Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33963556
Weidekampsgade 6
Postboks 1600
0900 København C

Phone 36 10 20 30
Fax 36 10 20 40
www.deloitte.dk

ROOM COPENHAGEN A/S
Central Business Registration No 33041403
Skodsborgvej 315
2850 Nærum

Annual report 2015

The Annual General Meeting adopted the annual report on 20.05.2016

Chairman of the General Meeting

Name: Bente Kjær Jensen

Contents

Entity details

Entity

ROOM COPENHAGEN A/S
Skodsborgvej 315
2850 Nærum

Central Business Registration No: 33041403
Registered in: Copenhagen
Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Jacob Andersen, Chairman
Jens Heimburger
Henrik Bernt Sanders
Frank Leiberg Nissen
Torben Hartvigsen

Executive Board

Jacob Eberhard, CEO

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ROOM COPENHAGEN A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations and cash flows for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 20.05.2016

Executive Board

Jacob Eberhard
CEO

Board of Directors

Jacob Andersen Chairman	Jens Heimburger	Henrik Bernt Sanders
Frank Leiberg Nissen	Torben Hartvigsen	

Independent auditor's reports

To the owner of ROOM COPENHAGEN A/S
Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of ROOM COPENHAGEN A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on the consolidated financial statements and parent financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the consolidated financial statements and parent financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group’s and the Parent’s financial position at 31.12.2015, and of the results of their operations and the Group’s cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statement.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statement.

Copenhagen, 20.05.2016

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 96 35 56

Kim Mücke
State Authorised Public Accountant

Management commentary

Financial highlights, consolidated	2015 DKK'000	2014 DKK'000	2013 DKK'000	2012 DKK'000	2011 DKK'000
Key figures					
Gross profit	27.150	28.426	15.129	29.134	0
Operating profit/loss	2.107	2.390	-11.990	5.878	-88
Net financials	-1.719	-1.690	-3.512	-3.540	91
Profit/loss for the year	446	-174	-11.635	1.472	2
Total assets	86.023	101.353	91.289	78.260	50.894
Investments in property, plant and equipment	4.792	5.862	6.364	14.446	12.512
Equity	16.952	16.500	106	11.729	501
Ratios					
Return on equity (%)	2,7	(2,1)	(196,6)	24,1	0,4
Equity ratio (%)	19,7	16,3	0,1	15,0	1,0

Management commentary

Primary activities

The Group's activity is to design, produce and distribute high quality designer products under licensed and/or own brands. The Group's range of products are sold in Europe, North America, Latin America, Middle East, Australia, New Zealand and certain countries in Asia.

Development in activities and finances

In the financial year 2015, the Group realized a Gross profit of DKK 27,150k compared to DKK 28,426 prior year. The revenue decreased in 2015, caused by a stop from LEGO's side to sell LEGO heads.

The Group realized an EBITDA of DKK 7,765k. The profit after tax of DKK 446k is considered satisfactory based on the decrease in revenue. Adjustments relating 2014 of DKK (1,663)k have been recognized in equity. In 2016, the lack of revenue from LEGO heads is among other things replaced by new licensing agreement with Disney to sell Starwars products.

Capital resources

The capital resources are adequate to support the activity plan for the Group for the forthcoming years.

Uncertainty relating to recognition and measurement

The balance sheet includes goodwill of DKK 16,920k. Based on the realized EBITDA in 2015 and the expectations to the future earnings, Management has determined that the carrying value is recoverable.

The Group has a tax assets of DKK 2,386k, which, based on a specific assessment, have been fully recognized in the financial statements. The recognized tax asset is primarily attributable to tax loss carry forwards in the Parent Company. Based on the current expectations of future earnings, it is Management's opinion, that it will be possible to utilize the tax losses in a foreseeable future.

Particular risk

Business risks

The Group's primary operating risk relates to the market prices of granular plastics which have great impact on the Group's earnings capacity. The Group monitors this development closely in order to reflect any price increases in the sales prices.

Financial exposure

Due to its operations, investments and financing, the Group is exposed to changes in exchange rates and the interest level. ROOM Copenhagen A/S controls the financial risks of the Group centrally and coordinates the Group's cash management, including investment of funds. The Group pursues a financial policy operating with a low risk profile. Exchange rate, interest rate and credit risks arise only as a result of commercial initiated transactions.

