converting buyers and bidders into sellers, increasing net revenue per customer by providing additional categories/products/services as well as by inspiring buyers to bid on other categories and lots.

### Brand building

In 2015, according to a survey asking about a number of auction brands<sup>18</sup>, the aided brand awareness of Lauritz.com in Denmark is 97 %, showing the strength and efficiency of the Lauritz.com brand and marketing capacity. The corresponding brand awareness in Sweden and Germany is only 39 % and 12 % respectively. The Company believes that by using the same marketing strategy in Sweden and Germany as it has in Denmark, the Company will be able to increase the brand awareness significantly and thereby grow the number of registered customers in these countries as well as in other geographies. The Company aims to continue to develop the brand internationally, nationally and locally, mainly through editorial press coverage, auction TV-shows (like the work-place-reality series Fantastiske Fund in Denmark and Fantastiska Fynd in Sweden, portraying daily life at Lauritz.com), major events, cultural alliances and charity auctions.

### Category development

Category management is an important part of Lauritz.com's organic growth strategy and its daily operations. Lauritz.com continuously focuses on quality auctions online within art, design, antiquities and home luxury and in addition, the Company also continuously assess the potential in introducing new categories reflecting demand in the market. This could occur through acquiring an auction house specialised in a specific area, cooperation with another auction house or by starting up the category greenfield. The important categories House and garden and Travels and experiences are good examples of vital historical launches of new categories. This spring (end May 2016), Lauritz.com is involved in a major classic cars auction in order to determine whether to further develop a vintage car category.

### Business optimisation

The Company continuously looks at how it may increase its customer value proposition by optimising the current concept and how to improve the customer experience when buying or selling at online auction. Historically, this has for example been shown by the Company opting to offer transportation services, online evaluation services, etc. The business optimisation term also covers e.g. former increases of commissions to optimise the Company's net revenue going forward. An upcoming example of business optimisation is

<sup>18</sup> Study conducted online by external survey agency Userneeds in September 2015.





the launch of automatic credit card withdrawal that the Company expects to introduce this year in order to optimise payment services.

### New business areas

The Company will exploit the reach of the global platforms and established customer base to offer additional business areas or products. Examples include the launch of sales of new produced items, the launch of LauritzOneBid, a service offering a daily deal for a fixed price, and the business expansion that the acquisition of QXL constituted. An example of a new business area could be a launch on all Lauritz.com's platforms of banner advertisement as a new source of revenue.

### Organisation development

Lauritz.com University is a strong asset for the Company and an important tool for continuing to develop the employees and the organisation. The Company expects to continue to develop the organisation through Lauritz.com University, with main focus on for example expertise development, local management skills, proactive item sourcing capabilities and sales and customer service.

## Geographical presence

Lauritz.com has a track record of expanding operations into new countries both organically and through acquisitions. Since 1999, the Company has expanded from one to 26 auction houses with 13 in Denmark, eight in Sweden, one in Norway, three in Germany and one in Belgium. The entrance into Norway occurred in late February 2016 when the Company added a new partner located in Fredrikstad with focus on hunting and military items (previously the Company was only present in Norway through

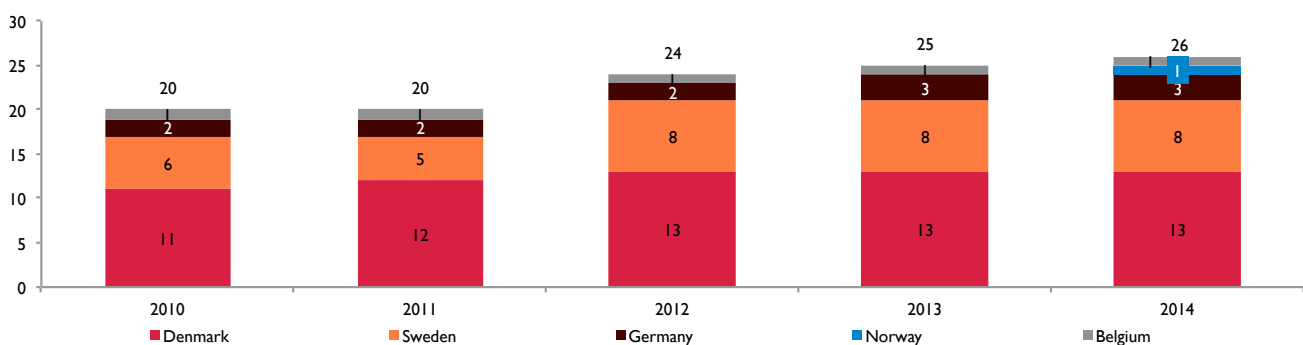
QXL). Further, the Company has entered a conditional agreement for acquiring Karlstad-Hammarö Auktionsverk in Sweden as well as a partnership agreement for the establishment of one new partner branch in Denmark. In 2015, Lauritz.com's new customers mainly came from Denmark and Sweden, 72 % and 20 % respectively, while 4 % came from Germany, 2 % from Norway and 3 % from other countries<sup>19</sup>.

Furthermore, the Company has established a transportation network, where Lauritz.com has focused on optimal coverage, location and cost efficiency for the buying customers. Lauritz.com currently uses Windum Hillerød Møbeltransport A/S for transportation services in Denmark and Germany, MTAB Transport & Spedition AB and their company Transportbyrå AB for transportation services in Sweden, and Bring Express for transportation services in Norway (only for items from Lauritz.com in Fredrikstad to other places in Norway). In all countries Lauritz.com also use the national postal services for shipment of certain lots and in Belgium, the majority of the shipments are made through the national postal service.

As for the selling customers, Lauritz.com has a pick-up service, offering to pick-up lots for auction at the seller's address against a pick-up fee under certain circumstances (price level of lot/distance). Finally, Lauritz.com regularly runs marketing campaigns targeted towards potential sellers, offering free pick-up within a short time period.

<sup>19</sup> Based on customer numbers registered in 2015 and only refers to the Lauritz.com platform.

### Number of auction houses by country





## Business model

### Business model

Lauritz.com platforms (excluding Stockholms Auktionsverk and QXL) uses a standardised sales process for all auctions initiated through Lauritz.com.

The process can be split into five steps<sup>20</sup>:

1. The seller contacts Lauritz.com through the free online valuation service, by telephone, by email or shows up directly in the auction house and receives a free and non-binding valuation/assessment of the lot from an expert.
2. The seller hands in the lot to one of Lauritz.com's auction houses. The lot is examined and described by an expert and photographed before being put on physical viewing in the auction house.
3. The lot is put on online auction. The auction typically runs for seven days.
4. The buyer pays for the lot through online payment (knockdown plus an additional 20 % buyer's commission and a fixed knockdown fee of DKK 95<sup>21</sup>) to Lauritz.com and at the same time orders potential shipping. The buyer then picks up the lot in the auction house where the lot is consigned or Lauritz.com ships the lot to the buyer. The latter has 14 days of cancellation right.
5. Lauritz.com deducts a 15 % commission of the knockdown price and a fixed seller's knockdown fee of DKK 150<sup>22</sup>. The net proceeds are transferred to the seller up to 35 days after the auction ends.

Lauritz.com's business model results in limited logistics costs because lots are transported to and from Lauritz.com's auction houses by the seller and buyer or by a third-party logistics partner (or by Lauritz.com's pick-up service for the seller). There is limited inventory risk for Lauritz.com as all sales are on commission and since buyers have to pay within three days after the auction ends while sellers get paid up to 35 days after the lot is sold (generally after the cancellation period). This implies positive cash flow effects from a net working capital perspective as Turnover on Auctions increases.

Since 2014, Lauritz.com also conducts physical auctions through Stockholms Auktionsverk, Helsingborgs Auktions-

verk and Kunst- & Auktionshaus HERR. However, part of the strategy with these acquisitions has been to take as much as possible of the business online.

## Customers

### Customer segmentation and statistics

Lauritz.com's customers are both buyers and sellers of lots. The Company's services appeal to a wide customer group spanning across genders from young to old as well as low to high income segments. The customer profile is diverse and to a great extent dependent on the lot being auctioned rather than average Lauritz.com gender, age and income segment. Lauritz.com strives to create a universe that appeals to all customers, regardless of taste, budget or age.

32 % and 42 % of Lauritz.com's users are from households with an average income of DKK 0-399 thousand and DKK 400-599 thousand respectively, with the remaining 26 % coming from households with an average income above DKK 600 thousand<sup>23</sup>. Out of the Danish buyers, 4 % are under the age of 30, 56 % are in the age of 30-59 years old and 40 % are older than 59 years old<sup>24</sup>. 58 % of the registered customer numbers in Denmark are male<sup>25</sup>. In 2015, approximately 72 % of new registered customer numbers originated from Denmark, but in general, visitors at Lauritz.com come from approximately 200 countries.

Lauritz.com has an engaging platform where out of every ten new users, six places a bid in the first 30 days and four of these win an auction. Out of all customers on the Lauritz.com platform in 2015, 8 % were both buyers and sellers, with 33 % only having sold an item and the remaining 60 % only having won an auction (i.e. bought an item). In other words, 12 % of all buyers also used Lauritz.com in 2015 to sell lots, representing a significant opportunity to grow organically through converting buyers into sellers and, to a lesser extent, vice versa.

### Number of registered customers

Registered customer numbers have increased in line with Lauritz.com's expansion across Northern Europe. From approximately 8,000 in 2000, Lauritz.com's registered

<sup>20</sup> All fees and commissions are including VAT and relate to the Lauritz.com platform

<sup>21</sup> SEK 95, NOK 95 and EUR 13 in respective geographies.

<sup>22</sup> SEK 150, NOK 150 and EUR 20 in respective geographies

<sup>23</sup> Based on survey conducted Feb – Mar 2014 by DM Partner and only relates to the Lauritz.com platform.

<sup>24</sup> Based on customer numbers registered in 2015 and only refers to the Lauritz.com platform.

<sup>25</sup> Based on satisfaction survey of buyers and sellers who have purchased or sold items in on the Lauritz.com platform conducted Q3 2015.



customer numbers have grown to over 2,500,000 in 2015<sup>26</sup>. The two largest increases on a yearly basis occurred in 2013 and 2014, when Lauritz.com acquired QXL and Stockholms Auktionsverk respectively. However, there are a certain number of customers who may have registered on more than one of the platforms and that some customers may have more than one registration on one platform.

### Professional customers

Overall, Lauritz.com was created for the private consumer. However, the Company also collaborates well with professional sellers. Lauritz.com was one of the first auction houses to offer new produced items in large volumes on auctions. These lots mainly come from professional customers such as producers, wholesalers and retail shops. Examples of companies who have used Lauritz.com to sell new items are Georg Jensen, Royal Copenhagen, VIPP, Svane and Stelton in Denmark, and Reijmyre Sweden, Husqvarna, Ljungbergs Factory, Tre Sekel, Gemla and Swedese in Sweden.

Some professional customers provide used items. Examples of companies, public authorities and institutions that have sold used items are the police (continuously selling confiscated items, stolen items, lost items, etc.), DSB (Danish Railway selling art collection), Copenhagen municipality (selling 7,000 street lamps), hotels (when redecorating), headquarters (when moving/refurbishing).

The share of total knockdown on Lauritz.com's platforms (excluding Stockholms Auktionsverk and QXL) sold by professionals was 44 and 40, 33 and 32 % in 2013, 2014, 2015 and 2016 Q1 respectively. The share of total customers being professionals was 8, 7, 5 and 7 % in 2013, 2014, 2015 and 2016 Q1 respectively. Corresponding to the decrease in professional customers, new items sales in Turnover on Auctions have decreased from DKK 219 million in 2013 to DKK 106 million in 2015<sup>27</sup>. The decline from 2013 to 2015 was largely a consequence of a change in Lauritz.com's policy with regards to the estimation of new items during 2014. Previously, the new items were valued at retail prices but since the knockdown was on average at 30 % of retail prices, the valuation principles were

changed to estimate value according to expected knockdown (as is standard with used items). This led to a lower Turnover on Auctions of new items in 2015 since the professional customers became nervous that the lower estimate could devalue their brand when presented and sold on auction compared with when presented in retail shops. The downturn in number of new items sold on the Lauritz.com platform occurred in two stages, with significant drops in late 2014 when the changes were first implemented and in mid 2015 when the tail of new items already submitted by professional customers had been sold. In March 2016, number of new items sold was 46 % and 24 % lower than in September 2014 and May 2015 respectively.

Since the change in estimation was implemented, Lauritz.com has through branch managers and key account managers worked intensively on getting back the biggest professional sellers as well as on contacting other acknowledged brands as future selling customers. There is still an expected great potential in attracting producers and shops, that have not yet known auctions as a distribution channel to reach an international audience with considerable purchasing power. The result of the Company's proactive efforts has been positive since September 2015, when sales on the Lauritz.com platform started increasing to a satisfactory level (24% increase in number of new items sold comparing September 2015 to Q1 2016).

### Revenue model

Lauritz.com uses a transparent revenue model in both Lauritz.com's own auction houses and its partner houses. Lauritz.com's revenue model is based on buyers and sellers paying for the various services provided by Lauritz.com.

Once the auction period has ended, the highest bidder wins and pays for the lot. The buyer pays the knockdown price plus an additional 20 % buyer's commission on the knockdown price and a fixed knockdown fee of DKK 95<sup>28</sup>. The seller pays a 15 % commission of the knockdown price as well as a fixed seller's hammer fee of DKK 150<sup>29</sup>. All fees and commissions include VAT. The commission structure was altered in 2015 with regards to variable seller's commission (increased from 12 percent to 15 percent) and the introduction of a fixed seller's commission<sup>30</sup>.

<sup>26</sup> The registered customer numbers for each year between 2000-2015 was (in thousands) 8, 24 50, 101, 189, 297, 384, 463, 541, 631, 738, 855, 970, 2,100 (includes acquisition of QXL), 2,400 (includes acquisition of Stockholms Auktionsverk) and 2,531.

<sup>27</sup> The Turnover on Auctions for new items was DKK 206 million, DKK 208 million, DKK 219 million, DKK 191 million and DKK 106 million for the years 2011, 2012, 2013, 2014 and 2015, respectively.

<sup>28</sup> SEK 95, NOK 95, EUR 13 in respective geographies.

<sup>29</sup> SEK 150, NOK 150 and EUR 20 in respective geographies.

<sup>30</sup> Applies to the Lauritz.com platform (at least 80 % of total lots sold would have been affected by the new commission structure if in place for the entire 2015).

Depending on if the auction house selling the lot is owned by Lauritz.com or is a partner house, the contribution to Lauritz.com differs. Own houses' contribution to Lauritz.com is 100 % of the fees and commissions paid by the buyer and seller.

If the auction occurred through a partner auction house, the partner auction house receives 76 % of the buyer's premium, 76 % of the seller's commission and 50 % of the seller's fixed fee. Lauritz.com receives the remaining net revenue, which is 24 % of the buyer's commission, 100 % of the buyer's fixed fee, 24 % of the seller's commission, and 50 % of the seller's fixed fee.

The buyer pays for the lot through online payment, with subsequent shipment of the lot.<sup>31</sup> The net proceed of the lot is transferred to the seller up to 35 days after the auction ends, which is generally after the cancellation period has ended.

## Auction houses – three models for establishment

Lauritz.com has 26 auction houses of which eight are own houses and 18 are operated by partners. The strategy going forward is to apply the same model as Lauritz.com employs in Denmark in all its markets, which is to have one own auction house per country, while the rest is partners. However, the market situation and development vary, and the Company chooses the type of set-up that is optimal from time to time.

Lauritz.com's auction houses can be established in three ways. Firstly, a local auction house can be owned by Lauritz.com. In this case, it can be started greenfield, taken over from a former partner or established after a purchase of a traditional physical auction house. Secondly, a local auction house can be established on a partner basis. In this case, a local entrepreneur obtains the right to run the local Lauritz.com auction house, according to Lauritz.com's auction concept, operation manuals, education programs and brand rules. Thirdly, an auction house can be active as an associate. In this case, a local independent traditional auction house obtains the right to put items up for auction on Lauritz.com, exposed with the logo of the independent auction house.

Lauritz.com owns, defines, develops and markets the Lauritz.com concept and brand, whereas the local house

executes the concept, sources items from sellers, ships items to buyers and secures local visibility through local marketing and events. All client relationships are owned by Lauritz.com and the Company handles all financial transactions with sellers and buyers. The auction houses are managed by Lauritz.com through the collaborative process of establishing a yearly budget, a yearly action plan, quarterly meetings, regular reporting/benchmarking and daily, weekly or monthly contracts with departments at Lauritz.com's headquarter.

### Own auction houses

Currently, the Company operates eight own auction houses in Denmark (1), Sweden (5) and Germany (2). These are operated under the names Lauritz.com Herlev; Lauritz.com Stockholm; Lauritz.com Hamburg; Stockholms Auktionsverk with presence in Stockholm (Nybrogatan, Frihamnen and Globen) and in Göteborg; Helsingborgs Auktionsverk; and Kunst- & Auktionshaus HERR. Except for Lauritz.com Herlev Stockholm and Hamburg, which started greenfield, the rest were acquired. The Company has also signed a conditional agreement for acquiring Karlstad-Hammarö Auktionsverk AB in Sweden. The own auction houses are associated with the traditional costs of running an auction house, e.g. cost of lots sold, marketing, personnel, administration and premises costs.

One of Lauritz.com's strategies is to acquire traditional auction houses and take them online, which was the case with Stockholms Auktionsverk that Lauritz.com acquired in 2014. Stockholms Auktionsverk is the world's oldest auction house still in operation and Lauritz.com has focused on increasing the online share of sales, making logistics more efficient and modernising the marketing approach, while still maintaining the customer proposition and the relevance of the brand. The efforts made have led to an online growth in Turnover on Auctions of 13,4 % in 2015 as well as an increase in EBITDA from SEK 1.6 million in 2014 (full year) to SEK 8.5 million in 2015.<sup>32</sup>

<sup>31</sup> Automatic credit card withdrawal to be introduced.

<sup>32</sup> Please note that Lauritz.com acquired Stockholms Auktionsverk 15 September 2014. The SEK 1.6 million in EBITDA relates to the period 1 January 2014 – 31 December 2014 and thus differs from the EBITDA contribution to Lauritz.com during the period 15 September 2014 to 31 December 2014.



## Partner auction houses

### Overview of partner and Lauritz.com benefits

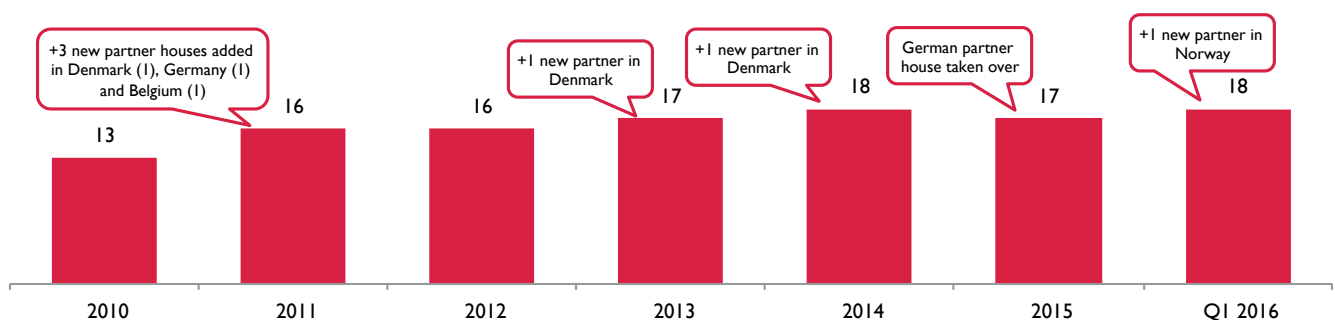
Lauritz.com has established a partnership system that is beneficial for both Lauritz.com and its partners. The partner's responsibilities include providing premises and staff; sourcing of all items; hosting local events and investing 1 % of total knockdown in marketing; paying 2 % of total knockdown in marketing fee to Lauritz.com; and conducting local networking. Lauritz.com provides a large customer base; an online auction administration system; a financial system; auction platforms; the brand, the concept; manuals and training; international, national and regional marketing.

The partnership setup has been an important factor for Lauritz.com's growth historically. The number of partner auction houses has grown from 13 partner houses in 2010 to 18 partner houses as of the date of the publication of this Prospectus. The partner auction houses are located in Denmark (12), Sweden (3), Norway (1), Germany (1) and Belgium (1). The latest partner house was established in Fredrikstad, Norway in late February 2016 and focuses on hunting and military items. The Company has also recently signed a partner agreement for a coming auction house in Jutland.

The partnership agreements are generally entered into for five-year periods with a right for the partners to prolong the agreements after the expiration of such five-year periods, if the partner has run the auction house according to Lauritz.com's standards. The Company's partner houses continuously change ownership, generating additional net revenue to Lauritz.com. This was for example the case when Aalborg and Aarhus were sold in 2015 after Lauritz.com had owned them for a short period of time. Typically, one to three partner houses are traded each year, ranging from DKK 1 to 15 million in price, where the net revenue contribution for Lauritz.com has been DKK 1.0 million, DKK 0.3 million and DKK 20.0 million in 2013, 2014 and 2015 respectively. The annual average and median net revenue contribution from partnership transactions have been of DKK 5.2 million and DKK 2.9 million respectively for Lauritz.com for the period 2007-2015.

Lauritz.com has a good track record with regards to new partner house establishments, where there has often been a steep trajectory in Turnover on Auctions growth. Examples of Roskilde and Esbjerg have shown Lauritz.com's ability to grow a significant Turnover on Auctions from new partner agreements as well as significant contribution to Lauritz.com's profitability.

### Number of partner auction houses





The Company is continuously meeting potential partners and has a pipeline of leads with regards to both partner houses and M&A.

If looking at EBITDA pre partner proceeds as a percentage of net revenue for the respective partners a majority of the partners show positive figures in their legal entities. If special items relating to losses on guarantees and advances would be accounted for, the loss-making partner in Denmark in the illustration below would be profitable<sup>33</sup>. The partners net revenue contribution to Lauritz.com is not affected of the respective partners financial statements, which are related to the partners' own legal entities other than with respect to the turnover on auctions. Since, the partners own their companies Lauritz.com cannot steer the partners more than what is regulated in the partnership agreement and differences between the partners also exist with regards to for example proprietary or leased real estate. As of 31 December 2015 some of the partners operated their operations with negative equity despite having a posi-

tive EBITDA due to for example having been recently established, and thus being affected by start-up costs, or having write downs of intangible assets.

The effect from August 2015 change in commission structure is only partially reflected in the full-year profitability data.

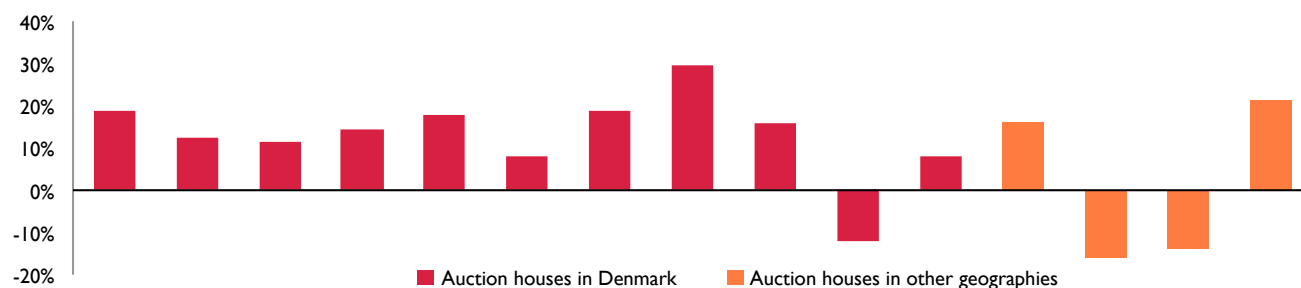
### Management and control of own houses, partner houses and associates

Lauritz.com has strong management, steering, benchmarking and controlling processes for all auction houses (both own and partner houses) including a full profit and loss responsibility with established processes for follow-up both operationally and financially. Every auction house constructs a budget and an action plan for the coming year together with HQ management, including running follow-up and branch score card statistics that are distributed and available for the branch managers.

In addition to the either daily, weekly or monthly contact that all members of Lauritz.com's management team have with branch managers/partners relating to day-to-day issues, e.g. marketing/conceptual/financials, there is also a clear structure for regular meetings between Lauritz.com and the branch managers/partners on a continuous basis:

<sup>33</sup> This is based on 2015 figures for all partner houses where available, with 2014 being used for Århus, Aalborg and Norrköping since Århus and Aalborg changed ownership during 2015 and full figures for Norrköping are not yet public. Guns and Gents in Copenhagen is not included in the graph as it is part of a shop and not required to disclose separate data and neither is Fredrikstad as it was opened in 2016. Malmö is also excluded because no full year figures are public since it was established as a partner house. The figures have been extracted from the partners' financial statements. For the period, Turnover on Auctions in partner houses in Denmark and other geographies were DKK 27-77 million and DKK 8-22 million respectively.

### EBITDA pre partner proceeds as % of net revenue per partner



This is based on 2015 figures for all partner houses where available, with 2014 being used for Århus, Aalborg and Norrköping since Århus and Aalborg changed ownership during 2015 and full figures for Norrköping are not yet public. Guns and Gents in Copenhagen is not included in the graph below as it is part of a shop and not required to disclose separate data and neither is Fredrikstad as it was opened in 2016. Malmö is also excluded because no full year figures are public since it was established as a partner house. The figures have been extracted from the partners' financial statements



- **Branch meetings:** HQ management holds national branch meetings with all branch managers/partners three times every year (i.e. Danish, Swedish, German).
- **Development meetings:** The CEO and COO visit all branches on a yearly roadshow for development meetings locally, where the central and local management do status updates on the budget, the action plan, conceptual issues, specific local challenges, marketing opportunities, etc.
- **Seminar:** The HQ management meets at a yearly 3-days seminar with all branch managers/partners to present and/or discuss strategic, tactical and operational topics. All employees from all houses (own and partner houses) are obliged to attend the seminar.
- **Kick-off meetings:** The HQ management also have a yearly kick-off meeting in own auction houses covering for example the local budget and plan.
- **Management courses** For all branch managers/partners through Lauritz.com University.

Last but not least, Lauritz.com distributes operation manuals that are crucial in order to communicate, execute and control that all auction houses comply with Lauritz.com's well-defined concept, procedures, policies, ethics, etc. The manuals are complemented by regular new procedures sent out primarily by Lauritz.com's concept department as well as by running control initiatives. Finally, Lauritz.com University is responsible for a vast program of introduction days for all new employees, training days for all staff members of a new auction house, expertise courses, courses within customer service, etc.

## Auction process

Lauritz.com offers a standardised auction process. Selling customers are offered free approximate valuations for their lots via an online valuation service, giving them the option of considering whether to put up the lot on auction or not. Potential sellers can also get a valuation per telephone or via email. When customers arrive at a Lauritz.com auction house, they meet an expert to get the lot valued in terms of the expected knockdown. Alternatively, the seller can use Lauritz.com's pick-up service under certain conditions. When the customer has decided to sell, the lots are taken in to the auction house, described by experts, photographed and placed on physical viewing in the showroom until the auction is completed. After the lot has been processed

it is put up for auction online. The average auction period is seven days. After the buyer has paid for the lot, the buyer can pick up the lot in the auction house or have it delivered by a third-party logistics company including Windum in Denmark, MTAB in Sweden and Bring in Norway or via the local postal service. Many smaller items can be sent by the postal services system, which is used as main carrier for the Belgian auction house. Lauritz.com then pays the seller's proceeds to the seller up to 35 days after auction ends (which in general is after the cancellation period). Lauritz.com is working on the implementation of automatic credit card withdrawal so that buyers automatically pay immediately after the knockdown which requires pre-registration of credit card details for buyers.

## Authenticity, procedures on counterfeits/stolen goods, police collaboration

Lauritz.com is a large player in the second-hand market of used quality items. Obviously, the Company wants to sell only original and authentic items, and therefore prioritises many resources to securing authenticity before putting an item on auction, and to detect counterfeits/copies/stolen items, so that they do not by mistake end up on auction. Lauritz.com also has an internal quality control checking running auctions on this issue.

Furthermore, The Company has an internal watch out list that the concept department continuously updates with relevant news on the matter, e.g. info about a certain piece of furniture that has been copied including how to spot the copy compared to the original. Lauritz.com collaborates with leading manufacturers, and institutions such as leading art museums, art foundations, historical museums, technical institutions etc. These actors help Lauritz.com to update the watch-out list, but can also e.g. be attached as teachers to Lauritz.com University, teaching experts within a certain specialised area.

In the event that a buyer has purchased a lot that was not authentic, the buyer may seek recourse from the Company in accordance with applicable local laws regarding right to complaint. Thus, if an item is purchased and discovered to be a counterfeit/copy/stolen, the customer is refunded by Lauritz.com. Today Lauritz.com offers a five year authenticity guarantee, which makes it possible for the buyer to be reimbursed in up to five years, under certain circumstances.

Lauritz.com collaborates with the police to prevent the sale of stolen goods. The police regularly informs Lauritz.



com about recently stolen goods, so they can be identified if someone tries to hand one in on auction. An identification card with photo ID and a bank account number must be presented when consigning items, and if there is substantiated suspicion of illegal acts, Lauritz.com collaborates with the police to solve the matter.

In Denmark, the police and Lauritz.com developed the concept “Secure online shopping”, which was a joint achievement. The concept is a quality logo system that enables online companies to obtain the right to use the logo, if they live up to a number of procedures to prevent sales of stolen items online. Later, the police became a selling customer at Lauritz.com, selling confiscated items, stolen items and lost items.

The Company has a database covering all experts’ CVs and conducts continuous quality controls of its experts. Approximately 195 estimation experts work on the valuation, description and authentication of items. Their responsibilities include ensuring that the type of lots, valuations and descriptions on the website live up to Lauritz.com’s conceptual standards. The experts are further educated through Lauritz.com University. Courses include expertise courses within e.g. furniture, pictorial art and jewellery, but also courses in e.g. intellectual property.

## Marketing disciplines, brand activities and CRS

### Lauritz.com’s central marketing department

Lauritz.com’s central marketing department at HQ works both on international, national and regional level, creating a comprehensive annual marketing plan for the entire Company. The department draws the marketing profile, which is supported locally by all the auction houses. Most employees in the department is located at Lauritz.com’s headquarter. The Company also has local marketing teams which execute the central/regional marketing plans. The local auction houses pay a 2 % marketing fee of the local Turnover on Auctions (with the exception for the Norrköping agreement where the level is 1.5 %) to Lauritz.com to be spent by the central marketing department. Moreover, the local houses have to spend 1 % on local marketing. Thus, Lauritz.com also supports all branches with marketing. This includes all partners and subsidiaries, including Stockholms Auktionsverk, Kunst- & Auktionshaus HERR, LauritzOneBid and QXL.

### Marketing disciplines

Lauritz.com practices different marketing disciplines to support the overall marketing strategy and to execute the yearly marketing plan.

The central marketing department continuously advertises externally in/on digital and offline media such as newspapers, magazines, outdoor, radio etc. The Company works proactively with digital marketing disciplines to attract buyers/sellers, including cooperation with premier digital bureaus and having access to the latest bidding and optimisation tools. Targeted advertisement is spent through Google, including retargeting strategies and SEM. Moreover, the company uses CRM initiatives to (re)activate and inspire sellers, buyers, bidders, new and inactive customers. In addition, segmented campaigns are executed referring to e.g. postal numbers, bid amount, sales history, categories, etc. All Lauritz.com auction houses also uses POS materials on a daily basis (wide range of folders, flyers, rollups, etc.). Finally, the central marketing department is responsible for continuously building and nursing the company brand through press coverage, TV presence, major events, design prizes, press coverage, branded content, culture alliances and charity auctions.

### Customer acquisition cost and life time value

Based on total marketing spend in 2014, the cost of acquiring a new customer (buyer or seller on the Lauritz.com platform) was DKK 187. The lifetime value of a new customer has historically corresponded to a net revenue of DKK 2,911 (based on a dataset of customers registered 2007-2014, of which 9 % won a bid in 2014) implying approximately DKK 2,102 (72 %) net revenue to the auction house (partner or own) and DKK 809 (28 %) to HQ based on the revenue model.

### Example of content - campaigns, theme auctions and events

The content generally consists of e.g. campaigns, theme auctions, events, curated lists, stories behind selected items, collections, great hammer prices, etc., told in all internal communications channels.

Lauritz.com organises a minimum of eight campaigns each year across all auction houses, e.g. consignment campaigns, transport offers, deluxe campaigns, and more. Furthermore, the central marketing department arranges eight international theme auctions each year to stimulate consignments, e.g. fashion and jewellery auctions featuring more than a thousand items. The local auction houses also





hold individual theme auctions. The Company initiates five annual events in order to meet potential and existing customers. Furthermore, the local auction houses are obliged to arrange a minimum of one event each month in their community. Finally, Lauritz.com holds numerous auctions with high public attention, such as the Buddha Ming sculpture with a hammer price of DKK 13.6 million.

### Branding activities

Lauritz.com has successfully built a strong brand and today holds a position as the preferred online auction house in the Danish market, as a known and appreciated 'cool' brand in Sweden and is well positioned in Germany and Northern Europe.

Through extensive press coverage within art/design/antiquities/decoration/auction trends/entrepreneurship/innovation/management, Lauritz.com has created significant brand awareness and a large customer base and thereby strengthened the barriers of entry.

Television shows featuring and promoting Lauritz.com is an integral part of the Company's marketing strategy, e.g. the work-place-reality tv-series 'Fantastiska Fynd' on the channel Sjuan in Sweden and "Fantastiske Fund" in Denmark on TV 2 and TV2 Fri portraying items/customers/experts/owners at Lauritz.com (all stories are from Lauritz.com daily life, not from other auction houses).

Moreover, the Company organises major events within design prices involving medias and institutions, form culture alliances with other leading brands within the design/art scene and hosts charity auctions with important organi-

sations to communicate the Lauritz.com brand and values to existing and potential customers.

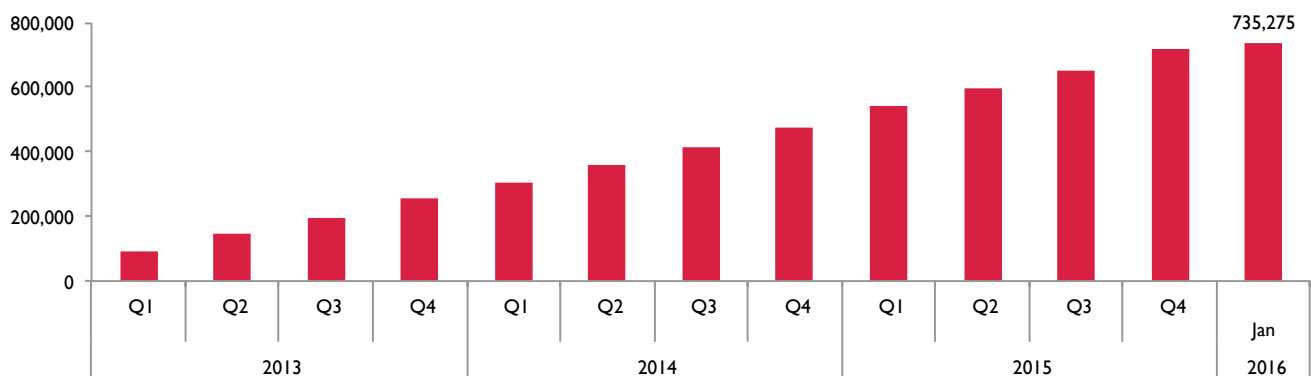
Lauritz.com has also established a significant, online targeted advertisement presence, mainly through Google adverts, including retargeting strategies and SEM, and Facebook and Instagram, where the Company frequently organises auction-related competitions, engaging potential and existing customers. The Company's total marketing spending was DKK 13.0, 15.6, 18.0 and 22.7 million in 2012, 2013, 2014 and 2015 respectively. The share of marketing spending that went to digital advertisements increased from 19 % in 2012 to 37 % in 2015 respectively.

In September 2015, Lauritz.com conducted an extensive online study, covering over 3,000 customers relatively distributed across Denmark, Sweden and Germany. Of the Danes questioned, 97 % (30 % top-of-mind) knew about Lauritz.com when asked about a list of auction houses, highlighting Lauritz.com's brand strength in Denmark and potential in other core markets. In Sweden and Germany, the corresponding figures were 39 % (3 % top-of-mind) and 12 % (0 % top-of-mind).

### CSR

Lauritz.com believes that its focus on used items is correctly positioned in today's environment where social responsibility and sustainability have become increasingly important on people's agenda, with the Company focusing on making customers more aware of the positive societal impact of purchasing used products compared to new ones. In 2015, approximately 84 % of all sales were of used, qua-

### Accumulated used lots sold 2013 Q1 - Jan 2016



Lots sold on the Lauritz.com platform



lity items, contributing towards a more sustainable society – up from 69 % in 2013. The Company believes that the environmental trend will further boost the appeal of selling and purchasing used items online, thus benefitting Lauritz.com. From 2013 to Jan 2016, a total of 735,275 used items have been sold through Lauritz.com platforms excluding QXL and Stockholms Auktionsverk.

Lauritz.com is involved in several charities, with the Company collecting more than DKK 6 million for charity each year, including both direct contributions and items donated. Examples of charity organisations are Röda Korset, Läkare utan gränser, Rädda Barnen, Hunger projektet, Love4Life, AIDS-fondet, Dansk Flygtningehjælp, Folkekirkens nødhjælp and Kræftens Bekæmpelse. The Company facilitates the auction and the charity organisation collects items and communicates the auction on their platforms. Items on charity auctions can be design furniture, travel experience, art and jewellery.

## Online and IT platform

In 2015, the Lauritz.com platforms received 5.7 million monthly visits and two million unique visitors per month. The online visits came from approximately 200 countries.

Lauritz.com continuously develops its online platform to meet the changes in consumer preferences and shifts in technology, adding new features and improving the customer experience. Today, more than 50 % of all traffic comes from mobile devices (i.e. smartphones or tablets). Lauritz.com has a strong focus on maintaining fast load times and high up-time on the site. There is very high site reliability in spite of significantly increased activity – in 2015, the Lauritz.com site was up 99.9 % of the time. The 2009-2015 average uptime for the website was 99.7 % and ranged from 98.7 to 100.0 % on an annual basis.

Most of Lauritz.com's visitors and users access the platform through a web browser, either on a computer, a mobile phone or tablet, but the App is also a popular option. Lauritz.com had 2 million unique users on a monthly basis in 2015, of which 1.6 million came from desktop, 0.3 million from mobile and tablet<sup>34</sup> and 0.1 million from the app. Over the same period Lauritz.com had 5.7 million visits of which 4.0 million came from desktop, 1.1 million from mobile phones and tablet and 0.6 million from the app. Lauritz.com's app has been downloaded more than

500,000 times (not adjusted for users who have deleted and downloaded again).

Lauritz.com's technology platform is developed in-house to ensure high security and enable a high degree of flexibility, but QXL and Stockholms Auktionsverk are currently running on standalone IT platforms. All three platforms offer customised desktop and app interfaces, while Lauritz.com and Stockholms Auktionsverk also have mobile interfaces. The platforms each have their own auction platform, finance solution, notification services (e-mail and text message notifications) and payment services. The Lauritz.com platform also has specific systems for transport services and LauritzOneBid. The strategy is to migrate Stockholms Auktionsverk IT platform into Lauritz.com's IT platform in the future.

From 2014, Lauritz.com has invested significantly in IT and software development, focusing on e.g. easier and more cost effective payment flows for customers and development of technology for handling of inbound deliveries. During the years 2013 to 2015, the Company invested around DKK 10 million annually in intangible maintenance, mainly relating to software development.

## Customer service

### Customer support offered by Lauritz.com's HQ.

Seven employees work with customer support at HQ and support is available in Danish, Norwegian and English. Questions regarding payment, billing, financial, technical and occasionally delivery are addressed. Support is also available for own auction houses and partners and the service hours are Monday to Friday 09:00-18:00 CET and Saturday 10:00-14:00 CET.

### Customer support offered at auction houses

Customer support at the auction houses handles questions regarding estimation, consignment, lots, transport and sales. Delivery questions are forwarded to logistics companies.

## Intellectual property rights

In the competitive industry in which Lauritz.com operates, trademarks and logos are important to the success of its business. The Company's material trademarks, including "Lauritz.com", "QXL" and "Stockholms Auction House 1674", are registered in the EU. In addition, the logos for

<sup>34</sup> Mobile and tablet website was launched in Q1 2015.



Lauritz.com (old logo), Stockholms Auktionsverk and Stockholms Auction House are registered as figure marks in Denmark, Sweden and the EU, respectively. Lauritz.com also owns the rights to the source codes that have been developed for the Lauritz.com IT platform, including the website and the app.

## Insurance

Lauritz.com has insurance policies under which it has insured itself against certain operational risks. Lauritz.com also has business interruption insurance, property damage insurance, general product liability insurance as well as crime insurances. The insurance policies held do however not cover any liability arising from losses arising from buyers who have bought unauthentic lots through Lauritz.com's services and lots damaged when picked-up or transported from sellers to Lauritz.com's auction houses. Lauritz.com believes that it has insurance coverage with limits appropriate for its operations.

## Legal proceedings and disputes

Lauritz.com conducts operations in various countries and is, from time to time, subject to disputes and claims as part of the ordinary course of business. Other than the cases outlined below, Lauritz.com has not been party to any legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Company is aware of) during the previous twelve months, which may have, or have had in the recent past, significant effects on the Company's financial position.

Lauritz.com is part to an ongoing dispute between the former owner and a customer concerning allegedly fake sculptures sold from Kunst- & Auktionshaus W.G. Herr originating before the transaction in 2015. The Company believes that it will be able to be indemnified for the contested amount by exercising its contractual rights under the transfer agreement with the former owners of Kunst- & Auktionshaus W.G. Herr; and the purchase price for the allegedly fake sculptures and estimated legal costs, a total of, EUR 96,000, is currently being withheld from the former owners.

