

GR HB ApS

Fridtjof Nansens Plads 5, 2100 København Ø

CVR no. 25 59 76 99



Annual report 2016

Approved at the annual general meeting of shareholders on 9 May 2017

Chairman:



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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of GR HB ApS for the financial year 1 January - 31 December 2016.

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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 9 May 2017
Executive Board:



Mette Krog Hansen



Robert McCorduck



Katarzyna Jolanta
Ciesielska

Independent auditors' report

To the shareholders of GR HB ApS

Opinion

We have audited the financial statements of GR HB ApS for the financial year 1 January - 31 December 2016, 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016, and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditors' report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 9 May 2017
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant



Management's review

Company details

Name	GR HB ApS
Address, Postal code, City	Fridtjof Nansens Plads 5, 2100 København Ø
CVR no.	25 59 76 99
Established	18 December 2013
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mette Krog Hansen Robert McCorduck Katarzyna Jolanta Ciesielska
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark



Management's review

Management commentary

Business review

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.

Financial review

The income statement for 2016 shows a profit of DKK 2,959,208 against a profit of DKK 1,098,172 last year, and the balance sheet at 31 December 2016 shows an equity of DKK 76,206,363.

Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end 2016.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2016	2015
	Gross margin	-132,650	-131,906
	Income from investments in group entities	2,116,241	-43,980
2	Financial income	1,584,600	1,515,002
3	Financial expenses	-582,367	-481,995
	Profit before tax	2,985,824	857,121
4	Tax for the year	-26,616	241,051
	Profit for the year	<u>2,959,208</u>	<u>1,098,172</u>
	Proposed profit appropriation		
	Retained earnings	<u>2,959,208</u>	<u>1,098,172</u>
		<u>2,959,208</u>	<u>1,098,172</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2016</u>	<u>2015</u>
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group entities	<u>78,921,009</u>	<u>76,804,768</u>
		<u>78,921,009</u>	<u>76,804,768</u>
	Total fixed assets	<u>78,921,009</u>	<u>76,804,768</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	<u>31,069,415</u>	<u>32,008,694</u>
		<u>31,069,415</u>	<u>32,008,694</u>
	Cash at bank and in hand	<u>7,878,819</u>	<u>6,181,265</u>
	Total non-fixed assets	<u>38,948,234</u>	<u>38,189,959</u>
	TOTAL ASSETS	<u><u>117,869,243</u></u>	<u><u>114,994,727</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2016</u>	<u>2015</u>
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	80,000	80,000
	Retained earnings	<u>76,126,363</u>	<u>73,167,155</u>
	Total equity	<u>76,206,363</u>	<u>73,247,155</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	36,451,032	39,574,579
	Payables to group entities	5,131,510	2,066,448
	Income taxes payable	65,462	38,846
	Other payables	<u>14,876</u>	<u>67,699</u>
	Total liabilities other than provisions	<u>41,662,880</u>	<u>41,747,572</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>117,869,243</u></u>	<u><u>114,994,727</u></u>

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral

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	72,069,011	72,149,011
Profit/loss for the year	0	1,098,172	1,098,172
Revaluations in the year	0	-28	-28
Equity at 1 January 2016	80,000	73,167,155	73,247,155
Profit/loss for the year	0	2,959,208	2,959,208
Equity at 31 December 2016	80,000	76,126,363	76,206,363

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of GR HB ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act to report reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Changes in accounting policies

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

Income statement

Gross margin

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, etc.

Income from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries and associates after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

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 Company and its group entities are jointly taxed. The income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

Investments in subsidiaries and associates are measured, using the equity method, at the parent's proportionate share of such entities' equity plus goodwill on consolidation and intra-group losses and less intra-group gains and negative goodwill, if any. Investments in entities whose net asset value is negative are measured at DKK 0. The entity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under 'Provisions' in so far as the parent has a legal or constructive obligation to cover the deficit.

Newly acquired or formed entities are recognised in the financial statements from the date of acquisition or formation. Entities sold or otherwise disposed of are recognised up to the date of disposal.

Corporate acquisitions are accounted for using the purchase method according to which the acquired entity's identifiable assets and liabilities are measured at fair value at the date of acquisition. In connection with the acquisition, a provision is made for expenses related to adopted plans to restructure the acquired entity. The tax effect of revaluations made is taken into account.

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.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and 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. Deferred tax assets 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2016	2015
2 Financial income		
Interest, receivable group entities	1,584,600	1,515,000
Other interest income	0	2
	<u>1,584,600</u>	<u>1,515,002</u>
3 Financial expenses		
Interest expenses, group entities	175,500	99,228
Other interest expenses	406,867	382,767
	<u>582,367</u>	<u>481,995</u>
4 Tax for the year		
Estimated tax charge for the year	70,426	38,846
Refund in joint taxation	-43,810	-279,897
	<u>26,616</u>	<u>-241,051</u>

5 Investments

DKK	Investments in group entities
Cost at 1 January 2016	79,660,421
Additions in the year	0
Disposals in the year	0
Cost at 31 December 2016	<u>79,660,421</u>
Value adjustments at 1 January 2016	-2,855,653
Share of the profit/loss for the year	2,116,241
Value adjustments at 31 December 2016	<u>-739,412</u>
Carrying amount at 31 December 2016	<u><u>78,921,009</u></u>

DKK	Domicile	Interest	Equity	Profit/loss
Subsidiaries				
GR HB Tingskrivervej ApS	København	100.00 %	47,924,687	669,803
GR HB Trianglen ApS	København	100.00 %	30,996,322	1,446,438

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2016	2015
6 Share capital		
Analysis of the share capital:		
800 shares of DKK 100.00 nominal value each	80,000	80,000
	80,000	80,000

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

7 Contractual obligations and contingencies, etc.

Contingent liabilities

Guarantee has been provided in respect of bank commitments in subsidiaries. The total debt to banks and mortgage debt in these companies is DKK 160,300,000.

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 as well as withholding taxes on interest and dividends.

8 Collateral

As security for the company's debt to banks, the company has placed investments in group entities with an equity value of DKK 78,790,504.