

# EMI Music Publishing Group Denmark A/S

C/O Mazanti-Andersen Korsø Jensen  
DK-1256 København K

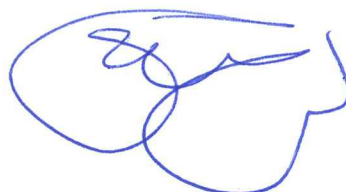
CVR no. 19 61 96 13

**Annual report 2015/16**

The annual report was presented and  
adopted at the annual general meeting of  
the Company on 31 August 2016



Chairman



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

The Board of Directors and the Executive Board have today discussed and approved the annual report of EMI Music Publishing Group Denmark A/S for the financial year 1 April 2015 - 31 March 2016.

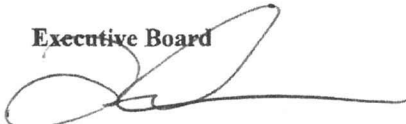
The annual report, which has not been subject to an audit, has been presented in accordance with the Danish Financial Statements Act. The Board of Directors considers the conditions for relief from the statutory audit obligation to have been met.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 March 2016 and of the result of the Company's operations for the financial year 1 April 2015 - 31 March 2016.

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


Copenhagen, 31 August 2016

### Executive Board

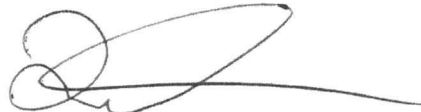


John Valdemar Tennander

### Supervisory Board

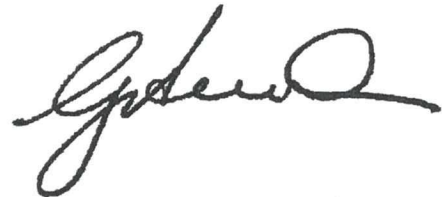


John Korse Jensen  
Chairman



John Valdemar Tennander

Guy Robert Henderson



## Company details

<b>The Company</b>	EMI Music Publishing Group Denmark A/S C/O Mazanti-Andersen Korsø Jensen Amaliegade 10 DK-1256 København K
	CVR no.: 19 61 96 13
	Financial Period: 1 April - 31 March
	Incorporated: 4 October 1961
	Municipality of reg. office: Copenhagen
<b>Supervisory Board</b>	John Korsø Jensen, Chairman John Valdemar Tennander Guy Robert Henderson
<b>Executive Board</b>	John Valdemar Tennander
<b>General meeting</b>	The annual general meeting is held on 31 August 2016 at the Company's address.

## Financial statements 1 April 2015 - 31 March 2016

### Accounting policies

The annual report of EMI Music Publishing Group Denmark A/S for 2015/16 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the annual report are consistent with those of last year.

In accordance with section 110 of the Danish Financial Statement Act, no consolidated financial statements are prepared.

#### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item. .

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

#### Foreign currency translation

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

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

## **Financial statements 1 April 2015 - 31 March 2016**

### **Accounting policies**

#### **Income Statement**

##### **Other external expenses**

Other external expenses include expenses related to administration.

##### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, dividend from subsidiaries, gains and losses on divestment of subsidiaries, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

##### **Tax on profit loss for the year**

The Company and its Danish subsidiaries are subject to the Danish rules on mandatory joint taxation. Subsidiaries are included in the joint taxation from the date when control is established and up to the date when control ends.

The Company is the administrative company under the joint taxation and accordingly pays all corporation taxes to the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies with tax losses receive joint taxation contributions from other companies that have used the tax losses to reduce their own taxable profit.

Tax for the year comprises current tax, joint taxation contributions, royalty taxes and changes in deferred tax for the year, including changes as a result of a change in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in the equity.

#### **Balance Sheet**

##### **Investments**

Investments in subsidiaries are measured at acquisition cost. Dividends in excess of accumulated earnings in the company in question during the ownership period are treated as a reduction of the acquisition cost.

In cases where the cost exceeds the recoverable amount, write-down is made to the lower value.



## **Financial statements 1 April 2015 - 31 March 2016**

### **Accounting policies**

#### **Receivables**

Receivables are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

#### **Corporation tax and deferred tax**

As administrative company, EMI Music Publishing Group Denmark A/S assumes the liability for payment to the tax authorities of the subsidiaries' corporation taxes as the joint taxation contributions are received from the subsidiaries.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

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

Deferred tax assets, including tax base of tax loss carry forwards, are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### **Liabilities other than provisions**

Liabilities are measured at net realisable value.