A Swedish consumer has reported Lauritz.com to the Swedish Consumer Agency (Sw. Konsumentverket), claiming a refund of the fees charged by the Company in connection with credit card payments. The Swedish Consumer Agency has, in favour of the consumer, found that the credit card fee charged by Lauritz.com is unlawful but has,

as of the date of this Prospectus, not issued any formal decision in the case.

## Lease agreements and facilities

Lauritz.com has 26 auction houses located in five countries (Denmark, Sweden, Norway, Germany and Belgium). Lauritz.com owns eight of these auction houses and operates the remaining 18 using a partnership model.

Lease agreements are the prevailing model for operating auction houses in the Nordics. The Company has made a strategic choice to focus its portfolio on short-term lease agreements with its property owners, of which all provide for a fixed rent subject to a customary index clause.

With regard to the vast majority of lease agreements in Denmark, the main rule is that leases continue until terminated by either of the parties. Under these agreements the tenant has the possibility to terminate the contracts with a short notice period, while the leases can only be terminated by the landlord under certain specific circumstances and the tenant is then entitled to compensation for costs imposed on the tenant due to the termination (e.g. relocation costs). For leases where the location is of substantial importance for the tenant's, the lease agreement can only be terminated if it is considered fair and reasonable on both parties. In addition to the abovementioned compensation, the tenant is then in some cases also entitled to compensation for the tenant's loss of customers. With regard to lease agreements governed by Swedish law, the lease will be extended at the end of a lease term if not terminated by either the landlord or the Company. If the lease is terminated, the Company does not have any right of renewal. However, it has right of tenure, meaning that if a landlord's termination is unfounded, the Company is, with some exceptions, entitled to compensation. As regards lease agreements in other jurisdictions, there may not be corresponding rights of tenure.

The following table sets forth information on the expiry profile of the Company's lease agreements as of 31 March 2016. The table does not reflect the renewal options provided in certain of the Company's lease agreements, under which the Company has the right to extend the terms of such agreement (or early termination rights of property owners, which is uncommon although existing in a limited number of agreements).

Any commitments under the lease agreements are part of Lauritz.com budgets and are expected to be funded by Lauritz.com Adjusted Free Cash Flow.



Year	Number of lease agreements expiring
2016	5
2017	2
2018	2
2019	1
2020	0
Beyond 2020	2

## Employees

For the three months ended 31 March 2016, Lauritz.com had 205 employees. All central operational functions for Lauritz.com are carried out by employees at Lauritz.com's headquarters, including head office functions, such as finance, revenue management, conceptual matters, brand and marketing, human resources, business development and IT. In addition to the 55 employees stationed at the headquarters, 150 employees were employed by Lauritz.com's own auction houses. Together with its partners, Lauritz.com had 362 employees, of which 205 were employed by Lauritz.com and 157 by Lauritz.com's partners. All employees, including those employed by the partners, are offered to attend Lauritz.com University and the aim is that all estimation experts must attend one expertise course per year. For the year ended 31 December 2015, 31 December 2014 and 31 December 2013, Lauritz.com had in average 204, 136 and 135 employees, respectively.



# Market and industry overview

## Market overview

Important drivers for the online auction market according to the Company include Internet accessibility, consumer preferences and general economic factors.

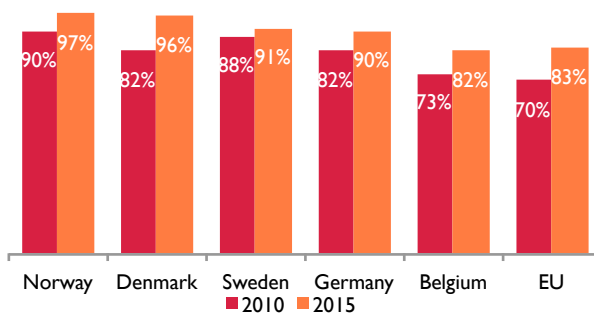
In the period from 2010 to 2015, access to the Internet in households across the EU has increased by 13 percentage

points to 83 %<sup>35</sup>. Lauritz.com's core geographical markets represent some of the countries where access to the Internet is most available, with 97, 96, 91 and 90 % having Internet access in Norway, Denmark, Sweden and Germany, respectively<sup>36</sup>.

<sup>35</sup> Source: Eurostat 2015, "Level of internet access – households".

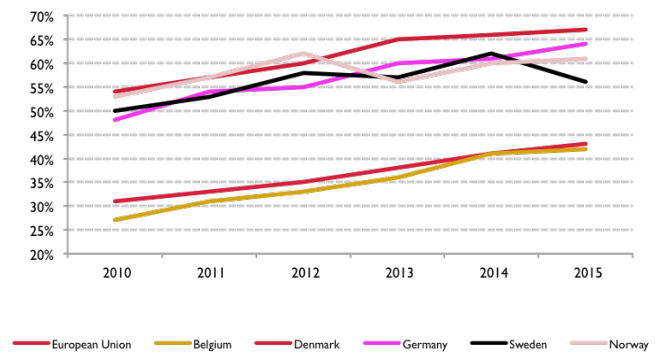
<sup>36</sup> Source: Eurostat 2015, "Level of internet access – households".

## Internet accessibility



Source: Eurostat

## Online purchase within the last three months



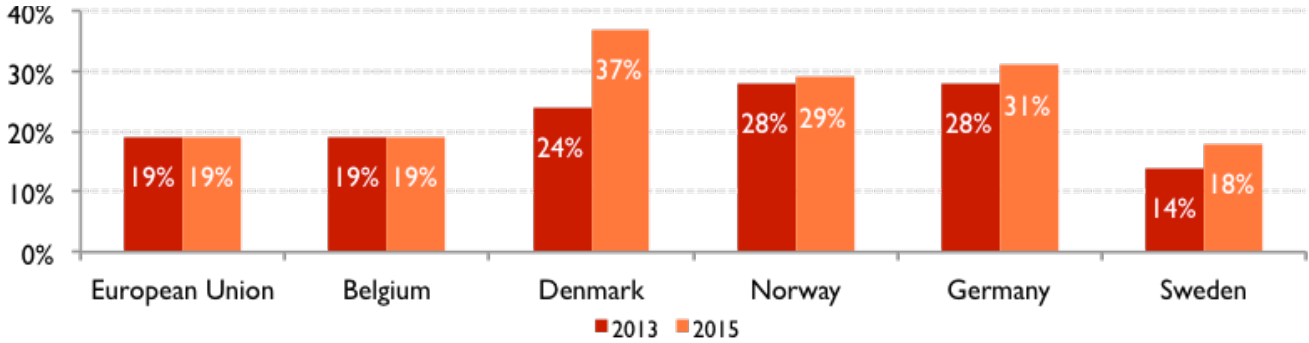
Source: Eurostat

The Company is geographically well-positioned to take advantage of the growing e-commerce market. Over 60 % of all individuals in Germany, Norway and Denmark have purchased an item online within the last three months of being surveyed. Also, individuals are increasingly selling goods online. This development is partly driven by Internet penetration and a maturing of the auction industry. In Denmark, Lauritz.com's largest market, 37 % of individu-

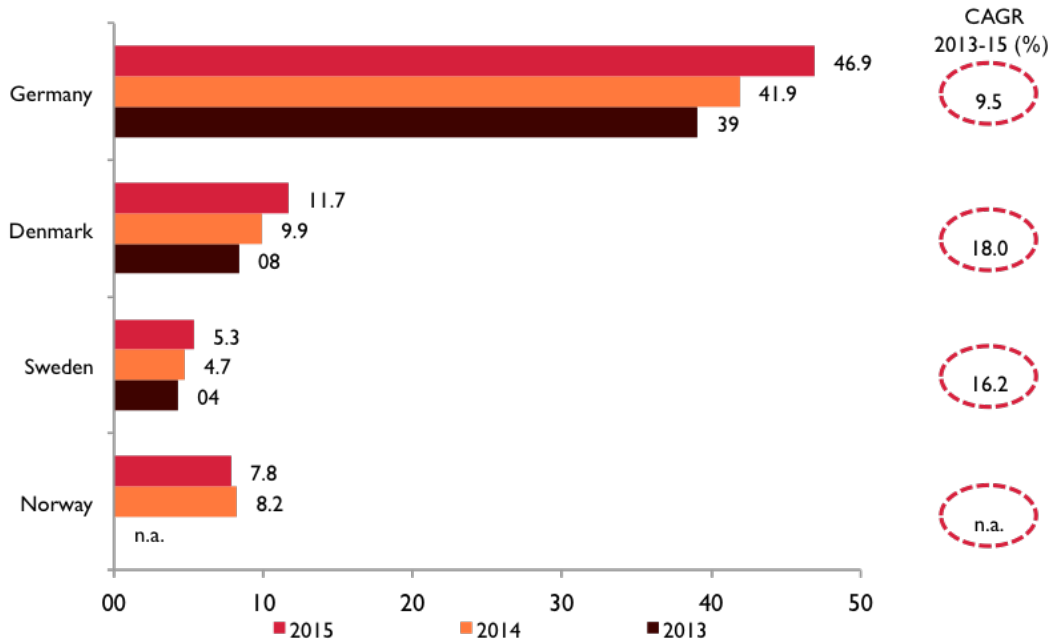
als surveyed had used the Internet to sell goods or services in 2015, up from 24 % in 2013. This is significantly higher than the EU average at 19 %.<sup>37</sup>

<sup>37</sup> Source: Eurostat 2015, "Individuals using the internet for selling goods or services".

### People selling goods or services online



### Online retail market sizes and sales growth



## Online retail market sizes and sales growth<sup>38</sup>

E-commerce in all of Lauritz.com’s core markets, with the exception of Norway, is growing at around 10 % annually

in local currencies or faster, with the Danish e-commerce market expanding the most at 18.0 % annually 2013-2015. The largest market is Germany, where the Germany Trade & Invest organisation stated that total e-commerce turnover reached almost EUR 47bn in 2015.

### Competitors

Lauritz.com’s competitors in general include other online auction houses, physical auction houses and peer-to-peer classified companies. Every category of goods sold at Lauritz.com is a sector of its own. Therefore, Lauritz.com does not only compete in the auction market, but looks also at opportunities in each separate business, e.g. the art business, the furniture business, the lamp business, the carpet business,

<sup>38</sup> CAGRs are calculated in local currencies, with absolute values stated in EURbn, using the following currency rates for 2013, 2014 and 2015 respectively (annual averages):

NOK: 0.1281; 0.1197 ; 0.1117

SEK: 0.1156; 0.1099 ; 0.1069

DKK: 0.1341; 0.1341 ; 0.1341

Source: Foreningen for Dansk Internethandel; HUI Research (owned by Svensk Handel); The Enterprise Federation of Norway (n.a. for entire 2013 – NOK 20.0m and NOK 17.3m for 2013 Q3 and 2013 Q4 respectively); Germany Trade & Invest.



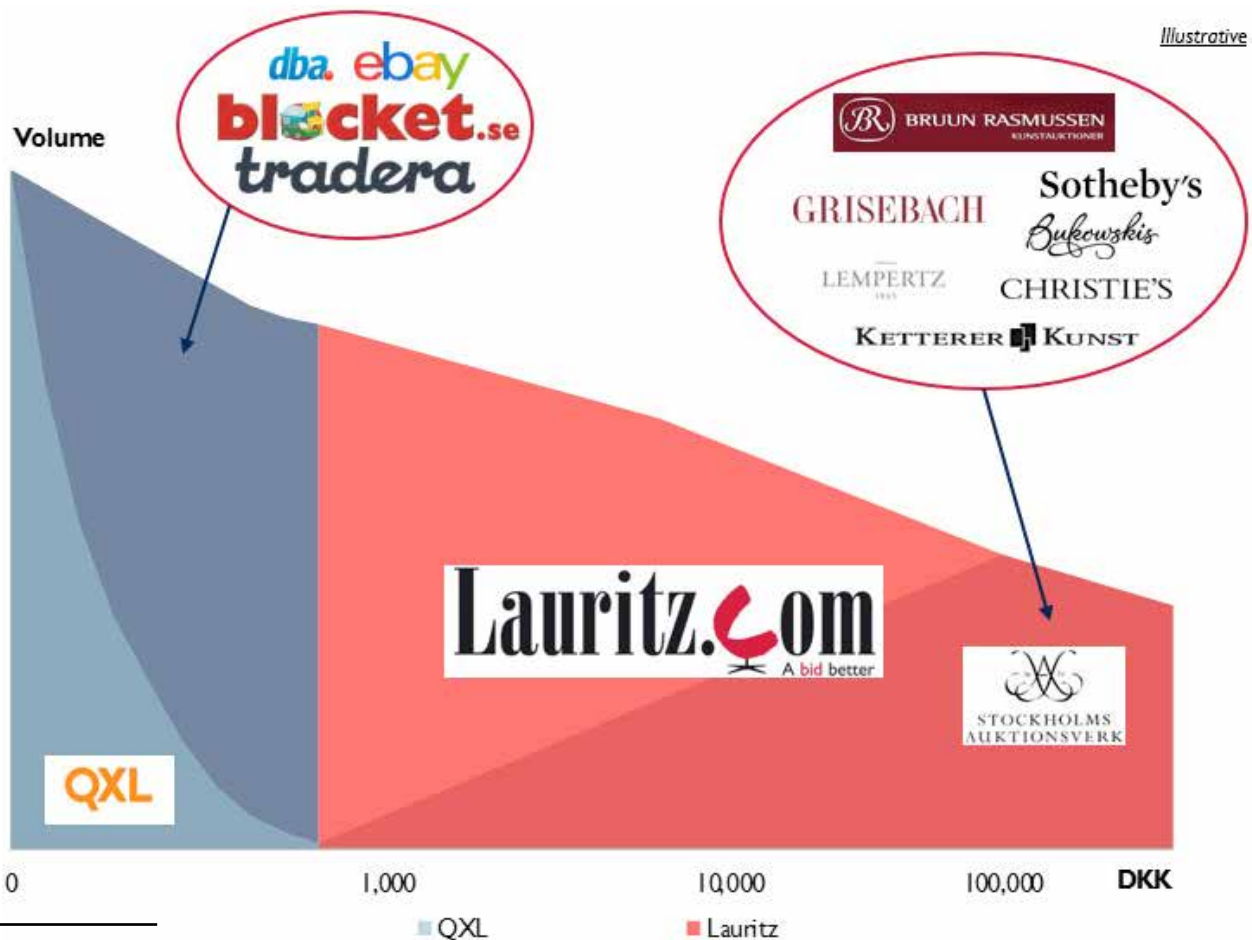
the jewellery business, etc. Lauritz.com also facilitates sales of newly manufactured goods, in which case the competitors to some extent are the classified companies with fixed prices. Furthermore, the Company considers e.g. the general furniture and jewellery markets as areas with great potential going forward by introducing Lauritz.com to manufacturers/retailers as an alternative to their retail channels/luxury outlets, when selling new branded quality items.

Since the launch in 1999, The Company has had a strong focus on developing the middle market between the cheaper items sold on peer-to-peer platforms and the exclusive fine art auction market. Thus, in the management's view, Lauritz.com has built up a favourable competitive position in the auction market segment for lots with a value above approximately DKK 800. This market segment is attractive because of the significant volume of goods traded coupled with the relatively high average lot prices and

because there are few competitors in the same segment. Existing competitors in this market, such as Artnet, Paddle8 and Auctionata are either not in the same region or are only active online and do not therefore offer the traditional auction services, such as showrooms, distribution and independent estimations, that Lauritz.com does.

There are high entrance barriers for companies to become main players on the market. Traditional auction houses must be able to master the digitalisation process and to create enough traffic on the given online platform, while pure online players must be able to build up physical facilities, logistic, distribution and especially auction item expertise in order to succeed. Nevertheless, Lauritz.com is aware of maintaining and further developing its existing position as leading game changer in the industry. A listing is estimated to be an important next step in Lauritz.com's future utilisation of the market potential.

### Leading and unique position within online auctions in Nordic region<sup>39</sup>



<sup>39</sup> Source: Lauritz.com management.



Companies targeting the large market segment below approximately DKK 800 are notably eBay and Blocket.se – companies that are pure online peer-to-peer platforms and lack Lauritz.com’s traditional auction services, hereunder the expertise. With the acquisition of Stockholms Auktionsverk, Lauritz.com expanded its business within the higher price range of the auction market within fine art. Similarly, the acquisition of QXL allowed the Company to target the lower price segment (below DKK 800), while not compromising the Lauritz.com brand.

### **Market and industry information**

This Prospectus contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company’s business and markets. Unless otherwise indicated, such information is based on the Company’s analysis of multiple sources, including Eurostat, German Trade & Invest and companies’ websites and other public available

information. Such information has been accurately reproduced, and, as far as the Company is aware from such information, no facts have been omitted which would render the information provided inaccurate or misleading.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that were extracted or derived from these industry publications or reports. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.





# Selected consolidated historical financial information

*Lauritz.com Group A/S is the sole shareholder in Lauritz.com A/S and does not hold any other assets or liabilities than its shares in Lauritz.com. No financial statements of Lauritz.com Group A/S have been published since its formation. In the next published consolidated financial statements of Lauritz.com Group A/S the share-exchange will be accounted for as an internal reorganisation of entities under common control and, therefore, the assets and liabilities of Lauritz.com A/S and its subsidiaries will be accounted for at their carrying amount in the consolidated financial statements of Lauritz.com A/S presented from the beginning of the accounting period and any prior period presented, i.e. assets and liabilities of Lauritz.com A/S and its subsidiaries will not be revalued. The selected consolidated historical financial data set forth below as of and for the years ended 31 December 2015, 2014 and 2013 have been derived from Lauritz.com A/S' audited consolidated financial statements for those years included elsewhere herein, which were audited by Deloitte, as set forth in their audit report included elsewhere herein. The selected consolidated historical interim financial data set forth below as of and for the three months ended 31 March 2016 and 2015 have been derived from Lauritz.com A/S' consolidated condensed interim financial statements as and for the three months ended 31 March 2016 and 2015 included elsewhere herein, which were reviewed by Deloitte, as set forth in their review report included elsewhere herein. The comparative figures as of and for the three months ended 31 March 2015 are not covered by the independent auditors review. Lauritz.com A/S' audited consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013 have each been prepared in accordance with IFRS as adopted by EU and Danish disclosure requirements for listed companies. Lauritz.com A/S' consolidated condensed interim financial statements as of and for the three months ended 31 March 2016, with comparative figures for the three months ended*

*31 March 2015, have been prepared in accordance with IAS 34 as adopted by the EU and Danish disclosure requirements for listed companies. The selected historical financial and operating data set forth below has been derived from Lauritz.com A/S' regularly maintained records and accounting and operating systems. See "Presentation of financial and other data" and "Definitions and glossary" for definitions and concepts of certain terms set out in the tables below.*

*The discussion below includes certain non-IFRS financial measures, such as Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow. Such measures are not recognised measures of financial performance under IFRS, but measures used by management to monitor the underlying performance of the Company's business and operations. In particular, Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow should not be considered as alternatives to: (i) net revenue (as determined in accordance with IFRS) as a measure of Lauritz.com's operating performance; (ii) cash flows from operating, investment and financing activities as a measure of Lauritz.com's cash flows; or (iii) any other measures of performance under generally accepted accounting principles. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet the Company's cash requirements and may not be indicative of the Company's historical operating results, nor are such measures meant to be predictive of the Company's future results. The Company has presented these non-IFRS measures in this Prospectus because the Company considers them to be important supplemental measures of its performance and believes that they are widely used by investors comparing performance between companies. Since not all companies compute these or other non-IFRS financial measures in the same way, the manner in which the Company's management has chosen to compute the non-*



*IFRS financial measures presented herein may not be comparable with similarly defined terms used by other companies. For a definition of the non-IFRS financial measures presented in this Prospectus, see “Presentation of financial and other data – Certain non-IFRS financial measures”.*

*The information below should be read in conjunction with “Presentation of financial and other data” and “Ope-*

*rating and financial review” and the Company’s consolidated financial statements and consolidated condensed interim financial statements, including the notes thereto, included elsewhere in this Prospectus.*



## Selected income statement data

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
Turnover on Auctions <sup>40</sup>	235.5	268.3	1,084.0	1,047.1	868.7
<b>Net revenue</b>	<b>45.6</b>	<b>43.8</b>	<b>225.2</b>	<b>153.4</b>	<b>117.1</b>
Direct costs	3.8	2.6	17.8	14.9	6.5
<b>Gross profit</b>	<b>41.8</b>	<b>41.2</b>	<b>207.3</b>	<b>138.5</b>	<b>110.6</b>
Other operating income	0.2	-	0.4	-	2.0
Other external costs	14.4	15.3	63.8	47.9	34.2
Personnel costs	23.9	23.8	102.1	67.3	54.7
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>3.7</b>	<b>2.1</b>	<b>41.8</b>	<b>23.2</b>	<b>23.8</b>
Depreciation and amortisation	3.2	2.3	12.2	6.6	5.2
<b>Earnings before interest and tax (EBIT)</b>	<b>0.5</b>	<b>-0.1</b>	<b>29.7</b>	<b>16.6</b>	<b>18.6</b>
Financial income	2.1	0.2	0.8	16.4	3.9
Financial expenses	7.4	15.6	41.2	18.7	5.4
<b>Earnings before tax (EBT)</b>	<b>-4.9</b>	<b>-15.5</b>	<b>-10.8</b>	<b>14.3</b>	<b>17.1</b>
Income taxes	-2.8	-3.6	-2.3	3.8	2.8
Net income	-2.1	-11.9	-8.5	10.5	14.3
<b>Other comprehensive income</b>					
Exchange adjustment, foreign companies	-1.5	4.0	9.2	-4.8	-0.2
<b>Total other comprehensive income</b>	<b>-1.5</b>	<b>4.0</b>	<b>9.2</b>	<b>-4.8</b>	<b>-0.2</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-3.5</b>	<b>-7.9</b>	<b>0.7</b>	<b>5.7</b>	<b>14.0</b>

<sup>40</sup> Auction Turnover is a measure of the activity on [www.lauritz.com](http://www.lauritz.com), [www.qxl.dk](http://www.qxl.dk), [www.qxl.no](http://www.qxl.no), mobile apps, Stockholms Auktionsverk (including Magasin 5) and Helsingborgs Auktionsverk. The figure consists of knockdown, buyer commission (excluding VAT) and sales price for lots sold through LauritzOneBid.



## Selected balance sheet data

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
<b>ASSETS</b>					
<b>Non-current assets</b>					
Software under development	6.9	13.8	6.0	10.6	3.4
Developed software	12.8	4.9	14.0	5.0	5.2
Goodwill	138.0	134.4	138.5	127.9	21.0
Acquired rights	51.5	53.1	52.6	52.9	9.1
<b>Total intangible assets</b>	<b>209.1</b>	<b>206.2</b>	<b>211.1</b>	<b>196.4</b>	<b>38.8</b>
Land and buildings	51.9	-	52.0	-	-
Plant, equipment and fixtures	16.7	15.9	17.1	15.1	6.9
<b>Total property, plant and equipment</b>	<b>68.6</b>	<b>15.9</b>	<b>69.0</b>	<b>15.1</b>	<b>6.9</b>
Deferred tax	4.9	2.6	0.9	1.9	3.6
Deposits	1.1	6.7	1.1	6.7	6.4
Other non-current receivables	15.9	-	15.9	-	-
<b>Total other non-current assets</b>	<b>21.9</b>	<b>9.3</b>	<b>17.9</b>	<b>8.5</b>	<b>10.0</b>
<b>Total non-current assets</b>	<b>299.5</b>	<b>231.4</b>	<b>298.1</b>	<b>220.0</b>	<b>55.7</b>
<b>Current assets</b>					
Inventories	1.6	1.3	1.5	1.2	1.2
Trade receivables	16.2	10.9	18.3	18.0	7.7
Receivables from parent company	110.1	128.6	113.8	124.7	117.9
Other current receivables	25.0	63.5	23.5	64.3	10.5
Cash and cash equivalents	29.9	42.4	46.3	81.8	32.3
<b>Total current assets</b>	<b>182.8</b>	<b>246.8</b>	<b>203.5</b>	<b>289.9</b>	<b>169.5</b>
<b>TOTAL ASSETS</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	6.0	6.0	6.0	6.0	6.0
Other reserves	2.9	-0.9	4.3	-4.9	-0.1
Retained earnings	0.9	1.6	3.0	13.4	14.4
<b>Total equity</b>	<b>9.7</b>	<b>6.7</b>	<b>13.3</b>	<b>14.6</b>	<b>20.3</b>
<b>Non-current liabilities</b>					
Deferred tax	10.3	10.4	9.8	13.5	1.7
Bank loans	-	-	-	-	15.2
Issued Bonds	336.5	333.1	338.1	337.4	12.0
<b>Total non-current liabilities</b>	<b>346.7</b>	<b>343.5</b>	<b>347.8</b>	<b>350.9</b>	<b>28.9</b>
<b>Current liabilities</b>					
Bank loans	-	-	-	-	33.5
Issued Bonds	-	12.9	13.4	-	19.1
Trade payables	88.4	85.9	91.5	113.8	87.9
Corporate tax liabilities	-	0.5	-	0.5	2.6
Other payables	37.5	28.7	35.5	30.2	32.9
<b>Total current liabilities</b>	<b>125.9</b>	<b>128.0</b>	<b>140.4</b>	<b>144.4</b>	<b>176.0</b>
<b>Total liabilities</b>	<b>472.6</b>	<b>471.5</b>	<b>488.3</b>	<b>495.3</b>	<b>204.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>482.3</b>	<b>478.2</b>	<b>501.6</b>	<b>509.9</b>	<b>225.1</b>



## Selected cash flow statement data

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
<b>Cash flow from operating activities</b>	<b>-0.5</b>	<b>-30.0</b>	<b>-12.7</b>	<b>15.3</b>	<b>23.7</b>
<b>Cash flow from investing activities</b>	<b>-1.8</b>	<b>-9.4</b>	<b>-22.8</b>	<b>-207.1</b>	<b>-39.9</b>
<b>Cash flow from financing activities</b>	<b>-13.9</b>	<b>-</b>	<b>-2.0</b>	<b>264.0</b>	<b>26.0</b>
<b>Cash flow for the period</b>	<b>-16.2</b>	<b>-39.4</b>	<b>-37.5</b>	<b>72.3</b>	<b>9.8</b>
Cash and cash equivalent, opening balance	46.3	81.8	81.8	9.5	-0.3
Cash flow for the period	-16.2	-39.4	-37.5	72.3	9.8
Exchange rate differences	-0.2	-	2.0	-	-
Cash and cash equivalent, closing balance	29.9	42.4	46.3	81.8	9.5



## Selected financial and operating data

DKK million (unless otherwise stated)	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
<b>Turnover on Auctions</b>					
Turnover on Auctions <sup>41</sup>	235.5	268.3	1,084.0	1,047.1	868.7
Turnover on Auctions growth (%)	-12.2%	19,3%	3.5%	20.5%	20.4%
<b>Net revenue</b>					
Net revenue	45.6	43.8	225.2	153.4	117.1
<b>Profitability</b>					
EBITDA	3.7	2.1	41.8	23.2	23.8
Adjusted EBITDA	3.7	2.1	41.8	32.1	25.5
EBIT	0.5	-0.1	29.7	16.6	18.6
Adjusted EBIT	0.5	-0.1	29.7	25.5	20.2
<b>Balance sheet</b>					
Net debt	188.2	174.3	183.1	79.8	-70.9
Net debt/adjusted EBITDA (x)	4.3x	6.9x	4.4x	2.5x	neg
Net debt/EBITDA (x)	4.3x	9.9x	4.4x	n.a.	n.a.
Equity/total assets (%)	2.0%	1.4%	2.6%	2.9%	9.0%
Net working capital	-83.1	-38.9	-83.6	-60.5	-101.4
<b>Cash flow</b>					
Adjusted Free Cash Flow	5.1	-29.3	-2.2	22.1	24.0
Cash conversion	137.7%	neg.	neg.	68.8%	94.5%
Investments in operating activities	1.8	5.8	17.7	16.5	12.3

<sup>41</sup> Turnover on Auctions is a measure of the activity on [www.lauritz.com](http://www.lauritz.com), [www.qxl.dk](http://www.qxl.dk), [www.qxl.no](http://www.qxl.no), mobile apps, Stockholms Auktionsverk (including Magasin 5) and Helsingborgs Auktionsverk. The figure consists of knockdown, buyer commission (excluding VAT) and sales price for lots sold through LauritzOneBid.



## Definitions of key ratios

<b>Adjusted EBIT</b>	EBIT excluding special items affecting comparability
<b>Adjusted EBITDA</b>	EBITDA excluding special items affecting comparability
<b>Adjusted Free Cash Flow</b>	Adjusted EBITDA less investments in operating activities and cash flow from changes in net working capital
<b>Turnover on Auctions</b>	The knockdown price and buyer commission (excluding VAT) for the total number of lots sold through www.lauritz.com, mobile apps, Stockholms Auktionsverk and Helsingborgs Auktionsverk plus the knockdown price on www.qxl.dk, www.qxl.no and the sales price for items sold on LauritzOneBid
<b>Cash conversion</b>	Adjusted Free Cash Flow as percentage of adjusted EBITDA
<b>Compounded annual growth rate (CAGR)</b>	Describes the compounded annual growth rate for a certain period
<b>EBIT</b>	Earnings before interest and taxes
<b>EBITDA</b>	Earnings before interest, taxes, depreciations and amortisations
<b>Investments in operating activities</b>	Cash flow from investing activities less cash flow related to business combinations, less cash flow related to acquired promissory notes and less cash flow related to loans to parent companies
<b>Net debt</b>	The aggregated interest bearing debt excluding operational lease less (i) the aggregated interest bearing receivables (ii) shareholders loan and (iii) cash and cash equivalent of the Company according to the latest financial report.
<b>Net debt/adjusted EBITDA</b>	Net debt divided by adjusted EBITDA for the last reported twelve month period
<b>Net debt/EBITDA</b>	Net debt divided by EBITDA for the last reported twelve month period according to the bond terms
<b>Net working capital</b>	Inventories, trade receivables and other current receivables less trade payables and other payables



# Operating and financial review

The following commentary should be read together with the “Selected consolidated historical financial information” and Lauritz.com’s audited consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013 and the reviewed consolidated condensed interim financial statements as of and for the three months ended 31 March 2016 as well as the related notes thereto, included elsewhere in this Prospectus. The audited consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013 and the reviewed consolidated condensed interim financial statements as of and for the three months ended 31 March 2015 with comparative figures for the three months ended 31 March 2016, have been prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements for listed companies and IAS 34 as adopted by the EU and Danish disclosure requirements for listed companies, respectively.

This section may contain “forward looking statements”. Such statements are based on estimates and assumptions, and subject to risks, uncertainties and other factors, including those set forth under the heading “Risk factors”, that could cause the Company’s future results of operations, financial position or cash flows to differ materially from the results of operations, financial position or cash flows expressed or implied in such forward looking statements. See “*Forward-looking statements*” for a description of risks associated with reliance on forward-looking statements.

The discussion below includes certain non-IFRS financial measures, such as Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow. Such measures are not recognised measures of financial performance under IFRS, but measures used by management to monitor the underlying performance of the Company’s business and operations. In particular, Turnover on Auctions, EBITDA, adjusted EBITDA, adjusted EBIT and Adjusted Free Cash Flow should not be considered as alternatives to: (i) net revenue (as determined in accordance with IFRS) as a measure of Lauritz.com’s operating performance; (ii) cash flows from operating, investment and financing activities as a measure of Lauritz.com’s cash flows; or (iii) any other measures of performance under generally accepted accounting principles. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet the Company’s cash requirements and may not be indicative of the Company’s historical operating results, nor

are such measures meant to be predictive of the Company’s future results. The Company has presented these non-IFRS measures in this Prospectus because the Company considers them to be important supplemental measures of its performance and believes that they are widely used by investors comparing performance between companies. Since not all companies compute these or other non-IFRS financial measures in the same way, the manner in which the Company’s management has chosen to compute the non-IFRS financial measures presented herein may not be comparable with similarly defined terms used by other companies. For a definition of the non-IFRS financial measures presented in this Prospectus, see “*Presentation of financial and other data - Certain non-IFRS financial measures*”.

## Overview

Lauritz.com is a leading Nordic online auction house providing an online trading platform which combines traditional auctioneering with modern technology, comprising 26 auction houses located in Denmark, Sweden, Norway, Germany and Belgium. Lauritz.com operates both through its own auction houses and through auction houses operated by partners under partnership agreements.

Since its inception, Lauritz.com has focused on online auctions, but with the acquisitions of Stockholms Auktionsverk and Helsingborgs Auktionsverk in 2014 and Kunst- & Auktionshaus HERR in 2015 (asset transfer), the Company also has a share of physical auctions (so-called fine art auctions). In 2015, more than 80 % of all Turnover on Auctions was derived from online auctions.

For the fiscal year ended 31 December 2015, Lauritz.com reported Turnover on Auctions of DKK 1,084 million and EBITDA of DKK 42 million. For the first quarter 2016, the Turnover on Auctions and EBITDA amounted to DKK 235.5 million and DKK 3.7 million, respectively, compared to DKK 268.3 million and DKK 2.1 million for Turnover on Auctions and EBITDA during the first quarter 2015.

### **Lauritz.com’s financial profile is characterised by:**

- High historical growth
- Flexible business model
- Ample requisites for a solid cash flow generation





## High historical growth

Lauritz.com has achieved a high historical growth in Turnover on Auctions when viewed over a large period of time, however, with some differences in growth rates depending on the period analysed. The overall growth in Turnover on

Auctions has been a result of both growth in existing auction houses as well as headline expansions such as the 2014 acquisition of Stockholms Auktionsverk and the fact that the Company continuously has added new partners.

## Development in Turnover on Auctions

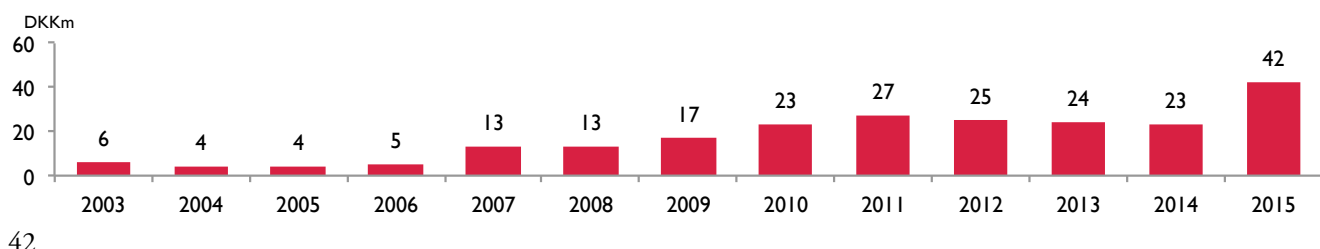


## Flexible business model

Lauritz.com has a long track record of delivering profitable growth, having consistently reported positive EBITDA since Lauritz.com was launched. This underpins the resilience of Lauritz.com's business model given the adverse financial

climate in the years subsequent to 2007. Furthermore, auction houses operated by partners allow for a flexible cost base as the partners bear the fixed cost for e.g. employees and premises.

## Development in EBITDA



42 2003-2005 in Danish GAAP; 2006-2015 in IFRS.



## Ample requisites for a solid cash flow generation

The Company has a solid cash flow generation due to low working capital requirements and relatively limited ongoing investment needs. Lauritz.com's net working capital is characterised by limited inventory as all auctions are on commission and by higher payables than receivables since buyers in general pay within three days and sellers are settled within 35 days, creating a cash surplus. Investments in operating activities mainly relates to software development and refurbishments. Since the Company in general has a positive cash flow effect when it grows, the opposite is generally true when the Company's Turnover on Auctions decreases.

## Factors affecting Lauritz.com's results of operations

Lauritz.com derives its net revenue from the provision of auction services. Net revenue is generated whenever any given auction ends. When the auction ends, Lauritz.com charges the seller and the buyer for the auction service. Lauritz.com charges the buyer a premium of 20 % of the knockdown price and a knockdown fee of DKK 95<sup>43</sup>. The seller is charged a commission fee, which constitutes 15 % of the knockdown price, and a knockdown fee of DKK 150<sup>44</sup>. All seller and buyer fees are including VAT<sup>45</sup>. However, fine art auctions held by Stockholms Auktionsverk, Helsingborgs Auktionsverk and Kunst- & Auktionshaus HERR have different commission and fee structures. The fee and commission structure is applied across all auction houses regardless of the operator being Lauritz.com or a partner (fine art auctions held by Stockholms Auktionsverk, Helsingborgs Auktionsverk and Kunst- & Auktionshaus HERR have different commission and fee structures though), hence the Turnover on Auctions is not influenced by the sales split between own auction houses and auction houses operated by partners. However, Lauritz.com's net revenue is affected by this sales split as the Company receives 24 % of revenue net from commissions, 50 % of the seller's knockdown fee and 100 % of the buyer's fee if the lot sale is facilitated by a partner. Lauritz.com receives 100

% of all fees and commissions when a lot sale is made through its own auction houses.

The majority of Lauritz.com's cost base is comprised by personnel costs and other external costs (i.e. marketing, administration and premises costs). Lauritz.com's costs also include cost of goods sold (mainly transaction costs and costs related to compensation), depreciation and amortisation, financial costs and taxes.

Lauritz.com's results of operations have been, and may continue to be, affected by certain key factors related to the development in Turnover on Auctions, net revenue, costs and cash flow. These factors are discussed in more detail below.

### **Factors potentially affecting Turnover on Auctions**

- Expansion of number of partners and own auction houses
- Ability to grow in existing auction houses
- Market trends and general economic sentiment

### **Expansion of number of partners and own auction houses**

Increasing the number of partners and own auction houses is a key growth driver when entering new markets or when expanding operations in markets where Lauritz.com does not have a significant market share and physical presence. Adding physical auction houses is crucial in order to attract sellers – as the majority of the auctions take place online, the challenge to attract potential buyers is less crucial because the buyers can place bids regardless of their whereabouts (albeit high transportation costs due to the physical distance can limit the interest from potential buyers). Adding partners or establishing additional own auction houses is likely to increase the number of sellers and availability of lots, hence it might have a positive effect on Turnover on Auctions over a period of one to two years (full effect to be seen in the year after establishment).

- **Growth through addition of new partners:** Lauritz.com can expand with limited operational investments since the partner covers all establishment costs. Further, growth through the partner model adds flexibility since it enhances the opportunity to focus on several areas simultaneously. However, Lauritz.com might incur additional operational costs when applying the partner model upon entering new markets/countries as this

<sup>43</sup> NOK 95, SEK 95 and EUR 13.

<sup>44</sup> NOK 150, SEK 150 and EUR 20.

<sup>45</sup> Commissions and fees relate to the Lauritz.com platform.



might require investments in Lauritz.com's organisation and in marketing. The number of partner auction houses has grown from 13 in 2010 to 18 as of the date of publication of this Prospectus<sup>46</sup>.

- **Growth through acquisitions:** Lauritz.com has a history of acquiring new companies and has acquired several companies the last couple of years. In 2014, Lauritz.com acquired two Swedish auction houses, Stockholms Auktionsverk and Helsingborgs Auktionsverk, and in 2015, the German auction house, Kunst- & Auktionshaus HERR, was acquired (asset transfer). Further, the Company has entered a conditional agreement for acquiring Karlstad-Hammarö Auktionsverk in Sweden. The Company has a pipeline of potential targets and continuously evaluates new potential acquisitions. Acquisitive growth is one component in Lauritz.com's growth strategy, and the Company's ability to identify, acquire and integrate complementing companies, both in existing and new geographies, is important for the further development of the Company.

#### **Ability to grow in existing auction houses**

The Company currently has 26 auction houses, of which eight are own houses and 18 are partner houses. The Company's ability to grow the Turnover on Auctions in existing auction houses affects the Company's profitability and cash flow. In order to increase the Turnover on Auctions in existing houses, the Company continuously seeks to attract new customers, increase Turnover on Auctions from professional customers and convert buyers into sellers:

- **Attract new customers:** Lauritz.com works proactively with digital and offline marketing disciplines to attract buyers/sellers i.e.; advertisement, campaigns, CRM, news letters, social media, theme auctions, events, presse coverage etc. The participation in TV-shows like "Fantastiske Fynd" (a work place reality series about daily life at Lauritz.com) on TV-channel Sjuan in Sweden, "Fantastiske Fund" in Denmark on TV-channel TV2 and TV2Fri, the live regional auction show "Zum Ersten, Zweiten, Dritten" in Germany and many other TV-presences, have strengthened the Lauritz.com brand. Additionally, Lauritz.com has strived to create an engaging concept in order to retain new users and increase

activity on sites. These efforts have had the effect that the majority of new users participate in auctions within the first month.

- **Increase Turnover on Auctions from professional customers:** Lauritz.com has a number of new and second-hand items on auctions coming from professional customers within different industries. Seller of used items are e.g.; the police(confiscated, stolen, lost items), public institutions/authorities, insurance companies, company headquarters, hotels etc. Sellers of new produced items are e.g. producers, wholesalers and retail shops. Lauritz.com works continuously to increase the number of items from professional customers through key account coverage ensuring continuous follow-up and dialogue with all professional customers. In 2016 Q1, 32 % of total lots were sold by professionals.
- **Ability to convert buyers into sellers:** Currently, only 12 % of the buyers on Lauritz.com also sell lots. Therefore, increasing this share of buyers, who also act as sellers, entails a potential for further growth as it is a key growth driver for Lauritz.com to increase the number of sellers. The Company has launched several actions in order to increase the conversion of buyers to sellers, including increased personal interaction at pick-up, CRM initiatives as well as local management initiatives.

Further, the Company's Turnover on Auctions is affected by its ability to sell attractive items, and the Company believes that it has found a segment, consisting of items with an estimate above DKK 800, that distinguish them from competitors and mainly peer-to-peer platforms (disregarding the operations related to QXL). Since 2000, the number of lots sold has increased by more than 3,000 %, from approximately 11,000 to 354,000 in 2015. Over the same period, the average knockdown has increased from DKK 1,594 to DKK 2,478, an increase of 55 %. The latter increase is partly a consequence of the 2014 acquisition of Stockholms Auktionsverk. The Company's ability to continue to source attractive items will affect the Turnover on Auctions going forward.

#### **Market trends and general economic sentiment**

Lauritz.com is affected by general economic trends such as the overall economic climate even though the effect historically has been relatively limited due to the Company's online position. Lauritz.com's underlying market is characterised by the trend related to the migration from offline to

<sup>46</sup> Please note that the Company has also signed a new Partnering Agreement in Denmark and in Germany.



online. Currently, the Internet penetration in Lauritz.com's existing markets is significant with internet accessibility close to or above 90 % which is well above the EU average of 74 %. Furthermore, individuals are increasingly using online channels to sell goods and services, especially in Denmark and Sweden. A similar trend is seen in other European countries, albeit the growth rates tend to be lower than the ones seen in Denmark and Sweden. Lauritz.com's future growth in Turnover on Auctions will be affected by the Company's ability to take advantage of market trends, i.e. attract more sellers going forward.

Stockholms Auktionsverk experienced a major decrease in the turnover on the physical fine art auctions in spring 2015. The decrease was general for the fine art market in Sweden, where the major competitors also experienced a similar development. Stockholms Auktionsverk's turnover improved to some extent on the physical fine art auction in the autumn of 2015.

Lauritz.com sees an ongoing market trend with physical auctions moving online and expects this to continue going forward. Assuming this trend will continue to unfold it will have a positive effect on Lauritz.com

#### **Factors potentially affecting net revenue and/or costs**

- Commission percentages and size of fixed fees
- Sale through own auction houses or partners
- Commission fees from a partner's sale of his/her auction house(s) or sale of an own auction house
- Fees for entering into a new partner agreement
- Other net revenue/income items
- Marketing contribution from partner
- Impact from acquisitions
- Improved efficiency and cost optimisation
- Currency exchange rates
- Tax rates and distribution of income
- Changes in interest rates

#### **Commission percentages and size of fixed fees**

The development in net revenue is highly correlated with changes in commission percentages and the size of knock-down fees. Historically, Lauritz.com has been able to increase the commission paid by sellers and buyers without losing significant growth. Most recently in August 2015, the seller's commission was changed from 12 % to 15 % and a knockdown fee of DKK 150<sup>47</sup> was introduced. The current fee structure is set out below (all seller's and buyer's fees are including VAT):

- **Buyer's commission:** 20 % of knockdown
- **Buyer's fixed fee:** DKK 95<sup>48</sup>
- **Seller's commission:** 15 % of knockdown
- **Seller's fixed fee:** DKK 150<sup>49</sup>

Fine art auctions held by Stockholms Auktionsverk, Helsingborgs Auktionsverk and Kunst- & Auktionshaus HERR have different commission and fee structures other than mentioned above.

The level of commission percentages and the size of the fixed fees will continue to significantly affect Lauritz.com's net revenue.

#### **Sale through own auction houses and partners**

The net revenue is affected by whether the lots are sold by own auction houses or by partners. The net revenue impact is different if a lot is sold through an own auction house where Lauritz.com receives 100 % of the net revenue, or whether it is sold through a partner house where Lauritz.com receives 24 % of net revenue from commissions, 50 % of the seller's knockdown fee and 100 % of the buyer's fee.

Although, the net revenue is higher if the lot is sold through an own auction house, Lauritz.com also incurs costs related to operating the auction house such as staff costs, lease cost and the like.

Lauritz.com incurs no or limited operational costs in relation to the operation of its partners' auction houses, and thus it will not affect Lauritz.com's costs significantly if additional partners are added. However, increasing the number of own auction houses will increase personnel costs and other external costs. This also means that if an own

<sup>47</sup> SEK 150, NOK 150 or EUR 20 depending on geography.

<sup>48</sup> SEK 95, NOK 95 or EUR 13 depending on geography.

<sup>49</sup> SEK 150, NOK 150 or EUR 20 depending on geography.



house is converted into a partner house, which was the case with Århus and Aalborg in 2015, this will (stand alone) give a negative effect on net revenue but a positive effect on the EBITDA margin going forward. The effect on absolute EBITDA is dependent on the cost structure of the auction house.

### **Commission fees from a partner's sale of his/her auction house(s) or sale of an own auction house**

Lauritz.com charges a majority of its partners a fee if the partner decides to sell his/her auction house(s), however a few partnership agreements do not contain such right (e.g. Guns and Gents which only covers one category). An additional fee of 2.5 % further applies if Lauritz.com has found the acquirer. If Lauritz.com sells one of its own auction houses, the Company will receive the full amount related to the sale, and net revenue will be affected with an amount corresponding to the difference between the book value of the assets related to the auction house and the sales price. Since 2007, Lauritz.com received commissions from partners' sales transactions between one to three times per year, generating on average approximately DKK 5 million per annum in commissions/fees<sup>50</sup>. Given that the number of partners continuously increases, this may increase going forward but with fluctuations year over year. In 2015, Lauritz.com sold two own auctions houses in Århus and Aalborg, positively affecting net revenue with approx. DKK 20.0 million. For the years 2013 and 2014, the corresponding amounts related to the sale of own or partner auction houses were DKK 1.0 million and DKK 0.3 million, respectively.

### **Fees for entering into new partner agreements**

When a new partner signs up for a new agreement, including when acquiring an existing auction house operated by Lauritz.com or its partners, the main price factor is the partnering agreement, which the buyer will pay a fee for. Additionally, if a new or existing partner start up green-field, an instruction fee can be applicable depending on location<sup>51</sup>.

### **Other net revenue/income items**

In addition to the aforementioned items, Lauritz.com also derives net revenue from commission and fees from auc-

tions on QXL, online banner ads, seller ads, LauritzOne-Bid commission and late payment fees. From the owned auction houses, Lauritz.com also derives net revenue from storage fees and payments from customers who have lots delivered by postal service.

### **Marketing contribution from partners**

Partners<sup>52</sup> pay a marketing fee of 2 % of knockdown prices into a marketing pool to cover marketing costs accumulated centrally by Lauritz.com. The marketing contributions reduce the marketing costs and are thus not included in the net revenue figures.

### **Impact from acquisitions**

Lauritz.com has acquired several companies during the last couple of years. In 2013, Lauritz.com acquired QXL.com, consisting of QXL Denmark A/S and QXL NO AS. Then in 2014, Lauritz.com acquired two Swedish auction houses, Stockholms Auktionsverk and Helsingborgs Auktionsverk, and in 2015, the German auction house, Kunst- & Auktionshaus HERR, was acquired (asset transfer). Further, the Company has entered into a conditional agreement for requiring Karlstad-Hammarö Auktionsverk in Sweden. The acquisitions have affected Turnover on Auctions and net revenue positively, and Lauritz.com has also succeeded in extracting synergies and increasing growth through traffic from Lauritz.com to Stockholms Auktionsverk leading to an EBITDA improvement from SEK 1.6 million in 2014 (full year) to SEK 8.5 million in 2015 and an online Turnover on Auctions growth of 13.4 % for Stockholms Auktionsverk.

The acquisitions made by Lauritz.com have increased costs on a short-term basis due to the incurrance of e.g. integration costs and transactions costs. However, on a long-term basis, it is expected that costs synergies, in the same way as has been the case for Stockholms Auktionsverk, can be extracted which will increase profitability.

### **Improved efficiency and cost optimisation**

A large fraction of Lauritz.com's cost base comprises fixed costs, i.e. personnel and other external costs, including e.g. premises and marketing. The Company's ability to improve efficiency and cost optimisation will continue to affect Lauritz.com's profitability. In order to increase efficiency, Lauritz.com continuously investigates matters such as how

<sup>50</sup> Median yearly contribution has been DKK 3 million.

<sup>51</sup> This has so far only occurred once in Lauritz.com's history.

<sup>52</sup> With the exception of Norrköping where the level is 1.5 percent.



to improve the flow of goods in the auction houses through refurbishments and lean logistic procedures. The Company also continuously tries to optimise the cost structure for the specific auction houses. In the case of Stockholms Auktionsverk, this has been done by moving a larger part of the lots from physical auctions to online auctions, which is an ongoing process, and by changing the physical catalogue to an online catalogue, eliminating a large proportion of printing and distribution costs during 2016. The cost for Stockholms Auktionsverk's physical catalogues is estimated to DKK 4 million.

In Helsingborg, the auction operations have been consolidated from two auction houses into one and have shifted focus towards more expensive lots and thereby in line with the Lauritz.com concept.

Lauritz.com has established processes for follow-up, both operationally and financially. The CFO benchmarks the financial performance of the auction houses and allows them to compare their own performance with each other. This is followed up on a quarterly basis, and it is an effective tool in improving both efficiency and cost optimisation for the specific auction houses. Other initiatives launched to improve efficiency include the merging of Stockholms Auktionverk's and Lauritz.com's marketing departments, the continuing improvement of management education, sales training for staff and focus on improving the operation of own auction houses.

### **Currency exchange rates**

Lauritz.com has issued bonds denominated in SEK, increasing the currency risk as the Company's reporting currency is DKK. Further, as a result of Lauritz.com's international operations, Lauritz.com is exposed to risks related to changes in currency exchange rates, primarily between DKK and SEK. The currency exposure includes both transaction and translation exposure.

### **Tax rates and distribution of income**

Lauritz.com pays corporate tax in several countries. This implies that Lauritz.com's results of operations are dependent on local tax rates, changes in these tax rates and on

the results of operations in each individual country. A redistribution of the results of operation in each country, but with unchanged comprehensive income for Lauritz.com, may result in increased or decreased tax expenses.

Lauritz.com and all its Danish and foreign subsidiaries are subject to international joint taxation in Denmark. All the entities including the foreign companies are therefore included in the tax return of Lauritz.com Holding A/S and credit in the Danish tax is granted for foreign tax paid applying complex rules. Each entity in the tax group under Lauritz.com Holding A/S is jointly and severally liable for all Danish taxes including income tax, on-account tax, underpaid tax and withholding tax. The joint and severable liability could increase the tax liability of Lauritz.com and its subsidiaries.

### **Changes in interest rates**

Lauritz.com is primarily funded with bonds which are subject to an interest risk related to the development in 3M STIBOR. Thus, a change in 3M STIBOR will affect Lauritz.com's costs.

### **Factors potentially affecting cash flow**

- Development in net working capital
- Investment activity

### **Development in net working capital**

Lauritz.com operates with a negative net working capital. This is due to the fact that buyers make payments to Lauritz.com within three days while Lauritz.com pays the sellers within 35 days. Furthermore, the Company has limited inventory as it only sells on commission. As a result, Lauritz.com generates a cash surplus when the Turnover on Auctions and the net revenue increase. This is, however, not fully reflected in historical figures for the net working capital as these are among others distorted due to consolidation of acquired companies into Lauritz.com's accounts.



DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
Inventories	1.6	1.3	1.5	1.2	1.2
Trade receivables	16.2	10.9	18.3	18.0	7.7
Other current receivables	25.0	63.5	23.5	64.3	10.5
<b>Working capital assets</b>	<b>42.7</b>	<b>75.8</b>	<b>43.4</b>	<b>83.4</b>	<b>19.4</b>
Trade payables	88.4	85.9	91.5	113.8	87.9
Other payables	37.5	28.7	35.5	30.2	32.9
<b>Working capital liabilities</b>	<b>125.9</b>	<b>114.6</b>	<b>127.0</b>	<b>143.9</b>	<b>120.8</b>
<b>Net working capital</b>	<b>-83.1</b>	<b>-38.9</b>	<b>-83.6</b>	<b>-60.5</b>	<b>-101.4</b>

### Investment activity

Cash flow from investing activities has, in recent years, been affected by investments in intangible assets and acquisition activity, especially in 2014. Investments in intangible assets amounted to DKK 9.7 million in 2015 compared to DKK 12.8 million in 2014 and DKK 9.8 million in 2013, excluding cash flow stemming from business combinations. The investments in intangible assets mainly relate to investments in software development as Lauritz.com finalised two larger IT projects in 2015. Furthermore, Lauritz.com has also invested DKK 5.2 million, DKK 3.8 million and DKK 2.5 million in tangible assets for the years 2015, 2014 and 2013, respectively. The increase in 2015 relates to refurbishments in Magasin 5 (Stockholm), Cologne and Helsingborg, following the acquisitions mentioned below.

Cash flow stemming from business combinations affected figures negatively by DKK 5.1 million in 2015 compared to DKK 140.5 million in 2014 and DKK 1.6 million in 2013. These investments in business combinations relate to the acquisition of Kunst- & Auktionshaus HERR (Cologne) in

2015, the acquisition of Stockholm Auktionsverk and Helsingborg Auktionsverk in 2014 and the acquisition of QXL in 2013.

Further, cash flow was also negatively affected by DKK 50.0 million due to the acquisition of the promissory note issued by Lauritz.com A/S' sister company (owned by Lauritz.com Holding A/S), Ejendomsselskabet Rovinggade 60-74 ApS ("Ejendomsselskabet"), in connection with Ejendomsselskabet's financing of the property of Rovinggade 68, which is intended to be the new headquarter of Lauritz.com A/S and was rented to Lauritz.com A/S until the property was contributed to Lauritz.com A/S in April 2015 by a demerger of Ejendomsselskabet and cancellation of the promissory note. In 2013, Lauritz.com also provided a loan to the parent company affecting cash flow negatively by DKK 26.0 million.

Taking the total cash flow from investing activities into account, the size hereof has had a material adverse effect on Lauritz.com's cash flow and this may continue going forward.

DKK million	1st quarter		Fiscal year (audited)		
	Q1 2016 (reviewed)	Q1 2015	2015	2014	2013
Cash flow from investing activities	1.8	9.4	22.8	207.1	39.9
Less cash flow related to business combinations	-	-3.5	-5.1	-140.5	-1.6
Less cash flow related to acquired promissory note	-	-	-	-50.0	-
Less cash flow related to loan to parent company	-	-	-	-	-26.0
<b>Investments in operating activities</b>	<b>1.8</b>	<b>5.8</b>	<b>17.7</b>	<b>16.5</b>	<b>12.3</b>



To support Lauritz.com's further growth, the Company is continuously evaluating acquiring additional auction houses via either share purchases in companies or asset deals. As of the date of this Prospectus, the Company has signed an agreement to acquire the shares in Karlstad-Hammarö Auktionsverk AB which operates one auction house. This acquisition is subject to the completion of the Offering. The purchase price has been agreed to be in the amount of SEK 10 million of which 25 % will be paid with Shares in the Company. In addition, an earn out of a maximum of SEK 8.25 million may be paid out, based on the acquired company's performance.

Apart from the above, Lauritz.com has no material investments in progress and has not undertaken to make any material future investments. However, Lauritz.com owns the property Rovsinggade 68, and it is intended that the property shall be used as corporate headquarter and branch after refurbishment, through a sale and leaseback arrangement, refer to section "*Legal considerations and supplementary information – Material contracts*".

## Results of operations and cash flow for the three month periods ended on 31 March 2016 (Q1 2016) and 31 March 2015 (Q1 2015)

### Income statement items

#### Turnover on Auctions

Turnover on Auctions for Lauritz.com decreased from DKK 268.3 million in the first quarter of 2015 to DKK 235.5 million in the first quarter of 2016, corresponding to a negative growth rate of 12.2 %. The decrease in Turnover on Auctions was mainly attributable to decrease in sales from new items due to a change in valuation principle (see "*Introduction to Lauritz.com – Customers*") and a decreased number of business days as a result of Easter falling in Q1 in 2016 compared to Q2 in 2015. Furthermore, QXL has additionally affected growth negatively as the Turnover on Auctions related hereto has decreased due to strategic efforts to increase profitability by increasing fees and commissions affecting Turnover on Auctions adversely.

#### Net revenue

Lauritz.com's net revenue increased from DKK 43.8 million in the first quarter of 2015 to DKK 45.6 million in the first

quarter of 2016. The increase in net revenue was mainly due to the change in the fee and commission structure for Lauritz.com in August 2015 (see "*Operating and financial review – Factors affecting Lauritz.com's results of operations*"). There was a negative effect on net revenue from the decrease in Turnover on Auctions as explained above.

#### Operating expenses and other operating income

Lauritz.com's operating expenses comprise other external costs and personnel costs. Operating expenses decreased from DKK 39.1 million in the first quarter of 2015 to DKK 38.3 million in the first quarter of 2016, corresponding to a decrease of 2.1 %.

Other external costs, comprising administration, marketing and premises, decreased from DKK 15.3 million in the first quarter of 2015 to DKK 14.4 million in the first quarter of 2016, corresponding to a decrease of 5.5 %. This was due to a strong cost control and due to savings achieved from combining activities in Helsingborg, making it possible to terminate the lease contract related to the old location hosting Lauritz.com. Personnel costs increased from DKK 23.8 million in the first quarter of 2015 to DKK 23.9 million in the first quarter of 2016, corresponding to an increase of 0.1 %.

Other operating income was 0 (zero) in the first quarter of 2015 and DKK 0.2 million in the first quarter of 2016. The increase in operating income is related to rent income stemming from the property of Rovsinggade.

#### Earnings before interest, tax, depreciation and amortisation (EBITDA)

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased from DKK 2.1 million in the first quarter of 2015 to DKK 3.7 million in the first quarter of 2016, corresponding to a 76.0 % increase. This increase was attributable to the above mentioned factors affecting net revenue and costs.

There were no special items in the first quarter of 2015, thus adjusted EBITDA amounted to DKK 2.1 million and to DKK 3.7 million in the first quarter of 2015 and 2016, respectively.

#### Earnings before interest and tax (EBIT)

Earnings before interest and tax (EBIT) increased from DKK -0.1 million in the first quarter of 2015 to DKK 0.5 million in the first quarter of 2016. This increase was attributable to the above mentioned factors. EBIT was negatively affected by an increase in depreciation and amortisation





on from DKK 2.3 million in the first quarter of 2015 to DKK 3.2 million in the first quarter of 2016, corresponding to a 42.5 % increase. The increase is due to a number of IT projects being transferred from under development to completed during 2015.

As there were no adjustments in the first quarter of 2015, adjusted EBIT amounted to DKK -0.1 million. In the first quarter of 2016, the adjusted EBIT amounted to DKK 0.5 million, implying adjustments of 0 (zero).

### **Financial income and expenses**

Financial income increased from DKK 0.2 million in the first quarter of 2015 to DKK 2.1 million in the first quarter of 2016, representing an increase of 750.6 %, which was mainly attributable to an unrealised gain in the first quarter of 2016 on currency exchange rate related to the corporate bond demoninated in SEK.

Financial expenses decreased from DKK 15.6 million in the first quarter of 2015 to DKK 7.4 million in the first quarter of 2016, corresponding to a 52.3 % decrease, mainly due to an unrealised loss in the first quarter of 2015 on currency exchange rate related to the corporate bond. Net financial expenses decreased from DKK 15.3 million in the first quarter of 2015 to DKK 5.4 million in the first quarter of 2016, representing a decrease of 65.0 % that mainly relates to fluctuations in currency exchange rate adjustments on the corporate bond as explained above.

### **Earnings before tax (EBT)**

Earnings before tax (EBT) increased from DKK -15.5 million in the first quarter of 2015 to DKK 4.9 million in the first quarter of 2016.

### **Income taxes**

Income taxes increased from DKK -3.6 million in the first quarter of 2015 to DKK 2.8 million in the first quarter of 2016.

Lauritz.com's effective tax rate was 23.1 % in the first quarter of 2015 compared to 57.1 % in the first quarter of 2016. The effective tax rate in the first quarter of 2016 was impacted by recognition of a deferred tax asset not previously recognised.

### **Net income**

As a result of the above mentioned factors, net income increased from DKK -11.9 million in the first quarter of 2015 to DKK -2.1 million in the first quarter of 2016.

## **Balance sheet items**

### **Assets**

Total assets increased from DKK 478.2 million at the end of the first quarter of 2015 to DKK 482.3 million at the end of the first quarter of 2016, corresponding to an increase of 0.9 %. A slight increase in intangible assets and receivables caused the overall increase.

### **Equity and liabilities**

Shareholder's equity increased from DKK 6.7 million at the end of the first quarter of 2015 to DKK 9.7 million at the end of the first quarter of 2016, representing an increase of 45.9 %. The increase was mainly driven by positive impact from currency exchange adjustment of foreign entities recognised in other comprehensive income.

Total liabilities increased from DKK 471.5 million at the end of the first quarter of 2015 to DKK 472.6 million at the end of the first quarter of 2016, corresponding to a 0.2 % increase.

## **Cash flow items**

### **Cash flow from operating activities**

Cash flow from operating activities increased from DKK -30.0 million in the first quarter of 2015 to DKK 0.5 million in the first quarter of 2016. The increase is caused by a normalisation of the net working capital levels causing more moderate changes in the working capital as the first quarter of 2015 was affected by high trade payables at the end of 2014. Trade payables were lower at the end of 2015 compared to 2014 due to differences in the timing for auctions held in December 2015 compared to December 2014.

### **Cash flow from investing activities**

Cash flow from investing activities amounted to DKK -9.4 million in the first quarter of 2015 compared to DKK -1.8 million in the first quarter of 2016, representing a decrease in spending of 80.8 %. The decrease was mainly attributable to Lauritz.com not acquiring any companies in the first quarter of 2016.

### **Cash flow from financing activities**

Cash flow from financing activities decreased from 0 (zero) in the first quarter of 2015 to DKK 13.9 million in the first quarter of 2016. The decrease was related to the full redemption of the bond issued in 2011.



## Results of operations and cash flow for the fiscal years ended on 31 December 2015, 31 December 2014 and 31 December 2013

### Income statement items

#### Turnover on Auctions

Turnover on Auctions for Lauritz.com was DKK 1,084.0 million in 2015 compared to DKK 1,047.1 million in 2014 and DKK 868.7 million in 2013. This corresponded to a growth rate of 3.5% from 2014 to 2015 and a growth rate of 20.5% from 2013 to 2014. Turnover on Auctions in 2015 was affected by a period of adverse market conditions for “fine arts” in Sweden in 2015 as well as a significant decrease of 44 % in the Turnover on Auctions from new items due to the change in estimation principles. Thus, a growth in Turnover on Auctions can be attributed to the full year effect from the acquisitions in 2014 of Helsingborgs Auktionsverk and Stockholms Auktionsverk, however with a negative impact from a decrease in QXL’s Turnover on Auctions.

The increase in Turnover on Auctions in 2014 was both due to organic growth within the used items segment and the acquisitions of Stockholms Auktionsverk and Helsingborgs Auktionsverk.

Turnover on Auctions from used items excluding Stockholms Auktionsverk amounted to DKK 624 million, DKK 619 million and DKK 535 million in 2015, 2014 and 2013 respectively – an increase of 1 % in 2015 and 16 % in 2014. Stockholms Auktionsverk Online’s contribution to Lauritz.com’s Turnover on Auctions was DKK 131 million, DKK 35 million in 2015 and 2014, respectively, while Stockholms Auktionsverk Fine Art’s contribution was DKK 159 million and DKK 97 million in the respective years. While contribution to Lauritz.com from both of these categories increased in 2015, Stockholms Auktionsverk was consolidated in Lauritz.com in Q4 2014 and these figures should be interpreted accordingly. Sale of new items was DKK 106 million, DKK 191 million and DKK 219 million in 2015, 2014 and 2013, respectively – a decrease of 44 % in 2015 and 13 % in 2014. This is a result of a change in valuation principles implemented in November 2014. Measured in knockdown value, the sale of new items decreased by 46 % from H2 2014 to H2 2015, but the bottom related to the new evaluation principle is believed to have been reached in September 2015 and the sale of new items has been on an upwards trajectory since.

As a consequence, among others, of the introduction of a knockdown fees for buyers in order to improve profitability, QXL’s contribution to Lauritz.com’s Turnover on Auctions decreased from DKK 110 million in 2013 to DKK 106 million in 2014 to DKK 65 million in 2015 – constituting decreases of 3 % and 39 % in 2014 and 2015, respectively.

DKK million	2015	2014	2013
<b>Turnover on Auctions</b>	1,084	1,047	869
Used items ex. Stockholms Auktionsverk	624	619	535
Stockholms Auktionsverk Online	131	35	0
Stockholms Auktionsverk Fine Art	159	97	0
New items	106	191	219
QXL	65	106	110
Onebid	-	0	5



## Net revenue

Lauritz.com's net revenue was DKK 225.2 million in 2015 compared to DKK 153.4 million in 2014 and DKK 117.1 million in 2013. Commissions and fees from auctions amounted to DKK 200 million, DKK 143 million and DKK 107 million in 2015, 2014 and 2014 respectively. Commission from new partnership agreements amounted to DKK 20 million, DKK 0 million and DKK 1 million in 2015, 2014 and 2013. Other revenue (including revenue from banner advertisement) amounted to DKK 5 million, DKK 10 million and DKK 9 million in 2015, 2014 and 2013, respectively.

The increase in net revenue from 2014 to 2015 and from 2013 to 2014 was primarily attributable to acquisitions, cf. "Turnover on Auctions". Further, the increase in net reve-

nue in 2015 can additionally be attributed to the signing of two Danish partnership agreements, changing the seller commission from 12 % to 15 % of the knockdown price and introducing the seller knockdown fee.

Net revenue is affected by the factor of how many auction houses Lauritz.com owns. An owned auction house generates Net Revenue for the total commissions and fees while a partner owned auction house generates less Net Revenue to Lauritz.com as the Company receives a percentage of the commission and fees according to the revenue model, e.g the later of the owned auction houses in Århus and Aalborg in 2015 generated an increase in net revenue, however also increased the operating expense related to the two auction houses.

DKK million	2015	2014	2013
<b>Net revenue</b>	225	153	117
Commissions and fees from auctions	200	143	107
Lauritz.com	121	103	101
Stockholms Auktionsverk	74	32	-
QXL	5	8	5
Commission from new partnership agreements	20	0	1
Lauritz.com	20	0	1
Other revenue (including banner advertisement)	5	10	9
Lauritz.com	2	5	3
Stockholms Auktionsverk	-	-	-
QXL	3	5	6



### **Operating expenses and other operating income**

Operating expenses, comprising other external costs and personnel costs, amounted to DKK 165.9 million in 2015 compared to DKK 115.2 million in 2014 and DKK 88.9 million in 2013. This corresponded to an increase from 2014 to 2015 of 44.0 % and increase from 2013 to 2014 of 29.7 %.

Other external costs, comprising administration, marketing and premises, amounted to DKK 63.8 million in 2015 compared to DKK 47.9 million in 2014 and DKK 34.2 million in 2013. This represented an increase from 2014 to 2015 of 33.2 % and an increase from 2013 to 2014 of 40.3 %. The increase was mainly attributable to the aforementioned acquisitions in 2014.

Personnel costs amounted to DKK 102.1 million in 2015 compared to DKK 67.3 million in 2014 and DKK 54.7 million in 2013. This corresponded to an increase from 2014 to 2015 of 51.7 % and an increase from 2013 to 2014 of 23.1 %. The increase was mainly due to the aforementioned acquisitions in 2014.

Operating expenses are affected by the factor of how many auction houses Lauritz.com owns. An owned auction house generates net revenue for the total commissions and fees as described but also generates additional operating expenses for premises, staff, marketing etc. e.g. the latter of the owned auction houses in Århus and Aalborg in 2015 generated an increase in operating expenses, however also increased the net revenue related to the two auction houses.

Aside from the operation expenses related to the owned auction houses and QXL, operational central costs adjusted for special items amounted to DKK 57 million in 2015 compared to DKK 56 million in 2014, DKK 56 million in 2013.<sup>53</sup> These costs are included in the amounts related to operating expenses (other external costs and personnel costs) in 2015, 2014 and 2013.

Other operating income amounted to DKK 0.4 million in 2015 compared to 0 (zero) in 2014 and DKK 2.0 million in 2013. Other operating income in 2015 comprised of rental income from the premises owned by Lauritz.com and in 2013 of negative goodwill related to business combinations.

<sup>53</sup> Centralised costs defined as costs not relating to own auction houses or QXL and adjusted for special items.

### **Earnings before interest, tax, depreciation and amortisation (EBITDA)**

Lauritz.com's earnings before interest, tax, depreciation and amortisation (EBITDA) was DKK 41.8 million in 2015 compared to DKK 23.2 million in 2014 and DKK 23.8 million in 2013. This corresponded to an increase from 2014 to 2015 of 80.0 % and a decrease from 2013 to 2014 of 2.3 %.

The development in EBITDA from 2013 to 2014 and from 2014 to 2015 was mainly due to aforementioned factors affecting net revenue and costs and due to the costs mentioned below in adjusted EBITDA.

Adjusted EBITDA was DKK 41.8 million in 2015 compared to DKK 32.1 million in 2014 and DKK 25.4 million in 2013. Thus, adjustments for special items in 2015, 2014 and 2013 equalled DKK 0.0 million, DKK 8.9 million and DKK 1.7 million, respectively. Adjustments for 2014 related to acquisitions (mainly Stockholms Auktionsverk) and costs related to compensations to partners (ex gratia) who had sold Eames-chairs with legs from a different producer, including legal costs. Further, a reservation for a doubtful receivable related to a previous partner who had also sold Eames chairs with legs from a different producer as well as wrongfully handled VAT on a professional seller is part of the non-recurring items. Adjustments for 2013 related to acquisitions and costs related to compensations to customers who bought Eames-chairs with legs from a different producer through a Lauritz.com auction house, including legal costs.

The EBITDA contribution from Stockholms Auktionsverk was DKK 6.8 million and DKK 7.6 million in 2015 and 2014, respectively. Due to adverse market conditions within fine arts in 2015, the contribution in 2014 was higher despite the year of 2015 comprised a full year of operation, covering the main auctions which are held in Q2 and Q4.

### **Earnings before interest and tax (EBIT)**

Earnings before interest and tax (EBIT) was DKK 29.7 million in 2015 compared to DKK 16.6 million in 2014 and DKK 18.6 million in 2013. This corresponded to an increase from 2014 to 2015 of 78.4 % and a decrease from 2013 to 2014 of 10.5 %.

Depreciation and amortisation was DKK 12.2 million in 2015 compared to DKK 6.6 million in 2014 and DKK 5.2 million in 2013. This represented an increase from 2014 to 2015 of 84.1 % and an increase from 2013 to 2014 of 26.8 %. The increase in 2015 relates to higher



amortisations on intangible assets such as IT software and a full year of amortisation on acquired rights through business combinations compared to 2014.

The development in EBIT from 2013 to 2014 and from 2014 to 2015 was mainly due aforementioned factors affecting net revenue, operational expenses and depreciation and amortisation.

Adjusted EBIT was DKK 29.7 million in 2015 compared to DKK 25.5 million in 2014 and DKK 20.2 million in 2013. The adjustments for special items are the same as for EBITDA.

### **Financial income and expenses**

Financial income amounted to DKK 0.8 million in 2015 compared to DKK 16.4 million in 2014 and DKK 3.9 million in 2013. This corresponded to a decrease from 2014 to 2015 of 95.0 % and an increase from 2013 to 2014 of 317.9 %. The fluctuations the last three years in financial income were mainly related to differences in unrealised gains on currency exchange rate stemming from the corporate bond denominated in SEK. Further, financial income was affected negatively in 2015 by a lower interest on the parent company receivable.

Financial expenses amounted to DKK 41.2 million in 2015 compared to DKK 18.7 million in 2014 and DKK 5.4 million in 2013. This represented an increase from 2014 to 2015 of 120.4 % and an increase from 2013 to 2014 of 245.4 %. The increase from 2013 to 2014 was mainly related to the issuance of corporate bonds. The additional increase from 2014 to 2015 reflected a full year interest payment on the corporate binds as well as a negative currency exchange rate effect on the corporate bonds.

Net financial expenses amounted to DKK 40.4 million in 2015 compared to DKK 2.4 million in 2014 and DKK 1.5 million in 2013. This corresponded to an increase from 2014 to 2015 of 1,609.2 % and an increase from 2013 to 2014 of 57.0 %.

### **Profit before taxes (EBT)**

Profit before taxes (EBT) was DKK -10.8 million in 2015 compared to DKK 14.3 million in 2014 and DKK 17.1 million in 2013. This corresponded to a decrease from 2014 to 2015 of 175.5 % and a decrease from 2013 to 2014 of 16.4 %.

### **Income taxes**

Income taxes were DKK -2.3 million in 2015 compared to DKK 3.8 million in 2014 and DKK 2.8 million in 2013.

Lauritz.com's effective tax rate was 20.9 % in 2015 compared to 26.4 % in 2014 and 16.5 % in 2013. In connection with preparing Lauritz.com's tax return for the year 2015 an adjustment to the preliminary taxable income reported in the consolidated financial statement 2015 of the Company has been made due to the restriction of net financial expenses. The tax cost reported on consolidated level in 2015 was consequently understated by the tax value of non-deductible financial expenses amounting to approx. DKK 4.2 million. A preliminary calculation shows this will result in no additional tax payable for Lauritz.com A/S and its subsidiaries for the financial year 2015, however, subject to the final tax calculation. Out of the amount of DKK 4.2 million, an amount of DKK 2.6 million relates to restricted net financial expenses on capital losses (unrealized loss on currency exchange rate on the bonds issued in SEK). This capital loss can be carried forward for three years and be offset against future gross capital gains on debt and financial instruments generated in the joint taxation group, which among others could be unrealized gain on currency exchange rate on the bonds issued in SEK, i.e. representing a potential future tax benefit.

### **Net income**

As a result of the above mentioned factors, net income was DKK -8.5 million in 2015 compared to DKK 10.5 million in 2014 and DKK 14.3 million in 2013. This represented a decrease from 2014 to 2015 of 181.1 % and a decrease from 2013 to 2014 of 26.3 %. Net income margin was -3.8 % in 2015 compared to 6.8 % in 2014 and 12.2 % in 2013.

### **Balance sheet items**

#### **Assets**

Total assets amounted to DKK 501.6 million in 2015 compared to DKK 509.9 million in 2014 and DKK 225.1 million in 2013. This corresponded to a decrease from 2014 to 2015 of 1.6 % and an increase from 2013 to 2014 of 126.5 %. The increase from 2013 to 2014 was mainly driven by increased intangible assets, including goodwill and intangible rights, following from business combinations; increased cash position; and other receivables primarily related to a promissory note issued by



Lauritz.com A/S' sister company (owned by Lauritz.com Holding A/S), Ejendomsselskabet, in connection with refinancing of the property in Rovsinggade, which is intended to be the new headquarter of Lauritz.com A/S and was rented to Lauritz.com A/S until the property was contributed to Lauritz.com A/S in April 2015 by a demerger of Ejendomsselskabet and cancellation of the promissory note. Thus, the property in Rovsinggade appears as a tangible asset on the balance sheet in 2015. Lower receivables in addition to the cancelled promissory note and a decreased cash position were the main reasons for the marginal decrease in total assets in 2015.

### **Equity and liabilities**

Shareholder's equity amounted to DKK 13.3 million in 2015 compared to DKK 14.6 million in 2014 and DKK 20.3 million in 2013. This represented a decrease from 2014 to 2015 of 8.7 % and a decrease from 2013 to 2014 of 28.4 %. The decrease in shareholder's equity from 2014 to 2015 was mainly attributable to a net loss and distribution of dividend to shareholders, while the decrease from 2013 to 2014 was mainly due to distribution of dividend to shareholders.

Total liabilities amounted to DKK 488.3 million in 2015 compared to DKK 495.3 million in 2014 and DKK 204.8 million in 2013. This corresponded to a decrease from 2014 to 2015 of 1.4 % and an increase from 2013 to 2014 of 141.8 %. The decrease in total liabilities from 2014 to 2015 was mainly driven by lower accounts payables, the currency exchange rate adjustment on the corporate bond issued in SEK and deferred tax, while the increase from 2013 to 2014 was mainly driven by the corporate bond issue of SEK 425 million less repayment of bank debt from 2013.

### **Cash flow items**

#### **Cash flow from operating activities**

Cash flow from operating activities was DKK -12.7 million in 2015 compared to DKK 15.3 million in 2014 and DKK 23.7 million in 2013. This corresponded to a decrease from 2014 to 2015 of DKK 28.0 million and a decrease from 2013 to 2014 of DKK 8.4 million. Despite higher earnings in 2015 compared to 2014, the Company experienced a decrease in cash flow from operating activities from 2014 to 2015 mainly attributable to an increase in receivables related to the sale of partnership agreements (in Århus and Aalborg) to a decrease in trade payables caused by differences in the timing for auctions held in

December 2015 compared to December 2014 and to interest payments related to the corporate bond issued in 2014. The decrease in cash flow from operating activities from 2013 to 2014 was mainly due to increased interest payments related to the corporate bond issue.

#### **Cash flow from investing activities**

Cash flow from investing activities was DKK -22.8 million in 2015 compared to DKK -207.1 million in 2014 and DKK -39.9 million in 2013. This represented a decrease in spending from 2014 to 2015 of DKK 184.3 million and an increase in spending from 2013 to 2014 of DKK 167.2 million. Investments in tangible assets rose by DKK 4.2 million in 2015 primarily due to refurbishments in Magasin 5 (Stockholm), Cologne and Helsingborg, however, this was offset by a large decrease in investments related to business combinations as these amounted to DKK 5.1 million in 2015 compared to 140.5 million in 2014, thus causing the overall decrease in spending related to investing activities in 2015. Conversely, the increase in spending from 2013 to 2014 was mainly due to significant business combinations, i.e. the acquisition of Stockholms Auktionsverk and Helsingborgs Auktionsverk, as investments related to business combinations amounted to DKK 1.6 million in 2013. Furthermore, the increase in 2014 can also be attributed to the acquisition of the promissory note issued by Lauritz.com A/S' sister company (owned by Lauritz.com Holding A/S), Ejendomsselskabet, in connection with Ejendomsselskabet's refinancing of the property of Rovsinggade 68, affecting cash flow by DKK 50.0 million. In general, the cash flow from investing activities was during the last three years affected by investments in intangible assets, which amounted to DKK 9.7 million in 2015 compared to DKK 12.8 million in 2014 and DKK 9.8 million in 2013, excluding cash flow stemming from business combinations. These investments mainly relate to investments in software development as Lauritz.com finalised two larger IT projects in 2015.

#### **Cash flow from financing activities**

Cash flow from financing activities was DKK -2.0 million in 2015 compared to DKK 264.0 million in 2014 and DKK 26.0 million in 2013. This corresponded to a decrease from 2014 to 2015 of DKK 266.0 million and an increase from 2013 to 2014 of DKK 238.0 million. The decrease in cash flow from financing activities from 2014 to 2015 relates to the Company not obtaining additional



financing in 2015. The cash flow of DKK -2.0 million relates to dividend payments to shareholders. The increase from 2013 to 2014 was mainly attributable to the proceeds of the corporate bond issue of DKK 336 million in 2014 less repayment of bank debt from 2013.

## Quarterly financial information

The Company believes that the information set out below is of significant value to investors since it enables a better evaluation of the development and the seasonal effects on the operations. However, please note that the information is derived from Lauritz.com's published interim reports, which are not reviewed.

DKK million (unless otherwise stated)	2016		2015				2014			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Turnover on Auctions										
Turnover on Auctions	235.5	312.4	181.5	321.9	268.3	380.1	209.3	232.9	224.9	
Growth (y/y,%)	-12%	-18%	-13%	38%	19%	n.m.	n.m.	n.m.	n.m.	
Net revenue										
Net revenue	45.6	70.7	49.3	61.3	43.8	63.0	28.9	30.6	31.0	
Profitability										
EBITDA	3.7	23.2	4.3	12.4	2.1	5.6	0.4	9.6	7.6	
EBIT	0.5	19.5	0.9	9.6	-0.1	3.4	-1.2	8.1	6.3	
Adjustments to EBITDA and EBIT	0	0	0	0	0	4.4	2.6	0.7	1.1	
Adjusted EBITDA	3.7	23.2	4.3	12.4	2.0	10.1	3.0	10.3	8.7	
Adjusted EBIT	0.5	19.5	0.9	9.6	-0.3	7.8	1.4	8.8	7.4	



### Seasonality

In general, Lauritz.com reports higher Turnover on Auctions in Q2 and Q4 compared to Q1 and Q3. This seasonality can primarily be attributed to the timing of physical fine arts auctions, e.g. held primarily by Stockholms Auktionsverk. There are less seasonality effects from the online operations.

### Significant events since 31 March 2016

Lauritz.com has entered into an agreement regarding the establishment of two new auction houses in Sweden and Denmark, respectively. Lauritz.com has entered into a conditional agreement for the acquisition of Karlstad-Hamarö Auktionsverk AB. Furthermore, Lauritz.com has entered into a new five-year partnership agreement for the establishment and operation of a new branch of Lauritz.com in Central Jutland in Denmark. After this, Lauritz.com has 28 branches of which Lauritz.com owns 9, while the remaining 19 branches are operated by partners.

On 15 May 2016 Lauritz.com A/S signed a 5-year partnership agreement with a new partner in the operation and activity of Lauritz.com in Hamburg from July 1, 2016. Overall, this will have a positive effect on EBITDA in 2016 of approximately DKK 2.5 million.

On 20 May 2016 Lauritz.com A/S entered into a conditional sale and lease back agreement regarding the Company's property located at Rovsingsgade 68, 2200 Copenhagen. See "*Legal considerations and supplementary information – Material contracts*".

On 9 June 2016, the Company together with the Global Coordinator resolved to withdraw the then ongoing initial public offering in exchange of this new public offering. This was done despite that the book was fully subscribed, as it was concluded that more time was needed to build and complete a more solid shareholder base in the Company. To ensure a more solid shareholder base in the new public offering the Company has included two additional cornerstone investors, see "*Legal considerations and supplementary information - Investment undertaking*". Furthermore the new offering is a fixed offer price of SEK 15 per Share compared to the previous offer price range of SEK 19-21.

### Significant accounting policies

For a discussion of Lauritz.com's significant accounting estimates and judgments, see note 10 to the Audited Consolidated Financial Statements 2015.

