
Thrane & Thrane Aalborg A/S

Industrivej 30, DK-9440 Pandrup

Annual Report for 1 January - 31 December 2015

CVR No 20 88 96 16

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
26/5 2016

Jakob Skaadstrup
Andersen
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Thrane & Thrane Aalborg A/S for the financial year 1 January - 31 December 2015.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kongens Lyngby, 26 May 2016

Executive Board

Morten Schøtt Knudsen

Board of Directors

Frederick John Cahill
Chairman

Morten Schøtt Knudsen

Morten Mark Sørensen

Independent Auditor's Report on the Financial Statements

To the Shareholder of Thrane & Thrane Aalborg A/S

Report on the Financial Statements

We have audited the Financial Statements of Thrane & Thrane Aalborg A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and 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 as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, 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 auditor considers 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 audit opinion.

Our audit has not resulted in any qualification.

Opinion

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

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Copenhagen, 26 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Erik Stener Jørgensen
State Authorised Public Accountant

René Poulsen
State Authorised Public Accountant

Company Information

The Company

Thrane & Thrane Aalborg A/S
Industrivej 30
DK-9440 Pandrup

Telephone: + 45 39558800

Facsimile: + 45 39558888

CVR No: 20 88 96 16

Financial period: 1 January - 31 December

Municipality of reg. office: Jammerbugt

Board of Directors

Frederick John Cahill, Chairman
Morten Schøtt Knudsen
Morten Mark Sørensen

Executive Board

Morten Schøtt Knudsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Thrane & Thrane Aalborg A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

The objects of the company is to own and lease real estate.

Development in the year

The income statement of the Company for 2015 shows a profit of TDKK 5, and at 31 December 2015 the balance sheet of the Company shows equity of TDKK 42,042.

Subsequent events

The property with a book value of 11.5 MDKK was sold in 2016 for 16.4 MDKK.

Income Statement 1 January - 31 December

	Note	2015 TDKK	2014 TDKK
Gross profit/loss		31	3.970
Depreciation, amortisation and impairment of property, plant and equipment		-686	-1.030
Profit/loss before financial income and expenses		-655	2.940
Financial income	1	597	504
Financial expenses	2	-6	0
Profit/loss before tax		-64	3.444
Tax on profit/loss for the year	3	69	-873
Net profit/loss for the year		5	2.571

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year		0	0
Retained earnings		5	2.571
		5	2.571

Balance Sheet 31 December

Assets

	Note	2015 TDKK	2014 TDKK
Land and buildings		11.546	12.232
Property, plant and equipment	4	11.546	12.232
Fixed assets		11.546	12.232
Trade receivables		201	0
Receivables from group enterprises		29.865	31.933
Other receivables		314	0
Prepayments		31	34
Receivables		30.411	31.967
Cash at bank and in hand		1.481	162
Currents assets		31.892	32.129
Assets		43.438	44.361

Balance Sheet 31 December

Liabilities and equity

	Note	2015 TDKK	2014 TDKK
Share capital		20.000	20.000
Retained earnings		22.042	22.038
Equity	5	42.042	42.038
Provision for deferred tax		785	870
Provisions		785	870
Trade payables		109	32
Corporation tax		16	900
Other payables		486	521
Short-term debt		611	1.453
Debt		611	1.453
Liabilities and equity		43.438	44.361
Contingent assets, liabilities and other financial obligations	6		

Notes to the Financial Statements

	<u>2015</u> TDKK	<u>2014</u> TDKK
1 Financial income		
Interest received from group enterprises	<u>597</u>	<u>504</u>
	<u>597</u>	<u>504</u>
2 Financial expenses		
Other financial expenses	<u>6</u>	<u>0</u>
	<u>6</u>	<u>0</u>
3 Tax on profit/loss for the year		
Current tax for the year	16	900
Deferred tax for the year	-29	-27
Adjustment of deferred tax concerning previous years	<u>-56</u>	<u>0</u>
	<u>-69</u>	<u>873</u>

Notes to the Financial Statements

4 Property, plant and equipment

	Land and buildings <u>TDKK</u>
Cost at 1 January	31.718
Additions for the year	<u>0</u>
Cost at 31 December	<u>31.718</u>
Impairment losses and depreciation at 1 January	19.486
Depreciation for the year	<u>686</u>
Impairment losses and depreciation at 31 December	<u>20.172</u>
Carrying amount at 31 December	<u>11.546</u>

According to the official property assessment at 1 March 2014, the value of the land and buildings amounts to TDKK 30.000.

5 Equity

	Share capital <u>TDKK</u>	Retained earnings <u>TDKK</u>	Total <u>TDKK</u>
Equity at 1 January	20.000	22.037	42.037
Net profit/loss for the year	<u>0</u>	<u>5</u>	<u>5</u>
Equity at 31 December	<u>20.000</u>	<u>22.042</u>	<u>42.042</u>

The share capital consists of 20.000.000 shares of a nominal value of TDKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

	<u>2015</u> TDKK	<u>2014</u> TDKK
6 Contingent assets, liabilities and other financial obligations		
Security		
The following assets have been placed as security with mortgage credit institutes:		
Land and buildings with a carrying amount of	11.546	12.232

Contingent liabilities

The Danish group companies is jointly and separately liable for tax on the Group's joint taxed income.

Accounting Policies

Basis of Preparation

The Annual Report of Thrane & Thrane Aalborg A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the

Accounting Policies

percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises as well as office expenses, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the Parent Company Thrane & Thrane A/S and a Danish related company controlled by the same ultimate Parent Company. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Accounting Policies

Production buildings 30 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums and subscriptions.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Accounting Policies

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Other debts are measured at amortised cost, substantially corresponding to nominal value.