

EJENDOMSSELSKABET
VOGNMAGERGADE 11 APS

Annual Report 2015

CVR No.: 13916535

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Management's review

MAIN ACTIVITY

The Company's main activity is renting of office space. Parts of the building is leased to group enterprises.

DEVELOPMENT IN ACTIVITIES AND FINANCIAL MATTERS

Revenue amounts to DKK 60.8 million compared to DKK 57.0 million last year. Operating profit before net financials amounts to DKK 1.8 million, negatively impacted by increased costs for refurbishment of premises to new tenants and projects. Depreciation has increased compared to the previous year as a result of additions on new leases.

The profit before tax for the year is DKK (4.9) million compared to DKK (1.2) million last year due to refurbishment costs.

OUTLOOK

The occupancy rate has increased during 2015 and is expected to increase further in 2016. Earnings will increase as the occupancy rate increases.

EVENTS AFTER THE BALANCE SHEET DATE

No changes after the balance sheet date impacting the financial position at 31 December 2015.

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today discussed and approved the annual report of Ejendomsselskabet Vognmagergade 11 ApS for the financial year 1 January - 31 December 2015.

The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31

December 2015, and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Furthermore, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters and the results of the Company's operations and financial position.

Copenhagen, 14 March 2016

MANAGEMENT BOARD:

Hans J. Carstensen

BOARD OF DIRECTORS:

Steen Riisgaard
Chairman

Lars-Johan Jarnheimer
Vice Chairman

Steffen Kragh

Independent Auditors' Report

TO THE SHAREHOLDER OF EJENDOMSSELSKABET
VOGNMAGERGADE 11 APS

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Ejendomsselskabet Vognmagergade 11 ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of 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 financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 financial statements.

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

Our audit has not resulted in any qualification.

OPINION

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

STATEMENT ON THE MANAGEMENT'S REVIEW

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

Copenhagen, 14 March 2016

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jesper Ridder Olsen
State Authorised
Public Accountant

Anders Stig Lauritsen
State Authorised
Public Accountant

Accounting Policies

The financial statements for Ejendomsselskabet Vognmagergade 11 ApS for 2015 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to entities of reporting class B.

The accounting policies applied in the presentation of the financial statements are consistent with those of the previous year.

INCOME STATEMENT

Revenue

Revenue comprise income for the year from the leasing of properties and other income in connection therewith.

Other operating income

Other operating income comprise items secondary to the principal activities of the company.

Other external expenses

Other external expenses comprise the property's operating expenses and miscellaneous administrative expenses.

Financial income and expenses

Financial income and expenses comprise interest income and expense as well as surcharges and allowances in the tax prepayment scheme.

Tax on profit for the year

The Company is assessed jointly for Danish tax purposes with the other domestic entities in the Egmont Group with Egmont International Holding A/S as the administration company of the joint taxation arrangement.

The current tax is allocated through payment of tax contributions between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax losses receive contributions from companies that have used these losses to reduce their own taxable profit (full absorption).

Income tax for the year comprises joint taxation contribution and changes in deferred tax, including as a result of changes in tax rates is recognised in the income statement with the portion attributable to the profit and in equity with the portion attributable to items recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Depreciation is based on cost less any residual value at the end of useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Depreciation is provided on a straight-line basis over the expected useful lives, based on the following estimates of the useful lives of the assets:

Buildings	50 years
Leasehold improvements for new tenants	Period of the lease
Installations and conversions <i>(the useful life depends on the nature of conversion)</i>	10-20 years

Property, plant and equipment under construction and land are not depreciated.

Receivables

Receivables are measured at amortised cost. Provisions are made for bad debts based on an individual assessment.

Dividends

Proposed dividends are recognised as a liability at the time of adoption at the Annual General Meeting (decla-

Accounting policies (continued)

ration date). The expected dividend payment for the year is shown as a separate item under equity.

Current tax payable/receivable and deferred taxes

Payable or receivable joint tax contributions are recognised in the balance sheet as "Joint tax receivable" or "Joint tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised under other non-current assets at the expected value of their utilisation; either

as a set-off against tax on future earnings or as a set-off against deferred tax liabilities.

Financial liabilities

Financial liabilities are recognised at amortised cost. Other liabilities are measured at net realisable value.

Derivative financial instruments

Derivative financial instruments are measured in the balance sheet at fair value. Changes in the fair value of derivative financial instruments designated as and qualifying as a hedge of changes in future assets or liabilities are recognised in equity. At that time, any gains or losses resulting from such hedged transactions are transferred to the income statement and recognised under the same item as the hedged item.