### Government, economic, fiscal, monetary or political initiatives that materially affect Lauritz.com's operations

Lauritz.com has not identified any current government, economic, fiscal, monetary or political initiatives that materially affect the Company's operations.





# Prospective consolidated financial information

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have presented their forecast for 2016 under the subheading “-Prospective financial information for 2016” below. The information was prepared by applying the accounting policies, incorporated by reference in the section accounting policies of the historical financial information, page F-10 and F-30, which are in accordance with the recognition and measurement regulations of IFRS, as adopted by the EU. The Board of Directors and the Executive Board believe that the material assumptions on which the prospective consolidated financial information is based are described in this Prospectus, and that the assumptions have been consistently applied in the preparation of the information.

The prospective consolidated financial information is based on a number of assumptions, some of which are

within the Board of Directors’ and the Executive Board’s control, whilst others are beyond their control. The methods used in the preparation of the prospective financial information and the underlying assumptions on which the information is based are stated in “-Prospective financial information for 2016” below.

This prospective consolidated financial information represents the Board of Directors’ and the Executive Board’s best estimate of Lauritz.com’s EBITDA for the financial years 2016. The prospective financial information contains forward-looking statements concerning Lauritz.com that are subject to considerable uncertainty. The actual results may differ materially from those contained in such statements.

Copenhagen, 14 June 2016

### Board of Directors

Bengt Sundström  
*Chairman*

Thomas Skovlund Schnegelsberg  
*Board member*

Tim Frank Andersen  
*Board member*

John Tyrrestrup  
*Board member*

Petra Von Rohr  
*Board member*

### Executive Board

Mette Rode Sundstrøm  
*CEO*

Henrik Engmark  
*COO*



## Independent Auditors' Report on prospective financial information for 2016

### To the readers of this Prospectus

We have examined the prospective consolidated financial information of the Company for the period 1 January – 31 December 2016 as contained in “Prospective financial information for 2016 – Outlook Statement”.

This report has been prepared solely for shareholders and investors in connection with the Initial Public Offering.

### The Directors' responsibility

The Directors of the Company are responsible for the preparation of prospective consolidated financial information on the basis of the significant assumptions disclosed under “Prospective financial information for 2016 - Methodology and assumptions”, and in accordance with the accounting policies of the Company in respect of recognition and measurement as referred to under “Prospective financial information for 2016 - Methodology and assumptions”. In addition, the Directors are responsible for the assumptions underlying the consolidated profit forecast.

### Auditor's responsibility

Our responsibility is to express an opinion on the consolidated profit forecast based on our examinations. We conducted our examinations in accordance with the International Standard on Assurance Engagements (ISAE 3000)

Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain reasonable assurance about whether the consolidated profit forecast has been prepared, in all material respects, on the basis of the assumptions disclosed and consistently with the accounting policies of the Company. As part of our examinations, we tested whether the consolidated profit forecast was prepared on the basis of the assumptions disclosed and the accounting policies of the Company, and this included checking the figures provided in the consolidated profit forecast for consistency.

We believe that our examinations provide a reasonable basis for our opinion.

### Opinion

In our opinion, the consolidated profit forecast for the period 1 January – 31 December 2016 has been prepared, in all material respects, on the basis of the assumptions disclosed under “Prospective financial information for 2016 - Methodology and assumptions” and in accordance with the accounting policies of the Company in respect to recognition and measurement.

Actual results are likely to be different from the consolidated profit forecast since anticipated events frequently do not occur as expected and the variation could be material. Our examinations did not include an assessment as to whether the assumptions applied are valid, or whether the consolidated profit forecast are realisable, and, accordingly, we do not express an opinion in this respect.

Copenhagen, 14 June 2016  
Deloitte Statsautoriseret Revisionspartnerselskab  
Central Business Registration No 33 96 35 56

Kirsten Aaskov Mikkelsen  
State-Authorised Public Accountant

Lars Siggaard Hansen  
State-Authorised Public Accountant



## Prospective financial information for 2016

### Introduction

The prospective consolidated financial information for the financial year 2016 has been prepared for use in this Prospectus in accordance with applicable Danish laws and regulations. Such information is the responsibility of our Board of Directors and Executive Board.

The prospective consolidated financial information is inherently based on a number of assumptions and estimates which, while presented with numerical specificity and considered reasonable by Lauritz.com, are inherently subject to significant business, operational and economic uncertainties, many of which are beyond Lauritz.com's control and upon assumptions with respect to future business decisions that are subject to change. The most important of these assumptions are described in "Methodology and Assumptions" below. The prospective consolidated financial information has been prepared in accordance with Lauritz.com's accounting policies, which are in accordance with the recognition and measurement criteria of IFRS, as adopted by the EU.

### Methodology and assumptions

Lauritz.com's prospective consolidated financial information for the financial years 2016 reflects the Board of Directors' and the Executive Board's estimates and forecasts for 2016. These estimates and forecasts for 2016 have been prepared in accordance with Lauritz.com's normal budgeting procedures including additional schedules because of this Prospectus.

The consolidated prospective financial information for the financial year 2016 has been prepared on a basis comparable to the historical financial information included elsewhere in this Offering Circular. However, the consolidated prospective financial information is based on a number of estimates and assumptions about future events and circumstances, both of which are subject to numerous and significant risks and uncertainties, which could cause our actual results to differ materially from the prospective financial information presented herein.

Certain of the assumptions, uncertainties and contingencies relating to the consolidated prospective financial information are outside of our control, including those relating to changes in political, legal, fiscal, market or economic conditions, improvement in macroeconomic conditions, currency fluctuations and actions by customers or competi-

tors. Certain other assumptions, uncertainties and contingencies are wholly or partially within our control, such as those relating to the execution of our strategy and costs optimisation.

In preparing the prospective consolidated financial information for the financial year 2016, the Company has in general assumed that there will be no change in existing political, legal, market or economic conditions or in applicable legislation, regulation and rules. Furthermore, the Company has assumed that it will not become party to any legislation or administrative proceeding that may have a material impact on the Company of which the Company is currently aware of.

For the purpose of preparing the consolidated prospective financial information for the financial year 2016 we have made the principal assumptions set forth below.

### Net Revenue

Lauritz.com estimate growth in net revenue based upon following assumptions:

- Organic general growth on Lauritz.com platforms is among others based on growth in Turnover on Auction except for a further decline in the Turnover on Auction on new items. The growth will lead to a growth in net revenue from commissions and fees (outside the Company's control);;
- An increase in net revenue from the change in commission structure for the sellers implemented in August 2015 which will have full year effect in 2016 (partially within the Company's control);;
- A decrease in net revenue from the fact that the two auction houses in Århus and Aalborg were owned by Lauritz.com for six respective nine month in 2015 providing full commission from the Turnover on Auction to Lauritz.com in the aforementioned periods while they in 2016 (and per the date of the Prospectus) are partner houses generating a percentage of the commissions and fees to Lauritz.com as per the revenue model (within the Company's control);;
- Net revenue is based on the same number of own auction houses as there were per 31 December 2015;
- An effect on commissions from entering into new partnering agreements based on historical transactions (partially within the Company's control).



### **EBITDA**

In addition to Lauritz.com's assumptions as to net revenue growth in the financial year 2016, the Company includes some guidelines to the EBITDA and adjusted EBITDA on the following assumptions:

- Cost related to own auction houses is based on the same number of owned auction houses as there were per 31 December 2015 (partially within the Company's control);
- Cost optimisation for own auction houses based on an individual assessment for each auction house together with the Branch manager or CEO of the auction house(s), among others.
  - a cost reduction of approximately DKK 4 million due to catalogues from physical auctions in Stockholms Auktionsverk only will be accessible online as from 2016 saving production and distribution costs (within the Company's control), and
  - a cost saving from the merger of the two auction houses in Helsingborg in 2015 leaving the Company with only one rented premises in Helsingborg as from 1 January 2016 (within the Company's control).
- Limited change in staff costs based on the development in number of employees and wages, except from the change in number of own auction houses compared to 2015 (partially within the Company's control).

### **Adjusted EBITDA**

Costs related to Special Items which the Company do not believe is part of the normal operations, e.g. costs to professional fees related to the proposed listing and admission for trading in the financial year 2016 has not been included in the outlook for 2016.

### **Additional assumptions**

In addition we have assumed when estimating our Turnover on auction, net revenue and EBITDA on a reported currency basis that exchange rates will remain at SEK 80, NOK 84 and EUR 745 per 100 DKK (outside the Company's control).

### **Important notice in respect of factors excluded from the outlook statement**

For the purpose of Lauritz.com's outlook statement for the financial year 2016, the Company has excluded impact on the net revenue, EBITDA and Adjusted EBITDA from:

- Any potential acquisition mentioned or not mentioned in this Prospectus;
- Any costs related to the proposed listing and admission for trading in the financial year 2016.

We anticipate a negative impact of approximately DKK 7 million on our EBITDA (and DKK 0 million on Adjusted EBITDA) as a result of the professional fees related to the proposed listing and admission for trading.

### **Outlook Statement**

For 2016, Lauritz.com expects an increase in net revenue and an increase in EBITDA and Adjusted EBITDA.

The increase in EBITDA and Adjusted EBITDA is expected to be in the range of 20-40 % compared to 2015.

In the first three months of the financial year 2016 ending 31 March 2016, we believe our business has performed in-line with our expectations as to revenue and adjusted EBITDA as set out above.



# Capitalisation and indebtedness

The table below sets forth the Company's capitalisation and net indebtedness as of 31 March 2016. The information presented below should be read in conjunction with

"Operating and financial review" and the Company's consolidated financial statements and the notes related thereto included elsewhere in this Prospectus.

**As of 31 March 2016**

*(DKK million)*

<b>Capitalisation</b>	
Current liabilities (including current portion of long-term interest-bearing liabilities)	-
Guaranteed	-
Secured	-
Unguaranteed/Unsecured	-
Long-term interest-bearing liabilities	336.457
Guaranteed	-
Secured	336.457
Unguaranteed/Unsecured	-
Total shareholders' equity	9.747
Share capital	6.002
Reserves	2.867
Retained earnings	0.878
Non-controlling interest	-
<b>Total capitalisation</b>	<b>346.204</b>



As of 31 March 2016

(DKK million)

<b>Net indebtedness</b>		
[A]	Cash	29.947
[B]	Cash equivalents	-
[C]	Current financial investments	-
<b>[D]</b>	<b>Liquidity [A]+[B]+[C]</b>	<b>29.947</b>
<b>[E]</b>	<b>Current Financial Receivable</b>	<b>110.118</b>
[F]	Current Bank debt	-
[G]	Current portion of non-current debt	-
[H]	Other current financial debt	-
<b>[I]</b>	<b>Current Financial Debt [F]+[G]+[H]</b>	<b>-</b>
<b>[J]</b>	<b>Net Current Financial Indebtedness [I]-[E]-[D]</b>	<b>-140.065</b>
<b>[K]</b>	<b>Non-current interest bearing financial receivable</b>	<b>8.196</b>
[L]	Non-current Bank loans	-
[M]	Bonds Issued	336.457
[N]	Other non-current loans	-
<b>[O]</b>	<b>Non-current Financial Indebtedness [L]+[M]+[N]</b>	<b>336.457</b>
<b>[P]</b>	<b>Net Financial Indebtedness [J]-[K]+[O]</b>	<b>188.196</b>

As of 31 March 2016, the Company's direct and indirect contingent liabilities, on a consolidated basis, were DKK 60.726 million. For additional information on Lauritz.com's indebtedness, see "Operating and financial review".

The capitalisation and indebtedness table does not reflect events that have occurred after 31 March 2016. For further information, see "Operating and financial review" and "Certain rights attached to the Shares - Share capital history and developments in connection with the Offering".

## Working Capital Statement

It is the Company's opinion that its present working capital and liquid assets are sufficient to meet the Group's requirements for the period of twelve months from the date of the publication of this Prospectus. As at 31 March, 2016, cash and cash equivalents amounted to DKK 29.947 million.



# Board of Directors, Executive Board and auditor

## Board of Directors

The following table sets forth the name, year of birth and principal education of each of the directors of the Company, the date they commenced serving on the Board of Directors of the Company, the positions they are holding as of the date of this Prospectus and the positions which they have held during the past five years. All board members are elected for a term of one year. All current board members have offered themselves for reelection at the next ordinary general meeting of the Company, which is expected to be held in April 2017.

### Members of the Board of Directors

#### **Bengt Sundström**

Born in 1955. Chairman and member of the Board of Directors in Lauritz.com A/S since 2003 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Swedish.

**Business address:** Dynamovej 11C, 2860 Søborg, Denmark.

**Principal education:** College degree, Västertorps Gymnasium, graduated in 1975.

**Other assignments/positions:** CEO of AMIO.DK ApS, LC II ApS, LC III ApS, LC Danmark ApS, Passionsfabriken ApS, Ejendomsselskabet Rovsingsgade 60-74 ApS, LC Deutschland GmbH, Vignelaure SAS and SNC Soleil de Vignelaure. Chairman of the Board Lauritz.com Holding A/S, Aktiebolaget Stockholms Auktionsverk AB, Stockholms Kommunala auktions- och pantaktiebolag, Helsingborgs auktionsverk HAV, Internetauktioner I Helsingborg AB, QXL Denmark A/S QXL NO A/S and Lauritz.com Sverige AB.

**Previous assignments/positions in the past five years:** Chairman of the Board of Axel Mattssons Rideskole & Hestpension ApS. Board member of BIAM ApS. CEO of AMIO.DK Holding ApS.

**Shareholding in the Company:** 34,200,000 shares (indirect via Lauritz.com A/S Holding A/S)

#### **Thomas Skovlund Schnegelsberg**

Born in 1965. Member of the Board of Directors in Lauritz.com A/S since 2004 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Danish.

**Business address:** Microsoft Denmark, Kanalvej 7, 2800, Lyngby, Denmark.

**Principal education:** Cand.merc, Strategy and Communication, Copenhagen Business School, graduated in 1991 and Executive Board Programme, graduated in 2014. INSEAD & Scandinavian Executive Institute, Executive Board Programme, graduated in 2014.

**Other assignments/positions:** Chairman of the Remuneration Committee of Lauritz.com A/S, Director at Microsoft Denmark, Deputy Chairman of Bagsværd Kost- & Gymnasium Skole.

**Previous assignments/positions in the past five years: -**

#### **Tim Frank Andersen**

Born in 1967. Member of the Board of Directors in Lauritz.com A/S since 2008 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Danish.

**Business address:** Rosenvængets Allé 11, 2100, København Ø, Denmark.

**Principal education:** Ms Sc. Computer Science, Denmark Technical University, graduated in Jan. 1991.

**Other assignments/positions:** Partner and Chairman of the Board of In2Media, Chairman of the Board of Insilico, Baby. Board member of Running26.

**Previous assignments/positions in the past five years: -**

**John Tyrrestrup**

Born in 1953. Member of the Board of Directors in Lauritz.com A/S since 2005 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Danish.

**Business address:** WECO Invest, Kvæsthusgade 1, 1251 København K, Denmark.

**Principal education:** State Authorised Public Accountant, Copenhagen Business School, graduated in Jan. 1983.

**Other assignments/positions:** CFO and Board member of Weco Invest A/S, Weco Travel International A/S and Weco Travel Cee A/S. Board member of Virksomhedsbørsen A/S, Butiksbørsen A/S and Lederbørsen A/S. Expert Judge of the Maritime and Commercial High Court.

**Previous assignments/positions in the past five years:** -

**Petra Von Rohr**

Born in 1972. Member of the Board of Directors in Lauritz.com Group A/S and Lauritz.com A/S since 2 May 2016. Nationality: Swedish.

**Business address:** Com Hem, Fleminggatan 18, 104 20 Stockholm, Sweden.

**Principal education:** College degree, Bromma Gymnasium, graduated Jun. 1991, MBA studies, McGill University, Montréal, autumn 1994, Master of Science – Majoring in Finance, Stockholm School of Economics, graduated Feb. 1995.

**Other assignments/positions:** Head of Group Communication of Com Hem, Board member of Novare Human Capital.

**Previous assignments/positions in the past five years:** Partner at Kreab, CEO of Swedish operations of Burson-Marsteller, Board member of Takkei.

**Executive Global Board**

The following table sets forth the name, year of birth and principal education of each of the Executive Board members, their current position and the year each person became a member of the Executive Board.

**Members of Executive Board****Mette Rode Sundstrøm**

Born in 1967. CEO between 2003 and 2006 and again since 2008 and member of the Executive Board in Lauritz.com A/S between 2003 and 2006 and again since 2008 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Danish

**Business address:** Dynamovej 11C, 2860 Søborg, Denmark.

**Principal education:** Akademiøkonom, Århus Exportakademi, graduated in 1994.

**Other assignments/positions:** CEO of Lauritz.com Holding A/S, QXL Denmark A/S and QXL.no AS.

**Previous assignments/positions in the past five years:** Board member of BIAM ApS and NEYE-FONDEN.

**Shareholding in the Company:** 1,800,000 shares





### **Henrik Engmark**

Born in 1966. COO and member of the Executive Board in Lauritz.com A/S since 2012 and in Lauritz.com Group A/S since establishment on 20 April 2016. Nationality: Danish.

**Business address:** Dynamovej 11 C, 2860 Søborg, Denmark.

**Principal education:** MSC in Commercial Law and Business Administration, Copenhagen Business School, graduated in 1991, and Diploma in Finance, Copenhagen Business School, graduated in 1994.

**Other assignments/positions:** Board member of QXL Denmark A/S and QXL.no AS.

**Previous assignments/positions in the past five years:** EVP of Nordea Life & Pensions A/S.

## **Shareholdings and other interests in Lauritz.com**

As of the date of this Prospectus, Bengt Sundström and Mette Rode Sundstrøm have a financial interest in the Company as a consequence of direct or indirect holdings of Shares in the Company, see “*Certain rights attached to the shares—Ownership structure*”. Bengt Sundström does not consider himself independent from the Company due to his shareholding in the Company and his matrimonial relationship with Mette Rode Sundstrøm. No other member of the Board of Directors or Executive Board has any private interest that might conflict with the Company’s interests.

## **Other information on the Board of Directors and Executive Board**

All members of the Board of Directors and Executive Board may be contacted at the Company’s address Dynamovej 11C, 2860 Søborg, Denmark, via [administration@lauritz.com](mailto:administration@lauritz.com), or by telephone +45 44 50 98 00.

No member of the Board of Directors or Executive Board have been: (i) convicted of fraudulent offenses; (ii) directors or officers of companies that have entered into bankruptcy, receivership or liquidation; (iii) subject to any public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or (iv) have been disqualified by a court from acting

as a member of an issuer’s board of directors, executive management board or supervisory body or being in charge of an issuer’s management or other affairs.

The Chairman of the Board of Directors, Bengt Sundström, and the Company’s CEO, Mette Rode Sundstrøm are married. There are no other family ties between members of the Board of Directors and Executive Board. The Company has been exposed to some public criticism, court proceedings and litigations, all relating to the ordinary course of business.

## **External auditor**

Deloitte Statsautoriseret Revisionspartnerselskab, Weidekampsgade 6, 2300 København S, Denmark has been the Company’s registered auditor since 29 May 2008. The most recent auditor election was at the annual general meeting held on 29 February 2016 (for approval of auditors report for the financial year ended 31 December 2015), where Deloitte was re-elected for the period until the next annual general meeting to take place in 2017 to perform the audit of the financial statements for 2016. Deloitte is a member of FSR - Danish Auditors (FSR—danske revisorer).

Deloitte is represented by Kirsten Aaskov Mikkelsen, State Authorised Public Accountant, and Lars Siggaard Hansen, State Authorised Public Accountant, members of FSR Danish Auditors.

The external audit of the Company’s financial statements and a majority of the Company’s subsidiaries are conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Denmark.

The external auditor attends at least one Board meeting per year at which the auditor goes through the audit for the year and discusses the audit with the members of the Board of Directors. In the past three financial years, in addition to its auditing work, Deloitte has performed advisory services for the Company consisting of tax advice services and other services.



# Corporate governance

Prior to listing on Nasdaq First North Premier, the Company's corporate governance has been based upon Danish law, the Company's Articles of Association and internal rules and guidelines. The Company complies with the corporate governance requirements for Danish limited liability companies, with exception of the requirements in the Danish Financial Statements Act section 99a, as the Company does not have any policies on corporate social responsibility, human rights and the Company's effect on the environment. Once listed on Nasdaq First North Premier, the Company will probably also establish routines to eventually comply with the Swedish Corporate Governance Code, although compliance with the Swedish Corporate Governance Code is not mandatory for a company listed on Nasdaq First North Premier.

Under the Danish Consolidated Companies Act no. 1089 of 14 September 2015, as amended (the "**Danish Companies Act**"), the Board of Directors is ultimately responsible for the organisation and strategy of the Company and the Executive Management is responsible for the management of the Company. According to the Company's Articles of Association, the Board of Directors shall consist of three to five members elected by the shareholders at a general meeting. In addition, by law the employees in the Company are entitled to appoint a number of ordinary members equivalent to half of the members appointed by the general meeting and an equivalent number of alternates. The Board of Directors currently consists of five members elected for the period until the end of the 2016 annual general meeting (of which four were re-elected by the annual general meeting held on 29 February 2016 and one – Petra Von Rohr – was elected on an extraordinary general meeting on 2 May 2016)).

## Objectives of Lauritz.com Group A/S

The objectives for which Lauritz.com Group A/S has been established is to own the shares in Lauritz.com A/S and to further develop the business of Lauritz.com A/S, including operation for auction and educational business and such other businesses deemed incidental to the attainment of such objects.

## Internal control

The Board of Directors and the Chief Executive Officer are ultimately responsible for ensuring that internal controls are developed, communicated to and understood by the Company's employees who undertake the individual control activities, and that the control activities are monitored, enforced, updated and maintained. Management is at all levels responsible for ensuring that internal controls are established within their own area and that these controls achieve the desired effect.

The procedures for internal control, risk assessment, control activities, and monitoring with respect to the financial reporting have been designed to ensure reliable overall financial reporting and external financial reporting in accordance with IFRS, applicable laws and regulations as well as other requirements, which may apply to companies listed on Nasdaq First North Premier. This work involves the Board of Directors, the Executive Board and other personnel.

The way in which the Board of Directors monitors and ensures quality in the internal control is documented in the adopted work procedures of the Board of Directors and the instructions for the Audit Committee. Part of the Audit Committee's work is to assess the Company's structure and policies for internal control, see "*—The Board of Directors responsibilities and work—Board committees and committee work*".

## General meetings

Pursuant to the Danish Companies Act, the general meeting is the supreme decision-making body and shareholders exercise their voting rights at such meetings. In addition to the annual general meeting, extraordinary general meetings can be convened. The Company's annual general meetings are held before the end of April. Extraordinary general meetings are held as required.

Decisions are taken at the general meeting on a number of issues, including adoption of the income statement and balance sheet, disposition of the Company's profit or loss, discharge of the members of the Board and the CEO from liability to the Company, election of the Chairman and Vice-chairman of the Board of Directors, election of mem-



bers of the Board and auditors, remuneration to the members of the Board of Directors and auditor and guidelines for remuneration to the CEO and other Executive Board.

Notices convening the annual general meetings and extraordinary general meetings must be issued no earlier than four weeks and no later than two weeks prior to the meeting. Simultaneously therewith, the fact that notice has been issued must be announced at the Company's webpage and through the Danish Business Authority. Shareholders who have requested so must receive written notice of the annual general meeting and extraordinary general meetings as the case may be. Once the Shares are listed, a press release in Danish and English with the notice in its entirety will also be announced ahead of each general meeting.

### **Right to attend general meetings**

All shareholders who are directly recorded in the share register maintained by Euroclear Sweden one week prior to the general meeting and who have notified the Company of their intention to participate in the general meeting not later than the date indicated in the notice of the general meeting are entitled to attend the general meeting and vote for the number of Shares they hold.

In addition to notifying the Company, shareholders whose Shares are nominee registered through a bank or other nominee must request that their Shares are temporarily registered in their own names in the register of shareholders maintained by Euroclear Sweden in order to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of the record date.

Shareholders may attend general meetings in person or by proxy and may be accompanied by a maximum of two assistants. It will normally be possible for shareholders to register for the general meeting in several different ways, as indicated in the notice of the meeting.

### **Shareholder initiatives**

Shareholders who wish to have an issue brought before the general meeting must submit a request in writing to the Board of Directors prior to the notice convening the annual general meeting. The request must normally be received by the Board of Directors not later than six weeks prior to the general meeting.

### **Resolutions by the General Meetings and Amendments to the Articles of Association**

Resolutions at general meetings shall be passed by a simple majority of votes cast unless otherwise prescribed by law or by our Articles of Association.

Adoption of changes to our Articles of Association, dissolution of the Company, merger or demerger requires that the resolution is adopted by at least two-thirds of the votes cast as well as of the share capital represented at the general meeting, unless applicable law prescribes stricter or less strict adoption requirements or applicable law confers specific authority to the Board of Directors or other bodies.

Resolutions to amend the Articles of Association are required by law to be made by the general meeting by at least two-thirds of the votes cast as well as of the share capital represented at the general meeting, may only be adopted by the general meeting if at least two-thirds of the total share capital is represented (quorum). If there is no quorum, the Board of Directors shall convene a new general meeting within 14 days on which the proposal may be adopted in accordance with the Articles of Association regardless of whether the requirement on quorum is satisfied or not.

The provisions in our Articles of Association relating to a change of the rights of shareholders or a change to the capital are not more stringent than required by the Danish Companies Act.

## **Nomination committee**

The Company has established a nomination committee, the purpose of which is to make proposals to the general meeting in respect of, the directors of the Board.

The nomination committee is a sub-committee under the Board of Directors. At the date of this Prospectus, it is composed of Bengt Sundström and Tim Frank Andersen.

Based on proposal from the Board of Directors the annual general meeting decides how the nomination committee shall be appointed. The composition of the nomination committee is announced no later than six months before the annual general meeting.

## **The Board of Directors' responsibilities and work**

The duties of the Board of Directors are set forth in the Danish Companies Act and the Company's Articles of Association. In addition to this, the work of the Board is guided by the Rules of Procedure for the Board of Directo-



rs, which the Board adopts annually. The Rules of Procedure for the Board of Directors govern the division of work and responsibility among the Board of Directors, its Chairman and the Chief Executive Officer and specify financial reporting procedures for the CEO. The Board also adopts instructions for the Board committees.

The Board of Directors' tasks include adopting strategies, business plans and budgets, interim reports, year-end financial statements and annual reports and setting instructions, policies and guidelines. The Board of Directors is also required to follow economic developments and ensure the quality of financial reporting and internal controls and evaluate operations on the basis of the objectives and guidelines set by the Board of Directors. Finally, the Board of Directors decides on Lauritz.com's major investments and changes in the Company's organisation and activities.

The Chairman of the Board of Directors is in charge of the work of the Board of Directors, responsible for ensuring that the Board of Directors work is carried out efficiently and that the Board of Directors fulfils its obligations in accordance with applicable laws and regulations. In particular, the Chairman shall, in close collaboration with the CEO, monitor the Company's performance and prepare and chair Board meetings. The Chairman is also responsible for ensuring that the Board of Directors evaluates its work each year and always receives the information necessary to perform its work effectively.

### **Board committees and committee work**

The Board of Directors has three committees: the Audit Committee, the Remuneration Committee and the Nomination committee. The Committees do not have any decision mandate, but shall prepare suggestions to be presented to the Board of Directors for approval, and in respect of the Nomination committee suggestions to the general meeting.

The Remuneration Committee is assigned to act as a committee for questions relating to remuneration principles, wages, benefits and compensation for the Board of Directors, the CEO and executives subordinate to the CEO and other key roles. This work includes, among other things, prepare action of the Board of Directors' proposal on guidelines for remuneration and other terms of employment for the CEO and other members of the Executive Board (for subsequent approval by the shareholders). Further, the work includes the preparation of proposals to the Board of Directors for resolutions regarding remuneration and other terms of employment on an individual basis for the CEO and

other members of the Executive Board, and proposals for resolutions on bonus schemes (i.e. variable remuneration schemes) and share or share price related incentive programme, if any. Furthermore, the Remuneration Committee shall monitor and evaluate the outcome of variable compensation schemes and the Company's compliance with remuneration guidelines adopted by the general meeting.

The Remuneration Committee shall be appointed by the Board of Directors among the directors elected by the shareholders' meeting, and shall consist of at least two members. The Chairman of the Board may chair the Remuneration Committee. The other members of the committee are to be independent of the Company and the Company's Executive Board. Currently, the Remuneration Committee consists of and Thomas Skovlund Schnegelsberg (chair) and Tim Frank Andersen.

The Audit Committee was established in December 2015 and is assigned to act as a committee for questions relating to risk assessment, internal control, internal auditing, accounting, financial reporting and auditing. The aim of the Audit Committee's work is to secure that principles adopted for financial reporting and internal control are observed, and that the Company has appropriate relations with its auditors. This work includes, among other things, supervision of the Company's procedures for monitoring compliance with rules in relation to the preparation and presentation of financial reports and other financial information. The Audit Committee shall also ensure that the financial information disclosed is correct, relevant, transparent and consistent and in compliance with applicable rules and regulations, as well as identify and supervise the handling of critical accounting and valuation issues and discuss these with the external auditors. In addition, the Audit Committee shall form an opinion regarding the Company's risk situation and assess whether the applied structure and policies for internal control and governance and compliance with laws and regulations are appropriate and efficient, and also annually evaluate the need for a separate internal audit function. The assessment of the risk situation and internal control shall be presented to the Board. The Audit Committee shall annually review the auditor's proposed scope and focus areas for the audit and ensure that the auditors are impartial and independent. The Audit Committee shall also evaluate the audit work and is responsible for the Company's relations with the auditors to coordinate the audit. Further, the Audit Committee shall issue reports to the Company's Nomination Committee on the evaluation of the audit and proposal for the election of an auditor.



The Audit Committee shall consist of at least two members. At least one member shall be independent in relation to the Company, management and major shareholders and have auditing or accounting proficiency. Currently, the Audit Committee consists of Bengt Sundström (chair) and John Tyrrestrup. The requirement in respect of accounting or auditing proficiency as set forth in the Danish Companies Act is satisfied.

The work of the committees is performed in accordance with written instructions for each committee and the work procedures for the Board of Directors, as adopted by the Board of Directors.

## Remuneration to the members of the Board of Directors and board committees

The table below shows the remuneration for 2015 to the Board of Directors in Lauritz.com A/S to the current members of the Board of Directors of Lauritz.com Group A/S.

Board member	Position	Board fees (DKK)	Compensation for committee work (DKK)
Bengt Sundström <sup>1</sup>	Chairman	200,000	0
Thomas Skovlund Schegelsberg	Member	75,000	0
Tim Frank Andersen	Member	75,000	0
John Tyrrestrup	Member	75,000	0
<b>Total</b>		<b>425,000</b>	<b>0</b>

1) In 2015 the Chairman of the Board of Directors chose not to receive any remuneration.

The annual general meeting in Lauritz.com A/S held on 29 February 2016 did not constitute any changes of the remuneration to the Board of Directors and resolved that the members of the Board of Directors, on annual basis, shall be entitled to remuneration as follows: an amount of DKK 200,000 shall be paid to the Chairman of the Board of Directors and DKK 75,000 each shall be paid to the other Board members. No remuneration shall be paid for committee work. The same remuneration is to be paid to the Board of Directors in Lauritz.com Group A/S. The board members will not receive separate remuneration for their seat in the board of Lauritz.com A/S. From time to time the Board of Directors can decide to employ individual board members as consultants for Lauritz.com if it is deemed necessary. In 2015 such consultants fees in the amount of DKK 2.4 million was paid.

## Executive Board

### Guidelines for remuneration of the chief executive officer and Executive Board

Lauritz.com's Board of Directors has adopted remuneration principles including overall guidelines on incentive pay,

which have been approved by the general meeting and are made available on Lauritz.com's website, [www.lauritz.com](http://www.lauritz.com). Any amendments to the remuneration principles including the overall guidelines on incentive pay will be presented to Lauritz.com's shareholders for approval at a general meeting.

The remuneration committee will assist Lauritz.com's Board of Directors in respect of matters regarding compensation, including making recommendations to Lauritz.com's Board of Directors regarding amendments to its remuneration principles including the overall guidelines on incentive pay. The contents of any incentive programmes will be described in the annual report in accordance with applicable rules and regulations.

### Current terms of employment for the chief executive officer and Executive Board

#### Remuneration

The Board of Directors decides on remuneration policies for the CEO. Such remuneration policies are in accordance with the Guidelines for Remuneration of the CEO, as adopted by the extra general meeting held on 26 May



2016. Matters of remuneration to the CEO shall be resolved by the Board of Directors.

The remuneration paid to the CEO, Mette Rode Sundstrøm, and to the other member of the Executive Board, Henrik Engmark, consists of fixed salary and variable compensation (bonus). The variable compensation consists of a bonus amounting to 3 % of the increased EBIT for the CEO and 6 % of the increased EBT for the other member of the Executive Board, Henrik Engmark. Irrespective of increase in the EBT, the COO is guaranteed a yearly bonus corresponding to two months' salary. In the event that the EBT reaches DKK 50 million in twelve consecutive months, the COO will that calendar year and every follo-

wing year be guaranteed a yearly bonus corresponding to three months' salary. The variable compensation for Henrik Engmark is, however, maximised to 100 % of his yearly salary. Moreover, the Executive Board members receive other benefits (such as car allowance and pension contributions). In the event the Company's shares or the shares in the Company's parent company are admitted to trading on Nasdaq First North Premier, the CEO's salary will be increased from DKK 1.8 million to DKK 2.1 million. The following table sets out the contractual remuneration and benefits to the CEO and the other member of the Executive Board for 2015.

Name	Fixed salary <sup>1</sup>	Variable compensation	Benefits / car allowance (DKK)	Pension costs <sup>2</sup>	Total
Mette Rode Sundstrøm (CEO)	1,800,000	3% of increased EBIT	157,064	90,000	2,047,064
Other members of the Executive Board (1 person)	1,582,920	6% of increased EBT (max 1,582,920)	112,748	79,146	1,774,814
<b>Total</b>					

1 In December 2015 the CEO chose not to receive any remuneration. Other benefits, such as company car and health insurance are provided in accordance with market standards.

2 All pension commitments to Executive Board are safeguarded through Nordea Pension. Consequently, there are no amounts set aside or accrued in the Company to provide pension or similar benefits to Executive Board.

### Other terms of employment

For the CEO, a notice period of twelve months applies if the employment is terminated by the Company. If the employment is terminated by the CEO, a notice period of three months applies. Furthermore, the CEO is bound by a non-competition clause for a period of twelve months after effective date of termination. The non-competition clause can only be upheld if the CEO terminates the employment or if the Company terminates the employment on reasonable grounds relating to the CEO. On the other hand, the non-competition clause is not enforceable if the CEO terminates the employment based on a breach of contract on behalf of the Company, or if the Company terminates the employment and the CEO has not given reasonable grounds for such termination.

For the COO, a notice period of twelve months applies if the employment is terminated by the Company. If the

employment is terminated by the COO, a notice period of three months applies. The CFO's employment may be terminated in accordance with the provisions in Danish Consolidated Salaried Employees Act no. 81 of 3 February 2009, as amended (the "Danish Salaried Employees Act"), however, mutually extended by two months.

Neither members of the Executive Board, nor members of the Board of Directors are entitled to agreed severance pay should their service contracts be terminated. However as the service contracts of CFO and other members of management are governed by Danish law, they are pursuant to the the Danish Salaried Employees Act, entitled to severance pay of one or three months' salary upon termination by the Company, subject to the other members of group management having been employed for twelve or 17 years, respectively.



# Memorandum of Association

## STIFTELSES-DOKUMENT

## MEMORANDUM OF ASSOCIATION

### Lauritz.com Group A/S

### Lauritz.com Group A/S

#### I. Navn og stiftere

#### Name and founders

##### I.1 Undertegnede stiftere

The undersigned founder

Mette Margrethe Rode Sundstrøm  
Bellevuevej 10  
2930 Klampenborg

Mette Margrethe Rode Sundstrøm  
Bellevuevej 10  
DK-2930 Klampenborg

Lauritz.com Holding A/S  
CVR-nr. 75559828  
c/o Lauritz.com  
Dynamovej II  
2860 Søborg

Lauritz.com Holding A/S  
Company reg. no. 75559828  
c/o Lauritz.com  
Dynamovej II  
2860 Søborg

har dags dato besluttet at stifte et aktieselskab med navnet

have on this date decided to incorporate a public limited company under the name of

Lauritz.com Group A/S.

Lauritz.com Group A/S.

#### 2. Stiftelsens retsvirkning og regnskabsmæssige virkning

#### The effective date of the incorporation

2.1 Stiftelsen skal have retsvirkning og regnskabsmæssig virkning fra tidspunktet for underskrivelsen af nærværende stiftelsesdokument.

The incorporation will take effect in general and for accounting purposes from the date on which this memorandum of association is signed.

#### 3. Selskabskapital og tegning

Share capital and subscription

3.1 Selskabet skal have en nominel selskabskapital på 3.600.000 DKK.

The Company should have a nominal share capital of 3,600,000 DKK.



3.2 Kapitalandelene tegnes til kurs 270,75 og indbetales ved apportindskud samtidig med underskrivelsen af nærværende stiftelsesdokument.

Apportindskuddet er nærmere beskrevet i vedlagte vurderingsberetning.

3.3 Nominelt DKK 180.000 kapitalandele tegnes af Mette Margrethe Rode Sundstrøm, og nominelt DKK 3.420.000 tegnes af Lauritz.com Holding A/S.

#### 4. Ledelse og revision

##### 4.1 Selskabet ledes af en bestyrelse bestående af:

Bengt Olof Tony Sundstrøm  
(formand)  
Bellevuevej 10  
2930 Klampenborg

Thomas Skovlund Schnegelsberg  
Jomfrubakken 23  
3500 Værløse

John Tyrrestrup  
Fridtjof Nansens Pl 3, 05. th.  
2100 København Ø

Tim Frank Andersen  
Søbakken 9, 1.  
2920 Charlottenlund

##### 4.2 Samt en direktion bestående af:

Mette Margrethe Rode Sundstrøm  
Bellevuevej 10  
2930 Klampenborg

Og

Henrik Engmark  
Langedamsti 3  
3460 Birkerød

The share capital is to be subscribed for at a subscription rate 270.75, and is paid by contribution in kind simultaneously with the signing of the memorandum of association.

The contribution in kind is described in the valuation report annexed to this memorandum of association.

Nominally DKK 180,000 shares are to be subscribed for by Mette Margrethe Rode Sundstrøm, and nominally DKK 3,420,000 shares are to be subscribed for by Lauritz.com Holding A/S.

#### Management and auditing

##### The Company is managed by a board of directors consisting of:

Bengt Olof Tony Sundstrøm  
(chairman)  
Bellevuevej 10  
2930 Klampenborg

Thomas Skovlund Schnegelsberg  
Jomfrubakken 23  
3500 Værløse

John Tyrrestrup  
Fridtjof Nansens Pl 3, 05. th.  
2100 Copenhagen Ø

Tim Frank Andersen  
Søbakken 9, 1.  
2920 Charlottenlund

##### And an executive board consisting of:

Mette Margrethe Rode Sundstrøm  
Bellevuevej 10  
2930 Klampenborg

And

Henrik Engmark  
Langedamsti 3  
3460 Birkerød





**4.3 Indtil selskabets første ordinære generalforsamling er som revisor udpeget:**

Deloitte Statsautoriseret  
Revisionspartnerselskab  
CVR-nr. 33963556  
Weidekampsgade 6  
2300 København S

**Until the first annual general meeting, the following auditor has been appointed:**

Deloitte Statsautoriseret Revisionspartnerselskab  
Company reg. no. 33963556  
Weidekampsgade 6  
2300 Copenhagen S

**5. Stiftelsesomkostninger**

**Costs relating to the incorporation**

5.1 Selskabet afholder omkostningerne ved stiftelsen, der forventes at udgøre DKK 10.000,00 ekskl. moms.

The Company is to pay the costs relating to the incorporation, which are estimated at DKK 10,000.00 exclusive of VAT.

**6. Vedtægter**

**Articles of association**

6.1 Selskabets vedtægter er vedlagt nærværende stiftelsesdokument.

The Company's articles of association are annexed to this memorandum of association.

**7. Stifternes underskrifter**

**Signatures of the founders**

Som stiftere/as founders

Dato/date: 20 April 2016

-----  
Mette Margrethe Rode Sundstrøm

Dato/date: 20 April 2016

For Lauritz.com Holding A/S:

-----  
Bengt Olof Tony Sundstrøm



# Articles of association

VEDTÆGTER  
**ARTICLES OF ASSOCIATION**

LAURITZ.COM GROUP A/S

CVR-nr./registration no. 37 62 75 42

26 May 2016



<p><b>1. Selskabets navn</b></p> <p>1.1 Selskabets navn er Lauritz.com Group A/S.</p> <p><b>2. Selskabets hjemsted</b></p> <p>2.1 Selskabets hjemsted er Gladsaxe Kommune.</p> <p><b>3. Selskabets formål</b></p> <p>3.1 Selskabets formål er at eje aktierne i Lauritz.com A/S og yderligere udvikle den auktions- og kursusvirksomhed som Lauritz.com A/S driver, samt dermed beslægtede aktiviteter efter bestyrelsens skøn.</p> <p><b>4. Selskabets kapital</b></p> <p>4.1 Selskabets aktiekapital er kr. 3,600,000 fordelt i aktier á kr. 0,10.</p> <p><b>5. Bemyndigelser</b></p> <p>5.1 Bestyrelsen bemyndiges til i tiden indtil den 31. marts 2021 at udvide Selskabets aktiekapital af én eller flere gange med indtil 10.000.000 aktier á kr. 0,10 til markedskurs uden fortegningsret for de hidtidige aktionærer. Sådant kapitalforhøjelse kan gennemføres ved kontant forhøjelse, gældskonvertering eller indskud af andre værdier end kontanter.</p> <p>5.2 Bestyrelsen bemyndiges i tiden indtil 31. marts 2021 at udvide Selskabets aktiekapital af én eller flere gange med fortegningsret for de hidtidige aktionærer med indtil 10.000.000 aktier á kr. 0,10.</p>	<p><b>1. The Company's name</b></p> <p>1.1 The name of the Company is Lauritz.com Group A/S</p> <p><b>2. Registered Office</b></p> <p>2.1 The Company's registered office is situated in the municipality of Gladsaxe.</p> <p><b>3. Objects</b></p> <p>3.1 The objects for which the Company has been established are to own the shares in Lauritz.com A/S and to further develop the business of Lauritz.com A/S, including operation for auction and educational business and such other businesses deemed incidental to the attainment of such objects.</p> <p><b>4. Share capital</b></p> <p>4.1 The Company's share capital is DKK 3,600,000, divided into shares of DKK 0.10.</p> <p><b>5. Authorisations</b></p> <p>5.1 Until 31 March 2021, the Board of Directors shall be authorised to increase the Company's share capital in one or more transactions by up to 10,000,000 shares of DKK 0.10 at market value without the existing shareholders having any pre-emption rights. Such increase in share capital can be by cash payment, conversion of debt or by contribution of other assets than cash.</p> <p>5.2 Until 31 March 2021 the Board of Directors shall be authorised to increase the Company's share capital in one or more transactions by up to 10,000,000 shares of DKK 0.10 with the existing shareholders having pre-emption rights.</p>
---	---



- |   |   |
|---|---|
| <p>5.3 Bestyrelsen bemyndiges i henhold til selskabslovens § 155 til ad en eller flere gange i tiden indtil den senest 31. marts 2021, at træffe beslutning om at udstede aktietegningsoptioner (warrants) til direktionen og bestyrelsen i selskabet, samt til medarbejdere i selskabet og koncernen, samt til partnere, der deltager i koncernens franchise koncept og ansatte hos disse partnere med indtil 1.200.000 aktier á kr. 0,10 uden fortegningsret for de hidtidige aktionærer efter nærmere af generalforsamlingen eller bestyrelsen fastsatte retningslinjer, samt til at foretage den dertilhørende forhøjelse af selskabets aktiekapital.</p> | <p>5.3 Under s. 155 of the Danish Companies Act, the Board of Directors is authorised to pass a resolution to issue warrants in one or more transactions until 31 March 2021 at the latest to the Executive Management and the Board of Directors of the Company and employees in the Company and the group, and to partners who participate in the group's franchise concept and employees of these partners by up to 1.200.000 shares of DKK 0.10 without the existing shareholders having any pre-emption rights in accordance with the specific guidelines drawn up by the annual general meeting or the Board of Directors and effect the related increase of the Company's share capital.</p> |
| <p>5.4 For alle de nye aktier skal i øvrigt gælde de samme regler som for de hidtidige aktier i Selskabet. Aktierne skal lyde på navn og skal være noteret på navn i Selskabets ejerbog og være omsætningspapirer. Aktierne skal være underkastet de samme regler om fortegningsret, stemmeret og indløselighed som de hidtidige aktier.</p>  | <p>5.4 All new shares shall be subject to the same rules as the existing shares of the Company. The shares shall be registered in the name of the holder in the Company's register of shareholders and shall be negotiable instruments. The shares shall be subject to the same rules on pre-emption rights, voting rights and redeemability as the existing shares.</p>  |
| <p><b>6. Aktier</b></p>   | <p><b>6. Shares</b></p>   |
| <p>6.1 Aktiekapitalen er fuldt indbetalt.</p>   | <p>6.1 The share capital has been fully paid-up.</p>  |
| <p>6.2 Aktierne udstedes gennem en værdipapircentral.</p>   | <p>6.2 The shares shall be issued through a securities centre.</p>  |
| <p>6.3 Ingen aktionær er forpligtet til at lade sine aktier indløse helt eller delvist.</p>   | <p>6.3 No shares are to be redeemed or are to be liable to be redeemed, neither wholly nor partially.</p>   |
| <p>6.4 Ingen aktier har særlige rettigheder.</p>  | <p>6.4 No shares shall confer any special rights.</p>   |
| <p>6.5 Aktierne er omsætningspapirer.</p>   | <p>6.5 The shares are negotiable instruments.</p>   |



6.6	Selskabets ejerbog føres af Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sverige.	6.6	Euroclear Sweden AB, reg. no. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden shall keep the Company's register of shareholders.
<b>7.</b>		<b>7.</b>	
7.1	Udbytte udbetales gennem en Værdipapircentral efter de herom fastsatte regler.	7.1	Dividends shall be distributed through a Securities Centre according to applicable rules.
<b>8.</b>	<b>Generalforsamlinger</b>	<b>8.</b>	<b>General meetings</b>
8.1	Generalforsamlinger afholdes i Selskabets hjemstedskommune, i Nordsjælland, i Storkøbenhavn eller i Stockholm.	8.1	General meetings shall be held in the municipality in which the Company has its registered office, in North Zealand, in Greater Copenhagen or in Stockholm.
8.2	Generalforsamlinger indkaldes af bestyrelsen tidligst 4 uger og senest 2 uger før generalforsamlingen via Selskabets hjemmeside.	8.2	General meetings shall be convened by the Board of Directors no less than two weeks and no more than four weeks prior to the general meeting via the Company's website.
8.3	Indkaldelsen skal indeholde dagsordenen for generalforsamlingen. Hvis der foreligger forslag, hvis vedtagelse kræver særlig majoritet, skal dette fremhæves i indkaldelsen, og forslagens væsentligste indhold angives heri.	8.3	The notice of the general meeting shall include the agenda for the meeting. If any proposals require adoption by qualified majority, it shall be specified in the notice, and the most important aspects of the proposal shall also be specified in the notice.



8.4 Senest 2 uger før hver generalforsamling skal dagsordenen og de fuldstændige forslag, der agtes fremsat, samt for den ordinære generalforsamlings vedkommende tillige den reviderede årsrapport samt eventuelt koncernregnskab, gøres tilgængelige til eftersyn for aktionærerne på Selskabets hjemmeside [www.lauritz.com](http://www.lauritz.com).

Dagsordenen og de fuldstændige forslag, samt for den ordinære generalforsamlings vedkommende tillige den reviderede årsrapport samt eventuelt koncernregnskab skal samtidig udsendes til enhver navnenoteret aktionær, som har fremsat begæring herom.

9.

9.1 Den ordinære generalforsamling afholdes senest 5 måneder efter regnskabsårets udløb.

8.4 No later than two weeks prior to any general meeting, the agenda and the complete proposals and, in case of annual general meetings, the audited annual report, and the consolidated accounts, if any, shall be made available for inspection by the shareholders at the Company's website [www.lauritz.com](http://www.lauritz.com).

The agenda and the complete proposals and, in case of annual general meetings, the audited annual report, and the consolidated accounts, if any, shall also be forwarded to any registered shareholder upon request.

9.

9.1 The annual general meeting shall be held within five months from the end of the financial year.



- |   |   |
|---|---|
| <p>9.2 Dagsordenen for den ordinære generalforsamling skal omfatte:</p> <p>(1) Valg af dirigent</p> <p>(2) Bestyrelsens beretning om Selskabets virksomhed.</p> <p>(3) Forelæggelse af årsrapporten til godkendelse.</p> <p>(4) Beslutning om anvendelse af overskud eller dækning af tab i henhold til den godkendte årsrapport.</p> <p>(5) Valg af formand.</p> <p>(6) Valg af næstformand.</p> <p>(7) Valg af medlemmer til bestyrelsen.</p> <p>(8) Valg af en revisor.</p> <p>(9) Eventuelle forslag fra bestyrelse eller aktionærer.</p> | <p>9.2 The agenda for the annual general meeting shall include:</p> <p>(1) Election of Chairman of the general meeting</p> <p>(2) The Board of Directors' report on the activities of the Company.</p> <p>(3) Presentation for adoption of the annual report and accounts.</p> <p>(4) Resolution on the appropriation of profits or provision for losses in accordance with the adopted report and accounts.</p> <p>(5) Election of Chairman of the Board of Directors.</p> <p>(6) Election of Vice-chairman of the Board of Directors</p> <p>(7) Election of members of the Board of Directors.</p> <p>(8) Appointment of one auditor.</p> <p>(9) Any proposals submitted by the Board of Directors or shareholders.</p> |
| <p>9.3 Aktionærerne er berettiget til at få et eller flere bestemt angivne emner optaget på dagsordenen til den ordinære generalforsamling, såfremt bestyrelsen skriftligt har modtaget krav herom senest 6 uger før generalforsamlingen.</p>   | <p>9.3 Any shareholder shall be entitled to have one or more items included in the agenda for the ordinary general meeting, provided that the shareholder submits a written request to that effect to the Company's Board of Directors no later than six weeks before the general meeting.</p>  |



- |  |   |
|--|---|
| <p><b>10.</b></p> <p>10.1 Ekstraordinære generalforsamlinger afholdes efter en generalforsamlings, bestyrelsens eller den generalforsamlingsvalgte revisors beslutning eller efter skriftlig anmodning til bestyrelsen fra aktionærer, der ejer mindst 5 procent af aktiekapitalen. Aktionærernes anmodning skal indeholde angivelse af, hvad der ønskes behandlet på generalforsamlingen. Senest 2 uger herefter skal indkaldelse hertil foretages af bestyrelsen.</p>  | <p><b>10.</b></p> <p>10.1 Extraordinary general meetings shall be held upon requisition from the general meeting, the Board of Directors or the auditor elected by the general meeting or at the written request for transaction of special business of shareholders holding no less than 5 per cent of the share capital. The shareholders' request shall specify the business to be transacted at the general meeting. Within 14 days thereafter, the general meeting shall be convened by the Board of Directors.</p>  |
| <p><b>11.</b></p> <p>11.1 En aktionærs ret til at deltage i og afgive stemmer på generalforsamlingen fastsættes i forhold til de aktier, som den pågældende besidder på registreringsdatoen. Registreringsdatoen ligger 1 uge før generalforsamlingens afholdelse. Deltagelse i generalforsamlingen forudsætter tillige, at aktionæren har anmodet om adgangskort til den pågældende generalforsamling senest 3 dage forud for afholdelsen. Adgangskort udstedes til den, der ifølge ejerbogen er noteret som aktionær på registreringsdatoen, eller som Selskabet pr. registreringsdatoen har modtaget behørig meddelelse fra med henblik på indførsel i ejerbogen.</p> | <p><b>11.</b></p> <p>11.1 A shareholder's right to attend and vote at general meetings shall be determined on the basis of such shareholder's holding of shares on the record date, i.e., one week prior to the general meeting. A shareholder's attendance at general meetings is furthermore subject to such shareholder having requested an admission card for the relevant general meeting no later than three days prior to the date of the general meeting. Admission cards are issued to any such person who according to the register of shareholders is registered as a shareholder on the record date or who has duly reported his shareholding to the Company as at the record date for purposes of entry in the register of shareholders.</p> |
| <p><b>12.</b></p> <p>12.1 Generalforsamlingen ledes af en dirigent, der vælges af generalforsamlingen.</p> <p>12.2 Over det på en generalforsamling passerede indføres beretningen i en protokol, der underskrives af dirigenten og de tilstedeværende medlemmer af bestyrelsen.</p>   | <p><b>12.</b></p> <p>12.1 The general meeting shall be presided over by a chairman elected by the general meeting.</p> <p>12.2 The business transacted at the general meeting shall be entered into a minute book signed by the Chairman and all members of the Board of Directors present at the meeting.</p>  |





### 13. Stemmeret

13.1 Stemmeret på generalforsamlinger har enhver aktie, for hvilken vedkommende aktionær har forsynet sig med adgangskort i henhold til pkt. 11.1.

### 14.

14.1 På generalforsamlingen giver hvert aktiebeløb på kr. 0,10,- én stemme.

### 15.

15.1 Alle beslutninger på generalforsamlinger vedtages med simpelt stemmeflertal, medmindre selskabsloven foreskriver særlige regler om repræsentation og majoritet.

### 16. Bestyrelse

16.1 Selskabet ledes af en bestyrelse, der vælges af generalforsamlingen.

16.2 Bestyrelsen består af formanden, næstformanden og yderligere 3-7 medlemmer, der alle vælges for 1 år ad gangen. Genvælg kan finde sted.

16.3 Generalforsamlingen fastsætter bestyrelsens honorar.

16.4 Bestyrelsen kan ikke uden generalforsamlingens samtykke sælge aktierne i selskabets datterselskab Lauritz.com A/S eller frasælge en større del af eller afvikle hovedparten af Lauritz.com A/S aktiviteter.

### 13. Voting rights

13.1 Each share confers a voting right upon the holder at general meetings provided that the shareholder has procured an admission card pursuant to article 11.1.

### 14.

14.1 At the general meeting, each share of DKK 0.10 shall confer one vote upon the holder.

### 15.

15.1 Any resolution on business transacted at the general meetings shall be passed by simple majority unless the Danish Companies Act lays down special rules on representation and majority.

### 16. Board of Directors

16.1 The Company shall be managed by a board of directors elected at the general meeting.

16.2 The Board of Directors shall consist of the chairman, the vice-chairman and additional 3-7 members, who shall all be elected for a term of one year. The members are eligible for re-election.

16.3 The shareholders shall fix the fee paid to the Board of Directors at the general meeting.

16.4 The Board of Directors cannot sell the shares in the company's subsidiary Lauritz.com A/S or sell or wind up the main part of the business in Lauritz.com A/S without the prior approval of the general meeting.



<b>17.</b>		<b>17.</b>	
17.1	Over bestyrelsens forhandlinger føres en protokol, der underskrives af samtlige tilstedeværende medlemmer.	17.1	Minutes of business transacted at the board meetings shall be entered into a book to be signed by all directors present at such meetings.
17.2	I tilfælde af stemmelighed er formandens stemme afgørende.	17.2	In case of equality of votes the Chairman shall cast the decisive vote.
17.3	Bestyrelsen kan meddele prokura enkel eller kollektiv.	17.3	The Board of Directors may grant separate or joint power of procuration.
17.4	Bestyrelsen fastsætter i øvrigt en nærmere forretningsorden for sit hverv.	17.4	The Board of Directors shall lay down rules of procedure specifying the performance of its duties.
17.5	Bestyrelsen udpeger en direktion bestående af 1-5 direktører.	17.5	The Board of Directors shall appoint an Executive Management consisting of 1-5 executives.
17.6	Selskabet har vedtaget overordnede retningslinjer for incitamentsaf lønning af bestyrelsen og direktionen, jf. selskabslovens § 139. Retningslinjerne, der er godkendt af generalforsamlingen, er tilgængelige på selskabets hjemmeside	17.6	The Company has adopted general guide-lines for incentive-based remuneration of the Board of Directors and the Executive Board under section 139 of Companies Act. The guidelines having been approved by the general meeting are available on the company website.
<b>18.</b>	<b>Meddelelser</b>	<b>18.</b>	<b>Notices</b>
18.1	Selskabet kan give alle meddelelser til Selskabets aktionærer i henhold til selskabsloven eller disse vedtægter ved elektronisk post, ligesom dokumenter kan fremlægges eller sendes elektronisk.	18.1	The Company shall be entitled to give any notices to the Company's shareholders to be given under the Danish Companies Act or these Articles of Association by electronic mail, and documents may be made available or forwarded in electronic form.
18.2	Selskabets direktion anmoder Selskabets navne-noterede aktionærer om en elektronisk post-adresse, hvortil meddelelser, kan sendes. Alle aktionærer skal sikre, at Selskabet er i besiddelse af den korrekte elektroniske postadresse, og den enkelte aktionær skal løbende sørge for at ajourføre denne.	18.2	The Executive Committee will ask all shareholders recorded in the Company's register of shareholders to provide their current email addresses to which notices etc., may be given. It is the responsibility of the shareholder to provide the Company with a correct and current email address.
<b>19.</b>	<b>Tegningsret</b>	<b>19.</b>	<b>Power to bind the Company</b>



19.1 Selskabet tegnes af bestyrelsens formand i for-  
ening med en direktør, af to direktører i for-  
ening eller af den samlede bestyrelse.

19.1 The Company shall be bound by the joint signa-  
tures of the Chairman of the Board of Directors  
and any one member of the Executive Manage-  
ment, the joint signatures of two members of the  
Executive Management or by the joint signatures  
of the entire Board of Directors.

**20. Revisor**

**20. Auditor**

20.1 Generalforsamlingen vælger en statsautoriseret  
revisor til at revidere Selskabets årsrapport.

20.1 The general meeting shall elect one stateautho-  
rised public accountant to audit the Company's  
annual report.

20.2 Revisor vælges for ét år ad gangen. Genvalg kan  
finde sted.

20.2 The auditor shall be appointed for a term of  
one year. The auditors are eligible for re-elec-  
tion.



# Shares, share capital and ownership structure

## Share information

Under the Company's articles of association, the share capital is DKK 3,600,000, divided into 36,000,000 Shares. The Company has one class of Shares.

The Company's Shares and registered share capital are denominated in DKK. The Company's registered share capital as of the date of this Prospectus is DKK 3,600,000, represented by 36,000,000 Shares. Each Share has a quota value of DKK 0.10. The Shares have been issued in accordance with Danish law and have been fully paid.

The ISIN code for the Shares is DK0060733368.

The share capital and numbers of Shares will change in connection with the Offering. See "*Certain rights attached to the Shares—Share capital history and developments in connection with the Offering*". The Shares are freely transferable.



# Certain rights attached to the Shares

The rights associated with the Shares, including those set out in the Company's Articles of Association, can only be changed in accordance with the procedures set forth in the Danish Companies Act.

## Voting rights

At general meetings of shareholders, each Share carries one vote. Each shareholder is entitled to vote for the full number of Shares such shareholder holds, without limitation on voting rights. See "*Corporate governance—General meetings*" for a further description of the Company's general meetings of shareholders.

## Preferential rights to new Shares

If Lauritz.com issues new shares, warrants or convertibles in a cash issue, the holders of Shares have preferential rights to subscribe for such securities in proportion to the number of Shares held prior to the issue. Nothing in the Company's Articles of Association restricts the Company's ability to issue new Shares, warrants or convertibles with deviation from the shareholders' preferential rights as pro-

vided for in the Danish Companies Act. See also "*Articles of association*".

## Rights to dividend and liquidation proceeds

The Shares carry equal rights to dividends and equal rights to the Company's assets and potential surplus in the event of liquidation. See also "*Dividends and dividend policy*".

## Warrants, convertible loans and share-based incentive programs

The Company has no outstanding warrants, convertible loans or share-based incentive programs.

## Share capital history and developments in connection with the Offering

The table below summarises the historic developments of the share capital and the share capital developments in connection with the Offering.

Year	Event	Change in number of Shares	Total number of Shares	Change in share capital (DKK)	Share capital (DKK)	Quota value (DKK)
2016	Incorporation	36,000,000	36,000,000	3,600,000	3,600,000	3,600,000
2016	New Issue	4,666,667	40,666,667	466,666.70	4,066,666.70	4,066,666.70

## Lock-up agreements

The Selling Shareholder will undertake not to transfer, or make certain other dispositions its holding without consent from the Global Coordinator during 180 days after trading of the Shares on Nasdaq First North Premier has commenced, however the lock-up restriction shall not apply in respect of any Shares redelivered by the Global Coordinator to the Selling Shareholder following stabilising activities. (the "**Lock-up Period**").

Further, the CEO of the Company will undertake not to transfer, or make certain other dispositions of its holding without consent from the Global Coordinator during 360 days after trading of the Shares on Nasdaq First North Premier has commenced.

Under the Placing Agreement, the Company will also agree, during a period of 180 days from the first day of trading on Nasdaq First North Premier, not to submit to its shareholders any proposal for a capital increase that would enable it to, or otherwise take any action to, directly or

indirectly, issue, offer, sell, contract to sell or otherwise dispose of shares of the Company or any securities of the Company that are substantially similar to the Shares, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, shares of the Company or any such substantially similar securities; nor to purchase or sell any option or other security or enter into any swap, hedge or other agreement that would have similar economic consequences to the foregoing (except for the sale of Shares pursuant to the Offering, grants and issuances of rights to receive Shares or similar awards under a long term incentive plan and shares purchased by the Company as part of the Company's buy-back program to ensure the Company or the Subsidiary, as the case may be, can use shares in the Company as payment in acquisitions of new auctions houses or companies) without the prior written consent of the Global Coordinator.

For further information, see "Legal considerations and supplementary information—Placing agreement".

## Central securities depository affiliation

The Company's Articles of Association contain a central securities depository clause, and the Shares are registered

with Danish VP Securities A/S and mirrored in book-entry form in the central securities depository register operated by Euroclear Sweden, the Swedish central securities depository (Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden). The Shares are registered on person. No share certificates are issued with respect to the Shares. The ISIN code for the Shares is DK0060733368.

## Ownership structure

Upon completion of the Offering, the Selling Shareholder will hold in the aggregate approximately 59.2 % of Lauritz.com's Shares or 50.6 %, if the Offering is fully extended and the Overallotment Option is exercised in full. Consequently, the Selling Shareholder will continue to have significant influence over the Company after the Offering. See "Risk factors—Risks relating to the Offering and the Shares—The Selling Shareholder may continue to exercise considerable influence over Lauritz.com and its operations and the interests of the Selling Shareholder may conflict with those of Lauritz.com's other shareholders".

The following table sets forth certain information regarding the ownership of the Shares on an actual basis and as adjusted to give effect to the sale of Shares in the Offering.

Shareholder	Shares held before the Offering		Shares held after the Offering (if the Offering is not increased and the Overallotment Option is not exercised)		Shares held after the Offering (if the Offering is increased in full, but the Overallotment Option is not exercised)		Shares held after the Offering (if the Offering is increased in full and the Overallotment Option is exercised in full)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Selling Shareholder	34,200,000	95	24,078,788	59.2	22,230,303	54.7	20,566,667	50.6
Mette Rode Sundstrøm	1,800,000	5	1,800,000	4.4	1,800,000	4.4	1,800,000	4.4
Bure Equity AB (publ)	-	-	4,595,333	11.3	4,595,333	11.3	4,595,333	11.3
Swedbank Robur Fonder AB	-	-	3,253,333	8.0	3,253,333	8.0	3,253,333	8.0
Catella Fondförvaltning AB	-	-	3,050,000	7.5	3,050,000	7.5	3,050,000	7.5
Rite Internet Ventures Holding AB	-	-	2,033,333	5.0	2,033,333	5.0	2,033,333	5.0
Other new shareholders <sup>1</sup>	-	-	1,855,879	4.6	3,704,364	9.1	5,368,000	13.2
<b>Total</b>	<b>36,000,000</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>	<b>40,666,667</b>	<b>100</b>

<sup>1</sup> The shareholders in Karlstad-Hammarö Auktionsverk AB will as partial payment in connection with Lauritz.com acquisition of the company receive 166,667 Shares



## Dilution

New Shares corresponding to a nominal value of DKK 466,666.70 will be issued, whereby the total number of Shares and votes will increase from 36,000,000 to 40,666,667, corresponding to a dilution of approximately 13 % of the capital and votes (based on number of Shares prior to the Offering).

## Authorisation to Increase the Share Capital

The Board of Directors has pursuant to the Company's Articles of Association been granted authorisation to increase the Company's share capital.

In accordance with article 5.1 of our Articles of Association, the Board of Directors is, until 31 March 2021, authorised to increase the share capital of the Company in one or more issues without pre-emption rights for the existing shareholders of the Company by up to a nominal amount of DKK 1,000,000 by cash payment, conversion of debt or by contribution of other assets than cash. Any capital increase shall take place at market price.

Further, in accordance with article 5.2 of the Company's Articles of Association, the Board of Directors is, until 31 March 2021, authorised to increase the share capital of the Company in one or more issues with pre-emption rights for the existing shareholders of the Company by up to a nominal amount of DKK 1,000,000 by cash payment in connection therewith.

Further, in accordance with article 5.3 of the Company's Articles of Association, the Board of Directors is, until 31 March 2021, authorised to increase the share capital of the Company in one or more issues without pre-emption rights for the existing shareholders of the Company by up to a nominal amount of DKK 120,000 by cash payment in connection with an issue of new shares for the benefit of the Company's employees and/or employees of its subsidiaries. The new shares shall be issued against cash payment at a subscription price to be determined by the Board of Directors, which may be below the market price.

Shares issued pursuant to the Board of Directors' authorisations shall be issued in the name of the holder and shall be recorded in the holder's name in the Company's register of shareholders, shall be negotiable instruments, and shall in every respect carry the same rights as the existing Shares.

## Authorisation to Acquire Treasury Shares

The Board of Directors is authorised in the period until the annual general meeting in 2020 to approve the acquisition of treasury shares, on one or more occasions, with a total nominal value of up to 10 % of the share capital of the Company, subject to the Company's holding of treasury shares after such acquisition not exceeding 10 % of the Company's share capital. The consideration may not deviate more than 10% from the official price quoted on Nasdaq First North Premier at the time of the acquisition.

The Company does not hold any treasury shares as of the date of this Prospectus, but have agreed with the Selling Shareholder to acquire 166,667 Shares corresponding to 0.4 % of the Company's share capital from the Selling Shareholder at a price per Share equal to the Offer Price in connection with the Offering in order for the Company to meet certain of its obligations in connection with acquisitions. See "*Operating and financial review – Investment Activity*".

## Transfer of Shares

The Shares are negotiable instruments and no restrictions under Danish law apply to the transferability of the Shares. See "*Information to investors in jurisdictions outside of Denmark and Sweden – Selling Restrictions*" and "*Transfer Restrictions*" for certain restrictions applicable to the Offer Shares.

## Pre-emption Rights

Under Danish law, the Company's shareholders generally have pre-emption rights if the general meeting of the Company resolves to increase the share capital by cash payment. However, the pre-emption rights of the shareholders may be derogated from by a majority comprising at least two-thirds of the votes cast and of the share capital represented at the general meeting if the share capital increase is made at market price. The Board of Directors is authorised to increase the Company's share capital in one or more issues at market price without pre-emption rights to the Company's shareholders. See "*Authorisation to Increase the Share Capital*".

The exercise of pre-emption rights may be restricted for shareholders resident in certain jurisdictions, including but not limited to the United States, Canada, Japan and



Australia, unless the Company's decides to comply with applicable local requirements. Consequently, U.S. holders and certain other holders of Shares may not be able to exercise their pre-emption rights or participate in a rights offer, as the case may be, unless a registration statement under the U.S. Securities Act is effective with respect to such rights or an exemption from the registration requirements is available.

The Company intends to evaluate at the time of any issue of Shares subject to pre-emption rights or in a rights offer, as the case may be, the cost and potential liabilities associated with complying with any local requirements, including any registration statement in the United States, as well as the indirect benefits to the Company's of enabling the exercise of non-Danish shareholders of their pre-emption rights to Shares or participation in any rights offer, as the case may be, and any other factors considered appropriate at the time, and then to make a decision as to whether to comply with any local requirements, including filing any registration statement in the United States. No assurances are given that local requirements will be complied with or that any registration statement would be filed in the United States so as to enable the exercise of such holders' pre-emption rights or participation in any rights offer.

## Redemption and Conversion Provisions

Except as provided for in the Danish Companies Act, see "*Information to investors in jurisdictions outside of Denmark and Sweden – Mandatory Redemption of Shares*", no shareholder is under an obligation to have his Shares redeemed in whole or in part by the Company or by any third party, and none of the Shares carry any redemption or conversion rights or any other special rights.

## Dissolution and Liquidation

In the event of dissolution and liquidation, the Company's shareholders are entitled to participate in the distribution of assets in proportion to their nominal shareholdings after payment of its creditors.

## Indication of Takeover Bids

No takeover offers have been made by any third party in respect of the Company's Shares during the past or current financial years.

The Company's Articles of Association do not contain provisions that are likely to have the effect of delaying, deferring or preventing a change of control of us.





# Dividends and dividend policy

## General

Holders of Lauritz.com Group A/S' Shares will be entitled to receive future dividends, including any dividends declared in respect of the year ended 31 December 2016 and in respect of any subsequent period, provided dividends are declared.

## Dividend policy

Decisions relating to dividend proposals take into account the Company's future earnings, financial position, capital requirements and the macro environment. There can be no assurances that in any given year a dividend will be proposed or declared.

Any future dividend payments from Lauritz.com Group A/S will originate from Lauritz.com A/S. The terms of the Bond restrict Lauritz.com A/S's ability to propose and declare dividends to Lauritz.com Group A/S. Under the terms of the Bond, Lauritz.com A/S may, among other things, not pay any dividends, provided however, that any Restricted Payment can be made, if such Restricted Payment is permitted by law and no event of default is continuing or would result from such Restricted Payment and to the extent the aggregated amount of all Restricted Payments in a financial year does not exceed 25 % of the Lauritz.com A/S group's consolidated net profit according to the audited annual financial statements for the previous year.

## Dividends under Danish law

In accordance with the Danish Companies Act, dividends, if any, are declared with respect to a financial year at the annual general meeting of shareholders in the following year, at the same time as the statutory annual report, which includes the audited financial statements, for that financial year, is approved.

Further, the general meeting may resolve to distribute interim dividends or authorise the Board of Directors to decide on the distribution of interim dividends. Any resolution to distribute interim dividends adopted within six months after the date of the statement of financial position as set out in the Company's latest adopted annual report

shall be accompanied by the statement of financial position from the Company's latest annual report or an interim statement of financial position, which must be reviewed by the Company's auditor. If the resolution to distribute interim dividends is adopted more than six months after the date of the statement of financial position as set out in the Company's latest adopted annual report, an interim statement of financial position must be prepared and reviewed by the Company's auditor. The statement of financial position or the interim statement of financial position, as applicable, must show that sufficient funds are available for distribution.

Dividends may not exceed the amount recommended by the Board of Directors for approval by the general meeting. Moreover, dividends and interim dividends may only be made out of distributable reserves and must not exceed what is considered sound and adequate with regard to the financial condition of the Company, or be to the detriment of its creditors, and otherwise must satisfy such other factors as the Board of Directors may deem relevant.

As of the date of this Prospectus, the Board of Directors has not been authorised by its general meeting to distribute interim dividends.

## Recent dividends

In 2015, the Board of Directors of Lauritz.com A/S proposed to distribute ordinary dividends amounting to DKK 2 million in cash (equal to DKK 33.22 per Share) based on the annual report form 2014. The proposal was approved at the annual general meeting held on 15 April 2015.

In 2014, the Board of Directors of Lauritz.com A/S proposed to distribute ordinary dividends amounting to DKK 11.5 million in cash (equal to DKK 191.67 per Share) based on the annual report form 2013. The proposal was approved at the annual general meeting held on 27 May 2014.

In 2013, the Board of Directors of Lauritz.com A/S proposed to distribute ordinary dividends amounting to DKK 15 million in cash (equal to DKK 250.00 per Share) based on the annual report form 2012. The proposal was approved at the annual general meeting held on 5 March 2013.



## Payment of dividends

Dividends, if any, will be paid in accordance with the rules of Euroclear Sweden, but may also be paid in kind. The Company declares dividends in DKK and the final payment of dividends to shareholders by Euroclear Sweden will be made in SEK, provided that SEK can be received on the shareholder's account. Shareholders with nominee-registered shareholdings should contact their nominees with respect to the dividend payment currency.

On the record date established by the general meeting, holders recorded as owners of Shares in the register of shareholders maintained by Euroclear Sweden will be entitled to receive dividends. If a shareholder cannot receive payment through Euroclear Sweden, such shareholder still retains its claim to the dividend amount, and the claim remains against the Company. Dividends not claimed by shareholders will be forfeited in favour of the Company, normally after three years, under the general rules of Danish law or statute of limitations. Neither the Danish Companies Act nor the Company's Articles of Association contain any restrictions regarding dividend rights of shareholders outside Denmark. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders resident in Denmark. However, shareholders with limited tax liability in Denmark are normally subject to Danish withholding tax. For a discussion of withholding taxes on the payment of dividends, see "*Taxation*".

## Share buyback

Share buybacks, if any, may only be carried out by the Company's Board of Directors using funds that could have been distributed as dividends at the latest annual general meeting pursuant to the Danish Companies Act. Any share buyback shall as a main rule be carried out in accordance with an authorisation granted by the general meeting. The authorisation shall be granted for a specific period of time which may not exceed five years. The authorisation shall specify the maximum permitted value of treasury shares as well as the minimum and maximum amount that the Company's may pay as consideration for such shares.

As of the date of this Prospectus, the Company's Board of Directors has been authorised to carry out share buybacks, see "*Description of the Shares and Share Capital—Authorisation to Acquire Treasury Shares*".



# Legal considerations and supplementary information

## General corporate information

Lauritz.com Group A/S is a Danish public limited liability company incorporated on 20 April 2016 and registered with the Danish Companies Registration Office on 20 April 2016. The Company's current name (and trading name), Lauritz.com Group A/S, was registered on 20 April 2016. The registered office is situated in Søborg, Denmark and the Company's corporate identity number is 37 62 75 42. The business is conducted in accordance with the Danish Companies Act.

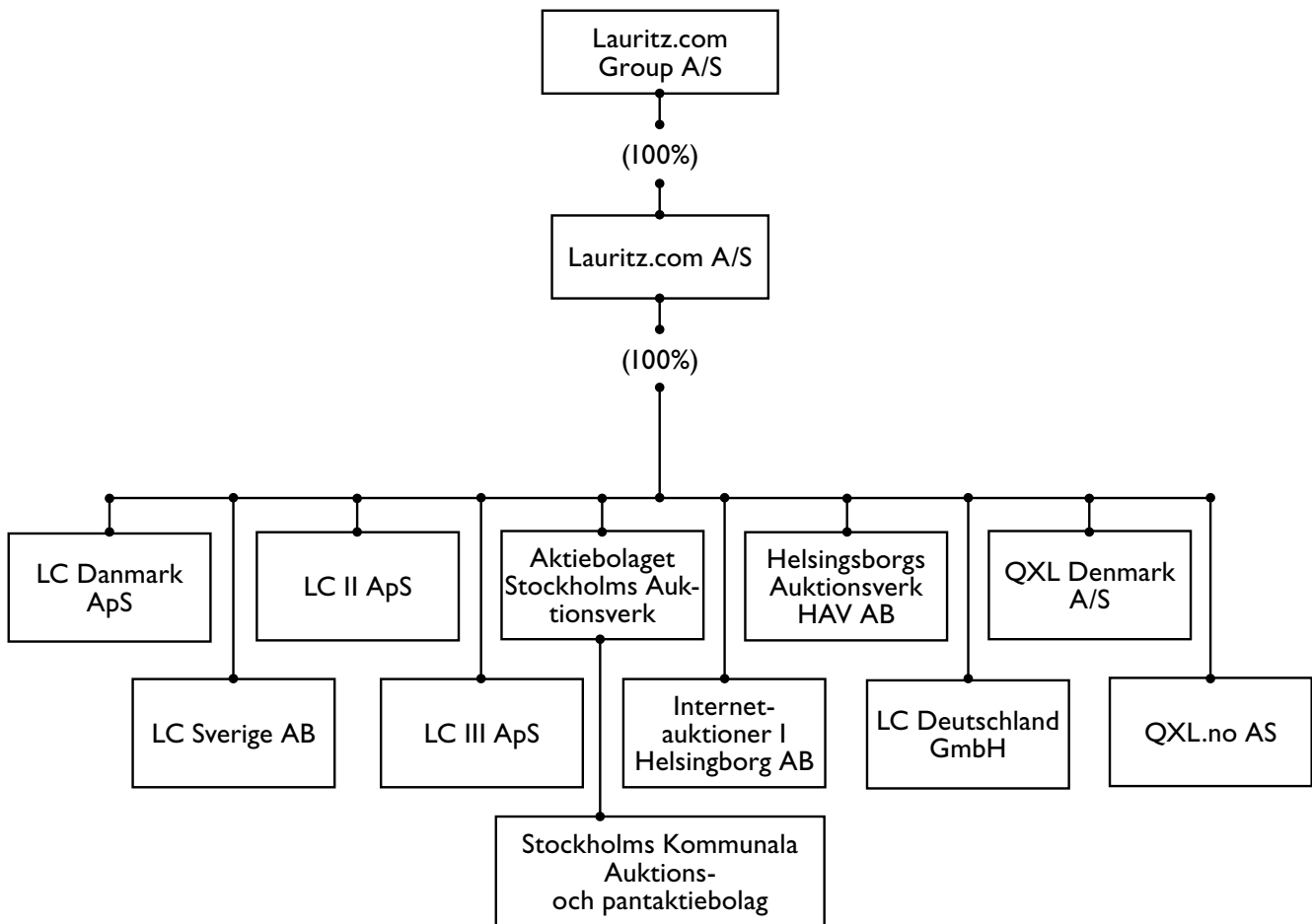
## Significant subsidiaries

Lauritz.com Group A/S is the parent company of the Group, which consists of twelve subsidiaries with operations in five countries. Lauritz.com Group A/S is the sole shareholder of Lauritz.com that is the parent company to the other subsidiaries in the group. The following table sets forth details of Lauritz.com's principal subsidiaries.

Subsidiary	Country of incorporation	Percentage of Shares and votes
Lauritz.com A/S	Denmark	100
AB Stockholms Auktionsverk	Sweden	100
LC Danmark ApS	Denmark	100
LC II ApS	Denmark	100
LC III ApS	Denmark	100
Helsingborgs Auktionsverk AB	Sweden	100
LC Sverige AB	Sweden	100
LC Deutschland GmbH	Germany	100
Internetauktioner i Helsingborg AB	Sweden	100
QXL Denmark A/S	Sweden	100
QXL.no AS	Norway	100
Stockholms Kommunala Auktions- och pantaktiebolag	Sweden	100



The following group structure sets forth details of Lauritz.com's subsidiaries:



A complete list of Lauritz.com's subsidiaries as of 31 December 2015 is set out in note 22 in the audited consolidated financial statements as of and for the year ended 31 December 2015, included elsewhere in this Prospectus.

## Placing agreement

Under the Placing Agreement to be concluded between the Global Coordinator, Lauritz.com and the Selling Shareholder on or about 21 June 2016, the Global Coordinator will undertake to place the Offer Shares comprised by the Offering pursuant to this Prospectus with various investors or,

failing which, to acquire the Shares comprised by the Offering itself.

Lauritz.com is offering 4,666,667 New Shares to ensure gross proceeds of in total SEK 70,000,000 and the Selling Shareholder is offering 10,121,212 Existing Shares. The total number of Existing Shares sold by the Selling Shareholder may be increased. However, in no event will the Selling Shareholder sell more than 11,969,697 Existing Shares in the Offering, excluding any Existing Shares that may be sold pursuant to the Overallotment Option. The Selling Shareholder will also grant the Global Coordinator an option to purchase Additional Shares up to 10 % of the aggre-



gate of the New Shares and the Existing Shares, at the Offer Price. The Overallotment Option is exercisable in whole or in part within 30 calendar days after the first day of trading of the Shares on Nasdaq First North Premier, which is expected to occur on 22 June 2016.

Under the Placing Agreement, the Selling Shareholder will undertake not to transfer, or make certain other dispositions of its holding without consent from the Global Coordinator, during the Lock-up Period, provided however that the lock-up restriction shall not apply in respect of any Shares redelivered by the Global Coordinator to the Selling Shareholder following stabilising activities.

Further, the CEO of the Company will undertake not to transfer, or make certain other dispositions of its holding without consent from the Global Coordinator during 360 days after trading of the Shares on Nasdaq First North Premier has commenced.

The Company will also agree, during a period of 180 days from the first day of trading on Nasdaq First North Premier, not to submit to its shareholders any proposal for a capital increase that would enable it to, or otherwise take any action to, directly or indirectly, issue, offer, sell, contract sell, or otherwise dispose of shares in the Company or any securities of the Company that are substantially similar to the Shares, including, but not limited to, any securities that are convertible into or exchangeable for, or that represent the right to receive, shares of the Company or any such substantially similar securities; nor to purchase or sell any option or other security or enter into any swap, hedge or other agreement that would have similar economic consequence to the foregoing (except for the sale of Shares pursuant to the Offering, grants and issuances of rights to receive Shares or similar awards under a long term incentive plan and shares purchased by the Company as part of the Company's buy-back program to ensure the Company or the Subsidiary, as the case may be, can use shares in the Company as payment in acquisitions of new auctions houses or companies) without the prior written consent of the Global Coordinator. See "*Certain right attached to the shares - Lock-up agreements*".

## Stabilisation

In connection with the Offering, the Global Coordinator, in its capacity as stabilising manager, may engage in transactions that stabilise, maintain or otherwise affect the price of the Offer Shares for up to 30 days from the first day of trading in the Shares on Nasdaq First North Premi-

er. Specifically, the Global Coordinator may over-allot Offer Shares or effect transactions with a view to support the market price of the Shares at a level higher than that which might otherwise prevail. The stabilising manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the stabilising manager or its agents may end any of these activities at any time, and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the stabilising manager does not intend to disclose the extent of any stabilisation transactions under the Offering.

None of the Company, the Selling Shareholder or the Global Coordinator makes any representation or prediction as to the direction or the magnitude of any effect that the transactions described above may have on the price of the Offer Shares. In addition, none of the Company, the Selling Shareholder or the Global Coordinator makes any representation that they will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

## Material contracts

Presented below is a summary of material contracts (other than contracts entered into in the ordinary course of business) into which either Lauritz.com or its subsidiaries has entered within the two years immediately preceding the date of this Prospectus, as well as a summary of any other contract (that is not a contract entered into in the ordinary course of business) that either Lauritz.com or its subsidiaries has entered into that contains obligations or entitlements that are material to the Group as of the date of this Prospectus.

### Partnership agreements

For a description of the partnership agreements, see "*Business – Action Houses - Partner auction*".

### The Bond

Bonds have been issued by the Company on two occasions with Euroclear Sweden as central securities depository and registrar. On 17 June 2014, bonds with a nominal value of SEK 375 million were issued and on 29 September 2014 bonds with a nominal value of SEK 50 million were issued (jointly and separately, the "**Bonds**"). The Bonds issued on 17 June 2014 bear interest from, but excluding, June 17,



2014 and the Bonds issued on 29 September 2014 bear interest from, but excluding, 29 September 2014, up to and including 17 June 2019 (the “**Redemption Date**”) at a floating rate of STIBOR (three months) + 7.50 % per annum. The Bonds are listed on the corporate bond list of Nasdaq Stockholm.

The Bonds are denominated in SEK and each has the nominal value of SEK 1 million. The Bonds are non-amortising notes. Provided that no event of default is continuing or would result from such issue, the Company may issue Bonds in subsequent issue(s) at one or several occasions. The price of such subsequent Bonds may be set at a discount or a higher amount than the nominal amount. The maximum total nominal amount of the Bonds may not exceed SEK 550 million. Subsequently issued Bonds shall have the same rights as the Bonds.

### **Shareholder loan**

Lauritz.com has granted a loan to its majority shareholder, Lauritz.com Holding A/S in the amount of up to DKK 129 million. According to the annual report for 2015 for Lauritz.com A/S, the outstanding loan amount constituted DKK 114 million as per 31 December 2015. The shareholder loan matures in 2053, but can at any time be called by Lauritz.com A/S without cause. In 2015, Lauritz.com Holding A/S paid DKK 0.6 million in interest. Lauritz.com Holding A/S has agreed to repay the loan with proceeds received as Selling Shareholder in the Offering.

### **Sale and lease back**

On 20 May 2016 Lauritz.com entered into a conditional sale and lease back agreement. Pursuant to the agreement, the buyer purchases the property located at Rovsingegade 68, Copenhagen and leases it back to Lauritz.com. Prior to the transfer of the property Lauritz.com will refurbish the property. The refurbishment is expected to be completed in 2017. After the transaction is completed, this will improve the Company’s liquidity with minimum DKK 51 million. As part of the agreement, Lauritz.com has committed to a customary lease agreement that cannot be terminated the first 15 years. The agreement is subject to approval of the Bond holders, due to the terms and conditions set forth for the Bond. To induce the Bond holders to approve the agreement the Company has offered a partial repayment of the Bond in the amount of SEK 100 million at a rate of 104 to be distributed prorata between all Bond holders.

## **Certified advisor**

The Company’s Certified Advisor is Erik Penser Bank. The Certified Advisor does not hold any shares in the Company.

## **Interests of advisors**

The total remuneration paid to the Global Coordinator will depend on the success of the Offering. The Global Coordinator and its respective affiliates have from time to time engaged in, and may in the future engage in, commercial banking, investment banking and financial advisory transactions and services in the ordinary course of its business with the Company or the Selling Shareholder or any of the Company’s respective related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. The Global Coordinator has received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with investors’ and the Company’s interests.

## **Related party transactions**

The Company applies IAS 24 Related Party Disclosures.

Lauritz.com A/S has on 12 December 2010 entered into an agreement with its sister company Ejendomsselskabet regarding the right to use the product OneBid and related domain names. Under the agreement, the usage right to OneBid is transferred to Lauritz.com for a one year period, which is automatically renewed with one year at a time until the agreement is terminated. As consideration of this usage right, Ejendomsselskabet receives an amount corresponding to 25 % of the gross income generated through OneBid, however, at least an amount corresponding to 3 % of the gross revenue. The right to receive this amount has been transferred from Ejendomsselskabet to Lauritz.com Holding A/S with effect from 31 December 2011. Lauritz.com Holding A/S, who holds the rights under the agreement, may terminate the agreement against payment of a fixed compensation.

Lauritz.com A/S has granted a loan to its majority shareholder, Lauritz.com Holding A/S in the amount of up to DKK 129 million. According to the annual report of 2015 for Lauritz.com, the outstanding loan amount constituted



DKK 114 million. The loan agreement has been entered into on arm's length terms and conditions. In 2015, Lauritz.com Holding A/S paid DKK 0.6 million in interest. The loan matures in 2053, but can at any time be called by Lauritz.com A/S without cause. Lauritz.com Holding A/S has agreed to repay the loan with proceeds received as Selling Shareholder in the Offering.

Lauritz.com A/S has purchased wine for marketing purposes from Chateau Vignelaure, during the period 2011 to 2013 for an amount of DKK 2 million. Chateau Vignelaure is owned by the company Vignelaure S.A.S. with Lauritz.com Holding A/S as the ultimate owner through Ejendomsselskabet Rovsingsgade 60-74 ApS. The wine purchases have been carried out on arm's length terms and conditions.

The Executive Board and the Chairman of the Board of Directors have purchased goods from Lauritz.com A/S corresponding to net sales of DKK 0.767 million in 2014 and DKK 0.556 million in 2015. The purchases of goods have been carried out on arm's length terms and conditions (including payment of full fee).

On 3 April 2015, Lauritz.com A/S completed a demerger whereby the intended corporate headquarters of Lauritz.com was demerged from Lauritz.com's sister company (owned by Lauritz.com Holding A/S), Ejendomsselskabet, and contributed to Lauritz.com together with the promissory note liability whereby Ejendomsselskabet owe DKK 50 million to Lauritz.com A/S and a capital increase of nominal DKK 2,000. As Lauritz.com A/S was the owner of the promissory note it was cancelled as a result of the demerger. The demerger was carried out as a tax exempt demerger. Accordingly, Lauritz.com A/S subrogates in any deferred tax related to the property. There is ongoing discussion between the Danish Tax Authorities and Ejendomsselskabet regarding the historical treatment of deferred tax. Consequently a deferred tax of DKK 13 million may possibly lie with the property. According to the valuation report, this amount will be reimbursed by Ejendomsselskabet. The potential tax liability may entail a credit risk for Lauritz.com. The transaction was carried out on arm's length terms and conditions.

Lauritz.com has purchased the source code to the site "Luuux.com" from Passionsfabrikken ApS. Lauritz.com has an obligation to make the software available to Passionsfabrikken ApS free of charge until 31 December 2016.

Lauritz.com A/S has on 1 January 2010 entered into a consultancy agreement with BS Consult, which provides for a fixed yearly remuneration of DKK 1.2 million for

the consultant carrying out certain specific tasks such as locating new partners, product development and ad hoc assignments. Bengt Sundström is registered as being the "responsible participant" in BS Consult. Furthermore, Lauritz.com A/S has on 1 January 2015 entered into a new consultancy contract directly with Bengt Sundström upon which the consultancy agreement of 2010 with BS Consult was terminated. The consultancy contract provides for a fixed remuneration of DKK 0.2 million per month.

Apart from as described above, none of the members of the Board of Directors or the Executive Board have or have had part in any transaction with the Company which are or were unusual in their nature or condition, or significant to the Company's business taken as a whole and that were effected during the current or immediately preceding three financial years, or during any earlier financial year and which remain any respect outstanding or unperformed.

For information regarding interests, see "Board of Directors, Executive Board and auditor-Shareholding and other interests in Lauritz.com" and "Certain rights attached to the Shares – Ownership structure"

For information regarding remuneration to the Board of Directors, CEO and Executive Board see "Corporate Governance – Remuneration to the members of the Board of Directors and board committees" and "Corporate Governance – Executive Board".

For additional information see Note 22 to Lauritz.com A/S's audited consolidated financial statements as of and for the year ended December 31, 2015.

## Costs relating to the Offering

For a description of costs relating to the Offering, see "Background and reasons for the Offering".

## Investment undertaking

The Cornerstone Investors, which are all included in the table below, undertook as of 14 June 2016 in relation to the Global Coordinator and Lauritz.com to, directly or indirectly via subsidiaries, as part of the Offering and on the same terms and conditions as other investors, acquire shares in the Company for approximately SEK 194 million, corresponding to in total approximately 31.8 percent of the total number of shares and votes of the Company following completion of the Offering. If the Offering is increased in full and provided that the over-allotment is



fully utilised, the Offering is thus underwritten to approximately 70.5 percent. The Cornerstone Investors will not receive any compensation for their respective undertakings and the Cornerstone Investors' investments will be made on the same terms and conditions as those of other investors in the Offering.

The Global Coordinator and the Company's Board of Directors deem the credit rating of the Cornerstone Investors to be satisfactory and thus believe that they will be able to fulfil their respective undertakings. However, the undertakings of the Cornerstone Investors have not been secured by means of bank guarantees, restricted funds, pledging or any similar arrangement. The undertakings of the Cornerstone Investors are subject to certain conditions. Each undertaking of the Cornerstone Investors are subject, inter alia, to: (i) listing of the shares such that the first day of trading in the Company's shares occurs not later than 30 June 2016; (ii) said Cornerstone Investor being allocated in full the shares encompassed by said undertaking; (iii) the final Offering Price not exceeding SEK 15 per share; (iv) the free float of the shares is at least 25 per cent of the

Company's share capital following the IPO, calculated pre greenshoe. If any such condition is not satisfied, the Cornerstone Investors will not be bound by their undertakings and will not be required to acquire shares. In addition, (i) the Company has undertaken to strive to seek a listing on Nasdaq Stockholm within twelve months of the listing on Nasdaq First North Premier; (ii) aim to comply with the Swedish Corporate Governance Code (or otherwise explain) as soon as possible, and in any event the Company shall comply with the Swedish corporate governance code (or otherwise explain) no later than in connection with the Nasdaq Stockholm listing; (iii) general meeting of the shareholders of the Company shall aim to appoint three new board members, whereof one board member with international experience and knowledge within among other things online and retail (and also if possible Swedish origin) and two board members (to be agreed with the Company) who shall represent Bure Equity AB and Rite Internet Ventures Holding AB, respectively; (iv) at listing the intercompany loan will be settled in full by the Selling Shareholder using secondary proceeds.

<b>Cornerstone Investors</b>	<b>Subscription undertaking (% of the shares in the Company following completion of the Offering)</b>	<b>No. of shares</b>	<b>Value of subscription undertaking (SEK million)</b>
Bure Equity AB	11.3	4,595,333	68.9
Swedbank Robur Fonder AB	8.0	3,253,333	48.8
Catella Fondförvaltning AB	7.5	3,050,000	45.8
Rite Internet Ventures Holding AB	5.0	2,033,333	30.5
<b>Total</b>	<b>31.8</b>	<b>12,931,999</b>	<b>194.0</b>





## Description of Cornerstone Investors

### **Rite Internet Ventures Holding AB**

Rite Ventures is a privately owned investment company focusing on e-commerce and technology companies in the Nordics. Investments are made both in the private and in the public markets.

### **Catella Fondförvaltning AB**

Catella Funds was founded in 1997 and is an active manager focusing on the Nordic markets. Catella manages equity funds, alternative funds, balanced funds and credit funds. As of Q1 2016, Catella had approximately SEK 135 billion under management.

### **Swedbank Robur Fonder AB**

Swedbank Robur is one of Scandinavia's largest fund managers and a wholly owned subsidiary of Swedbank. Swedbank Robour offers savings alternative for retail and institutional clients through mutual funds and discretionary asset management.

### **Bure Equity AB**

Bure was founded in 1992 when the wage earners' funds (Sw. Löntagarfonderna) were dissolved and listed on Nasdaq Stockholm in 1993. Today, Bure is an investment company with a net asset value of approximately SEK 6 billion (as of Q1 2016). The investment portfolio includes nine portfolio companies, out of which five are listed companies, and a net cash position of approximately SEK 1 billion. Bure's main owners are the Tigerschiöld family, Nordea Investment Funds and the Björkman family

## Documents on display

Copies of the following documents will be on display during the offer period during ordinary office hours on weekdays at the Company's offices at Dynamovej 11C, 2860 Søborg, Denmark:

- the Company's articles of association;
- Lauritz.com A/S' Annual Reports for the years ended 31 December 2015, 2014 and 2013; and
- Lauritz.com A/S' interim financial report for the three months ended 31 March 2016;

## Legal and other matters

Please refer to "*Business—Legal proceedings and disputes*", "*Business—Intellectual property rights*", and "*Business—Insurance*" for a description of material legal proceedings, matters relating to intellectual property and the Company's insurance coverage, respectively.



# Taxation

The following is a summary of certain tax consequences that may arise from the Offering and is intended as general information only.

## Certain tax considerations

The following is a summary of certain Danish and Swedish tax consequences that may arise from the Offering, applicable to individuals or limited liability companies tax resident in and outside Denmark or Sweden as the case may be, unless otherwise stated.

The summary does not purport to be a comprehensive description of all tax consequences that may be relevant in relation to the Offer. For instance, the summary does not address shares held by partnerships or shares held as current assets in business operations, and it does not involve investments made through pension schemes. Special tax rules apply to certain categories of taxpayers, for example, investment companies and insurance companies and the summary does not address these kind of investors.

The tax treatment of each individual shareholder depends on such investor's particular circumstances. Each holder of Shares is recommended to consult a tax advisor for information on the specific implications that may arise in their individual case, including the applicability and effect of foreign tax rules and tax treaties.

## Shareholders who are tax resident in Denmark

### Initial comments

A preliminary tax of 27 % is generally withheld on dividends when distributed by a Danish company.

### Danish resident individuals

Danish resident individuals are taxed on dividends and capital gains received on shares at a progressive tax rate of either 27 % or 42 % depending on the total amount of all dividends and capital gains they receive from all investments. Dividends and capital gains up to DKK 50,600 (2016 level and double up for spouses living together at yearend) will be taxed with 27 %, whereas excess part will be taxed with 42 %.

Losses realised when selling shares are deductible in the taxable income. A negative tax is calculated on the loss and deducted in the final tax. Excess negative tax can be deducted by a spouse conditioned on the parties living together at year end. An excess negative tax can be carried forward.

Gains and losses triggered upon realisation are calculated based on the average acquisition price for the shares that are sold.

### Danish corporate shareholders

Danish corporate shareholders are liable to corporate income tax on dividends received on the shares listed at Nasdaq First North Premier at a final rate of 22 % if the Danish corporate shareholder owns less than 10 % of the share capital.

Danish corporate shareholders owning 10 % or more of the nominal share capital should be exempt from Danish taxation on any dividends received.

Danish corporate shareholders owning less than 10 % of the total nominal share capital are subject to taxation on gains and losses on the shares on a market-to-market principle irrespective of any disposal. Capital gains on the shares are subject to ordinary corporate income taxation of 22 %, whereas losses are deductible.

If the Danish corporate shareholder owns 10 % or more, capital gains on the shares are tax exempt.

## Shareholders who are tax resident in Sweden

### Dividend taxation

#### Swedish resident individuals

##### Danish withholding tax

As the dividend would be paid by a Danish Company a withholding tax of 27% is generally withheld in Denmark on dividends paid to individuals resident in Sweden. A Swedish investor would be eligible for double tax treaty relief according to the Nordic DTT resulting in a reduced final Danish tax of 15%.



### **Swedish tax on dividends**

For individuals, dividends on listed shares, which the Offer Shares will be once admitted to trading on Nasdaq First North Premier, are subject to capital gains tax in Sweden at a rate of 30 %. A credit would be granted in the Swedish tax of 30% for the final Danish tax of 15%.

### **Swedish corporate shareholders**

As the dividend would be paid by a Danish Company a withholding tax of 27 % is generally withheld in Denmark on dividend to a Swedish corporate shareholder.

A Swedish corporate shareholder would be eligible for double tax treaty relief according to the Nordic DTT resulting in a reduced final Danish tax of 15 %.

For corporate shareholders holding at least 10 % of the share capital the withholding tax would be reduced to 0 %.

For corporations, dividends on listed shares, which the Offer Shares will be once admitted to trading on Nasdaq First North Premier, are subject to capital gains tax in Sweden at a rate of 22 %.

Exemption may apply if the quoted shares constitute fixed business assets, e.g. are classified as business related and held for more than one year, subject to more than 10 % ownership or if voting rights in the listed company are considered necessary for the corporation's business operations.

If no exemption applies, a credit would be granted for a final Danish tax of 15 %.

### **Swedish tax on dividends**

For corporations, dividends on listed shares, which the Offer Shares will be once admitted to trading on Nasdaq First North, are subject to capital gains tax at a rate of 22 %.

Exemption may apply if the quoted shares constitute fixed business assets, e.g. are classified as business related and held for more than one year, subject to more than 10% ownership or if voting rights in the listed company are considered necessary for the corporation's business operations.

### **Capital gains taxation**

#### **Swedish resident individuals**

Upon the sale or other disposal of listed shares, which the Offer Shares will be once admitted to trading on Nasdaq First North Premier, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as income from capital at a tax rate of 30 %. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis. The tax basis for all

shares of the same class and type is calculated together in accordance with the average cost method or, alternatively, shareholders may choose to use 20 % of the sales proceeds after deducting sales costs, as the tax basis for the sale of listed shares.

Capital losses on listed shares are fully deductible against taxable capital gains on listed and non-listed shares and against other listed equity-related securities realised during the same fiscal year, except for units in securities funds (Sw. värdepappersfonder) or special funds (Sw. specialfonder) that consist solely of Swedish receivables ("interest funds"). Up to 70 % of capital losses on shares that cannot be offset in this way are deductible against other capital income. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. A tax reduction of 30% is allowed on the portion of such net loss that does not exceed SEK 100,000 and of 21 % on any remaining loss. Such net loss cannot be carried forward to future fiscal years.

### **Swedish corporate shareholders**

Upon the sale or other disposal of listed shares by a corporation, which the Offer Shares will be once admitted to trading on Nasdaq First North Premier, a taxable capital gain or deductible capital loss may arise. Capital gains are normally taxed as capital income at a tax rate of 22 %.

Exemption may apply if the quoted shares constitute fixed business assets, e.g. are classified as business related and held for more than one year, subject to more than 10 % ownership or if voting rights in the listed company are considered necessary for the corporation's business operations.

If the shares have been held prior to the IPO and ceased to qualify as business related after the listing, the shareholding corporations may get a step-up in acquisition cost of the Danish company's shares equal to the shares' market value at the time of the listing.

The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis.



## Shareholders who are tax resident outside Denmark and Sweden

### Initial comments

A tax of 27 % is generally withheld on dividends when distributed. The tax is withheld by the distributing company.

For foreign corporate shareholders the withholding tax rate may depend on the home country of the shareholder and whether the corporate shareholder owns at least 10 % of the nominal share capital.

### Individuals

Generally, a Danish withholding tax of 27 % applies on a dividend distribution to individuals.

A foreign investor may be eligible for double tax treaty relief resulting in a reduced final Danish tax.

The foreign investor may potentially in addition be able to reduce taxes in investor's home country by obtaining a credit relief for Danish taxes if allowed according to the tax legislation in investor's home country. Any foreign investor should seek tax advice on this.

### Corporate shareholders

Generally, a Danish withholding tax of 27 % applies on a dividend distribution, and the final tax is reduced to 22 % (according to proposed bill).

The foreign corporate investor may in addition be eligible for double tax treaty relief, so that the final Danish tax is reduced.

For corporate shareholders holding at least 10 % of the share capital the withholding tax may be reduced to 0 % depending on the country in which the shareholder is a tax resident.

The foreign investor may potentially be able to reduce taxes in the investor's home country by obtaining a credit relief for Danish taxes if allowed according to the tax legislation in the investor's home country. Any foreign investor should seek tax advice on this.



# Information to investors in jurisdictions outside of Denmark and Sweden

## Important notice

No action has been or will be taken in any country or jurisdiction other than Denmark and Sweden that would, or is intended to, permit a public offering of the Offer Shares, or the possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Prospectus comes are required by the Company, the Selling Shareholder and the Global Coordinator to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Offer Shares, or have in their possession or distribute such offering material, in all cases at their own expense. None of the Company, the Selling Shareholder or the Global Coordinator accepts any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of any of the Offer Shares, of any such restrictions.

No representation or warranty, express or implied, is made by the Global Coordinator as to the accuracy or completeness of any information contained in this Prospectus. In making an investment decision, investors must rely on their own assessment of the Company and the terms of this Offering, including the merits and risks involved. No person is or has been authorised to give any information or make any representation in connection with the offer or sale of the Offer Shares other than those contained in this Prospectus, and, if given or made, such information or representation must not be relied upon as having been authorised by Lauritz.com, the Selling Shareholder or the Global Coordinator, and none of them accept any liability with respect to any such information or representation.

Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date. In the event of any changes to the information in this

Prospectus that may affect the valuation of the Offer Shares during the period from the date of announcement to the first day of trading, such changes will be announced in pursuant to the rules in the Danish Executive Order no. 1257 of 6 November 2015 which, inter alia, governs the publication of Prospectus supplements.

This document has been prepared under Danish law in compliance with the requirements set out in the Consolidated Act no. 1530 of 2 December 2015 on Securities Trading, as amended (the “Danish Securities Trading Act”), the Executive Order no. 1257 of 6 November 2015 on prospectuses for securities admitted to trading in a regulated market and for public listings of securities of at least EUR 5 million (the “Danish Executive Order on Prospectuses”) as well as Commission Regulation (EC) no. 809/2004 of 29 April 2004, as amended.

The distribution of this Prospectus and the offer or sale of the Offer Shares in certain jurisdictions is restricted by law. No action has been taken by the Company, the Selling Shareholder or the Global Coordinator to permit a public offering in any jurisdiction other than Denmark and Sweden. Persons into whose possession this Prospectus may come are required by the Company, the Selling Shareholder and the Global Coordinator to inform themselves about, and to observe, such restrictions. This Prospectus may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offer Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer. For further information with regard to restrictions on offers and sales of the Offer Shares and the distribution of this Prospectus, see “*Information to investors in jurisdictions outside of Denmark and Sweden — Selling restrictions*” and “*Information to investors in jurisdictions outside of Denmark and Sweden — Transfer restrictions*”. Investors agree to the foregoing by accepting delivery of this Prospectus.



The Global Coordinator is acting for the Selling Shareholder and the Company and no one else in relation to the Offering. The Global Coordinator will not be responsible to anyone other than the Selling Shareholder and the Company for providing the protections afforded to clients of the Global Coordinator, nor for providing advice in relation to the Offering.

IN CONNECTION WITH THE OFFERING, THE GLOBAL COORDINATOR AS THE STABILISING MANAGER, OR ITS AGENTS, ON BEHALF OF THE GLOBAL COORDINATOR, MAY ENGAGE IN TRANSACTIONS THAT STABILISE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE SHARES FOR UP TO 30 DAYS FROM THE FIRST DAY OF TRADING IN LAURITZ.COM'S SHARES ON NASDAQ FIRST NORTH PREMIER. SPECIFICALLY, THE GLOBAL COORDINATOR MAY OVER-ALLOT SHARES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SHARES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. THE STABILISING MANAGER AND ITS AGENTS ARE NOT REQUIRED TO ENGAGE IN ANY OF THESE ACTIVITIES AND, AS SUCH, THERE IS NO ASSURANCE THAT THESE ACTIVITIES WILL BE UNDERTAKEN; IF UNDERTAKEN, THE STABILISING MANAGER OR ITS AGENTS MAY END ANY OF THESE ACTIVITIES AT ANY TIME AND THEY MUST BE BROUGHT TO AN END AT THE END OF THE 30-DAY PERIOD MENTIONED ABOVE. SAVE AS REQUIRED BY LAW OR REGULATION, THE STABILISING MANAGER DOES NOT INTEND TO DISCLOSE THE EXTENT OF ANY STABILISATION TRANSACTIONS UNDER THE OFFERING. SEE "LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION—STABILISATION".

## Important information concerning the opportunity to sell allocated Offer Shares

Please note that the notification to the general public in Denmark and Sweden of the allocation of Offer Shares will be made through the distribution of contract notes, which are expected to be distributed on 22 June, 2016. After the funds for the allocated Offer Shares have been drawn by 27 June 2016, Offer Shares that have been paid for will be transferred to the securities account or custody account designated by each respective purchaser. Due to the time

required to distribute contract notes, transfer funds and transfer Offer Shares to purchasers, the acquired Offer Shares will not be available to purchasers in their designated securities accounts or custody accounts until on or around 27 June, 2016. See "Terms and conditions of the Offering".

Trading in the Shares on Nasdaq First North Premier is expected to commence on or about 22 June, 2016. The fact that the Offer Shares will not be available on the purchaser's securities account or custody account before, at the earliest 22 June 2016 means that the purchaser may not be able to sell the Shares on Nasdaq First North Premier from the day that trading in the Shares commences, but only from the day the Shares are available in the securities account or custody account. Purchasers may receive notification of allocation from 09:00 a.m. CET on 22 June. See "Terms and conditions of the Offering". All times noted in this Prospectus are references to CET.

## Selling restrictions

### Notice to prospective investors in the United States

The Offer Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are only being offered and sold outside of the United States in reliance on Regulation S. There will be no public offer of the Offer Shares in the United States. For certain restrictions on the sale and transfer of the Offer Shares, see "Information to investors in jurisdictions outside of Denmark and Sweden — Selling restrictions" and "Information to investors in jurisdictions outside of Denmark and Sweden — Transfer restrictions".

### Notice to prospective investors in the European Economic Area

In any Member State of the EEA, other than Denmark and Sweden, that has implemented the Prospectus Directive, this Prospectus is only addressed to, and is only directed at,



investors in that EEA Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive as implemented in each such EEA Member State.

This Prospectus has been prepared on the basis that all offers of Offer Shares, other than the offer contemplated in Denmark and Sweden, will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the EEA, from the requirement to produce a prospectus for offers of Offer Shares. Accordingly, any person making, or intending to make, any offer within the EEA of Offer Shares which is the subject of the placement contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholder or the Global Coordinator to produce a prospectus for such offer. None of the Company, the Selling Shareholder or the Global Coordinator has authorised, nor do the Company, the Selling Shareholder or the Global Coordinator authorise, the making of any offer of Offer Shares through any financial intermediary, other than offers made by Global Coordinator which constitute the final placement of Offer Shares contemplated in this Prospectus.

The Offer Shares have not been, and will not be, offered to the public in any Member State of the EEA that has implemented the Prospectus Directive, excluding Denmark and Sweden (a “**Relevant Member State**”). Notwithstanding the foregoing, an offering of the Offer Shares may be made in a Relevant Member State:

- to any legal entity that is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Global Coordinator for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company, the Selling Shareholder or any Global Coordinator of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression “an offer to the public”, in relation to any Offer Shares in any Rele-

vant Member State, means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares so as to enable an investor to decide to purchase or subscribe for Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

### **Notice to investors in the United Kingdom**

Offers of the Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are “qualified investors” or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the UK Financial Services and Markets Act 2000.

Any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with persons who: (i) are investment professionals falling within Article 19(5); or (ii) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”), of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or other persons to whom such investment or investment activity may lawfully be made available (together, “Relevant Persons”). Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not act or rely on it.

### **Notice to investors in Canada**

The Offer Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principals that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescissi-



on or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Global Coordinator is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## Transfer restrictions

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Each purchaser of the Offer Shares outside the United States in compliance with Regulation S will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision, and that:

1. the purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations;
2. the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;
3. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States, and has not purchased the Offer Shares for the account or benefit of any person in the United States, or entered into any arrangement for the transfer of the Offer Shares or any economic interest therein to any person in the United States;

4. the purchaser is not an affiliate of the Company's or a person acting on behalf of such affiliate;
5. the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;
6. the purchaser acknowledges that the Company and the Selling Shareholder shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions;
7. if it is acquiring any of the Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
8. the Company and the Selling Shareholder, the Global Coordinator and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each person in a Relevant Member State, other than persons receiving offers contemplated in the Swedish prospectus in Sweden, who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Global Coordinator, the Selling Shareholder and the Company that:

1. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
2. in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in other circumstances falling within Article 3(2) of the Prospectus Directive, and the prior consent of the Global Coordinator has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression "an offer", in relation to any of the Offer Shares in any Rele-





vant Member States, means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

## **Exchange control regulations in Denmark**

There is no legislation in Denmark that restricts the export or import of capital (except for certain investments in areas in accordance with applicable resolutions adopted by the United Nations and the EU), including, but not limited to, foreign exchange controls, or which affects the remittance of dividends, interest or other payments to non-resident holders of the Offer Shares. As a measure to prevent money laundering and financing of terrorism, persons travelling into or out of Denmark carrying amounts of money (including, but not limited to, cash, traveller's cheques and securities) worth the equivalent of EUR 10,000 or more must declare such amounts to the Danish tax authorities when travelling into or out of Denmark.



# The Swedish Securities Market Nasdaq First North and certain danish securities regulation

The following is a description of Nasdaq First North, including a brief summary of certain provisions of the Nasdaq First North rules. The summary is not intended to provide a comprehensive description of all such rules and should not be considered exhaustive. Moreover, the rules and procedures summarised below may be amended or reinterpreted. Nasdaq First North is an alternative marketplace regulated as a multilateral trading facility operated by an exchange within the Nasdaq group. Companies on Nasdaq First North are not subject to the same rules as companies on the regulated main market. Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies.

## Nasdaq First North

Nasdaq First North is Nasdaq's European growth market, designed for small and growing companies. Using a less extensive rulebook than the main market, the Nasdaq First North market provides companies an opportunity to focus on their business and development while still taking advantage of the positive aspects of being a listed company. Unlike the regulated main market, every company on Nasdaq First North has a Certified Advisor to ensure that companies comply with applicable requirements and rules. Nasdaq First North is a diversified market where companies represent a variety of industries, operating both in the Nordics and globally. Nasdaq First North has around 130 companies and operates in parallel with the regulated main market. Companies listed on Nasdaq First North are subject to the rules of Nasdaq First North and consequently do not need to comply with the specific legal requirements applicable for admission to trading on a regulated market.

## Nasdaq First North Premier

Nasdaq has created a special segment of Nasdaq First North called Nasdaq First North Premier. Nasdaq First North Premier is a segment targeted at companies that

wants to comply with higher disclosure and accounting standards than the regular Nasdaq First North rules. The disclosure and accounting standards impose higher transparency, which brings benefits to both listed companies and investors. To be placed on the Nasdaq First North Premier segment, companies must apply IFRS for accounting and financial reports and have at least one reviewed financial report (for example, a quarterly report or a semi-annual report) prepared in accordance with IFRS.

## Trading on Nasdaq First North

Companies listed on any of Nasdaq's markets (including shares listed on Nasdaq First North and Nasdaq First North Premier) are traded in a single trading system. This allows approximately 200 European trading members of Nasdaq to easily trade on Nasdaq's regulated and unregulated markets. Trading on Nasdaq First North and Nasdaq First North Premier is conducted in the same manner as for shares on the regulated market. Information regarding prices, volumes and order depth is published in real time through the same channels as for shares admitted to trading on the regulated market.

## Ownership Disclosure

Companies listed on Nasdaq First North undertake to keep their insider list updated and to instruct individuals who hold an insider position to report any changes in their own or their affiliates' holding to the company within five working days from the day of the relevant transaction. An insider person is typically a member of the company's management, but can also be an individual who, alone or together with an affiliate, owns shares in the company corresponding to at least 10 % of the share capital or of the number of votes for all shares in the company.



## Mandatory Redemption of Shares

Where a shareholder holds more than 90 % of the shares in a company and a corresponding proportion of the voting rights, such shareholder may, pursuant to the Danish Companies Act, Section 70, deem that the other shareholders have their shares redeemed by that shareholder. In this case, the other shareholders must be requested, under the rules governing notices for general meeting, to transfer their shares to the shareholder within four weeks. If the redemption price cannot be agreed upon, the redemption price must be determined by an independent expert appointed by the court in the jurisdiction of the company's registered office in accordance with the provisions of the Danish Companies Act. Specific requirements apply to the contents of the notice to the other shareholders regarding the redemption. Any minority shareholders who have not transferred their shares to the acquiring shareholder before the expiry of the four-week period shall, pursuant to the Danish Companies Act Section 72, be requested, through notification in the Danish Business Authority's IT system, to transfer their shares to the acquiring shareholder within a period of not less than three months.

Furthermore, where a shareholder holds more than 90 % of the shares in a company and a corresponding proportion of the voting rights, the other shareholders may require such shareholder to acquire their shares pursuant to Section 73 of the Danish Companies Act. If the redemption price cannot be agreed upon, the redemption price must be determined by an independent expert appointed by the court in the jurisdiction of the company's registered office in accordance with the provisions of the Danish Companies Act. Pursuant to the Danish Companies Act, (i) the redemption offer shall be communicated through the Danish Business Authority's IT system already at the time of notification of the four-week period and that (ii) the remaining shareholders may be redeemed at the time of the expiry of the four-week period even if the redemption price remains subject to final determination by an expert, if funds representing the redemption price have been deposited by the majority shareholder.



# Definitions and glossary

**The following terms used in this Prospectus have the meanings assigned to them below (unless the context requires otherwise):**

**“2010 PD Amending Directive”** Directive 2010/73/EU of the European Parliament and of the Council.

**“Board”** or **“Board of Directors”** the Board of Directors of the Company.

**“Company”**, **“Lauritz.com”** or **“Group”** Lauritz.com Group A/S, Lauritz.com A/S or Lauritz.com A/S and its subsidiaries, as the context requires.

**“Cornerstone Investors”** Means Bure Equity AB, Nybrogatan 6 SE-114 34 Stockholm, Sweden, Swedbank Robur Fonder AB, Landsvägen 40, 172 63 Sundbyberg, Sweden, Catella Fondsförvaltning AB, Birger Jarlsgatan 6, 103 90 Stockholm, Sweden and Rite Internet Ventures Holding AB, Jakobsbergsgatan 16, 111 44 Stockholm, Sweden.

**“Ejendomsselskabet”** Ejendomsselskabet Rovsingsgade 60-74 ApS.

**“EU”** the European Union.

**“Euroclear Sweden”** Euroclear Sweden AB, the Swedish central securities depository and clearing organisation.

**“EURIBOR”** Euro Interbank Offered Rate.

**“Helsingborgs Auktionsverk”** Helsingborgs Auktionsverk HAV AB.

**“IFRS”** International Financial Reporting Standards as adopted by the European Union.

**“Nasdaq First North Premier”** the alternative market place operated by exchanges within the Nasdaq group.

**“Offering”** the offering and the admission for trading of Lauritz.com Group A/S’s shares on Nasdaq First North Premier.

**“Prospectus Directive”** Directive 2003/71/EC of the European Parliament and of the Council, as amended.

**“Prospectus Regulation”** Commission Regulation (EC) No. 809/2004, as amended.

**“Regulation S”** Regulation S under the U.S. Securities Act.

**“SEB”**

**“Selling Shareholder”** Lauritz.com Holding A/S.

**“Shares”** ordinary shares in the Company, each with a quota value of DKK 0.10.

**“Global Coordinator”** ABG Sundal Collier ASA ABG Sundal Collier AB, Regeringsgatan 65, Postal address, P.O. Box 7269, SE-103 89 Stockholm, Sweden.

**“U.S. Securities Act”** the United States Securities Act of 1933, as amended.



# Index to historical financial statements

## Consolidated financial statements as of and for the three months ended 31 March 2016 and 2015

Independent auditors' report on the consolidated interim financial statements of Lauritz.com A/S as at end of the three months ended 31 March 2016 .....	<b>F-3</b>
Consolidated statement of comprehensive income .....	<b>F-5</b>
Consolidated balance sheet .....	<b>F-6</b>
Consolidated statement of changes in equity .....	<b>F-8</b>
Consolidated cash flow statement .....	<b>F-9</b>
Accounting policies and notes .....	<b>F-10</b>

## Consolidated financial statements as of and for the years ended 31 December 2015, 2014 and 2013

Independent auditors' report on the consolidated interim financial statements of Lauritz.com A/S as at 31 December 2015, 31 December 2014 and 31 December 2013 and for each of the years then ended .....	<b>F-23</b>
Consolidated statement of comprehensive income .....	<b>F-25</b>
Consolidated balance sheet .....	<b>F-26</b>
Consolidated statement of changes in equity .....	<b>F-28</b>
Consolidated cash flow statement .....	<b>F-29</b>
Accounting policies and notes .....	<b>F-30</b>



The original consolidated interim financial statements for Lauritz.com A/S are in the Danish language.  
In case of discrepancies, the Danish documents prevail.



## Management's Statement

The Executive Board and the Board of Directors ("Management") have today discussed and approved the Interim Financial statements of Lauritz.com A/S (together with its subsidiaries, the "Group") as at and for the three months ended 31 March 2016. The consolidated financial statements as at and for the three months ended 31 March 2015 serve as corresponding figures for three months ended 31 March 2016 and have together with consolidated interim financial statements as at and for the three months ended 31 March 2016 been derived from the published consolidated interim financial statements as at and for the three months ended 31 March 2016 and 31 March 2015, respectively, as prepared and approved by the Executive Board and the Board of Directors on 27 April 2016 and 29 May 2015, respectively. The consolidated interim financial statements comprise the consolidated statement of financial position and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statements for the as well as notes, including summary of significant accounting policies. The consolidated interim financial statements has been prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the European Union.

In our opinion, the accounting policies applied are appropriate, and the consolidated interim financial statements give a true and fair view of the Group's financial position at 31 March 2016, 31 December 2015 and 31 March 2015 and of the results of the Group's operations and cash flows for the period 1 January 2016 to 31 March 2016 and 1 January 2015 – 31 March 2015 in accordance with International Financial Reporting Standards as adopted by the European Union.

Søborg, 14 June 2016

### Executive Board

Mette Margrethe Rode Sundstrøm  
*CEO*

Henrik Engmark  
*COO*

### Board of Directors

Bengt Sundström  
*Chairman*

John Tyrrestrup

Thomas Schnegelsberg

Tim Frank Andersen

Petra von Rohr



## Independent auditors' report on the consolidated interim financial statements of Lauritz.com A/S as at and for the three months ended 31 March 2016

### To shareholders of Lauritz.com A/S

We have reviewed the consolidated interim financial statements of Lauritz.com A/S as at and for the three months ended 31 March 2016. The consolidated interim financial statements as at and for the three months ended 31 March 2015 serve as corresponding figures for three months ended 31 March 2016 and have together with consolidated interim financial statements as at and for the three months ended 31 March 2016 been derived from the published consolidated interim financial statements as at and for the three months ended 31 March 2016 and 31 March 2015, respectively, as prepared and approved by the Executive Board and the Board of Directors (the "Management") on 27 April 2016 and 29 May 2015, respectively. The comparative figures as at and for the three months ended 31 March 2015 are not covered by our review.

The consolidated interim financial statements comprise the consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and notes, including accounting policies, of the Group. The consolidated interim financial statements are prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the European Union.

The review of the published consolidated interim financial statements as at and for the three months ended 31 March 2016 was completed and our review report issued on 27 April 2016. We have not performed any review procedures subsequent to that date.

### Management's responsibility for the interim financial statements

Management is responsible for the preparation of consolidated interim financial statements in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU, and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated interim financial statements. We conducted our review in accordance with the International Standard on Engagements to Review Interim Financial Information Performed by the Independent Auditor of the Entity and additional requirements under Danish audit regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the applicable financial reporting framework. This also requires us to comply with relevant ethical requirements.





## Independent auditors' report on the consolidated interim financial statements of Lauritz.com A/S as at and for the three months ended 31 March 2016

A review of financial statements in accordance with the International Standard on Engagements to Review Interim Financial Information Performed by the Independent Auditor of the Entity is a limited assurance engagement. The auditor performs procedures primarily consisting of inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

A review is substantially less in scope than an audit performed in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the consolidated interim financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial statements of Lauritz.com A/S as at and for the three month ended 31 March 2016 have not been prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for listed companies.

### Other matter

Without modifying our conclusion, we point out that the comparative figures as at and for the three months ended 31 March 2015 have not been subject to a review or an audit.

Copenhagen, 14 June 2016

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No 33 96 35 56

Kirsten Aaskov Mikkelsen  
*State-Authorised Public Accountant*

Lars Siggaard Hansen  
*State-Authorised Public Accountant*



## Consolidated statement of comprehensive income

	Q1 31.03.2016 DKK'000	Q1 31.03.2015 DKK'000
Sales at auctions <sup>1</sup>	235,533	268,263
		Not reviewed
Notes	Q1 31.03.2016 DKK'000	Q1 31.03.2015 DKK'000
3 Revenue	45,607	43,808
Direct costs	- 3,848	- 2,611
<b>Gross profit</b>	<b>41,759</b>	<b>41,197</b>
Other operating income	240	-
Other external costs	- 14,419	- 15,257
Personnel costs	- 23,858	- 23,825
<b>EBITDA</b>	<b>3,722</b>	<b>2,115</b>
Depreciation and amortisation	- 3,224	- 2,263
<b>Earnings from ordinary operating activities (EBIT)</b>	<b>498</b>	<b>148</b>
4 Financial income	2,067	243
5 Financial expenses	- 7,424	- 15,564
<b>Earnings before tax (EBT)</b>	<b>- 4,859</b>	<b>- 15,469</b>
6 Tax on loss for the period	2,775	3,579
<b>Loss for the period</b>	<b>- 2,084</b>	<b>- 11,890</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Exchange adjustments, foreign companies	- 1,456	4,020
Tax on other comprehensive income	-	-
<b>Other comprehensive income</b>	<b>- 1,456</b>	<b>4,020</b>
<b>Comprehensive income</b>	<b>- 3,540</b>	<b>- 7,870</b>
II Basic earnings per share, DKK	- 34.7	- 198.2
II Diluted earnings per share, DKK	- 34.7	- 198.2

<sup>1</sup> Sales at auctions reflects activities on www.lauritz.com, www.qxl.dk, www.qxl.no, mobile apps, Stockholms Auktionsverk (including Magasin 5) and Helsingborgs Auktionsverk. The figures include hammer prices, buyer's premiums exclusive of VAT and sales through LauritzOneBid.