Management commentary

Intellectual capital resources
ROOM Copenhagen is characterized by a dynamic knowledge environment, which makes great demands on the Group when it comes to collecting and disseminating knowledge. Moreover, the individual employee's personal knowledge plays an important part.

Statement of social responsibility
ROOM Copenhagen focuses on performing and enhancing its efforts relating to the Group's corporate ethical, social and environmental responsibility.

ROOM Copenhagen has started up a project to adopt policies on voluntary integration of social responsibility as part of the Group's strategy and activities in all significant areas.

Employees and working environment
By way of their knowhow, network and competences, the ROOM Copenhagen employees are a significant Competitive factor to the Group. Job satisfaction is therefore of great importance to the Group.

The Group has an open and clear staff policy accommodating diversity and development. Moreover, employees are offered benefits in order to improve their mental, physical and social welfare. The Group also focuses continuously on improving working conditions and environment in the Group with a view to retain motivated employees and create a positive work environment.

Environmental issues
ROOM Copenhagen is aware of the general societal focus on optimizing environmental conditions and the company is working continuously to reduce the environmental impacts of the Group's operation.

ROOM Copenhagen keeps continuous verification by suppliers/factories to make sure that they are in compliance with environmental requirements.

Suppliers
ROOM Copenhagen cooperates with its suppliers on compliance with safety measures and focus on optimizing environmental conditions, including reduction of CO2 emissions. All factories are subject to agreements which allow ROOM Copenhagen to perform audits at any time.

Food security
To ensure that the Group's products meet EU requirements for food security, ROOM Copenhagen continuous test its products.
It is management's assessment that the efforts within employees and working conditions, environmental issues and food security have been successful.

Management commentary

Statement on the underrepresented gender

At the end of December 2015, the gender balance of the Group showed 56% women and 44% men. There are no women on the Board of Directors.

It is the overall and long-term objective of the Group to achieve a more equal balance between the genders in Management, including developing women to join the management group.

Outlook

Management expects to continue to grow from existing and new licenses – and also to show a profit for 2016 based on continued focus on profitable business, launch of new products, customer gains and benefit capture from previously implemented initiatives.

Events after the balance sheet date

In 2016 ROOM Copenhagen A/S and Plast Team A/S have been brought together under common ownership by Nordic Houseware Group ApS as the parent company. Nordic Houseware Group ApS will support the future growth and increase internalization for both companies.

ROOM Copenhagen A/S and Plast Team A/S will continue as separate companies focusing on the commercial activities.

Accounting policies

Reporting class

The annual report of ROOM COPENHAGEN A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C enterprises. Such as:

- Presentation of consolidated financial statements, including presentation of a consolidated cash flow statement
- Recognition of and measurement of investments in subsidiaries according to equity-method

Change to comparative figures

The Group has in 2015 identified costs of DKK 1,827k and related tax effect of DKK 165k, net DKK 1,663k, which have been assessed to relate 2014, and hence these costs net of tax impact have been reflected directly in equity and the comparative figures have been changed accordingly.

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 costs are recognised in the income statement. 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner are used as the measurement and presentation currency. All other currencies are regarded as foreign currencies.

Accounting policies

Consolidated financial statements

The Consolidated Financial Statements comprise the Parent Company, ROOM COPENHAGEN A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

Basis of consolidation

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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 transaction date rates are recognized in financial income and expenses in the income statement.

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

When recognising foreign subsidiaries, the income statements are translated at average exchange rates for the year and balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Exchange adjustments of outstanding balances with foreign subsidiaries which are considered part of the total investment in subsidiaries are classified directly in equity.

Income statement

Gross profit or loss

With reference to the Financial Statements Act, section 32, the Company has made an aggregation of revenue, cost of sales and other external expenses into one line "Gross profit".

Accounting policies

Revenue
Revenue from the sale of goods for resale and finished goods is recognized in the income statement when delivery and transfer of risk has been made.

Revenue is recognised exclusive of VAT and net of discount relating to sales.

Cost of sales
Cost of sales comprise the manufactured goods and goods for resale consumed and other costs incurred to achieve revenue for the year.