Income Statement

(DKKK)

Note		2015	2014
	Revenue	60,811	56,979
	Other operating income	181	181
	Other external expenses	(40,342)	(33,982)
4	Depreciation; property plant and equipment	(18,884)	(15,602)
	Operating profit	1,766	7,576
1	Financial income	3,546	6,710
2	Financial expenses	(10,254)	(15,462)
	Profit before tax	(4,942)	(1,176)
3	Tax on profit for the year	1,352	331
	Net profit for the year	(3,590)	(845)
	Distribution of net profit:		
	Proposed dividends	17,672	17,040
	Retained earnings	(21,262)	(17,885)
		(3,590)	(845)

Statement of Financial Position at 31 December

(DKKk)

Note	Assets	2015	2014
	Land and buildings	686,601	694,998
	Tools and equipment	306	0
	Property, plant and equipment under construction	13,398	0
4	Property, plant and equipment	700,305	694,998
	Total non-current assets	700,305	694,998
	Trade receivables	13,392	2,807
	Receivables from group enterprises	9,194	540,757
	Other receivables	76	730
5	Deferred Tax	3,910	2,558
	Prepayments	0	956
	Receivables	26,572	547,808
	Securities	539,524	0
	Cash and cash equivalents	3	17
	Total current assets	566,099	547,825
	TOTAL ASSETS	1,266,404	1,242,823

Statement of Financial Position at 31 December (continued)
(EURk)

	2015	2014
Equity and liabilities		
Share capital	90,000	90,000
Retained earnings	286,927	304,528
Proposed dividends	17,672	17,040
6 Equity	394,599	411,568
Mortgage debt	664,013	663,802
Prepayments from customers	9,279	8,421
7 Non-current liabilities	673,292	672,223
Prepayments from customers	16,185	14,374
Trade payables	12,012	2,882
Payables to group enterprises	168,665	140,340
Other payables	1,651	1,436
Current liabilities	198,513	159,032
Total liabilities	871,805	831,255
TOTAL EQUITY AND LIABILITIES	1,266,404	1,242,823
8 Staff		
9 Contingent liabilities and collateral		
10 Related parties		

1	Financial income	2015	2014
	Interest income, group enterprises	3,546	6,710
2	Financial expenses	2015	2014
	Interest expenses, group enterprises	(5,397)	(8,292)
	Other financial expenses	(4,857)	(7,170)
	Total	(10,254)	(15,462)
3	Tax on profit for the year	2015	2014
	Current tax on profit for the year	0	0
	Deferred tax on profit for the year	1,564	451
	Lowering of corporate tax rate	(212)	(120)
	Total	1,352	331

	Land and buildings	Tools and equipment	Property, plant and equipment under construction	Total
4	Property, plant and equipment			
	886,739	0	0	886,739
	10,418	375	13,398	24,191
	897,157	375	13,398	910,930
	(191,741)	0	0	(191,741)
	(18,815)	(69)	0	(18,884)
	0	0	0	0
	(210,556)	(69)	0	(210,625)
	686,601	306	13,398	700,305

The property is pledged as security for the company's mortgage debt.

- 5** **Deferred tax**
Deferred tax relates to property, plant and equipment.

	Share capital	Retained earnings	Proposed dividends	Total
6	Equity			
	90,000	304,528	17,040	411,568
	0	0	(17,040)	(17,040)
	0	3,661	0	3,661
	0	(21,262)	17,672	(3,590)
	90,000	286,927	17,672	394,599

90,000 shares per DKK 1,000 constitute the Company's share capital. Share certificates have not been issued.

No shares have special rights.

There have not been any movements in the share capital for the past 5 years.

7 Non-current liabilities	Total debt at 31.12.2015	First year instalment	Remaining debt after 5 years
Mortgage debt	664,013	0	664,013
Prepayments from customers	25,464	16,185	1,195

The company has raised mortgage loans, of which nominal DKK 540 million is instalment-free until July 2020 and nominal DKK 130 million is instalment-free until July 2023.

8 Staff

Besides the management, there are no other employees in the company.
The management is remunerated by Egmont Fonden.

9 Contingent liabilities and collateral	2015	2014
Security in land and buildings for mortgage loans of group enterprises	167,385	165,778
VAT liability of potential disposal of the land and buildings	17,854	13,518
Total	185,239	179,296

The Company is jointly taxed with Egmont International Holding A/S, which is the company managing the joint taxation. The Company is jointly and severally liable with the other Danish companies in the joint taxation of corporate taxes and withholding taxes on dividends, interest and royalties. The jointly taxed companies' total amount of income tax payable appears in the annual report of the Egmont International Holding A/S. Any subsequent corrections of taxable joint taxation of income or withholding taxes on dividends, interest and royalties could cause the Company's liability to increase.

10 Related parties

The company is 100 % owned by Egmont Fonden, Vognmagergade 11, 1148 Copenhagen K and is a part of the consolidated financial statements of the Egmont Group.