## Consolidated balance sheet

### Assets

<u>Notes</u>	<u>31.03.2016</u> <u>DKK'000</u>	<u>31.12.2015</u> <u>DKK'000</u>	<u>31.03.2015</u> <u>DKK'000</u>
			Not reviewed
Non-current assets			
Software in process of development	6,862	5,996	13,835
Developed software	12,815	13,988	4,926
Goodwill	137,950	138,501	134,384
Acquired rights	<u>51,473</u>	<u>52,647</u>	<u>53,102</u>
Total intangible assets	<u>209,100</u>	<u>211,132</u>	<u>206,247</u>
7 Land and buildings	51,858	51,969	-
7 Plants, equipment and fixtures	<u>16,702</u>	<u>17,058</u>	<u>15,877</u>
Total property, plant and equipment	<u>68,560</u>	<u>69,027</u>	<u>15,877</u>
Deferred tax	4,893	912	2,562
Deposits	1,087	1,091	6,710
8 Other non-current receivables	<u>15,889</u>	<u>15,938</u>	<u>-</u>
Total financial assets	<u>21,869</u>	<u>17,941</u>	<u>9,272</u>
<b>Total non-current assets</b>	<b><u>299,529</u></b>	<b><u>298,100</u></b>	<b><u>231,396</u></b>
 <b>Current assets</b>			
Inventories	<u>1,554</u>	<u>1,547</u>	<u>1,264</u>
8 Trade receivables	16,216	18,341	10,946
Receivables from Parent Company	110,118	113,765	128,631
8 Other current receivables	<u>24,952</u>	<u>23,523</u>	<u>63,546</u>
Total receivables	<u>151,286</u>	<u>155,629</u>	<u>203,123</u>
Cash and cash equivalents	<u>29,947</u>	<u>46,289</u>	<u>42,378</u>
<b>Total current assets</b>	<b><u>182,787</u></b>	<b><u>203,465</u></b>	<b><u>246,765</u></b>
<b>Total assets</b>	<b><u>482,316</u></b>	<b><u>501,565</u></b>	<b><u>478,161</u></b>



## Consolidated balance sheet

### Equity and liabilities

<u>Notes</u>	<u>31.03.2016</u> <u>DKK'000</u>	<u>31.12.2015</u> <u>DKK'000</u>	<u>31.03.2015</u> <u>DKK'000</u>
			Not reviewed
<b>Equity</b>			
Share capital	6,002	6,002	6,000
Other reserves	2,867	4,323	-878
Retained earnings	878	2,962	1,558
Total equity	<u>9,747</u>	<u>13,287</u>	<u>6,680</u>
<b>Liabilities</b>			
Deferred tax	10,252	9,792	10,414
9 Bond debt	<u>336,457</u>	<u>338,056</u>	<u>333,095</u>
Total non-current liabilities	<u>346,709</u>	<u>347,848</u>	<u>343,509</u>
9 Bond debt	-	13,383	12,858
Trade payables	88,406	91,546	85,937
Current tax liabilities	-	-	507
18 Other liabilities	<u>37,454</u>	<u>35,501</u>	<u>28,670</u>
Total current liabilities	<u>125,860</u>	<u>140,430</u>	<u>127,972</u>
<b>Total liabilities</b>	<u>472,569</u>	<u>488,278</u>	<u>471,481</u>
Total equity and liabilities	<u>482,316</u>	<u>501,565</u>	<u>478,161</u>



## Consolidated statement of changes in equity

DKK'000	Share capital	Other reserves	Retained earnings	Total equity
Equity at 1 January 2015	6,000	-4,898	13,448	14,550
Loss for the period	-	-	-11,890	-11,890
Other comprehensive income	-	4,020	-	4,020
	6,000	-878	1,558	6,680
Dividend distributed	-	-	-	-
<b>Equity at 31 March 2015</b>	<b>6,000</b>	<b>-878</b>	<b>1,558</b>	<b>6,680</b>
<b>Equity at 1 January 2016</b>	<b>6,002</b>	<b>4,323</b>	<b>2,962</b>	<b>13,287</b>
Loss for the period	-	-	-2,084	-2,084
Other comprehensive income	-	-1,456	-	-1,456
	6,002	2,867	878	9,747
Dividend distributed	-	-	-	-
<b>Equity at 31 March 2016</b>	<b>6,002</b>	<b>2,867</b>	<b>878</b>	<b>9,747</b>



## Consolidated cash flow statement

	<b>31.03.2016</b>		<b>31.03.2015</b>
	<b>DKK'000</b>		<b>DKK'000</b>
			Not reviewed
Earnings from ordinary operating activities (EBIT)	498	-	148
Depreciation and amortisation	3,224		2,263
Increase/decrease in inventories	-	7	-
Increase/decrease in receivables	4,397		3,742
Increase/decrease in trade payables and other liabilities	-	1,187	-
Other adjustments	-	930	-
<b>Cash flows from ordinary operating activities</b>	<b>5,995</b>	-	<b>22,769</b>
Interest received	259		243
Interest paid	-	6,773	-
Income tax paid under a joint taxation arrangement	-		-
<b>Cash flows from operating activities</b>	<b>- 518</b>	-	<b>30,046</b>
Purchase of property, plant and equipment	-	491	-
Purchase of intangible assets	-	1,309	-
Acquisitions	-		-
<b>Cash flows from investing activities</b>	<b>- 1,800</b>	-	<b>2,001</b>
Borrowings	-		-
Repayment of borrowings	-		-
Redemption of bonds	-	13,850	-
Dividend paid to shareholders in Parent Company	-		-
<b>Cash flows from financing activities</b>	<b>- 13,850</b>	-	<b>3,842</b>
Net cash flows for the period	-	16,168	-
Net capital resources, beginning of period	46,289		81,783
Exchange rate adjustment of capital resources	-	174	-
<b>Net capital resources, end of period</b>	<b>29,947</b>		<b>42,378</b>
Net capital resources, end of period, are composed as follows:			
Cash and cash equivalents	29,947		42,378
Interest-bearing short-term bank loans	-		-
<b>Net capital resources, end of period</b>	<b>29,947</b>		<b>42,378</b>



## **Notes**

### **I. Accounting policies for the Group**

The Interim Report of Lauritz.com A/S is presented as condensed consolidated financial statements pursuant to IAS 34, *Interim Financial Reporting*, as adopted by the EU, and other Danish disclosure requirements. No interim financial statements have been prepared for the Parent. The interim financial statements are presented in Danish kroner (DKK), which is the Parent's functional currency.

The Group has one operating segment, "auctioning". As the Group's activities expand, Management regularly assesses internal financial management reporting and whether it would be relevant to report additional segments.

Except as specified below, the interim financial statements have been prepared consistently with the accounting policies applied to the consolidated financial statements for 2015, which are in accordance with International Financial Reporting Standards as adopted by the EU. We refer to the Annual Report for 2015 for a more detailed description of the accounting policies.

### **Changes in accounting policies**

Effective from 1 January 2016, the Lauritz.com Group has implemented the new or revised Standards applicable for financial years beginning 1 January 2016 or later.

The implementation of new or revised Standards did not result in changes in the accounting policies applied.

### **2. Unusual circumstances and changes in accounting estimates**

Many financial statement items cannot be measured accurately, but only be estimated. Such estimates comprise judgments based on the latest information available at the time of financial reporting. It may be necessary to change previous estimates due to changes in the conditions on which the estimate was based or due to new information, further experience or subsequent events.

The interim financial statements for the period 1 January 2016 to 31 March 2016 are not influenced by unusual items or changes in accounting estimates. Furthermore, it was not considered necessary to update the impairment test as conclusions and assumptions applied in the financial statements for 2015 are still estimated to be valid.

**Notes**

	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>3. Revenue</b>		
Premiums and fees from auctions etc.	45,232	43,808
Commission for conclusion of partnership agreements	375	-
	<b>45,607</b>	<b>43,808</b>
<b>4. Financial income</b>		
Interest income	121	87
Interest income from group enterprises	138	156
Interest income from financial assets	<b>259</b>	<b>243</b>
Foreign exchange gains	1,808	-
	<b>2,067</b>	<b>243</b>
<b>5. Financial expenses</b>		
Interest expenses	51	44
Bank charges etc	206	156
Financial expenses, bond debt	6,633	6,963
Amortisation of borrowing costs, bond debt	534	508
Interest expenses from financial liabilities	<b>7,424</b>	<b>7,671</b>
Exchange rate losses	-	7,893
	<b>7,424</b>	<b>15,564</b>

**6. Tax on profit/loss for the period**

The tax recognised in the income statement for the interim period has been calculated on the basis of the earnings before tax and an estimated effective tax rate for 2016 and recognition of a not previously capitalised deferred tax asset of approx. DKK 1.8m. The estimated effective tax rate for Danish enterprises is 22.0% (2015: 23.5%). For foreign enterprises, the current tax rate in the country in question is used. No tax on other comprehensive income has been recognised for the period.

When demerging the property placed at Rovsingsgade 60-74 on 3 April 2015, no deferred tax was recognised for this property as the Danish tax authorities have stated that instead current tax is incumbent on the property that was sold in 2007 by Ejendomsselskabet Rovsingsgade 60-74 ApS. Ejendomsselskabet Rovsingsgade 60-74 ApS does not consider this correct, and a request for the reopening of the tax assessment thereof is pending. Should a decision be made in favour of Ejendomsselskabet Rovsingsgade 60-74 ApS that the company does not have current tax liabilities regarding the property sold, then deferred tax will instead be incumbent on the property placed at Rovsingsgade 60-74 and in that case Ejendomsselskabet Rovsingsgade 60-74 ApS would pay approx. DKK 13m to Lauritz.com A/S to refund the resulting deferred tax.





## Notes

### 7. Property, plant and equipment

	<b>Land and buildings</b>	<b>Plant, equipment &amp; fixtures</b>
Cost at 1 January 2016	52,357	36,669
Exchange rate adjustments	-	69
Additions	-	491
<b>Cost at 31 March 2016</b>	<b>52,357</b>	<b>37,091</b>
Depreciation at 1 January 2016	388	19,551
Exchange rate adjustments	-	30
Depreciation for the period	111	808
<b>Depreciation at 31 March 2016</b>	<b>499</b>	<b>20,389</b>
<b>Carrying amount at 31 March 2016</b>	<b>51,858</b>	<b>16,702</b>
Assets held under finance leases are included in carrying amount at		801

	<b>Land and buildings</b>	<b>Plant, equipment &amp; fixtures</b>
Cost at 1 January 2015	-	30,897
Exchange adjustments	-	345
Additions from subsidiaries acquired	-	400
Additions	52,357	5,221
Disposals	-	194
<b>Cost at 31 December 2015</b>	<b>52,357</b>	<b>36,669</b>
Depreciation at 1 January 2015	-	15,807
Exchange adjustments	-	80
Deprecation for the year	388	3,750
Depreciation relating to disposals	-	86
<b>Depreciation at 31 December 2015</b>	<b>388</b>	<b>19,551</b>
<b>Carrying amount at 31 December 2015</b>	<b>51,969</b>	<b>17,058</b>
Assets held under finance leases are included in carrying amount at		976

The property placed at Rovsinggade 68, Copenhagen was acquired in 2015 by way of demerger of Ejendomsselskabet Rovsinggade 60-74 ApS.

**Notes****8. Receivables**

	<b>31.03.2016</b>	<b>31.12 2015</b>	<b>31.03 2015</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Trade receivables	16,216	18,341	10,946
Other receivables, non-current	15,889	15,938	-
Other receivables, current	<u>24,952</u>	<u>23,523</u>	<u>63,546</u>
	<b><u>57,057</u></b>	<b><u>57,802</u></b>	<b><u>74,492</u></b>

All trade receivables are due within 12 months.

Non-current receivables relate to the sale of partnership agreements that are due for payment within a period of two to four years.

At 31 March 2015, other receivables include a debt instrument for DKK 50m issued to Ejendomsselskabet Rovsingsgade 60-74 ApS as part of the demerger of the property placed in Rovsingsgade 60-74. Please also refer to the comments in the management commentary, from which it is evident that receivables will be settled in 2015.

The impairment losses included in the receivables listed above have developed as follows:

	<b>31.03.2016</b>	<b>31.12 2015</b>	<b>31.03 2015</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Impairment losses at 1 January	1,158	1,158	1,158
Impairment losses for the period	-	-	-
Realised for the period	-	-	-
Reversed	-	-	-
Impairment losses at 31 March	<b><u>1,158</u></b>	<b><u>1,158</u></b>	<b><u>1,158</u></b>

No significant single overdue receivables exist at 31 March 2016 or 2015 for which payment arrangements have not been made or a write-down for bad and doubtful debts has not been made.



## Notes

### 9. Bond debt

In 2011, the Group issued corporate bonds, the principal amount of which is DKK 10.0m. The bonds carry interest at 3.5% and are redeemed after five years from the date of issue at a price of 135.

The Group issued listed corporate bonds on 17 June 2014 with a principal amount of SEK 375m (or DKK 294.6m) and on 30 September 2014 with a principal amount of SEK 50m (or DKK 39.4m). The bonds carry interest at 3M STIBOR + 750 bps and are redeemed at par after five years from the date of issue. The corporate bonds are listed on the NASDAQ OMX Stockholm.

The fair value of the bonds amounts to DKK 330,400k at 31 March 2016 based on the last trade made on 17 March 2016.

The corporate bonds are subject to specific loan covenants determined as follows for the last 12 months (LTM):

#### Financial covenants determined at 31 March 2016

	<b>Group LTM Q1 2016 DKK'000</b>	<b>EBITDA ratio</b>
EBITDA, LTM	<b>43,437</b>	
<i>Net interest-bearing debt/EBITDA</i>		
Bond debt, non-current	336,457	
Bond debt, current	-	
Other receivables, non-current	- 15,889	
Receivable from Parent Company	- 110,118	
Cash and cash equivalents	- 29,947	
Total net interest-bearing debt	<b>180,503</b>	<b>4.16</b>
	<b>TARGET</b>	<b>&lt; 5.50</b>
<i>Net Finance Charges/EBITDA</i>		
Interest income, bank – LTM	- 226	
Financial expenses, bond debt – LTM	27,217	
Other interest expenses – LTM	123	
Total net finance charges	<b>27,114</b>	<b>1.60</b>
	<b>TARGET</b>	<b>&gt; 1.50</b>

The Group is in compliance with applicable financial covenants at 31 March 2016.

**Notes****10. Financial risks**

The Group's currency risks are primarily hedged by matching payments received and payments made in the same currency. The difference between ingoing and outgoing payments denominated in the same currency is a measure of currency risk. The Group's currency exposure at 31 March 2016 is evident below:

<b>2016 (DKK'000)</b>	<b>Cash and cash equivalents</b>	<b>Receivables</b>	<b>Bond debt</b>	<b>Other liabilities</b>	<b>Net position</b>
NOK	477	140	-	-1,107	-490
EUR	1,252	1,305	-	-1,489	1,068
SEK	15,595	12,415	-336,457	-37,657	-346,104
<b>31 March 2016</b>	<b>17,324</b>	<b>13,860</b>	<b>-336,457</b>	<b>-40,253</b>	<b>-345,526</b>

<b>2015 (DKK'000)</b>	<b>Cash and cash equivalents</b>	<b>Receivables</b>	<b>Bond debt</b>	<b>Other liabilities</b>	<b>Net position</b>
NOK	309	217	-	-1,061	-535
EUR	1,580	1,315	-	-2,829	66
SEK	32,539	13,994	-338,056	-52,292	-343,815
<b>31 December 2015</b>	<b>34,428</b>	<b>15,526</b>	<b>-338,056</b>	<b>-56,182</b>	<b>-344,284</b>

<b>2015 (DKK'000)</b>	<b>Cash and cash equivalents</b>	<b>Receivables</b>	<b>Bond debt</b>	<b>Other liabilities</b>	<b>Net position</b>
NOK	1,420	373	-	-1,316	477
EUR	1,486	659	-	-2,003	142
SEK	13,452	11,096	-333,095	-28,141	-336,688
<b>31 March 2015</b>	<b>16,358</b>	<b>12,128</b>	<b>-333,095</b>	<b>-31,460</b>	<b>-336,069</b>



## Notes

---

### 10. Financial risks (continued)

The bonds issued are issued in SEK and so the principal amount is subject to exchange rate fluctuations between the Company's functional currency (DKK) and SEK. A 5% change in the SEK rate at 31 March 2016 would have affected comprehensive income and equity by approx. DKK 10m (31.12.2015: DKK 9m). The sensitivity analysis shows the difference between the 31 March 2016 fair value calculated for the Group's assets and liabilities denominated in SEK.

The Group has interest-bearing financial assets and liabilities and so it is affected by interest rate fluctuations. Fluctuations in the level of interest rates affect the Group's floating-rate bond debt. An increase in the interest rate level of 1 percentage point per annum compared to the interest rate level at the balance sheet date would have had a negative impact of DKK 3m (31.12.2015: DKK 3m) on comprehensive income and equity. A similar decline in the interest rate level would have resulted in an equivalent positive effect on comprehensive income and equity.

The Group aims to have adequate cash resources to continuously carry out transactions appropriately as regards operations and investments. The Group's cash reserve consists of cash and cash equivalents as well as undrawn credit facilities. The Group's liquidity is mainly based on operating profits and the difference between the time of payment and the time of settlement. The time allowed for payment by buying customers is three days, and payment to selling customers takes place within approx. 35 days. In order to maintain the current liquidity level, the Group is therefore dependent on continued growth and positive earnings. Management assesses the Group's liquidity requirements on a regular basis.

The Group is not exposed to significant credit risks as all items are handed in on a commission basis, and items from auctions are not handed out until payment has been made. Payments are mostly effected by way of credit cards or bank transfer. The Company has only experienced very few cases of credit card fraud. Moreover, reputable collaborators are used for managing cash flows, mainly Valitor, ALTAPAY, Danske Bank, SEB and DNB (2015: SEB, DNB, Danske Bank and NETS).

The Group regularly assesses its capital structure with a view to ensuring adequate equity with the Company. For 2015 and 2016, the Group expects to receive dividends from subsidiaries insofar as distribution is considered reasonable. The amount receivable from group enterprises is reduced through distribution of dividend. Expectations for 2015 and 2016 are that no dividend exceeding the amount receivable from group enterprises will be distributed.

**Notes****II. Earnings per share**

	<b>31.03.2016</b>	<b>31.12 2015</b>	<b>31.03 2015</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Loss for the period	- 2,084	- 8,513	- 11,890
Average number of shares	60,020	60,020	60,000
Basic earnings per share (par value DKK 100)	- 34.7	- 141.4	- 198.2
Diluted earnings per share (par value DKK 100)	- 34.7	- 141.4	- 198.2

**12. Dividend**

For 2016, DKK 0k (2015: DKK 2,000k) in ordinary dividend has been distributed to the shareholders of Lauritz.com A/S, equalling DKK 0 per share (2015: DKK 33 per share).

**13. Contingencies etc****Contingent liabilities, consolidated financial statements**

The Group has issued a rent guarantee for DKK 406k that expires in 2019 (31.03.2015: DKK 1,667k, where DKK 1,260k expires in 2017 and DKK 407k in 2019).

The Group has adopted other property rental agreements with maximum lease terms running until 2025 (31.03.2015: until 2022). Rent totals DKK 60,045k (31.03.2015: DKK 60.448k), of which DKK 12,032k (31.03.2015: DKK 10.670k) falls due in 2016 (31.03.2015: 2015).

Car operating leases have been entered into for the years 2016-2018. The leases have fixed lease payments which are indexed annually. The leases are interminable in the period specified.

The Group participates in an international joint taxation arrangement with Lauritz.com Holding A/S serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Group is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies.

At 31 March 2015 Lauritz.com has a lease contract involving total rent of DKK 65,000k for the period of interminability, which is a ten-year period. The lease contract is conditional upon the lessor securing funding for reconstruction. In 2015, Lauritz.com was granted permission to perform a tax-exempt demerger of the property, which will result in Lauritz.com becoming the owner of the property in 2015, following which the lease contract will expire. The demerger was executed on 3 April 2015.



## Notes

### 14. Related parties

#### Related parties with a controlling interest

The following related parties have a controlling interest in Lauritz.com A/S:

<b>Name</b>	<b>Registered office</b>	<b>Basis of control</b>
Lauritz.com Holding A/S	Søborg, Denmark	Shareholder holding the majority of voting rights in Lauritz.com Group A/S
Lauritz.com Group A/S	Søborg, Denmark	Shareholder holding the majority of voting rights in Lauritz.com A/S

### Ownership

Lauritz.com A/S is wholly owned by Lauritz.com Group A/S, Søborg, Denmark. In 2015, Lauritz.com A/S was owned by Lauritz.com Holding A/S (95%) and Mette Margrethe Rode Sundstrøm (5%).

<b>Subsidiaries</b>	<b>Registered office</b>	<b>Ownership interest</b>
AB Stockholms Auktionsverk *	Stockholm, Sweden	100%
LC Danmark ApS	Søborg, Denmark	100%
LC II ApS	Søborg, Denmark	100%
LC III ApS	Søborg, Denmark	100%
Helsingborgs Auktionsverk AB *	Helsingborg, Sweden	100%
LC Sverige AB	Stockholm, Sweden	100%
LC Deutschland GmbH	Hamburg, Germany	100%
Internetauktioner i Helsingborg AB *	Helsingborg, Sweden	100%
QXL Denmark A/S	Søborg, Denmark	100%
QXL.no AS	Oslo, Norway	100%

\*The company is not audited by Deloitte.

### Transactions

Lauritz.com A/S has granted a loan to Lauritz.com Holding A/S. At 31 March 2016, the loan amounted to DKK 110,118k (31.3.2015: DKK 128,631k). The loan carries interest at arm's length, and during the period DKK 0.1m in interest has been paid.

From 1 January to 31 March 2015, Group Management has purchased goods equalling revenue of DKK 184k. All purchases were made observing the Company's ordinary trade terms, including payment of full fee.

**Notes****15. Events after the balance sheet date**

Lauritz.com has signed an agreement to set up two new auction houses in the Group in Sweden and Denmark, respectively. Lauritz.com has therefore entered into a contingent agreement to acquire Karlstad-Hammarö Auktionsverk AB. Furthermore, Lauritz.com has signed a new five-year partnership agreement for the establishment and operation of a new Lauritz.com branch in Central Jutland, Denmark.

No other events have occurred after the balance sheet date which could have a material influence on the Company's financial position.

**16. Financial assets**

Deposits of DKK 6,336k at 31 March 2015 concerning the lease contract on the property placed at Rovsingsgade 60-74. The Company has filed for a tax-exempt demerger of the property, which would result in Lauritz.com becoming the owner of the property, following which the lease contract will expire. The demerger was effected 3 April 2015.

**17. Acquisition of subsidiaries and activities/business combinations**

During the period 1 January – 31 March 2015, the Group has acquired the following enterprises/activities:

<b>Name</b>	<b>Primary activity</b>	<b>Date of acquisition</b>	<b>Interest acquired</b> %
Kunst & Auktionshaus W.G. Herr	Holding of quality auctions	6 Jan 2015	100

	<b>2015</b> <b>DKK'000</b>
Property, plant and equipment	0
Acquired rights	0
Receivables	0
Cash and cash equivalents	0
Other liabilities	-
<b>Net assets acquired</b>	<b>0</b>
Goodwill	3,516
<b>Total consideration</b>	<b>3,516</b>

The Group has acquired net assets totalling DKK 0k including cash of DKK 0. Net assets acquired are based on interim opening balance sheets, which may adjusted afterwards.

The Group has incurred transaction costs of DKK 88k, classified as other external expenses in the statement of comprehensive income for 2015.





## Notes

---

### **17. Acquisition of subsidiaries and activities/business combinations (continued)**

For this acquisition, the Group paid a purchase price that exceeds the fair value of the identifiable assets, liabilities and contingent liabilities acquired. This positive balance is primarily attributable to expected synergies between the activities of the acquired activities and the Group's existing activities, future growth potential and the enterprises' staff. The synergies have not been recognised separately from goodwill as they are not separately identifiable.

A loss of DKK 168k of the Group's loss for the period is attributable to net earnings generated by W.G. Herr after the acquisition. DKK 165k of the Group's revenue for the period is attributable to W.G. Herr.

Had the enterprise been acquired with effect from 1 January 2015, revenue for 2015 would have been approx. DKK 0.2m, and loss for the period been approx. DKK 0.2m.

### **18. Other liabilities**

Other liabilities include payable A tax (withholding tax), holiday pay etc., VAT and other expenses payable as well as a finance lease liability of DKK 0.6m at 31 March 2015.



The original consolidated financial statements for Lauritz.com A/S are in the Danish language.  
In case of discrepancies, the Danish documents prevail.



## Management's Statement

### Statement by the Board of Directors and the Executive Board on the consolidated financial statements of Lauritz.com A/S as at and for the financial years ended 31 December 2015, 31 December 2014 and 31 December 2013

The Executive Board and the Board of Directors ("Management") have today discussed and approved the consolidated financial statements of Lauritz.com A/S (together with its subsidiaries, the "Group") at 31 December 2015, 31 December 2014 and 31 December 2013 and for each of the years then ended. The consolidated financial statements as at and for the years then ended 31 December 2014 and 31 December 2013 serves as corresponding figures for year ended 31 December 2015 and have together with the consolidated financial statements as at and for the year ended 31 December 2015 been derived from the published consolidated financial statements as at and for the years ended 31 December 2015, 31 December 2014 and 31 December 2013, respectively, as prepared and approved by the Executive Board and the Board of Directors on 26 March 2016, 15 April 2015 and 27 May 2014, respectively. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2015, 31 December 2014 and 31 December 2013 and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statements and notes, including summary of significant accounting policies. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards, as adopted by the European Union.

In our opinion, the accounting policies applied are appropriate, and the consolidated financial statements give a true and fair view of the Group's financial position at 31 December 2015, 31 December 2014 and 31 December 2013 and of the results of the Group's operations and cash flows for the financial years 2015, 2014 and 2013 in accordance with International Financial Reporting Standards as adopted by the European Union.

Søborg, 14 June 2016

#### Executive Board

Mette Margrethe Rode Sundstrøm  
*CEO*

Henrik Engmark  
*COO*

#### Board of Directors

Bengt Sundström  
*Chairman*

John Tyrrestrup

Thomas Schnegelsberg

Tim Frank Andersen

Petra von Rohr



## **Independent auditors' report on the consolidated financial statements of Lauritz.com A/S as at 31 December 2015, 31 December 2014 and 31 December 2013 and for each of the years then ended**

### **To shareholders of Lauritz.com A/S**

We have audited the consolidated financial statements of Lauritz.com A/S and subsidiaries (together the "Group") as at 31 December 2015, 31 December 2014 and 31 December 2013 and for each of the years then ended.

The consolidated financial statements as at and for the years ended 31 December 2014 and 31 December 2013 serve as corresponding figures for year ended 31 December 2015 and have together with the consolidated financial statements as at and for the year ended 31 December 2015 been derived from the published consolidated financial statements as at and for the years ended 31 December 2015, 31 December 2014 and 31 December 2013, respectively, as prepared and approved by the Executive Board and the Board of Directors (the "Management") on 26 March 2016, 15 April 2015 and 27 May 2014, respectively.

The consolidated financial statements comprise consolidated statement of comprehensive income, consolidated balance sheets, consolidated statement of changes in equity, consolidated cash flow statement and notes, including a summary of significant accounting policies for the Group. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit of the published consolidated financial statements as at and for the years ended 31 December 2015, 31 December 2014 and 31 December 2013 was completed and our auditors' report issued on 26 March 2016, 15 April 2015 and 27 May 2014, respectively. We have not performed any audit procedures subsequent to these dates.

### **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated 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. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to



## **Independent auditors' report on the consolidated financial statements of Lauritz.co A/S as at 31 December 2015, 31 December 2014 and 31 December 2013 and for each of the years then ended**

fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audits have not resulted in any qualification.

### **Opinion**

In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position as at 31 December 2015, 31 December 2014 and 31 December 2013 and of the results of the Group's operations and cash flows for each of the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Copenhagen, 14 June 2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No 33 96 35 56

Kirsten Aaskov Mikkelsen  
*State-Authorised Public Accountant*

Lars Siggaard Hansen  
*State-Authorised Public Accountant*



## Consolidated statement of comprehensive income, 1 January to 31 December

	2015	2014	2013
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Sales at auctions <sup>1</sup>	1,084,036	1,047,146	868,674
<u>Notes</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
2 Revenue	225,152	153,411	117,110
Direct costs	- 17,833	- 14,921	- 6,464
<b>Gross profit</b>	<b>207,319</b>	<b>138,490</b>	<b>110,646</b>
3 Other operating income	441	-	2,006
4 Other external costs	- 63,794	- 47,906	- 34,150
5 Personnel costs	- 102,136	- 67,342	- 54,710
<b>EBITDA</b>	<b>41,830</b>	<b>23,242</b>	<b>23,792</b>
6 Depreciation and amortisation	- 12,175	- 6,615	- 5,217
<b>Earnings from ordinary operating activities (EBIT)</b>	<b>29,655</b>	<b>16,627</b>	<b>18,575</b>
7 Financial income	818	16,351	3,913
8 Financial expenses	- 41,241	- 18,716	- 5,419
<b>Earnings before tax (EBT)</b>	<b>- 10,768</b>	<b>14,262</b>	<b>17,069</b>
9 Tax on profit/loss for the year	2,255	- 3,761	- 2,819
<b>Profit/loss for the year</b>	<b>- 8,513</b>	<b>10,501</b>	<b>14,250</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange adjustments, foreign enterprises	9,221	- 4,772	- 219
Tax on other comprehensive income	-	-	-
<b>Other comprehensive income</b>	<b>9,221</b>	<b>- 4,772</b>	<b>- 219</b>
<b>Comprehensive income</b>	<b>708</b>	<b>5,729</b>	<b>14,031</b>
18 Basic earnings per share, DKK	- 141.4	175.0	237.5
18 Diluted earnings per share, DKK	- 141.4	175.0	237.5

<sup>1</sup> Sales at auctions reflects activities on www.lauritz.com, www.qxl.dk, www.qxl.no, mobile apps, Stockholms Auktionsverk (including Magasin 5) and Helsingborgs Auktionsverk. The figures include hammer prices, buyer's premiums exclusive of VAT and sales through LauritzOneBid.



## Consolidated balance sheet

### Assets

<u>Notes</u>	<u>31.12.2015</u> <u>DKK'000</u>	<u>31.12.2014</u> <u>DKK'000</u>	<u>31.12.2013</u> <u>DKK'000</u>
<b>Non-current assets</b>			
10 Software in process of development	5,996	10,600	3,431
10 Developed software	13,988	4,979	5,211
10 Goodwill	138,501	127,913	21,044
10 Acquired rights	52,647	52,870	9,079
Total intangible assets	<u>211,132</u>	<u>196,362</u>	<u>38,765</u>
11 Land and buildings	51,969	-	-
11 Plant equipment and fixtures	17,058	15,090	6,896
Total property, plant and equipment	<u>69,027</u>	<u>15,090</u>	<u>6,896</u>
12 Deferred tax	912	1,874	3,591
13 Deposits	1,091	6,675	6,404
14 Other non-current receivables	15,938	-	-
Total financial assets	<u>17,941</u>	<u>8,549</u>	<u>9,995</u>
<b>Total non-current assets</b>	<b><u>298,100</u></b>	<b><u>220,001</u></b>	<b><u>55,656</u></b>
<b>Current assets</b>			
Inventories	<u>1,547</u>	<u>1,233</u>	<u>1,230</u>
14 Trade receivables	18,341	17,956	7,658
22 Receivables from Parent Company	113,765	124,658	117,856
14 Other current receivables	23,523	64,252	10,464
Total receivables	<u>155,629</u>	<u>206,866</u>	<u>135,978</u>
Cash and cash	<u>46,289</u>	<u>81,783</u>	<u>32,275</u>
<b>Total current assets</b>	<b><u>203,465</u></b>	<b><u>289,882</u></b>	<b><u>169,483</u></b>
<b>Total assets</b>	<b><u>501,565</u></b>	<b><u>509,883</u></b>	<b><u>225,139</u></b>



## Consolidated balance sheet

### Equity and liabilities

<u>Notes</u>	<u>31.12.2015</u> <u>DKK'000</u>	<u>31.12.2014</u> <u>DKK'000</u>	<u>31.12.2013</u> <u>DKK'000</u>
<b>Equity</b>			
Share capital	6,002	6,000	6,000
Other reserves	4,323	- 4,898	- 126
Retained earnings	2,962	13,448	14,447
<b>Total equity</b>	<b>13,287</b>	<b>14,550</b>	<b>20,321</b>
<b>Liabilities</b>			
12 Deferred tax	9,792	13,544	1,655
Bank loans	-	-	15,224
15 Bond debt	338,056	337,362	11,983
Total non-current liabilities	347,848	350,906	28,862
Bank loans	-	-	33,541
15 Bond debt	13,383	-	19,068
Trade payables	91,546	113,763	87,867
Income tax payable	-	507	2,551
16 Other liabilities	35,501	30,157	32,929
Total current liabilities	140,430	144,427	175,956
<b>Total liabilities</b>	<b>488,278</b>	<b>495,333</b>	<b>204,818</b>
<b>Total equity and liabilities</b>	<b>501,565</b>	<b>509,883</b>	<b>225,139</b>





## Consolidated statement of changes in equity

DKK'000	Share capital	Other reserves	Retained earnings	Total equity
<b>Equity at 1 January 2013</b>	<b>6,000</b>	<b>93</b>	<b>15,197</b>	<b>21,290</b>
Profit for the year	-	-	14,250	14,250
Other comprehensive income	-	-219	-	-219
	6,000	-126	29,447	35,321
Dividend distributed	-	-	-15,000	-15,000
<b>Equity at 31 December 2013</b>	<b>6,000</b>	<b>-126</b>	<b>14,447</b>	<b>20,321</b>
<b>Equity at 1 January 2014</b>	<b>6,000</b>	<b>-126</b>	<b>14,447</b>	<b>20,321</b>
Profit for the year	-	-	10,501	10,501
Other comprehensive income	-	-4,772	-	-4,772
	6,000	-4,898	24,948	26,050
Dividend distributed	-	-	-11,500	-11,500
<b>Equity at 31 December 2014</b>	<b>6,000</b>	<b>-4,898</b>	<b>13,448</b>	<b>14,550</b>
<b>Equity at 1 January 2015</b>	<b>6,000</b>	<b>-4,898</b>	<b>13,448</b>	<b>14,550</b>
Loss for the year	-	-	-8,513	-8,513
Other comprehensive income	-	9,221	-	9,221
	6,000	4,323	4,935	15,258
Dividend distributed	-	-	-2,000	-2,000
Capital increase, 3 April 2015	2	-	27	29
<b>Equity at 31 December 2015</b>	<b>6,002</b>	<b>4,323</b>	<b>2,962</b>	<b>13,287</b>

On 3 April 2015, the Company's share capital was increased by 20 shares, each in the nominal amount of DKK 100, equivalent to an increase of capital by DKK 2,000 and a share premium of DKK 27,000. The increase was made as part of the demerger of the property placed in Rovsinggade, Copenhagen, following which the property forms part of property, plant and equipment.



## Consolidated cash flow statement

<u>Notes</u>	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>	<u>2013</u> <u>DKK'000</u>
Earnings from ordinary operating activities (EBIT)	29,655	16,627	18,575
Depreciation and amortisation	12,175	6,615	5,217
Increase/decrease in inventories	- 314	- 3	694
Increase/decrease in receivables	- 9,116	- 1,674	- 14,526
Increase/decrease in trade payables and other liabilities	- 16,877	8,206	24,688
Other adjustments	- 516	7,055	- 6,484
<b>Cash flows from ordinary operating activities</b>	<b>15,007</b>	<b>36,826</b>	<b>28,164</b>
Interest received	818	5,918	3,913
Interest paid	- 26,999	- 24,886	- 3,890
Income tax paid under a joint taxation arrangement	- 1,531	- 2,551	- 4,466
<b>Cash flows from operating activities</b>	<b>- 12,705</b>	<b>15,307</b>	<b>23,721</b>
Purchase of property, plant and equipment	- 7,978	- 3,786	- 2,491
Sale of property, plant and equipment	-	-	60
Purchase of intangible assets	- 9,720	- 12,761	- 9,832
20 Acquisitions	- 5,108	- 140,526	- 1,622
Loan to Parent Company	-	-	26,000
Other cash flows from investing activities	-	50,000	-
<b>Cash flows from investing activities</b>	<b>- 22,806</b>	<b>- 207,073</b>	<b>- 39,885</b>
Borrowings	-	-	41,000
Repayment of borrowings	-	41,000	-
Proceeds from the issuance of bonds	-	336,114	-
Redemption of bonds	-	19,575	-
Proceeds from cash capital increase	1	-	-
Dividend paid to shareholders in Parent Company	- 2,000	- 11,500	- 15,000
<b>Cash flows from financing activities</b>	<b>- 1,999</b>	<b>264,039</b>	<b>26,000</b>
Net cash flows for the year	- 37,510	72,273	9,836
Net capital resources, beginning of year	81,783	9,510	- 326
Exchange rate adjustment of capital resources	2,016	-	-
<b>Net capital resources, end of year</b>	<b>46,289</b>	<b>81,783</b>	<b>9,510</b>
Net capital resources, end of year, are composed as follows:			
Cash and cash equivalents	46,289	81,783	32,275
Interest-bearing short-term bank loans	-	-	- 22,765
<b>Net capital resources, end of year</b>	<b>46,289</b>	<b>81,783</b>	<b>9,510</b>



## Notes

---

### I. Accounting policies for the Group

The Annual Report of Lauritz.com A/S for the financial year 2013 - 2015 has been presented in accordance with International Financial Reporting Standards, as adopted by the EU, and Danish disclosure requirements for annual reports of reporting class D (listed) enterprises for 2014 and 2015 and Danish disclosure requirements for annual reports of reporting class C enterprises for 2013, see the Danish Executive Order on IFRS Adoption issued in accordance with the Danish Financial Statements Act.

The Group has one operating segment, "auctioning". As the Group's activities expand, Management regularly assesses internal financial management reporting and whether it would be relevant to report additional segments.

The Annual Report is presented in Danish kroner (DKK), which is the presentation currency of the Group's activities and the functional currency of the Parent.

The accounting policies applied are consistent with those applied last year.

### Implementation of new or revised Standards and Interpretations

The implementation of new or revised Standards and Interpretations effective from 1 January 2015 and 1 January 2014, respectively, and adoption of disclosure requirements for class D enterprises in 2014 has not resulted in any changes in accounting policies.

### Standards and Interpretations not yet in force

At the time of publication of this Annual Report, the following material new or revised Standards and Interpretations have not yet become effective, for which reason they have not been incorporated in this Annual Report:

- IFRS 9 – "*Financial Instruments*": *Classification and measurement*
- IFRS 15 - *Revenue from Contracts with Customers*
- IFRS 16 - *Leases*
- Revised IAS 16 and IAS 38, *Clarification of acceptable methods of depreciation*.

In Management's opinion, the Group's future implementation of these Standards and Interpretations will not have any material effect on the Annual Report.



## Notes

---

### Accounting policies (continued)

#### Critical accounting judgements and key sources of estimation uncertainty

When applying the Group's accounting policies, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily evident from other sources. These estimates and assumptions are based on historic experience and other relevant factors. Actual results may vary from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During annual impairment testing of goodwill and other non-current assets for impairment, or when an indication of impairment exists, an assessment is made as to how those activities of the Group (cash-generating units) that relate to goodwill would be able to generate sufficient positive future cash flows to support the value of goodwill, non-current intangible assets and property, plant and equipment relating to those activities. Due to the nature of the business, estimates are made of cash flows for many years ahead, which inherently results in some uncertainty. Such risk and uncertainty are reflected in the discount rate applied and in the terminal value growth rate.

In calculating write-downs for bad and doubtful debts, Management has made estimates based on information available and other indications.

It may be necessary to change previous estimates due to changes in those circumstances on which the estimates are based, or due to new information or subsequent events.

#### Consolidated financial statements

The consolidated financial statements include the Parent Company Lauritz.com A/S and the subsidiaries that are controlled by the Parent Company. The Parent Company is deemed to have control when it has power over the relevant activities of the enterprise in question and when it has exposure, or rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of variable returns.

The consolidated financial statements are prepared on the basis of the financial statements of Lauritz.com A/S and its subsidiaries. The consolidated financial statements are prepared by combining financial statement items of a uniform nature. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

On consolidation, intra-group income and expenses, intra-group balances and dividends as well as profits on transactions between the consolidated enterprises are eliminated.



## Notes

---

### Accounting policies (continued)

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

### Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Time of acquisition is the date on which control over the enterprise is actually acquired. Divested or wound-up enterprises are recognised in the consolidated statement of comprehensive income up to the time of their divestment or wind-up.

The acquisition method is applied on acquisition of new enterprises over which Lauritz.com A/S obtains control. The identifiable assets, liabilities and contingent liabilities of the enterprises acquired are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they can be separated or arise out of a contractual right, and their fair value can be assessed reliably. Deferred tax is recognised for any reassessments made.

Cost of an enterprise consists of fair value of the consideration agreed. If part of the consideration is contingent upon future events, such part is recognised in cost in so far as the events are likely to occur, and the consideration can be calculated reliably.

Positive differences (goodwill) between the cost of the enterprise acquired and the fair value of the identifiable assets acquired, net of the amount of liabilities and contingent liabilities, are recognised as goodwill in intangible assets. Goodwill is not amortised, but tested at least once a year for impairment. On acquisition, goodwill is allocated to the cash-generating units, which then form the basis of impairment testing.

If the asset's carrying amount is higher than its recoverable amount, it is written down to such lower recoverable amount. Goodwill and fair value adjustments made as part of the acquisition of a foreign enterprise using a functional currency other than the presentation currency used by Lauritz.com A/S are accounted for as assets and liabilities belonging to the foreign enterprise and translated into Danish kroner at the transaction date exchange rate. Negative differences (negative goodwill) are recognised in other operating income in the statement of comprehensive income at the date of acquisition.

If uncertainty exists at the date of acquisition as to the measurement of identifiable assets, liabilities or contingent liabilities acquired, initial recognition will be based on preliminary fair values. Should the fair values of identifiable assets, liabilities or contingent liabilities at the date of acquisition then turn out to differ from those previously estimated, goodwill is adjusted up until 12 months after the date of acquisition, and subsequent adjustments are recognised in the statement of comprehensive income.



## Notes

---

### Accounting policies (continued)

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 net assets, including goodwill, at the time of sale plus divestment or winding-up expenses.