Staff costs
Staff expenses comprise wages and salaries as well as other payroll expenses.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment losses comprise amortization, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating expenses
Other operating expenses comprise expenses for distribution, marketing, administration, premises, bad debts, etc.

Other financial income
Other financial income comprise exchange rate gains and interest income.

Other financial expenses
Other financiel expenses comprise exchange rate losses, interest and other financial expenses.

Income taxes
Tax for the year consists of current tax and 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 part of a joint taxation. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Accounting policies

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually 10 years based on an assessment of the long-term earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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 assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Depreciation based on cost and reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	3-12 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Investments in group enterprises

Investments in group enterprises are recognised and measured under the equity method.

Investments in group enterprises include the proportionate ownership share of the net asset value of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net value are recognised at DKK 0.

Accounting policies

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

Cost of manufactured goods and goods for resale consist of purchase price, freight and direct labor costs.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

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

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Accounting policies

Cash flow statement
The cash flow statement shows the Group’s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group’s cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are stated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash in the cash flow statement comprises as cash less short-term bank debt.

Financial highlights
Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Return on equity (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The financial strength of the Entity.

Consolidated income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Gross profit		**27.150**	**28.426**
Staff costs	1	-10.064	-11.644
Depreciation, amortisation and impairment losses	2	-5.658	-5.369
Other operating expenses		-9.321	-9.023
Operating profit/loss		**2.107**	**2.390**
Other financial income	3	1.150	2.110
Other financial expenses	4	-2.869	-3.800
Profit/loss from ordinary activities before tax		**388**	**700**
Tax on profit/loss from ordinary activities	5	58	-874
Profit/loss for the year		**446**	**-174**

Proposed distribution of profit/loss			
Retained earnings		446	-174
		446	**-174**

Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Goodwill		16.920	19.740
Intangible assets	6	**16.920**	**19.740**
Plant and machinery		22.717	21.294
Other fixtures and fittings, tools and equipment		454	829
Leasehold improvements		0	25
Property, plant and equipment in progress		5.265	4.694
Property, plant and equipment	7	**28.436**	**26.842**
Deposits		178	340
Deferred tax		1.785	2.539
Fixed asset investments	8	**1.963**	**2.879**
Fixed assets		**47.319**	**49.461**
Manufactured goods and goods for resale		9.491	10.572
Inventories		**9.491**	**10.572**
Trade receivables		17.606	31.818
Receivables from group enterprises		6.543	0
Other short-term receivables		4.653	4.730
Prepayments		369	1.300
Receivables		**29.171**	**37.848**
Cash		**42**	**3.472**
Current assets		**38.704**	**51.892**
Assets		**86.023**	**101.353**

Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital		884	884
Retained earnings		16.068	15.616
Equity		**16.952**	**16.500**
Subordinate loan capital		24.585	33.505
Bank loans		8.000	10.000
Non-current liabilities other than provisions	10	**32.585**	**43.505**
Current portion of long-term liabilities other than provisions	10	5.513	2.500
Bank loans		8.621	5.113
Trade payables		15.929	21.894
Payables to group enterprises		0	2.776
Income tax payable		0	428
Other payables		6.423	8.637
Current liabilities other than provisions		**36.486**	**41.348**
Liabilities other than provisions		**69.071**	**84.853**
Equity and liabilities		**86.023**	**101.353**
Subsidiaries	9		
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Mortgages and securities	14		
Consolidation	15		

Consolidated statement of changes in equity for 2015

	Contri-buted capi-tal DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	884	17.279	18.163
Increase (decrease) of equity through corrections of errors	0	-1.663	-1.663
Exchange rate adjustments	0	6	6
Profit/loss for the year	0	446	446
Equity end of year	**884**	**16.068**	**16.952**

