
LAAMA Ejendomme A/S

Over Hadstenvej 42, DK-8370 Hadsten

Annual Report for 1 May - 31 December 2016

CVR No 27 25 68 80

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
17/5 2017

Henrik Petersen
Chairman



pwc

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of LAAMA Ejendomme A/S for the financial year 1 May - 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 financial position at 31 December 2016 of the Company and of the results of the Company operations for the period 1 May - 31 December 2016.

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

Hadsten, 17 May 2017

Executive Board

Thomas Skipper Klausen

Board of Directors

Henrik Petersen
Chairman

Hans Mønster

Thomas Skipper Klausen

Independent Auditor's Report

To the Shareholder of LAAMA Ejendomme A/S

Opinion

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 May - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of LAAMA Ejendomme A/S for the financial year 1 May - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("financial statements").

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

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 misstate-

Independent Auditor's Report

ment, 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 these 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.
- 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 conclusions are 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

Independent Auditor's Report

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.

Aarhus, 17 May 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Kragh
State Authorised Public Accountant

Claus Lyngsø Sørensen
State Authorised Public Accountant

Company Information

The Company

LAAMA Ejendomme A/S
Over Hadstenvej 42
DK-8370 Hadsten

CVR No: 27 25 68 80
Financial period: 1 May - 31 December
Municipality of reg. office: Favrskov

Board of Directors

Henrik Petersen, Chairman
Hans Mønster
Thomas Skipper Klausen

Executive Board

Thomas Skipper Klausen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Management's Review

Main activity

The Company's activities consist of management and rental of real estate, including rental to companies within the Hoyer Group A/S.

Development in activities and financial position

2016 is considered a satisfying year.

Subsequent events

No events have taken place after the balance sheet date which have a material impact on the assessment of the annual report.

Income Statement 1 May - 31 December

	Note	1/5-2016 - 31/12-2016 DKK	1/5-2015 - 30/4-2016 DKK
Gross profit/loss		5.378.930	8.014.442
Depreciation and impairment of property, plant and equipment	1	-503.354	-1.986.930
Profit/loss before financial income and expenses		4.875.576	6.027.512
Financial income	2	870.581	1.320.759
Financial expenses		-877.852	-1.324.742
Profit/loss before tax		4.868.305	6.023.529
Tax on profit/loss for the year	3	-1.071.346	-1.324.849
Net profit/loss for the year		3.796.959	4.698.680

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year		0	4.700.000
Retained earnings		3.796.959	-1.320
		3.796.959	4.698.680

Balance Sheet 31 December

Assets

	Note	31/12-2016 DKK	30/4-2016 DKK
Land and buildings		46.309.036	46.714.893
Property, plant and equipment	4	46.309.036	46.714.893
Fixed assets		46.309.036	46.714.893
Receivables from group enterprises		17.900.777	19.695.267
Receivables		17.900.777	19.695.267
Currents assets		17.900.777	19.695.267
Assets		64.209.813	66.410.160

Balance Sheet 31 December

Liabilities and equity

	Note	31/12-2016 DKK	30/4-2016 DKK
Share capital		500.000	500.000
Retained earnings		21.472.265	17.566.553
Proposed dividend for the year		0	4.700.000
Equity	5	21.972.265	22.766.553
Provision for deferred tax		2.439.112	2.055.000
Provisions		2.439.112	2.055.000
Mortgage loans		30.511.964	34.880.388
Credit institutions		2.328.039	0
Payables to group enterprises		1.665.492	1.655.640
Deposits		732.813	689.313
Long-term debt	6	35.238.308	37.225.341
Mortgage loans	6	1.388.234	858.000
Credit institutions	6	1.307.797	743.709
Corporation tax		717.920	1.318.054
Other payables	7	1.146.177	1.443.503
Short-term debt		4.560.128	4.363.266
Debt		39.798.436	41.588.607
Liabilities and equity		64.209.813	66.410.160
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		

