

MH CAPITAL A/S

Svendborgvej 243
DK-5260 Odense S

Annual report
1 July 2015 - 30 June 2016

**The annual report has been presented and
approved on the company's general meeting the**

29/11/2016

Henrik Staal Larsen
Chairman of general meeting

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Company information

Reporting company MH CAPITAL A/S
Svendborgvej 243
DK-5260 Odense S

e-mail: contact@mhcapital.dk

CVR-nr: 27414303

Reporting period: 01/07/2015 - 30/06/2016

Main financial institution

Jyske Bank

Mageløs 8
5100 Odense C
DK Denmark

Auditor PLUS REVISION REGISTRERET REVISIONSANPARTSSELSKAB

Egøgårdvej 18
5250 Odense SV
DK Denmark

CVR-nr: 20452897

P-number: 1004315592

Statement by Management

The Executive Board and the Board of directors have today approved the Annual Report of MH Capital A/S for the financial year 1 July 2015 – 30 June 2016.

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

It is our opinion that the financial statement give a true and fair view of the Company's financial position at 30 June 2016 and of the results of the Company's operations for the financial year 1 July 2015 – 30 June 2016.

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

Odense, the 15/11/2016

Executive board

Henrik Staal Larsen

Board of directors

Henrik Staal Larsen

Mette Overgaard Larsen

Christian Overgaard Staal Larsen

Independent Auditor's Reports

To the shareholders of MH CAPITAL A/S

Auditor's report on extended review of financial statements

We have performed an extended review of the accompanying financial statements of MH CAPITAL A/S for the financial year 1. July 2015 - 30. June 2016. The accompanying financial statements, which comprise summary of significant accounting policies, income statement, balance sheet and notes, are prepared in accordance with the Danish Financial Statements Act.

Executive and supervisory board's responsibility for 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 the financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small entities and FSR – danske revisorer's standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. This requires us to comply with the Danish Act on Approved Auditors and Audit Firms and FSR – danske revisorer's Code of Ethics and perform procedures in order to obtain limited assurance for our conclusion on these Financial Statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion. An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained. The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements. The extended review has not resulted in any qualifications.

Opinion on financial statements

Based on the work performed it is our opinion that these financial statements give a true and fair view of the company's assets, liabilities and financial position as at 30. June 2016 and of its financial performance for the financial year 1. July 2015 - 30. June 2016, in accordance with the Danish Financial Statements Act.

Odense, 15/11/2016

Jens Ole Emtekjær Andersen

Certified Accountant

PLUS REVISION REGISTRERET REVISIONSANPARTSSELSKAB

CVR: 20452897

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Taxation

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year.

Current tax payables or receivables are recognised in the balance sheet stated as tax calculated taxable income for the year, adjusted for tax paid on account.

Deferred tax is recognised in accordance with the balance-sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Income Statement

Financial income and expenses

Financial income and expenses comprise interest income and interest expenses, realised and unrealised capital gains and losses on securities, liabilities and transactions denominated in foreign currencies.

Balance sheet

Property, plant and equipment

Property, plant and equipment is measured at historical cost less accumulated depreciation and any impairment loss.

Depreciation is based on the straight-line method over the estimated useful lives of the assets: 3-5 years.

Other investments

The carrying amount of short-term investments corresponds with the fair value. Fair value is the amount that should have been received for short-term investments outstanding if sold on the closing date.

Income statement 1 Jul 2015 - 30 Jun 2016

| | Disclosure | 2015/16 | 2014/15 |
|---|------------|-------------------|------------------|
| | | kr. | kr. |
| Income from investments in group enterprises and associates .. | | 0 | 87,066 |
| Administrative expenses | | -913,065 | -1,369,956 |
| Income from investments in group enterprises | | 0 | 87,066 |
| Income from other investments and receivables that are fixed assets | | 0 | 6,686 |
| Other finance income | | 1,091,032 | 10,519,967 |
| Finance expenses arising from group enterprises | | 0 | -2,869 |
| Sundry finance expenses | | -5,516,551 | -3,296,737 |
| Profit (loss) from ordinary activities before tax | | -5,338,584 | 5,944,157 |
| Tax expense | | 1,202,604 | -1,420,236 |
| Profit (loss) | | -4,135,980 | 4,523,921 |
| Proposed distribution of profit (loss) | | | |
| Reserve for net revaluation according to equity method | | 0 | 41,550 |
| Retained earnings | | -4,135,980 | 4,482,371 |
| Gross | | -4,135,980 | 4,523,921 |

Balance sheet 30 June 2016

Assets

| | Disclosure | 2015/16 kr. | 2014/15 kr. |
|---|------------|-------------------|-------------------|
| Fixtures, fittings, tools and equipment | | 520,451 | 693,934 |
| Property, plant and equipment | | 520,451 | 693,934 |
| Investments in group enterprises | | 0 | 3,405,855 |
| Other receivables | | 1,020,614 | 1,065,087 |
| Investments | | 1,020,614 | 4,470,942 |
| Total non-current assets | | 1,541,065 | 5,164,876 |
| Current deferred tax assets | | 1,255,000 | 0 |
| Tax receivables | | 504,470 | 0 |
| Other receivables | | 166,698 | 212,784 |
| Receivables | | 1,926,168 | 212,784 |
| Other investments | | 4,835,760 | 30,548,574 |
| Investments | | 4,835,760 | 30,548,574 |
| Cash and cash equivalents | | 23,629,733 | 5,248,574 |
| Current assets | | 30,391,661 | 36,009,932 |
| Total assets | | 31,932,726 | 41,174,808 |

Balance sheet 30 June 2016

Liabilities and equity

| | Disclosure | 2015/16 | 2014/15 |
|---|-------------------|-------------------|-------------------|
| | | kr. | kr. |
| Contributed capital | | 500,000 | 500,000 |
| Reserve for net revaluation according to equity method | | 0 | 2,359,896 |
| Retained earnings | | 31,023,740 | 32,799,660 |
| Total equity | | 31,523,740 | 35,659,556 |
| Payables to group enterprises | | 0 | 3,712,099 |
| Tax payables | | 0 | 1,104,184 |
| Other payables, including tax payables, liabilities other than provisions | | 408,986 | 698,969 |
| Short-term liabilities other than provisions, gross | | 408,986 | 5,515,252 |
| Liabilities other than provisions, gross | | 408,986 | 5,515,252 |
| Liabilities and equity, gross | | 31,932,726 | 41,174,808 |

Disclosures

1. Main activities and accounting and financial matters

The main activity for the company is investment in Financial Assets.

2. Disclosure of collaterals and assets pledges as security

Bank debt is secured by collateral on investments.

3. Information on average number of employees

| | 2015/16 | 2014/15 |
|-----------------------------------|----------------|----------------|
| Average number of employees | 1 | 1 |