Consolidated cash flow statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Operating profit/loss		2.122	2.429
Amortisation, depreciation and impairment losses		5.628	5.379
Working capital changes	11	3.419	726
Cash flow from ordinary operating activities		**11.169**	**8.534**
Financial income received		152	349
Financial income paid		-2.820	-3.593
Income taxes refunded/(paid)		383	-399
Cash flows from operating activities		**8.884**	**4.891**
Acquisition etc of property, plant and equipment		-4.792	-5.862
Sale of property, plant and equipment		537	52
Cash flows from investing activities		**-4.255**	**-5.810**
Loans raised		1.008	3.709
Instalments on loans etc		-9.096	0
Cash flows from financing activities		**-8.088**	**3.709**
Increase/decrease in cash and cash equivalents		**-3.459**	**2.790**
Cash and cash equivalents beginning of year		-1.641	-5.522
Currency translation adjustments of cash and cash equivalents		1.137	1.091
Cash and cash equivalents end of year		**-3.963**	**-1.641**
Cash and cash equivalents at year-end are composed of:			
Cash		42	3.472
Short-term debt to banks		-4.005	-5.113
Cash and cash equivalents end of year		**-3.963**	**-1.641**

Notes to consolidated financial statements

1. Staff costs

	2015 DKK'000	2014 DKK'000
Wages and salaries	11.329	13.366
Pension costs	182	173
Other social security costs	615	1.133
Staff costs classified as assets	-2.062	-3.028
	10.064	**11.644**

2. Depreciation, amortisation and impairment losses

	2015 DKK'000	2014 DKK'000
Amortisation of intangible assets	2.820	2.820
Depreciation of property, plant and equipment	2.823	2.509
Profit/loss from sale of intangible assets and property, plant and equipment	15	40
	5.658	**5.369**

3. Other financial income

	2015 DKK'000	2014 DKK'000
Financial income arising from group enterprises	39	0
Interest income	10	349
Exchange rate adjustments	1.101	1.761
	1.150	**2.110**

4. Other financial expenses

	2015 DKK'000	2014 DKK'000
Financial expenses from group enterprises	149	275
Interest expenses	2.197	2.941
Exchange rate adjustments	0	207
Other financial expenses	523	377
	2.869	**3.800**

5. Tax on profit/loss from ordinary activities

	2015 DKK'000	2014 DKK'000
Tax on current year taxable income	60	428
Change in deferred tax for the year	-118	446
	-58	**874**

Notes to consolidated financial statements

6. Intangible assets

	Goodwill DKK'000
Cost beginning of year	28.200
Cost end of year	**28.200**
Amortisation and impairment losses beginning of year	-8.460
Amortisation for the year	-2.820
Amortisation and impairment losses end of year	**-11.280**
Carrying amount end of year	**16.920**

7. Property, plant and equipment

	Plant and machinery DKK'000	Other fix-tures and fittings, tools and equipment DKK'000	Leasehold improve-ments DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	25.676	1.560	47	4.694
Transfer to and from other items	4.154	0	0	-4.154
Additions	0	67	0	4.725
Disposals	-488	0	-47	0
Cost end of year	**29.342**	**1.627**	**0**	**5.265**
Depreciation and impairment losses beginning of the year	-4.382	-731	-22	0
Reversal of impairment losses	0	5	32	0
Depreciation for the year	-2.366	-447	-10	0
Reversal regarding disposals	123	0	0	0
Depreciation and impairment losses end of the year	**-6.625**	**-1.173**	**0**	**0**
Carrying amount end of year	**22.717**	**454**	**0**	**5.265**

Notes to consolidated financial statements

8. Fixed asset investments

	Deposits DKK'000	Deferred tax DKK'000
Cost beginning of year	340	2.539
Transfer to and from other items	0	-875
Additions	0	190
Disposals	-162	-69
Cost end of year	**178**	**1.785**
Carrying amount end of year	**178**	**1.785**

9. Subsidiaries

	Registered in	Equity interest %
ROOM COPENHAGEN INC	USA	100,0
ROOM COPENHAGEN GMBH	Germany	100,0

10. Long-term liabilities other than provisions

	Instalments within 12 months 2015 DKK'000	Instalments within 12 months 2014 DKK'000	Instalments beyond 12 months 2015 DKK'000
Subordinate loan capital	5.513	2.500	24.585
Bank loans	0	0	8.000
	5.513	**2.500**	**32.585**

11. Change in working capital

	2015 DKK'000	2014 DKK'000
Increase/decrease in inventories	1.081	4.760
Increase/decrease in receivables	13.293	-14.686
Increase/decrease in trade payables etc	-10.955	10.652
	3.419	**726**

12. Unrecognised rental and lease commitments

	2015 DKK'000	2014 DKK'000
Commitments under rental agreements or leases until expiry	**341**	**1.039**

Notes to consolidated financial statements

13. Contingent liabilities

The Parent company participates in a joint taxation arrangement, whereby the Parent company from July 2012 is jointly and severally liable for any obligations in relation to withholding taxes on interest, royalties and dividends for the jointly taxed companies. From January 2013 the Parent company is also jointly and severally liable for corporate taxes.

Vækstfonden is entitled to an exit bonus if the Company is sold before the loan from Vækstfonden is fully repaid.

14. Mortgages and securities

ROOM COPENHAGEN A/S has issued a cross guarantee of DKK 20,600k for another group company in favor of a joint bank.

Bank debt is secured by way of a general mortgage deed on the net assets of the Parent company as a whole of up to DKK 20,000k (2014: DKK 20,000k)

	2015 DKK'000	**2014 DKK'000**
Trade receivables pledged as security for bank debt	**4.616**	**6.244**

15. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Jacob Andersen Holding ApS, Stigårdsvej 19, 2680 Solrød Strand

Parent income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Gross profit		**19.947**	**20.816**
Staff costs	1	-6.297	-6.873
Depreciation, amortisation and impairment losses	2	-5.624	-5.341
Other operating expenses		-6.727	-6.406
Operating profit/loss		**1.299**	**2.196**
Income from investments in group enterprises		576	-490
Other financial income	3	1.143	2.122
Other financial expenses	4	-2.759	-3.549
Profit/loss from ordinary activities before tax		**259**	**279**
Tax on profit/loss from ordinary activities	5	187	-453
Profit/loss for the year		**446**	**-174**

Proposed distribution of profit/loss		
Retained earnings	446	-174
	446	**-174**

Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Goodwill		16.920	19.740
Intangible assets	6	**16.920**	**19.740**
Plant and machinery		22.717	21.294
Other fixtures and fittings, tools and equipment		421	767
Leasehold improvements		0	25
Property, plant and equipment in progress		5.265	4.694
Property, plant and equipment	7	**28.403**	**26.780**
Investments in group enterprises		0	0
Deposits		158	309
Deferred tax		1.650	2.338
Fixed asset investments	8	**1.808**	**2.647**
Fixed assets		**47.131**	**49.167**
Manufactured goods and goods for resale		6.008	5.271
Inventories		**6.008**	**5.271**
Trade receivables		9.253	11.348
Receivables from group enterprises		14.020	23.521
Other short-term receivables		4.469	4.638
Prepayments	9	369	1.263
Receivables		**28.111**	**40.770**
Cash		**126**	**1.176**
Current assets		**34.245**	**47.217**
Assets		**81.376**	**96.384**

Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital	10	884	884
Retained earnings		16.068	15.616
Equity		**16.952**	**16.500**
Subordinate loan capital		24.585	33.505
Bank loans		8.000	10.000
Non-current liabilities other than provisions	11	**32.585**	**43.505**
Current portion of long-term liabilities other than provisions	11	5.513	2.500
Bank loans		8.003	5.114
Trade payables		11.749	18.531
Payables to group enterprises		0	2.776
Other payables		6.574	7.458
Current liabilities other than provisions		**31.839**	**36.379**
Liabilities other than provisions		**64.424**	**79.884**
Equity and liabilities		**81.376**	**96.384**
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Mortgages and securities	14		
Related parties with controlling interest	15		

Parent statement of changes in equity for 2015

	Contri-buted capi-tal DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	884	17.279	18.163
Increase (decrease) of equity through corrections of errors	0	-1.663	-1.663
Exchange rate adjustments	0	6	6
Profit/loss for the year	0	446	446
Equity end of year	**884**	**16.068**	**16.952**

Notes to parent financial statements

1. Staff costs

	2015 DKK'000	2014 DKK'000
Wages and salaries	7.728	8.819
Pension costs	182	173
Other social security costs	449	909
Staff costs classified as assets	-2.062	-3.028
	6.297	**6.873**

2. Depreciation, amortisation and impairment losses

	2015 DKK'000	2014 DKK'000
Amortisation of intangible assets	2.820	2.820
Depreciation of property, plant and equipment	2.788	2.481
Profit/loss from sale of intangible assets and property, plant and equipment	16	40
	5.624	**5.341**

3. Other financial income

	2015 DKK'000	2014 DKK'000
Financial income arising from group enterprises	39	0
Interest income	10	361
Exchange rate adjustments	1.094	1.761
	1.143	**2.122**

4. Other financial expenses

	2015 DKK'000	2014 DKK'000
Financial expenses from group enterprises	149	275
Interest expenses	2.197	2.953
Other financial expenses	413	321
	2.759	**3.549**

5. Tax on profit/loss from ordinary activities

	2015 DKK'000	2014 DKK'000
Change in deferred tax for the year	-187	453
	-187	**453**

Notes to parent financial statements

6. Intangible assets

	Goodwill DKK'000
Cost beginning of year	28.200
Cost end of year	**28.200**
Amortisation and impairment losses beginning of year	-8.460
Amortisation for the year	-2.820
Amortisation and impairment losses end of year	**-11.280**
Carrying amount end of year	**16.920**

7. Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	25.676	1.469	47	4.694
Transfer to and from other items	4.155	0	0	-4.154
Additions	0	67	0	4.725
Disposals	-488	0	-47	0
Cost end of year	**29.343**	**1.536**	**0**	**5.265**
Depreciation and impairment losses beginning of the year	-4.382	-702	-22	0
Depreciation for the year	-2.366	-413	-9	0
Reversal regarding disposals	122	0	31	0
Depreciation and impairment losses end of the year	**-6.626**	**-1.115**	**0**	**0**
Carrying amount end of year	**22.717**	**421**	**0**	**5.265**

Notes to parent financial statements

	Investments in group enterprises DKK'000	Deposits DKK'000	Deferred tax DKK'000
8. Fixed asset investments			
Cost beginning of year	300	309	2.338
Transfer to and from other items	0	0	-875
Additions	0	0	187
Disposals	0	-151	0
Cost end of year	**300**	**158**	**1.650**
Impairment losses beginning of year	-300	0	0
Exchange rate adjustments	14	0	0
Share of profit/loss for the year	576	0	0
Investments with negative equity depreciated over receivables	-590	0	0
Impairment losses end of year	**-300**	**0**	**0**
Carrying amount end of year	**0**	**158**	**1.650**

9. Prepayments

Prepayments solely comprises of prepaid expenses.

	2015 DKK'000	2014 DKK'000	2013 DKK'000	2012 DKK'000
10. Contributed capital				
Changes in contributed capital				
Contributed capital beginning of year	884	714	714	500
Increase of capital	0	170	0	214
Contributed capital end of year	**884**	**884**	**714**	**714**

	Instalments within 12 months 2015 DKK'000	Instalments within 12 months 2014 DKK'000	Instalments beyond 12 months 2015 DKK'000
11. Long-term liabilities other than provisions			
Subordinate loan capital	5.513	2.500	24.585
Bank loans	0	0	8.000
	5.513	**2.500**	**32.585**

Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
12. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	**341**	**1.039**

13. Contingent liabilities

The Company participates in a joint taxation arrangement, whereby the Company from July 2012 is jointly and severally liable for any obligations in relation to withholding taxes on interest, royalties and dividends for the jointly taxed companies. From January 2013 the Company is also jointly and severally liable for corporate taxes.

Vækstfonden is entitled to an exit bonus if the Company is sold before the loan from Vækstfonden is fully repaid.

14. Mortgages and securities

ROOM COPENHAGEN A/S has issued a cross guarantee of DKK 20,600k for another group company in favor of a joint bank.

The Parent Company has provided a guarantee to a supplier for any receivables the supplier might have with ROOM COPEHNAGEN INC.

Bank debt is secured by way of a general mortgage deed of DKK 20,000k. (2014: DKK 20,000k).

	2015 DKK'000	2014 DKK'000
Trade receivables pledged as security for bank debt	**4.616**	**6.244**

15. Related parties with controlling interest

Name	Registered office	Basis of influence
Invest RCPH ApS	2680 Solrød Strand	Parent company
Jacob Andersen Holding ApS	2680 Solrød Strnad	Ultimate parent company
Jacob Andersen	2680 Solrød Strand	Ultimate majority shareholder