

GR RD 1 ApS

Amaliegade 15, 2. sal, 1256 København K

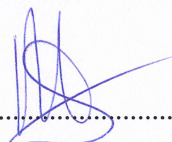
CVR no. 25 59 67 22



Annual report 2015

Approved at the annual general meeting of shareholders on 11 May 2016

Chairman:

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Contents

Statement by the Executive Board	2
Independent auditors' report on the financial statements	3
Company details	4
Financial statements for the period 1 January - 31 December	5
Income statement	5
Balance sheet	6
Statement of changes in equity	8
Notes to the financial statements	9

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of GR RD 1 ApS 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 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.

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 11 May 2016
Executive Board:



Mette Krog Hansen



Robert McCorduck



Henrik Skriver

Independent auditors' report on the financial statements

To the shareholders of GR RD 1 ApS

We have audited the financial statements of GR RD 1 ApS for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity 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 regulations. 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.

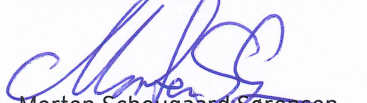
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Odense, 11 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant



Management's review

Name	GR RD 1 ApS
Address, Postal code, City	Amaliegade 15, 2. sal, 1256 København K
CVR No.	25 59 67 22
Established	18 December 2013
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mette Krog Hansen Robert McCorduck Henrik Skriver
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015	2014
	Gross profit	2,580,154	2,225,901
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,714,849	-3,038,228
	Operating profit/loss	-1,134,695	-812,327
	Financial income	546	50,820
3	Financial expenses	-2,462,572	-2,617,687
	Profit/loss before tax	-3,596,721	-3,379,194
4	Tax for the year	819,762	773,576
	Profit/loss for the year	<u>-2,776,959</u>	<u>-2,605,618</u>
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	-2,776,959	-2,605,618
		<u>-2,776,959</u>	<u>-2,605,618</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
ASSETS			
Non-current assets			
5	Property, plant and equipment		
	Land and buildings	181,874,550	182,811,720
		<u>181,874,550</u>	<u>182,811,720</u>
Investments			
	Other receivables	5,239,977	5,143,516
		<u>5,239,977</u>	<u>5,143,516</u>
	Total non-current assets	<u>187,114,527</u>	<u>187,955,236</u>
Current assets			
Receivables			
6	Other receivables	404,025	823,940
	Deferred income	75,583	57,924
		<u>479,608</u>	<u>881,864</u>
	Cash	<u>21,016,065</u>	<u>21,218,277</u>
	Total current assets	<u>21,495,673</u>	<u>22,100,141</u>
	TOTAL ASSETS	<u><u>208,610,200</u></u>	<u><u>210,055,377</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	80,000	80,000
	Retained earnings	25,568,216	28,345,175
	Total equity	25,648,216	28,425,175
	Provisions		
	Deferred tax	1,314,583	1,931,917
	Other provisions	6,397,562	6,190,343
8	Total provisions	7,712,145	8,122,260
	Liabilities other than provisions		
9	Non-current liabilities other than provisions		
	Mortgage debt	164,518,617	165,409,742
	Other payables	2,486,695	2,333,691
		167,005,312	167,743,433
	Current liabilities other than provisions		
9	Current portion of long-term liabilities	872,158	854,150
	Trade payables	502,939	359,522
	Payables to group entities	6,721,306	4,187,905
	Other payables	148,124	362,932
		8,244,527	5,764,509
	Total liabilities other than provisions	175,249,839	173,507,942
	TOTAL EQUITY AND LIABILITIES	208,610,200	210,055,377

- 1 Accounting policies
- 2 The Company's principal activities
- 10 Collateral
- 11 Contractual obligations and contingencies, etc.
- 12 Related parties

Financial statements for the period 1 January - 31 December**Statement of changes in equity**

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2015	80,000	28,345,175	28,425,175
Profit/loss for the year	0	-2,776,959	-2,776,959
Equity at 31 December 2015	80,000	25,568,216	25,648,216

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of GR RD 1 ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the company are consistent with those of last year.

Income statement

Revenue

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross margin'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, etc.

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	50 years
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Land is not depreciated.

Financial income and expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of fixed assets

Intangible assets, property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, restructurings, etc. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Corporation 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.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 The Company's principal activities

It is the Company's objective to own and hold ownership interests in companies, to purchase, own, sell, rent and rent out real estate and all other related activities.

DKK	2015	2014
3 Financial expenses		
Interest expenses, group entities	127,000	111,290
Other financial expenses	2,335,572	2,506,397
	2,462,572	2,617,687
4 Tax for the year		
Deferred tax adjustments in the year	-819,762	-773,576
	-819,762	-773,576

5 Property, plant and equipment

DKK	Land and buildings
Cost at 1 January 2015	185,849,948
Additions in the year	2,777,679
Cost at 31 December 2015	188,627,627
Impairment losses and depreciation at 1 January 2015	3,038,228
Amortisation/depreciation in the year	3,714,849
Impairment losses and depreciation at 31 December 2015	6,753,077
Carrying amount at 31 December 2015	181,874,550

DKK	2015	2014
6 Other receivables		
Other receivables	404,025	823,940
	404,025	823,940

Other receivables under Investments comprise deposits in Grundejernes Investeringsfond (GI)

7 Share capital

The share capital consists of the following:

800 shares of DKK 100.00 each	80,000	80,000
	80,000	80,000

The Company's share capital has remained DKK 80,000 over the past 3 years.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

8 Provisions

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

Other provisions

Maintenance liabilities BRL § 18b, DKK 5,239,977.

Maintenance liabilities BRL § 22, DKK 1,157,585.

Total, DKK 6,397,562.

Maintenance liabilities related to BRL § 18b are expected to fall due within 2-5 years.

Maintenance liabilities related to BRL § 22 are expected to fall due after 5 years.

9 Long-term liabilities

Of the long-term liabilities, DKK 141,117,173 falls due for payment after more than 5 years after the balance sheet date.

Other payables comprise deposits and prepaid rent.

10 Collateral

The following assets have been provided as collateral for mortgages:

Property, plant and equipment with a carrying amount of (DKK) 181,874,550

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

The company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after January 1st, 2012.

12 Related parties

GR RD 1 ApS' related parties comprise the following:

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Nordisk Ejendomsholding A/S	Amaliegade 15, 2. sal, 1256 København K