

HMRCT ApS

Amaliegade 10, 1256 Copenhagen K

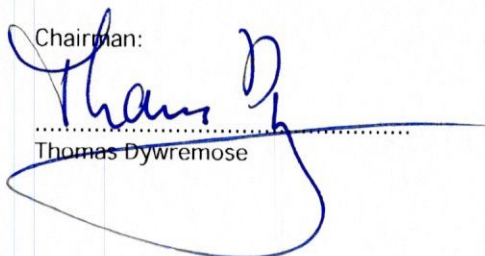
CVR no. 30 53 83 31

Annual report

for the year 1 January - 31 December 2017

Approved at the Company's annual general meeting on 19 March 2018

Chairman:



Thomas Dywremose





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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of HMRCT ApS for the financial year 1 January - 31 December 2017.


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 of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

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

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

Copenhagen, 19 March 2018
Executive Board:



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Jesper Dywremose
CEO

Independent auditor's report

To the shareholders of HMRCT ApS

Opinion

We have audited the financial statements of HMRCT ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

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 as to 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 judgement and maintain professional scepticism throughout the audit. We also:

- u 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.

Independent auditor's report

- ▶ 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 note 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 the 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 the work we have performed, 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.

Copenhagen, 19 March 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter Gath
State Authorized Public Accountant
MNE no.: mne19718



Management's review

Company details

Name	HMRCT ApS
Address, Postal code, City	c/o Mazanti-Andersen Korsø Jensen Amaliegade 10, 1256 Copenhagen K
CVR no.	30 53 83 31
Established	1 January 2014
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Jesper Dywremose, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The Company's primary activities consists of investments in corporate companies and other activities which relates hereto.

Financial review

The income statement for 2017 shows a profit of DKK 1,056,002 after tax.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK	2017	2016
	External expenses	-27,240	-43,152
	Gross margin	-27,240	-43,152
	Income from investments in group entities	133,346	2,417,343
3	Financial income	865,272	762,252
	Financial expenses	0	-861
	Profit before tax	971,378	3,135,582
4	Tax for the year	84,624	-228,468
	Profit for the year	<u>1,056,002</u>	<u>2,907,114</u>
	Recommended appropriation of profit		
	Retained earnings	<u>1,056,002</u>	<u>2,907,114</u>
		<u>1,056,002</u>	<u>2,907,114</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2017	2016
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group entities, net asset value	117,366	0
		<u>117,366</u>	<u>0</u>
	Total fixed assets	<u>117,366</u>	<u>0</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	29,751,358	28,409,854
	Income taxes receivable	0	408,444
		<u>29,751,358</u>	<u>28,818,298</u>
	Cash	1,810,857	1,897,532
	Total non-fixed assets	<u>31,562,215</u>	<u>30,715,830</u>
	TOTAL ASSETS	<u><u>31,679,581</u></u>	<u><u>30,715,830</u></u>
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	50,000	50,000
	Retained earnings	31,438,877	30,382,875
	Total equity	<u>31,488,877</u>	<u>30,432,875</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Income taxes payable	169,955	268,579
	Other payables	20,749	14,376
		<u>190,704</u>	<u>282,955</u>
	Total liabilities other than provisions	<u>190,704</u>	<u>282,955</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>31,679,581</u></u>	<u><u>30,715,830</u></u>

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



Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	50,000	27,475,761	27,525,761
Transfer through appropriation of profit	0	2,907,114	2,907,114
Equity at 1 January 2017	50,000	30,382,875	30,432,875
Transfer through appropriation of profit	0	1,056,002	1,056,002
Equity at 31 December 2017	<u>50,000</u>	<u>31,438,877</u>	<u>31,488,877</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of HMRCT ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

External expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating administration etc.

Income from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Receivables

Receivables are measured at amortised cost.

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

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses 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

Cash comprises 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.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Other payables

Other payables are measured at net realisable value.

2 Staff costs

The Company has no employees.

DKK	2017	2016
3 Financial income		
Interest receivable, group entities	865,231	762,252
Other financial income	41	0
	<u>865,272</u>	<u>762,252</u>
4 Tax for the year		
Estimated tax charge for the year	183,955	115,544
Tax adjustments, prior years	-268,579	112,924
	<u>-84,624</u>	<u>228,468</u>

5 Investments

DKK	Investments in group entities, net asset value
Cost at 1 January 2017	<u>1,540,006</u>
Cost at 31 December 2017	<u>1,540,006</u>
Value adjustments at 1 January 2017	-1,540,006
Share of the profit/loss for the year	17,802
Adjustments of share of the profit/loss for previous years	115,544
Amount set off against receivables at a January 2017	<u>-15,980</u>
Value adjustments at 31 December 2017	<u>-1,422,640</u>
Carrying amount at 31 December 2017	<u>117,366</u>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries					
Dcbh ApS	ApS	Copenhagen	100.00%	117,366	17,802

Financial statements 1 January - 31 December

Notes to the financial statements

6 Share capital

The Company's share capital has remained DKK 50,000 over the past 4 years.

7 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2017.