### Foreign currency translation

Foreign currency transactions are translated using the transaction date exchange rate. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date are recognised in the statement of comprehensive income as financial income or financial expenses. If foreign exchange positions are considered hedging of future cash flows, the value adjustments are recognised directly in other comprehensive income.

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 balance sheet date and the rate in effect at the time when the receivable or the payable arose are recognised in the statement of comprehensive income as financial income or financial expenses.

Non-current assets purchased in foreign currencies are translated applying the transaction date exchange rate.

On recognition in the consolidated financial statements of enterprises using functional currencies other than Danish kroner, the income statement items are translated using the average exchange rate for the year, whereas the balance sheet items are translated at the balance sheet date exchange rate. Exchange differences arising out of the translation of such enterprises' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from the transaction date exchange rates to the balance sheet date exchange rates are recognised in other comprehensive income.

### Statement of comprehensive income

#### Revenue

Revenue, consisting of buyer's and seller's premiums, hammer price fees, seller advertising, commission, etc, is recognised in the statement of comprehensive income once the sale has taken place and the income can be determined reliably and receipt thereof is expected. Revenue is recognised net of VAT and duties and less sales discounts. Revenue also includes commission for the conclusion of partnership agreements as well as sales of banner ads.

#### Direct costs

Direct costs are composed of packing and distribution costs as well as other costs related to revenue.

#### Other operating income

Other operating income comprises income of a secondary nature relative to the Groups activities, including rental income.



## Notes

---

### Accounting policies (continued)

#### Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, operating lease expenses, etc.

#### Personnel costs

Personnel costs include wages, salaries, pension contributions, fees to the Board of Directors and the Executive Board as well as other social security costs.

#### Financial income and expenses

These items comprise interest income and interest expenses, realised and unrealised capital gains and losses from liabilities and foreign currency transactions as well as amortisation of financial assets and liabilities.

Financial income and expenses are recognised at the amounts relating to the financial year.

#### Tax on profit/loss for the year

The Group participates in a joint taxation arrangement with both Danish and foreign group enterprises.

Current Danish income tax is allocated among the jointly taxed Danish enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses). The jointly taxed enterprises are subject to the Danish Tax Prepayment Scheme.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the statement of comprehensive income by the portion attributable to profit or loss for the year and taken other comprehensive income by the portion attributable to entries directly in other comprehensive income. Tax recognised in the statement of comprehensive income is classified as tax on profit for the year.

#### Balance sheet

##### Intangible assets

On initial recognition, goodwill is recognised at cost in the balance sheet as described under “Business combinations”. Subsequently, goodwill is measured at cost less accumulated impairment losses.

The carrying amount of goodwill is allocated to the Group’s cash-generating units at the time of acquisition. Determination of cash-generating units complies with the management structure and finance management. As a result of integrating the acquired enterprises in the existing group, Management estimates that the lowest level for cash-generating units, to which the carrying amount of goodwill may be allocated, is group level as it is generally impossible to trace and measure the value of goodwill in each of the enterprises acquired after a short period of time.

**Notes**

---

**Accounting policies (continued)**

Rights acquired are measured at cost less accumulated amortisation. Rights acquired are amortised on a straight-line basis over their estimated useful lives which are estimated to be up to 20 years or less depending on the terms of contract.

Software in process of development comprises both externally acquired software and proprietary software qualifying for capitalisation. Software in process of development is not amortised, however, its value is tested on a regular basis, which may result in a write-down.

Developed software is amortised on a straight-line basis using its estimated useful life. The period of amortisation is usually 3 to 5 years.

Intangible assets with indefinite useful lives are not amortised, but are tested at least once a year for impairment. If the assets' carrying amounts exceed their recoverable amounts, they are written down to such lower amount. In the balance sheet, intangible assets with indefinite useful lives are presented in "Acquired rights".

**Property, plant and equipment**

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Plant, equipment and fixtures 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. The residual value is the estimated amount that would be earned if selling the asset today net of selling costs, if the asset is of an age and a condition that is expected after the end of useful life.

Depreciation is provided on a straight-line basis from the following assessment of the assets' expected useful lives:

Buildings . . . . . 50 years

Plant, equipment and fixtures . . . . 3 to 10 years

The gain or loss arising from the disposal of an item of property, plant and equipment is determined as the difference between the selling price net of selling costs and the carrying amount at the time of sale. Gains or losses are recognised in "Other operating income" in the statement of comprehensive income.

For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.





## Notes

---

### Accounting policies (continued)

#### Write-down for impairment of non-current assets

The carrying amounts of both intangible assets and items of property, plant and equipment are reviewed annually for impairment in addition to that reflected through amortisation and depreciation. However, goodwill and intangible assets with indefinite useful lives are tested annually for impairment, the first time being before the end of the acquisition year.

If any such indication exists, impairment tests are made of each asset and group of assets, respectively. Write-down is made to the lower of recoverable amount and carrying amount.

The recoverable amount is the higher of net selling price and value in use. Value in use is the present value of the estimated net income from using the asset or the group of assets.

#### Non-current financial assets

##### Deposits

Deposits are measured at cost. Write-down for bad and doubtful debts is made to net realisable value.

##### Inventories

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

#### Trade receivables and other receivables

Trade receivables and other receivables are measured at amortised cost which usually corresponds to nominal value. Write-down for bad and doubtful debts is made to net realisable value.

#### Equity and liabilities

##### Equity

Proposed dividend is recognised as a liability at the time of adoption at the annual general meeting (the time of declaration).

Other reserves comprise exchange differences arising from the translation of financial statements of enterprises with a functional currency other than Danish kroner.



## Notes

---

### Accounting policies (continued)

#### Current tax and deferred tax

The 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.

Deferred tax is the tax recognised on temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax liabilities as well as deferred tax assets are recognised.

Deferred tax is measured based on the current tax rate. Changes in deferred tax resulting from changed tax rates are recognised in the statement of comprehensive income.

#### Liabilities

Financial liabilities are recognised at the time of borrowing at nominal value less transaction costs incurred, equivalent to the proceeds received. Subsequently, financial liabilities are recognised at amortised cost equal to the capitalised value using the effective interest method to the effect that the difference between the proceeds and the nominal amount is recognised in the statement of comprehensive income over the term of the loan.

Other liabilities including debt to suppliers, subsidiaries as well as other payables are measured at amortised cost which usually corresponds to nominal value.

#### Cash flow statement

The cash flow statement is presented using the indirect method and shows cash flows for the year by operating, investing and financing activities, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as profit/loss for the year adjusted for non-cash operating items, working capital changes as well as interest income, interest expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of enterprises and activities as well as the acquisition and sale of non-current assets.

Cash flows from financing activities comprise changes in the size or composition of share capital and related expenses. Moreover, cash flows comprise borrowings, repayments of interest-bearing debt and payment of dividend.

Cash and cash equivalents comprise cash and bank balances less any business credit facilities forming an integral part of cash management.



## Notes

---

### Accounting policies (continued)

#### Financial assets and liabilities

The Group classifies their financial assets as loans and receivables and their financial liabilities as other financial liabilities.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are stated in current assets unless the term after the balance sheet date exceeds 12 months. In this event, they are classified as non-current assets. In the balance sheet, loans and receivables are classified as “Non-current receivables”, “Deposits”, “Trade receivables”, “Receivables from Parent Company” and “Other current receivables”.

#### Other financial liabilities

Financial liabilities are non-derivative financial liabilities that are measured at amortised cost. They are recognised in the balance sheet under non-current liabilities when the time to maturity from the balance sheet date exceeds 12 months. If maturing within 12 months, they are recognised under current liabilities. Other financial liabilities are classified in the balance sheet as “Trade payables” and “Other liabilities”.

**Notes**

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>2. Revenue</b>			
Premiums and fees from auctions etc	205,130	153,148	116,083
Commission for conclusion of partnership agreements	<u>20,022</u>	<u>263</u>	<u>1,027</u>
	<b><u>225,152</u></b>	<b><u>153,411</u></b>	<b><u>117,110</u></b>
<b>3. Other operating income</b>			
Rental income	441	-	-
Negative goodwill from acquired subsidiaries	<u>-</u>	<u>-</u>	<u>2,006</u>
	<b><u>441</u></b>	<b><u>-</u></b>	<b><u>2,006</u></b>
<b>4. Fees to the Parent's auditors appointed by the general meeting</b>			
Statutory audit	696	678	581
Tax advisory services	98	100	100
Other services	<u>636</u>	<u>797</u>	<u>876</u>
	<b><u>1,430</u></b>	<b><u>1,575</u></b>	<b><u>1,557</u></b>
<b>5. Personnel costs</b>			
Fee to Board of Directors	225	429	425
Salaries and wages	83,077	52,111	46,572
Defined contribution plans, see below	3,846	2,320	877
Other social security costs	11,217	5,234	2,745
Other personnel costs	<u>3,771</u>	<u>7,248</u>	<u>4,091</u>
	<b><u>102,136</u></b>	<b><u>67,342</u></b>	<b><u>54,710</u></b>
Average number of employees	<u>204</u>	<u>136</u>	<u>135</u>

The Group has entered into defined contribution plans with the majority of the employees of the Danish group enterprises. Pursuant to these plans, the group enterprises pay a monthly amount of 5% (2014; 5%, 2013: 2%) of the relevant employees' base salary into the plans. The contribution recognised in the comprehensive income statement for the financial year is stated above.

**Remuneration of the Board of Directors and the Executive Board**

Fee to Board of Directors	225	429	425
Salaries and wages, Executive Board	<u>3,230</u>	<u>3,433</u>	<u>3,043</u>
	<b><u>3,455</u></b>	<b><u>3,862</u></b>	<b><u>3,468</u></b>



## Notes

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>6. Depreciation and amortisation</b>			
Depreciation, buildings	388	-	-
Depreciation, other fixtures and fittings etc	3,750	2,282	1,744
Amortisation, rights acquired	2,802	1,791	1,183
Amortisation, developed software and software in process of development	5,235	2,542	2,290
	<b>12,175</b>	<b>6,615</b>	<b>5,217</b>
<b>7. Financial income</b>			
Interest income	192	698	10
Interest income from group enterprises	626	5,220	3,822
Interest income from financial assets	<b>818</b>	<b>5,918</b>	<b>3,832</b>
Foreign exchange gains	-	10,433	81
	<b>818</b>	<b>16,351</b>	<b>3,913</b>
<b>8. Financial expenses</b>			
Interest expenses	152	1,826	2,927
Financial expenses, bond debt	27,547	15,977	2,492
Amortisation of borrowing costs, bond debt	2,034	913	-
Interest expenses from financial liabilities	<b>29,733</b>	<b>18,716</b>	<b>5,419</b>
Exchange rate losses	11,508	-	-
	<b>41,241</b>	<b>18,716</b>	<b>5,419</b>
<b>9. Tax on profit/loss for the year</b>			
Current tax for the year	477	483	2,551
Change in deferred tax for the year	-	2,548	3,329
Adjustment of tax for previous years	60	35	75
Effect of change in tax rate	124	86	27
<b>Tax on profit/loss for the year</b>	<b>2,255</b>	<b>3,761</b>	<b>2,819</b>

The current income tax for the financial year is computed on the basis of a tax rate of 23.5% for Danish enterprises (2014: 24.5%, 2013: 25%).

**Notes****9. Tax on profit/loss for the year (continued)**

	<b>2015</b>		<b>2014</b>		<b>2013</b>
	<b>DKK'000</b>		<b>DKK'000</b>		<b>DKK'000</b>
Tax on profit/loss for the year may be specified as follows:					
Tax computed at the rate of 23.5% on profit/loss for the year before tax (2014: 24.5%, 2013: 25%)	-	2,530	3,493	3,766	
Effect of change in tax rate	-	124	86	27	
Adjustment of deferred tax for previous years		169	25	411	
Recognition of tax asset not previously capitalised	-	47	13	491	
Tax effect of non-deductible expenses		277	342	18	
	-	<b>2,255</b>	<b>3,761</b>	<b>2,819</b>	
Effective tax rate		<b>20.9%</b>	<b>26.4%</b>	<b>16.5%</b>	

No tax on other comprehensive income has been recognised.

**10. Intangible assets**

	<b>Software in process of development</b>	<b>Developed software</b>	<b>Acquired rights</b>	<b>Goodwill</b>
Cost at 1 January 2015	14,104	19,867	57,054	127,913
Exchange rate adjustments	-	56	49	2,588
Additions from subsidiaries acquired	-	-	-	-
Additions	6,862	2,858	-	4,730
Transferred	-	11,410	-	-
<b>Cost at 31 December 2015</b>	<b>9,500</b>	<b>34,086</b>	<b>59,642</b>	<b>138,501</b>
Amortisation at 1 January 2015	-	14,888	4,184	-
Impairment losses at 1 January 2015	3,504	-	-	-
Exchange rate adjustments	-	25	9	-
Amortisation for the year	-	5,235	2,802	-
<b>Amortisation and impairment losses at 31 December 2015</b>	<b>3,504</b>	<b>20,098</b>	<b>6,995</b>	<b>-</b>
<b>Carrying amount at 31 December 2015</b>	<b>5,996</b>	<b>13,988</b>	<b>52,647</b>	<b>138,501</b>



## Notes

### 10. Intangible assets (continued)

	Software in process of development	Developed software	Acquired rights	Goodwill
Cost at 1 January 2014	6,871	17,638	11,472	21,044
Exchange rate adjustments	- 3	- 66	- 1,159	- 2,589
Additions from subsidiaries acquired	-	-	43,459	109,458
Additions	7,671	1,860	3,282	-
Transferred	- 435	435	-	-
<b>Cost at 31 December 2014</b>	<b><u>14,104</u></b>	<b><u>19,867</u></b>	<b><u>57,054</u></b>	<b><u>127,913</u></b>
Amortisation at 1 January 2014	-	12,427	2,393	-
Impairment losses at 1 January 2014	3,440	-	-	-
Exchange rate adjustments	-	- 17	-	-
Impairment losses for the year	64	-	-	-
Amortisation for the year	-	2,478	1,791	-
<b>Amortisation and impairment losses at 31 December 2014</b>	<b><u>3,504</u></b>	<b><u>14,888</u></b>	<b><u>4,184</u></b>	<b><u>-</u></b>
<b>Carrying amount at 31 December 2014</b>	<b><u>10,600</u></b>	<b><u>4,979</u></b>	<b><u>52,870</u></b>	<b><u>127,913</u></b>
	Software in process of development	Developed software	Acquired rights	Goodwill
Cost at 1 January 2013	3,440	13,821	2,477	21,044
Exchange rate adjustments	-	-	-	-
Additions from subsidiaries acquired	-	-	6,495	-
Additions	3,431	3,817	2,500	-
Transferred	-	-	-	-
<b>Cost at 31 December 2013</b>	<b><u>6,871</u></b>	<b><u>17,638</u></b>	<b><u>11,472</u></b>	<b><u>21,044</u></b>
Amortisation at 1 January 2013	-	10,137	1,210	-
Impairment losses at 1 January 2013	3,440	-	-	-
Exchange rate adjustments	-	-	-	-
Impairment losses for the year	-	-	-	-
Amortisation for the year	-	2,290	1,183	-
<b>Amortisation and impairment losses at 31 December 2013</b>	<b><u>3,440</u></b>	<b><u>12,427</u></b>	<b><u>2,393</u></b>	<b><u>-</u></b>
<b>Carrying amount at 31 December 2013</b>	<b><u>3,431</u></b>	<b><u>5,211</u></b>	<b><u>9,079</u></b>	<b><u>21,044</u></b>



## Notes

---

### 10. Intangible assets (continued)

Software includes development projects for IT systems and processes in progress. Apart from goodwill and trademarks, all other intangible assets are regarded as having determinable useful lives over which the assets are amortised, see accounting policies. The carrying amount of trademarks without determinable useful lives totals DKK 24.8m at 31 December 2015 (2014: DKK 24.7m, 2013: DKK 0m).

Acquired enterprises are integrated in the Group as soon as possible to realise synergy effects in the business areas. Consequently, it is generally not possible after a short period to trace and measure the value of goodwill in the individual units or enterprises, which is why the Group has only one cash-generating unit. The impairment test is therefore made at group level.

At 31 December 2015, Management tested the carrying amount of goodwill, software in process of development and other intangible assets for impairment. The recoverable amount exceeds the carrying amount.

The key assumptions underlying the calculation of value in use are the determination of EBITDA growth, discount rate and terminal value growth rate.

EBITDA growth is determined based on historical EBITDA realised in the period immediately prior to the beginning of the budget period, adjusted for non-recurring expenses, expected market developments and enterprises acquired and divested. For the 2016 budget period, this is equivalent to an annual EBITDA growth rate of approx 15% from 2016 to 2020.

EBITDA growth is related to the development in sales at auctions, equivalent to an annual average growth rate of approx 2-8% during the budget period from 2016 to 2020. When determining investments, the effect of EBITDA growth is included based on historical experience, equivalent to an investment level of approx 15-20% of budgeted EBITDA. The effect of expected acquisitions is not included at investment level.

The discount rate is determined based on the Company's marginal borrowing rate plus a risk premium that reflects the risk involved in investing in shares and the risk involved in the activity performed, equivalent to a pre-tax discount rate of 13.1 % (2014: 13.2 %, 2013: 13,3 %).

The terminal value growth rate of 2% is based on estimated economic growth (2014: 2 %, 2013: 2 %).





## Notes

### II. Property, plant and equipment

	<b>Land and buildings</b>	<b>Other fixtures etc</b>
Cost at 1 January 2015	-	30,897
Exchange rate adjustments	-	345
Additions from subsidiaries acquired	-	400
Additions	52,357	5,221
Disposals	-	194
<b>Cost at 31 December 2015</b>	<b>52,357</b>	<b>36,669</b>
Depreciation at 1 January 2015	-	15,807
Exchange rate adjustments	-	80
Depreciation for the year	388	3,750
Depreciation relating to disposals	-	86
<b>Depreciation at 31 December 2015</b>	<b>388</b>	<b>19,551</b>
<b>Carrying amount at 31 December 2015</b>	<b>51,969</b>	<b>17,058</b>
Assets held under finance leases are included in carrying amount at		976

	<b>Land and buildings</b>	<b>Other fixtures etc</b>
Cost at 1 January 2014	-	20,626
Exchange rate adjustments	-	445
Additions from subsidiaries acquired	-	6,930
Additions	-	3,786
<b>Cost at 31 December 2014</b>	<b>-</b>	<b>30,897</b>
Depreciation at 1 January 2014	-	13,730
Exchange rate adjustments	-	205
Depreciation for the year	-	2,282
<b>Depreciation at 31 December 2014</b>	<b>-</b>	<b>15,807</b>
<b>Carrying amount at 31 December 2015</b>	<b>-</b>	<b>15,090</b>
Assets held under finance leases are included in carrying amount at		705

**Notes****II. Property, plant and equipment (continued)**

	<b>Land and buildings</b>	<b>Other fixtures etc</b>
Cost at 1 January 2013	-	18,365
Exchange rate adjustments	-	- 110
Additions from subsidiaries acquired	-	158
Additions	-	2,491
Disposal	-	- 278
<b>Cost at 31 December 2013</b>	<b>-</b>	<b>20,626</b>
Depreciation at 1 January 2013	-	12,371
Exchange rate adjustments	-	- 107
Depreciation for the year	-	1,744
Depreciation relating to disposals	-	- 278
<b>Depreciation at 31 December 2013</b>	<b>-</b>	<b>13,730</b>
<b>Carrying amount at 31 December 2013</b>	<b>-</b>	<b>6,896</b>
Assets held under finance leases are included in carrying amount at		1,159

Additions to land and buildings are attributable to the demerger of the property placed at Rovsinggade 60-74 effected on 3 April 2015.

Assets held under finance leases concern IT equipment, with leases running until 2018 (2014; until 2016, 2013; until 2016). The annual lease payment for 2016 is DKK 491k and DKK 271k for subsequent years (annual leasing payment 2014; DKK 500k, 2013; DKK 500k).

The property placed at Rovsinggade 60-74 has been provided as security for the corporate bonds issued, see note 15.



## Notes

### 12. Deferred tax

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Deferred tax at 1 January	- 11,670	1,936	1,360
Exchange rate adjustments	118	297	- 43
Additions from subsidiaries acquired	-	- 10,660	812
Effect of change in tax rate	124	86	27
Deferred tax on profit/loss for the year	<u>2,548</u>	<u>- 3,329</u>	<u>- 220</u>
<b>Deferred tax at 31 December</b>	<b>- 8,880</b>	<b>- 11,670</b>	<b>1,936</b>

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Deferred tax breakdown:			
Tax loss carryforwards	3,295	1,758	3,360
Buildings	262	-	-
Operating equipment	637	87	187
Leasehold improvements	14	28	- 62
Rights acquired	- 327	- 21	44
Software	- 2,375	- 2,747	- 1,525
Goodwill	<u>- 10,386</u>	<u>- 10,775</u>	<u>- 68</u>
	<b>- 8,880</b>	<b>- 11,670</b>	<b>1,936</b>

The individual changes in deferred tax have been recognised in profit or loss. No deferred tax is incumbent on other comprehensive income. Expectations are that tax loss carryforwards will be used within a period of three to five years.

Deferred tax is recognised as follows in the balance sheet:

Deferred tax (asset)	912	1,874	3,591
Deferred tax (liability)	<u>9,792</u>	<u>13,544</u>	<u>1,655</u>
<b>Net deferred tax at 31 December (liability)</b>	<b>8,880</b>	<b>11,670</b>	<b>1,936</b>

When demerging the property placed at Rovsinggade 60-73 on 3 April 2015, no deferred tax was recognised as the Danish tax authorities have stated that current tax is incumbent on the property that was sold in 2007 by Ejendomsselskabet Rovsinggade 60-74 ApS. Ejendomsselskabet Rovsinggade 60-74 ApS does not consider this correct, and a request for the reopening of the tax assessment thereof is pending.

Should a decision be made in favour of Ejendomsselskabet Rovsinggade 60-74 ApS that the company does not have current tax liabilities regarding the property sold, then deferred tax will instead be incumbent on the property placed at Rovsinggade 60-74 and in that case Ejendomsselskabet Rovsinggade 60-74 ApS would pay approx DKK 13m to Lauritz.com A/S to refund the resulting deferred tax.

**Notes****13. Financial assets**

	<b>Deposits</b>
Cost at 1 January 2015	6,675
Additions	9
Disposals	- 5,593
<b>Cost at 31 December 2015</b>	<b>1,091</b>
<b>Carrying amount at 31 December 2015</b>	<b>1,091</b>
	<b>Deposits</b>
Cost at 1 January 2014	6,404
Additions	271
Disposals	-
<b>Cost at 31 December 2014</b>	<b>6,675</b>
<b>Carrying amount at 31 December 2014</b>	<b>6,675</b>
	<b>Deposits</b>
Cost at 1 January 2013	6,404
Additions	-
Disposals	-
<b>Cost at 31 December 2013</b>	<b>6,404</b>
<b>Carrying amount at 31 December 2013</b>	<b>6,404</b>

**14. Receivables**

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Trade receivables	18,341	17,956	7,658
Other receivables, non-current	15,938	-	-
Other receivables, current	23,523	64,252	10,464
	<b>57,802</b>	<b>82,208</b>	<b>18,122</b>

All trade receivables fall due within 12 months. Non-current receivables relate to the sale of partnership agreements falling due for payment within a period of two to four years.

In 2014, other receivables include a debt instrument for DKK 50m issued to Ejendomsselskabet Rovsinggade 60-74 ApS as part of the demerger of the property placed in Rovsinggade 60-74. Please also refer to the comments in the management commentary in the annual report for 2014, from which it is evident that receivables will be settled in 2015.



## Notes

### 14. Receivables (continued)

The impairment losses included in the receivables listed above have developed as follows:

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
Impairment losses at 1 January	1,158	658	-
Write-down for impairment during the year	-	500	658
Realised during the year	-	-	-
Reversed	-	-	-
Impairment losses at 31 December	<u>1,158</u>	<u>1,158</u>	<u>658</u>

No significant single overdue receivables exist at 31 December 2015 for which payment arrangements have not been made or a write-down for bad and doubtful debts has not been made.

### 15. Bond debt and bank loans

In 2009, the Group issued corporate bonds, the principal amount of which is DKK 14.5m. In 2014, the Group has redeemed corporate bonds issued in 2009 with a principal amount of DKK 14.5m and an unpaid balance at the time of redemption of DKK 19.8m.

In 2011, the Group issued corporate bonds, the principal amount of which is DKK 10.0m. The bonds carry interest at 3.5% and are redeemed after five years from the date of issue at a price of 135.

The Group issued listed corporate bonds on 17 June 2014 with a principal amount of SEK 375m (or DKK 294.6m) and on 30 September 2014 with a principal amount of SEK 50m (or DKK 39.4m). The bonds carry interest at 3M STI-BOR + 750 bps and are redeemed at par after five years from the date of issue. The corporate bond is listed on the NASDAQ OMX Stockholm.

### Financial covenants

	<b>31.12.2015</b>	<b>EBITDA</b>
	<b>DKK'000</b>	<b>ratio</b>
EBITDA	<u>41,830</u>	
<i>Net interest-bearing debt/EBITDA</i>		
Bond debt, non-current	- 338,056	
Bond debt, current	- 13,383	
Receivables from Parent Company	113,765	
Cash and cash equivalents	<u>46,289</u>	
Total net interest-bearing debt	<u>191,385</u>	<u>4.58</u>

**Notes**

---

**15. Bond debt and bank loans (continued)****Financial covenants**

	<b>31.12.2015</b>	<b>EBITDA</b>
	<b>DKK'000</b>	<b>ratio</b>
<i>Net Finance Charges/EBITDA</i>		
Interest income, bank	- 192	
Financial expenses, bond debt	27,547	
Other interest expenses	116	
Total net finance charges	<u>27,471</u>	<u>1.52</u>

The Group is in compliance with applicable financial covenants at 31 December 2015.

**16. Other liabilities**

Other liabilities include payable A tax (withholding tax), holiday pay etc, VAT and other expenses payable as well as a finance lease liability of DKK 1.0m (2014: DKK 0.7m, 2013: DKK 1.2m). In 2013, other liabilities also included interest-bearing debt of DKK 15m.



## 17. Financial risks

The Group's currency risks related to operations are primarily hedged by matching payments received and made in the same currency. The difference between ingoing and outgoing payments denominated in the same currency is a measure of currency risk. The Group's currency exposure at 31 December 2015 is evident below:

2015 (DKK'000)	Cash and cash equivalents	Receivables	Group enterprises, net	Bank loans	Bond debt	Other liabilities	Net position
NOK	309	217	-	-	-	-1,061	-535
EUR	1,580	1,315	-	-	-	-2,829	66
SEK	32,539	13,994	-	-	-338,056	-52,292	-343,815
<b>31 December 2015</b>	<b>34,428</b>	<b>15,526</b>	<b>-</b>	<b>-</b>	<b>-338,056</b>	<b>-56,182</b>	<b>-344,284</b>

2014 (DKK'000)	Cash and cash equivalents	Receivables	Group enterprises, net	Bank loans	Bond debt	Other liabilities	Net position
NOK	910	309	-	-	-	-1,289	-70
EUR	1,644	701	-	-	-	-2,122	223
SEK	62,097	18,577	-	-	-324,679	-62,496	-306,501
<b>31 December 2014</b>	<b>64,651</b>	<b>19,587</b>	<b>-</b>	<b>-</b>	<b>-324,679</b>	<b>-65,907</b>	<b>-306,348</b>

**Notes****17. Financial risks (continued)**

<b>2013 (DKK'000)</b>	<b>Cash and cash equivalents</b>	<b>Receivables</b>	<b>Group enterprises, net</b>	<b>Bank loans</b>	<b>Bond debt</b>	<b>Other liabilities</b>	<b>Net position</b>
NOK	1,304	734	-	-	-	-2,058	-20
EUR	2,821	678	-	-	-	-4,673	-1,174
SEK	4,585	1,067	-	-	-	-10,879	-5,227
<b>31 December 2013</b>	<b>8,710</b>	<b>2,479</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-17,610</b>	<b>-6,421</b>

The bonds issued are issued in SEK and so the principal amount is subject to exchange rate fluctuations between the Company's functional currency (DKK) and SEK. A 5% change in the SEK rate at 31 December 2015 would have affected comprehensive income and equity by approx DKK 9m (2014: DKK 8m). The sensitivity analysis shows the difference between the 31 December 2015 (31 December 2014) fair value calculated for the Group's assets and liabilities denominated in SEK.

The Group has interest-bearing financial assets and liabilities and so it is affected by interest rate fluctuations. Fluctuations in the interest rate level affect the Group's floating-rate bond debt. An increase in the interest rate level of 1 percentage point per annum compared to the interest rate level at the balance sheet date would have had a negative impact of DKK 3m (2014: DKK 3m) on profit for the year and equity. A similar decline in the interest rate level would have resulted in an equivalent positive effect on profit for the year and equity.

The Group aims to have adequate cash resources to continuously carry out transactions appropriately as regards operations and investments. The Group's cash reserve consists of cash and cash equivalents as well as undrawn credit facilities. The Group's liquidity is mainly based on operating profits and the difference between the time of payment and the time of settlement. The time allowed for payment by buying customers is three days, and payment to selling customers takes place within 30 days. In order to maintain the current liquidity level, the Group needs to continue to earn a profit. Management assesses the Group's liquidity requirements on a regular basis.

The Group's credit exposure is not material as the auction items are not delivered to the highest bidder until payment is effected. Payments are mostly effected by way of credit cards or bank transfer. The Company has only experienced very few cases of credit card fraud. Moreover, reputable collaborators are used for managing cash flows, mainly Valitor, ALTAPAY, Danske Bank, SEB and DNB (2014 and 2013: SEB, DNB, Danske Bank and NETS) .

The Group regularly assesses its capital structure with a view to ensuring adequate equity with the Company. For 2013-2015, the Group expects to receive dividends from subsidiaries in so far as distribution is considered reasonable. The amount receivable from group enterprises is reduced through distribution of dividend. Expectations for 2013-2015 are that no dividend exceeding the amount receivable from group enterprises will be distributed.





## Notes

	<b>31.12.2015</b>	<b>31.12.2014</b>	<b>31.12.2013</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>18. Earnings per share</b>			
Profit/loss for the year	<u>-8,513</u>	<u>10,501</u>	<u>14,250</u>
Average number of shares	<u>60,020</u>	<u>60,000</u>	<u>60,000</u>
Basic earnings per share (par value DKK 100)	<u>-141.4</u>	<u>175.0</u>	<u>237.5</u>
Diluted earnings per share (par value DKK 100)	<u>-141.4</u>	<u>175.0</u>	<u>237.5</u>

## 19. Dividend

For 2015, DKK 2m (2014: DKK 11.5m, 2013: DKK 15m) in ordinary dividend has been distributed to the shareholders of Lauritz.com A/S, equalling DKK 33 per share (2014: DKK 192 per share, 2013: DKK 2.5 per share).

For the financial year 2015, the Board of Directors proposes that DKK 0 (2014: DKK 2m, 2013: DKK 11.5m) in dividend be distributed, equivalent to DKK 0 per share (2014: DKK 33 per share, 2013: DKK 192 per share).

## 20. Acquisition of subsidiaries and activities/business combinations

During the financial year, the Group has acquired the following enterprises/activities:

Name	Primary activity	Date of acquisition	Interest acquired %
Kunst & Auktionshaus W.G. Herr	Holding of quality auctions	6 Jan 2015	100

Also, three branches were acquired in Aarhus, Aalborg and Hamburg.

	<b>2015</b>
	<b>DKK'000</b>
Property, plant and equipment	400
Acquired rights	0
Receivables	0
Cash and cash equivalents	0
Other liabilities	<u>- 22</u>
<b>Net assets acquired</b>	<b>378</b>
Goodwill	<u>4,730</u>
<b>Total consideration</b>	<b>5,108</b>

**Notes****20. Acquisition of subsidiaries and activities/business combinations (continued)**

The Group has acquired net assets totalling DKK 378k including cash of DKK 0.

The Group has incurred transaction costs of DKK 88k, classified as other external expenses in the statement of comprehensive income for 2015.

For this acquisition, the Group paid a purchase price that exceeds the fair value of the identifiable assets, liabilities and contingent liabilities acquired. This positive balance is primarily attributable to expected synergies between the activities of the acquired activities and the Group's existing activities, future growth potential and the enterprises' staff. The synergies have not been recognised separately from goodwill as they are not separately identifiable.

A loss of DKK 516k of the Group's loss for the year is attributable to net earnings generated by W.G. Herr after the acquisition. DKK 3,263k of the Group's revenue for the year is attributable to W.G. Herr.

Had the enterprise been acquired with effect from 1 January 2015, revenue for 2015 would have been approx DKK 3,263k, and loss for the period been approx DKK 516k.

DKK 924k of the Group's loss for the year is attributable to net earnings generated by the branches in Aarhus, Aalborg and Hamburg after the acquisition. DKK 17,154k of the Group's revenue for the year is attributable to the branches. Had the enterprises been acquired with effect from 1 January 2015, revenue for 2015 would have been approx DKK 28,068k, and profit for the year been approx DKK 1,000k.

In 2014, the Group acquired the enterprises below:

<b>Name</b>	<b>Primary activity</b>	<b>Date of acquisition</b>	<b>Interest acquired %</b>	<b>Voting share acquired %</b>
AB Stockholms Auktionsverk	Holding of quality and specialist auctions	15 Sep 2014	100	100
Helsingborgs Auktionsverk AB	Holding of quality auctions	30 Sep 2014	100	100



## Notes

### 20. Acquisition of subsidiaries and activities/business combinations (continued)

	<b>2014</b>
	<b>DKK'000</b>
Property, plant and equipment	6,930
Acquired rights	43,459
Receivables	19,212
Cash and cash equivalents	15,701
Deferred tax	- 10,660
Trade payables	- 5,374
Other liabilities	- 22,499
<b>Net assets acquired</b>	<b>46,769</b>
Goodwill	109,458
<b>Total consideration</b>	<b>156,227</b>

The Group has acquired net assets totalling DKK 46,769k including cash of DKK 15,701k.

Net assets acquired are based on interim opening balance sheets, which may adjusted afterwards.

The Group has incurred transaction costs of DKK 2,648k, classified as other external expenses in the statement of comprehensive income for 2014.

For both acquisitions, the Group paid a purchase price that exceeds the fair value of the identifiable assets, liabilities and contingent liabilities acquired. This positive difference is primarily attributable to expected synergies between the activities of the acquired enterprises and the Group's existing activities, future growth potential and the enterprises' staff. The synergies have not been recognised separately from goodwill as they are not separately identifiable.

Of the Group's loss for the year, DKK 5,588k is attributable to net earnings generated by AB Stockholms Auktionsverk after the acquisition and DKK 83k is attributable to net earnings generated by Helsingborg Auktionsverk AB.

Of the Group's revenue, DKK 32,993k is attributable to AB Stockholms Auktionsverk and DKK 2,703k is attributable to Helsingborg Auktionsverk AB after the acquisition. Had the two enterprises been acquired with effect from 1 January 2014, revenue for 2014 would have been approx DKK 92m, and profit for the year approx DKK 0.2m.

## Notes

### 20. Acquisition of subsidiaries and activities/business combinations (continued)

In 2013, the Group acquired the enterprises below:

Name	Primary activity	Date of acquisition	Interest acquired %	Voting share acquired %
QXL Denmark A/S	Operation of Danish auction-based trading site on the Internet	11 Mar 2013	100	100
QXL.no AS	Operation of Norwegian auction-based trading site on the Internet	11 Mar 2013	100	100

	<b>2013</b>
	<b>DKK'000</b>
Intangibles	6,495
Property, plant and equipment	166
Receivables	3,591
Cash and cash equivalents	2,289
Deferred tax	812
Trade payables	- 940
Other liabilities	- 6,174
<b>Net assets acquired</b>	<b>5,917</b>

The Group has acquired net assets totalling DKK 5,917k including cash of DKK 2,289k.

The Group has incurred transaction costs of DKK 1,030k, classified as other external expenses in the statement of comprehensive income for 2013.

Net assets acquired include trade receivables of a fair value of DKK 2,142k (QXL Denmark A/S) and DKK 1,449k (QXL.no AS). The contractual amount receivable is DKK 2,287k and DKK 1,453k, respectively, of which DKK 145k and DKK 4k, respectively, is considered irrecoverable at the acquisition date.

The purchase price of the identifiable assets, liabilities and contingent liabilities acquired is lower than the fair value, which has resulted in a calculation of negative goodwill of DKK 2,006k, classified as other operating income in the statement of comprehensive income. Such negative difference in amount (negative goodwill) is mainly a result of the purchase leading to synergies which help to improve earnings and further develop the QXL brand. Management expects the acquisition to increase the Group's future earnings.

QXL Denmark A/S and QXL.no A/S are recognised in profit for 2013 at a negative DKK 967k and a positive DKK 52k, respectively.

Of the Group's revenue, DKK 6,502k is attributable to QXL Denmark A/S and DKK 6,164k to QXL.no AS.



## Notes

### 21. Contingencies etc

#### Contingent liabilities, consolidated financial statements

The Group has issued a rent guarantee for DKK 406k that expires in 2019 (2014; DKK 1.416k, 2013; DKK 1.715k).

Lauritz.com has signed a lease contract involving total rent of DKK 65,000k for the period of interminability, which is a ten-year period. The lease contract is conditional upon the lessor securing funding for reconstruction. In 2015, Lauritz.com was granted permission to perform a tax-exempt demerger of the property, which will result in Lauritz.com becoming the owner of the property in 2015, following which the lease contract will expire. Please also refer to the comments in the management commentary in the Annual Report for 2014.

The Group has adopted other property rental agreements with maximum lease terms running until 2025 (2014: 2022). Rent commitments total DKK 55,557k (2014: DKK 64.593k), of which DKK 12,858k falls due in 2016 (2014: DKK 14.385k falls due in 2015).

The Group participates in an international joint taxation arrangement with Lauritz.com Holding A/S serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Group is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies.

Car operating leases have been entered into for the years 2016 to 2018 (2014: 2015-2017). The leases have fixed lease payments which are indexed annually. The leases are interminable in the period specified.

The total future minimum lease payments may be specified as follows:

	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>
Within one year from the balance sheet date	308	418	376
Between one and five years from the balance sheet date	29	250	404
	<b><u>337</u></b>	<b><u>668</u></b>	<b><u>780</u></b>



## Notes

---

### 22. Related parties

#### Related parties with a controlling interest

The following related parties have a controlling interest in Lauritz.com A/S:

<b>Name</b>	<b>Registered office</b>	<b>Basis of control</b>
Lauritz.com Holding A/S	Søborg, Denmark	Shareholder holding the majority of voting rights

### Ownership

Lauritz.com A/S has registered the following shareholders as holding more than 5% of the voting rights or nominal value of the share capital:

- Lauritz.com Holding A/S of Søborg, Denmark, holding 95% of the Company's share capital and 95% of the voting share capital (2014: 95%, 2013: 95%)
- Mette Margrethe Rode Sundstrøm of Klampenborg, Denmark, holding 5% of the Company's share capital and 5% of the voting share capital (2014: 5%, 2013: 5%).

<b>Subsidiaries</b>	<b>Registered office</b>	<b>Ownership interest</b>
AB Stockholms Auktionsverk *	Stockholm, Sweden	100%
LC Danmark ApS	Søborg, Denmark	100%
LC II ApS	Søborg, Denmark	100%
LC III ApS	Søborg, Denmark	100%
Helsingborgs Auktionsverk AB *	Helsingborg, Sweden	100%
LC Sverige AB	Stockholm, Sweden	100%
LC Deutschland GmbH	Hamburg, Germany	100%
Internetauktioner i Helsingborg AB *	Helsingborg, Sweden	100%
QXL Denmark A/S	Søborg, Denmark	100%
QXL.no AS	Oslo, Norway	100%

\* The company is not audited by Deloitte.

### Transactions

A loan for DKK 113,765k (2014; DKK 124.658k, 2013; DKK 117.856k) has been granted to Lauritz.com Holding A/S. The loan carries interest at arm's length, and in 2015 DKK 0.6m in interest has been paid.

Remuneration of Management is disclosed in note 5. In 2015, Group Management purchased goods equalling revenue of DKK 556k (2014: DKK 767k, 2013: DKK 778k). All purchases were made observing the Company's ordinary trade terms, including payment of full premium.

Effective from 3 April 2015, the property placed at Rovsingsgade 60-74 was demerged, cf. consolidated statement of equity and note 12.



## Notes

---

### **23. Events after the balance sheet date**

No events have occurred after the balance sheet date which could have a material influence on the Company's financial position. However, it should be noted that, from 31 December 2015 to 26 February 2016, financials are affected by an unrealised exchange gain from the bond debt denominated in SEK, equivalent to DKK 6.7m.

### **24. Authorisation of the Annual Report for issue**

At the Board meeting held on 26 February 2016 (2014: 15 April 2015, 2013: 27 May 2014), the Board of Directors has authorised this Annual Report for issue.

The Annual Report will be submitted to the shareholders of Lauritz.com A/S for adoption at the Annual General Meeting on 29 February 2016 (2014: 15 April 2015, 2013: 27 May 2014).







## THE COMPANY

**Lauritz.com Group A/S**  
Dynamovej 11C  
2860 Søborg  
Danmark

## GLOBAL COORDINATOR

**ABG Sundal Collier ASA**  
ABG Sundal Collier AB  
Regeringsgatan 65  
SE-103 89 Stockholm  
Sweden

## LEGAL ADVISERS

*To the Company:*

As to Swedish law  
**Linklaters Advokatbyrå Aktieföretag**  
Regeringsgatan 67  
SE-103 98 Stockholm  
Sweden

As to Danish law  
**LETT Law Firm P/S**  
Rådhuspladsen 4  
1550 Copenhagen V  
Denmark

*To the Global Coordinator:*

**Baker & McKenzie Advokatbyrå KB**  
Vasagatan 7,  
SE-111 20 Stockholm  
Sweden

## AUDITORS OF THE COMPANY

**Deloitte Statsautoriseret Revisionspartnerselskab**  
Weidekampsgade 6,  
2300 Copenhagen S  
Denmark