Notes to the Financial Statements

	1/5-2016 - 31/12-2016 DKK	1/5-2015 - 30/4-2016 DKK
1 Depreciation and impairment of property, plant and equipment		
Depreciation of property, plant and equipment	503.354	1.986.930
	503.354	1.986.930
2 Financial income		
Interest received from group enterprises	870.581	1.320.759
	870.581	1.320.759
3 Tax on profit/loss for the year		
Current tax for the year	717.920	1.318.054
Deferred tax for the year	384.112	6.795
Adjustment of tax concerning previous years	-12	0
	1.102.020	1.324.849
which breaks down as follows:		
Tax on profit/loss for the year	1.071.346	1.324.849
Tax on changes in equity	30.674	0
	1.102.020	1.324.849

Notes to the Financial Statements

4 Property, plant and equipment

	Land and buildings DKK
Cost at 1 May	66.519.962
Additions for the year	97.497
Cost at 31 December	<u>66.617.459</u>
Revaluations at 1 May	<u>0</u>
Revaluations at 31 December	<u>0</u>
Impairment losses and depreciation at 1 May	19.805.069
Depreciation for the year	503.354
Impairment losses and depreciation at 31 December	<u>20.308.423</u>
Carrying amount at 31 December	<u>46.309.036</u>

5 Equity

	Share capital DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity at 1 May	500.000	17.566.553	4.700.000	22.766.553
Ordinary dividend paid	0	0	-4.700.000	-4.700.000
Fair value adjustment of hedging instruments	0	139.427	0	139.427
Tax on adjustment of hedging instruments for the year	0	-30.674	0	-30.674
Net profit/loss for the year	0	3.796.959	0	3.796.959
Equity at 31 December	<u>500.000</u>	<u>21.472.265</u>	<u>0</u>	<u>21.972.265</u>

Notes to the Financial Statements

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>31/12-2016</u> DKK	<u>30/4-2016</u> DKK
Mortgage loans		
After 5 years	24.804.447	30.687.472
Between 1 and 5 years	5.707.517	4.192.916
Long-term part	<u>30.511.964</u>	<u>34.880.388</u>
Within 1 year	1.388.234	858.000
	<u>31.900.198</u>	<u>35.738.388</u>
Credit institutions		
After 5 years	754.215	0
Between 1 and 5 years	1.573.824	0
Long-term part	<u>2.328.039</u>	<u>0</u>
Within 1 year	393.456	0
Other short-term debt to credit institutions	914.341	743.709
Short-term part	<u>1.307.797</u>	<u>743.709</u>
	<u>3.635.836</u>	<u>743.709</u>
Payables to group enterprises		
After 5 years	1.665.492	1.655.640
Long-term part	<u>1.665.492</u>	<u>1.655.640</u>
Within 1 year	0	0
	<u>1.665.492</u>	<u>1.655.640</u>
Deposits		
After 5 years	732.813	689.313
Long-term part	<u>732.813</u>	<u>689.313</u>
Within 1 year	0	0
	<u>732.813</u>	<u>689.313</u>

Notes to the Financial Statements

7 Derivative financial instruments

Derivative financial instruments contracts in the form of interest rate swaps have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

	<u>31/12-2016</u> DKK	<u>30/4-2016</u> DKK
Liabilities	592.573	732.000

Interest rate swap contracts have been concluded to hedge future interest payments on floating rate loans. The contracts have a term of 7 years. Under the contracts, an interest rate of 0,2825 % is exchanged for a fixed rate of interest of 4,98 % on loans with a principal amount of DKK 3,5 million. The interest rate swap contract has been concluded for the entire remaining maturity period of the loan of 7 years.

8 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

	<u>31/12-2016</u> DKK	<u>30/4-2016</u> DKK
Land and buildings and other tangible assets with a carrying amount of	46.309.036	46.714.893

The following assets have been placed as security with bankers:

Mortgage deed of DKK 9,5 million on land and buildings with a carrying amount of	46.309.036	46.714.893
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Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Hoyer Group A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

9 Related parties

Consolidated Financial Statements

The Company is part of the Group Annual Report of

Name	Place of registered office
Hoyer Group A/S	Copenhagen

Notes, Accounting Policies

Basis of Preparation

The Annual Report of LAAMA Ejendomme A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2016 are presented in DKK.

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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes, Accounting Policies

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

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 or services 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.

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.

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Notes, Accounting Policies

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 wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to 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:

Buildings	30 years
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Depreciation period and residual value are reassessed annually.

The residual value amounts to DKK 16 million

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 depreciation.

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

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes, Accounting Policies

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 or in equity if the deferred tax relates to items recognised in equity.

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

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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