EMI Music Publishing Denmark A/S
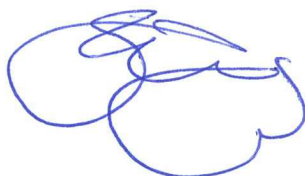
Amaliegade 10
1256 Copenhagen

CVR no. 24 21 27 50

Annual report 2015/16

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

Chairman

Contents

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 Denmark A/S for the financial year 1 April 2015 - 31 March 2016.
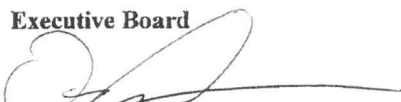
The annual report, which has not been subject to an audit, has been presented in accordance with the Danish Financial Statements Act. The Board of Directors considers the conditions for relief from the statutory audit obligation to have been met.

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.

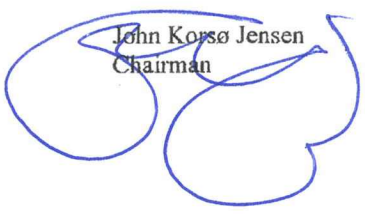We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 August 2016

Executive Board

John Valdemar Tennander

Board of Directors

John Korsø Jensen
Chairman

John Valdemar Tennander

Guy Robert Henderson

2

Company details

The Company

EMI Music Publishing Denmark A/S
Amaliegade 10
1256 Copenhagen

CVR no.:	24 21 27 50
Financial Period:	1 April - 31 March
Incorporated:	14 August 1984
Municipality of reg. office:	Copenhagen

Board of Directors

John Korsø Jensen, Chairman
Håkan Patrik Harald Sventelius
Guy Robert Henderson

Executive Board

John Valdemar Tennander

General meeting

The annual general meeting is held on 31 August 2015 at the
Company's address.

Financial statements 1 April 2015 - 31 March 2016

Accounting policies

The Annual Report of EMI Music Publishing 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 financial statements are consistent with those of last year.

Foreign currency translation

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 at 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 at 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.

Income Statement

Gross profit

Pursant to section 32 of the Danish Financial Statements Act, the Company has aggregated revenue and costs.

Gross profit comprises revenue less royalty costs and other external costs, including administrative expenses.

Revenue is recognised in line with delivery of goods and services. License and royalty income is recognised on a cash receipt basis.

Tax on profit/loss for the year

Income taxed for the year comprises current tax, changes in deferred tax and royalty tax for the year. 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 equity.

The parent company and all Danish group enterprises are jointly taxed. The Danish corporation tax is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method). The parent company is the administrative company for all the companies included in the joint taxation and consequently settles all corporation tax payments, etc., with the Danish tax authorities.

Royalty tax included in the royalty payments from other countries is expensed in the income statement.

Financial statements 1 April 2015 - 31 March 2016

Accounting policies

Balance Sheet

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value.

Corporation tax and deferred tax

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 value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised 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. Deferred net assets, if any, are measured at net realisable value.

Deferred tax is measured in accordance with 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

Financial liabilities, which comprise bank loans, trade payables and amounts owed to group enterprises, are recognised at the date of borrowing at cost, corresponding to the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost.

Financial statements 1 April 2015 - 31 March 2016

Income statement

	Note	2015/2016 DKK'000	2014/2015 DKK'000
Gross profit		1,437	1,898
Profit/loss before financial income and expenses		1,437	1,898
Financial expenses	2	-1,504	-715
Profit/loss before tax		-67	1,183
Tax for the year	3	-10	-210
Profit/loss for the year		-77	973

Proposed distribution of profit

Retained earnings		-77	973
		-77	973

Financial statements 1 April 2015 - 31 March 2016

Balance sheet

	Note	2015/16	2014/15
		DKK'000	DKK'000
Assets			
Amounts owed by group enterprises		87,259	16,126
Royalty advances		780	0
Other receivables		75	0
Deferred tax asset		3	30
Corporation tax		17	0
Receivables		**88,134**	**16,156**
Cash at bank and in hand		**35**	**185**
Total current assets		**88,169**	**16,341**
Total assets		**88,169**	**16,341**

Financial statements 1 April 2015 - 31 March 2016

Balance sheet

	Note	2015/16	2014/15
		DKK'000	DKK'000
Equity and liabilities			
Share capital		500	500
Retained earnings		5,256	5,333
Total equity		**5,756**	**5,833**
Payables to group enterprises		82,327	9,013
Joint tax contribution		0	1,363
Other payables and royalty payables		86	92
Deferred income		0	40
Short-term debt		**82,413**	**10,508**
Total debt		**82,413**	**10,508**
Total equity and liabilities		**88,169**	**16,341**
Related party disclosures	4		
Main activity	1		

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	500	5,333	5,833
Profit/loss for the year	0	-77	-77
Equity at 31 March 2016	**500**	**5,256**	**5,756**

Equity

The share capital consists of 5,000 A-shares of DKK 100 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's primary activity is music publishing.

2 Financial expenses

Bank charges and other interest expense	9	59
Financial expense from group enterprises	1,495	656
	1,504	**715**

3 Tax for the year

Change in deferred tax	27	-1,061
Tax refunds received/paid, joint taxation	0	1,363
Tax for the yaer	-17	0
Prior year adjustments	0	-92
	10	**210**

4 Related party disclosures

EMI Music Publishing Denmark A/S' related parties comprise the following:

Ownership

The Company is 100% owned by EMI Music Publishing Group Denmark A/S. 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, KYI-9005, Cayman Islands.