## Financial statements 1 April 2015 - 31 March 2016

### Income statement

	Note	2015/2016 DKK'000	2014/2015 DKK'000
Other external costs		-152	-100
<b>Gross profit</b>		<b>-152</b>	<b>-100</b>
Financial income	2	1,432	1,400
Financial costs	3	-13	-42
<b>Profit/loss before tax</b>		<b>1,267</b>	<b>1,258</b>
Tax on profit/loss for the year		-299	-311
<b>Profit/loss for the year</b>		<b>968</b>	<b>947</b>
Retained earnings		968	947
		<b>968</b>	<b>947</b>



## Financial statements 1 April 2015 - 31 March 2016

### Balance sheet

	<u>Note</u>	<u>2015/16</u> DKK'000	<u>2014/15</u> DKK'000
<b>Assets</b>			
Investments in subsidiaries	4	<u>30,661</u>	<u>30,661</u>
<b>Finansielle anlægsaktiver i alt</b>		<u><b>30,661</b></u>	<u><b>30,661</b></u>
<b>Non-current assets</b>			
		<u><b>30,661</b></u>	<u><b>30,661</b></u>
Amounts owed by group enterprises		71,220	0
Prepaid tax		<u>669</u>	<u>0</u>
<b>Receivables</b>		<u><b>71,889</b></u>	<u><b>0</b></u>
<b>Cash at bank and in hand</b>		<u><b>3</b></u>	<u><b>2</b></u>
<b>Total current assets</b>		<u><b>71,892</b></u>	<u><b>2</b></u>
<b>Total assets</b>		<u><u><b>102,553</b></u></u>	<u><u><b>30,663</b></u></u>

## Financial statements 1 April 2015 - 31 March 2016

### Balance sheet

	<u>Note</u>	<u>2015/16</u> DKK'000	<u>2014/15</u> DKK'000
<b>Equity and liabilities</b>			
Share capital		10,000	10,000
Retained earnings		<u>2,904</u>	<u>1,935</u>
<b>Total equity</b>		<b><u>12,904</u></b>	<b><u>11,935</u></b>
Amounts owed to group enterprises		89,564	17,761
Corporation tax		0	889
Other payables		<u>85</u>	<u>78</u>
<b>Short-term debt</b>		<b><u>89,649</u></b>	<b><u>18,728</u></b>
<b>Total debt</b>		<b><u>89,649</u></b>	<b><u>18,728</u></b>
<b>Total equity and liabilities</b>		<b><u><u>102,553</u></u></b>	<b><u><u>30,663</u></u></b>
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## Financial statements 1 April 2015 - 31 March 2016

### Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 April 2015	10,000	1,936	11,936
Profit/loss for the year	0	968	968
<b>Equity at 31 March 2016</b>	<b>10,000</b>	<b>2,904</b>	<b>12,904</b>

#### Equity

The share capital consist of 20,000 A-shares of DKK 500 each. The share capital is unchanged for the last 5 years.

## Financial statements 1 April 2015 - 31 March 2016

### Notes

#### 1 Main activity

The Company acts as holding company for the Danish EMI Music Publishing companies.

	<u>2015/2016</u>	<u>2014/2015</u>
	DKK'000	DKK'000
<b>2 Financial income</b>		
Interest receivable from group enterprises	<u>1,432</u>	<u>1,400</u>
	<u><b>1,432</b></u>	<u><b>1,400</b></u>
<b>3 Financial costs</b>		
Interest payable, foreign exchange losses and similar expenses	<u>13</u>	<u>42</u>
	<u><b>13</b></u>	<u><b>42</b></u>
<b>4 Investments in subsidiaries</b>		
Cost at 1 April 2015	<u>37,889</u>	<u>37,889</u>
Cost at 31 March 2016	<u>37,889</u>	<u>37,889</u>
Revaluations at 1 April 2015	<u>-7,228</u>	<u>-7,228</u>
Revaluations at 31 March 2016	<u>-7,228</u>	<u>-7,228</u>
<b>Carrying amount at 31 March 2016</b>	<u><b>30,661</b></u>	<u><b>30,661</b></u>

## Financial statements 1 April 2015 - 31 March 2016

### Notes

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
EMI Casadida Music Publishing ApS	Denmark	100%	10,849	161
EMI Music Publishing Denmark A/S	Denmark	100%	5,756	-77
			<u>16,605</u>	<u>84</u>

#### 5 Shareholder and group matters

The Company is 100% owned by EMI MP Int Group BV (Holland). The companies are consolidated in the ultimate parent company DH Publishing LP. The consolidated financial statements can be obtained from DH Publishing LP, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands.