Strandesplanaden ApS

Nyhavn 55, DK-1051 København K

Annual Report for 2016

CVR No 27 39 46 47

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 27/3 2017

Eric K. Horten
Chairman

Contents

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Strandesplanaden ApS for the financial year 1 January - 31 December 2016.

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

In my 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 2016.

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

Copenhagen, 27 March 2017

Executive Board

Thomas Larsson

Independent Auditor's Report

To the Shareholder of Strandesplanaden ApS

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

We have audited the Financial Statements of Strandesplanaden ApS for the financial year 1 January - 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 misstatement, whether due to fraud or error.

Independent Auditor's Report

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 manner that gives a true and fair view.

Independent Auditor's Report

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.

Copenhagen, 27 March 2017
BDO
Statsautoriseret revisionsaktieselskab
CVR No 20 22 26 70

Iben Larsen
State Authorised Public Accountant

Company Information

The Company	Strandesplanaden ApS Nyhavn 55 DK-1051 København K CVR No: 27 39 46 47 Financial period: 1 January - 31 December Incorporated: 16 October 2003 Municipality of reg. office: Københavns Kommune
Executive Board	Thomas Larsson
Auditors	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 DK-1561 København V

Group Chart

Group Enterprises

Neohorm A/S
Nyhavn 55
1051 København K
CVR No 79 45 17 11
Parent company

Industriholmen 1 ApS
Nyhavn 55
1051 København K
CVR No 20 04 39 46
Affiliated company

Stamholmen 217 ApS
Nyhavn 55
1051 København K
CVR No 17 14 93 85
Affiliated company

Roskilde ApS
Nyhavn 55
1051 København K
CVR No 33 15 27 28
Affiliated company

Soundport A/S
Nyhavn 55
1051 København K
CVR No 35 23 40 98
Affiliated company

Stamholmen ApS
CVR No 10 09 21 16
Affiliated company
01.01. – 30.09. 2016

Management’s Review

Main activity

The company's objective is trade and investment, including acquisition and management of real property.

Development in the year

The income statement of the Company for 2016 shows a loss of DKK 1,260,265, of which value adjustments amount to DKK 100,000, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 13,437,229.

Since its establishment in the autumn of 2003, the company has acquired a laboratory and office building at Strandesplanaden in the southern part of Copenhagen.

The Company’s property is largely not let out at the end of the year.

The company has made intensified efforts to rent out the vacant floorage.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2016	2015
		DKK	DKK
Revenue		**806,467**	**390,167**
Other operating income		185,725	250,000
Other external expenses		-2,212,174	-3,813,001
Gross profit/loss before value adjustments		**-1,219,982**	**-3,172,834**
Value adjustments of assets held for investment		100,000	1,100,000
Gross profit/loss after value adjustments		**-1,119,982**	**-2,072,834**
Financial income		25,495	4,307
Financial expenses	1	-521,226	-589,480
Profit/loss before tax		**-1,615,713**	**-2,658,007**
Tax on profit/loss for the year	2	355,448	615,147
Net profit/loss for the year		**-1,260,265**	**-2,042,860**

Distribution of profit

Proposed distribution of profit		
Retained earnings	-1,260,265	-2,042,860
	-1,260,265	**-2,042,860**

Balance Sheet 31 December

Assets

	Note	2016	2015
		DKK	DKK
Investment properties		39,900,000	39,800,000
Property, plant and equipment	3	**39,900,000**	**39,800,000**
Fixed assets		**39,900,000**	**39,800,000**
Other receivables		50,525	479,929
Corporation tax		645,406	398,674
Prepayments		0	79,009
Receivables		**695,931**	**957,612**
Cash at bank and in hand		**220,429**	**1,970,903**
Currents assets		**916,360**	**2,928,515**
Assets		**40,816,360**	**42,728,515**

Balance Sheet 31 December

Liabilities and equity

	Note	2016	2015
		DKK	DKK
Share capital		1,000,000	1,000,000
Share premium account		8,500,000	8,500,000
Retained earnings		3,937,229	5,197,494
Equity	4	**13,437,229**	**14,697,494**
Provision for deferred tax		597,733	307,928
Provisions		**597,733**	**307,928**
Mortgage loans		5,302,165	6,395,077
Other payables		291,169	268,650
Long-term debt	5	**5,593,334**	**6,663,727**
Mortgage loans	5	846,434	839,228
Trade payables		187,803	212,897
Payables to group enterprises		20,134,099	20,007,241
Other payables	5	19,728	0
Short-term debt		**21,188,064**	**21,059,366**
Debt		**26,781,398**	**27,723,093**
Liabilities and equity		**40,816,360**	**42,728,515**
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

Notes to the Financial Statements

1 Financial expenses

	2016	2015
	DKK	DKK
Interest paid to group enterprises	626,858	391,661
Other financial expenses	-105,632	197,819
	521,226	**589,480**

2 Tax on profit/loss for the year

	2016	2015
Current tax for the year	-645,253	-398,674
Deferred tax for the year	289,805	-177,352
Adjustment of tax concerning previous years	0	-39,121
	-355,448	**-615,147**

3 Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January	47,688,213
Cost at 31 December	47,688,213
Value adjustments at 1 January	-7,888,213
Revaluations for the year	100,000
Value adjustments at 31 December	-7,788,213
Carrying amount at 31 December	**39,900,000**

Notes to the Financial Statements

3 Assets measured at fair value (continued)

Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The fair value is calculated by using generally accepted valuation methods.

The fair value of investment properties has been calculated based on the following assumptions:

	2016	2015
	DKK	DKK
The fair value of investment properties amounts to	39,900,000	39,800,000
Expected idle rent in % of rental income	82%	94%
Discount rate	6.5%	6.5%

4 Equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,000,000	8,500,000	5,197,494	14,697,494
Net profit/loss for the year	0	0	-1,260,265	-1,260,265
Equity at 31 December	**1,000,000**	**8,500,000**	**3,937,229**	**13,437,229**

The share capital consists of 1,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

5 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:

	2016	2015
	DKK	DKK
Mortgage loans		
After 5 years	1,806,744	2,929,355
Between 1 and 5 years	3,495,421	3,465,722
Long-term part	5,302,165	6,395,077
Within 1 year	846,434	839,228
	6,148,599	**7,234,305**

Notes to the Financial Statements

5 Long-term debt (continued)

	2016	2015
	DKK	DKK
Other payables		
After 5 years	291,169	268,650
Long-term part	291,169	268,650
Other short-term payables	19,728	0
	310,897	**268,650**

6 Contingent assets, liabilities and other financial obligations

Charges and security

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

Mortgage deeds totalling EUR 1,916,400 that provide a charge in land and buildings at a total carrying amount of	39,900,000	39,800,000

Contingent liabilities

The Danish 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 Neohorm A/S, which is the management company of the joint taxation purposes. Moreover, the Danish 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.

7 Related parties

Consolidated Financial Statements

The Group Annual Report of 2016 may be obtained at the following addresses:

Name	Place of registered office
NEY Investments BV	Siriusdreef 22, NL-2132 WT Hoofddorp, The Netherlands
Haydn Holding AB	Husargatan 3, 211 28 Malmö, Sweden

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Strandesplanaden ApS 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.

Financial Statements for 2016 are presented in DKK.

Changes in accounting policies

Due to the Danish Act No 738 of 1 June 2015 (amendment of the Danish Financial Statements Act), the Company has changed the accounting policy applied to the measurement of liabilities relating to investment properties. Previously, liabilities relating to investment properties were measured at fair value, but going forward the properties will be measured at amortised cost. By this change, the Company applied the relaxation provided by the Danish executive order on relaxation of the Danish Financial Statements Act and recognised the liabilities at cost corresponding to the latest fair value at 31 December 2015. The liabilities are subsequently recognised at amortised cost. Therefore, the comparative figures have not been restated.

The change resulted in an increase of profit/loss on ordinary activities for this year by DKK 223,648 and net profit/loss for the year by DKK 174,445. The Company's liabilities are moreover affected by DKK 223,648 and the balance sheet total by DKK 223,648. Equity is affected by DKK 174,445. The Company's cash flows are not affected by the change.

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.

Notes, Accounting Policies

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.

Income Statement

Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

Other external expenses

Other external expenses comprise administration, maintenance, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

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 its parent company and affiliated companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes, Accounting Policies

Balance Sheet

Investment properties

In Management's opinion the classification of the properties as investment properties did not cause any difficulties.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

In Management's opinion it has not been possible this year to determine fair value through market information, and, consequently, valuation has been made based on a recognised valuation technique.

The fair value of certain investment properties has been determined at 31 December 2016 for each property by using a return-based model under which the expected future cash flows for the coming year combined with a rate of return form the basis of the fair value of the property. The calculations are based on property budgets for the coming years. The budget takes into account developments in rentals, vacancies, operating expenses, maintenance and administration, etc. The budgeted cash flow is divided by the estimated rate of return to arrive at the fair value of the property. The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, deposits, etc if they are not shown separately in the balance sheet.

The fair value of investment properties has been assessed by the independent assessor firm Sadolin & Albæk at 31 December 2016.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

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 insurance premiums.

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.

Notes, Accounting Policies

Deferred tax assets, including the tax base of tax loss carry-forwards, 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.

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 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.