

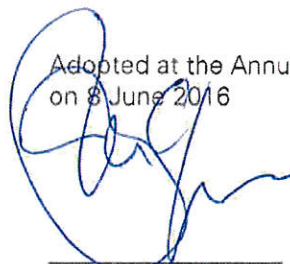
## MGM 1H ApS

c/o Hestia Danmark ApS  
Center Boulevard 5  
2300 Copenhagen S, Denmark  
CVR-No. 33 39 23 97

## Financial Statements

for the period 1 January – 31 December 2015  
(12 months)  
5th financial year

Adopted at the Annual General Meeting of shareholders  
on 8 June 2016



Chairman **HENRIK GROOS**

# Contents

Company details	1
Statement by the Supervisory and Executive Boards on the Financial Statements	2
Financial highlights	3
Management's Review	4
Statement of profit and loss and comprehensive income	5
Statement of financial position	6
Statement of cash flows	8
Statement of changes in equity	9
Notes	10

## **Company details**

MGM 1H ApS  
c/o Hestia Danmark ApS  
Center Boulevard 5  
2300 Copenhagen S, Denmark

## **Supervisory Board**

Tommas Jakobsen, Chairman  
Per Gunnar Isaksson, Vice chairman

## **Executive Board**

Tommas Jakobsen  
Per Gunnar Isaksson

## **Shareholders holding 5% or more of the share capital or the voting rights**

MGM 1 S.à r.l., 6, Rue Eugène Ruppert, L-2453 Luxembourg

## **Ultimate parent company**

Melf S.à r.l., 6, Rue Eugène Ruppert, L-2453 Luxembourg

## Statement by the Supervisory and Executive Boards on the Financial Statements

The Supervisory and Executive Boards have presented the Financial Statements for the year ended 31 December 2015. The Financial Statements were discussed and adopted on today's date.

The Financial Statements have been presented in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for financial statements.

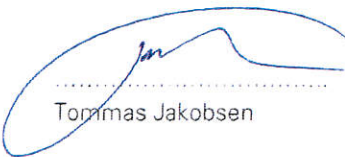
We consider that the accounting policies used are appropriate and the accounting estimates made are reasonable. To the best of our belief, the Financial Statements include the information which is relevant for an assessment of the Company's financial position. Against this background, it is our opinion that the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position, and results of operations and cash flow for the year ended 31 December 2015.

We believe that the Management's Review contains a fair review of the affairs and conditions referred to therein.

We recommend that the Financial Statements be adopted by the Annual General Meeting of shareholders.

Copenhagen, 8 June 2016

### Executive Board

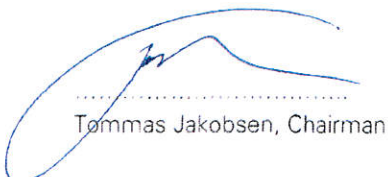


Tommas Jakobsen

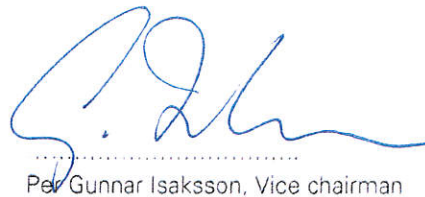


Per Gunnar Isaksson

### Supervisory Board



Tommas Jakobsen, Chairman



Per Gunnar Isaksson, Vice chairman

The general meeting has decided that the financial statements for the coming financial year will not be audited.

## Financial Highlights

### 5-year summary

	2015	2014	2013	2012	2011
	EUR	EUR	EUR	EUR	EUR

Key figures (in EUR, except per share data)

#### Statement of comprehensive income

Revenue	1,808	69,002	409,014	408,501	315,663
Gross profit	-4,984	53,035	297,159	341,718	262,878
Profit before net financials (EBIT)	-39,026	95,484	176,950	213,486	-167,172
Net financials	-44,342	-156,213	-330,202	-330,941	-251,994
Total comprehensive (expense)/income for the year	-83,368	-60,730	-153,253	-117,467	-419,339

#### Statement of financial position

Total assets	113,217	96,359	4,922,741	5,072,635	5,101,270
Shareholders' equity	-823,421	-740,053	-679,323	-526,069	-408,602
<b>Other</b>					

Number of employees	0	0	0	0	0
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#### Ratios in %

Rate of return (Profit/loss before net financials x 100/total assets)	-34.47%	99.09%	3.59%	4.21%	-3.28%
Equity ratio (Shareholders' equity x 100/total assets)	-727.29%	-768.02%	-13.80%	-10.37%	-8.01%

Financial highlights are prepared in accordance with International Financial Reporting Standards, cf. note 1 "Accounting policies".

Ratios are computed in accordance with Guidelines and Financial ratios issued by the Danish Society of Financial Analysts in 2010.

## **Management's Review**

### **Business activities and mission**

The Company's main objective is property investment.

### **Business review**

The Company recorded rental income of EUR nil for the year ended 31 December 2015 (2014: EUR 60,702).

In April 2014, the Company sold its investment property located in Nordenham.

### **Going concern**

The Company has lost its share capital but expects to be able to restore it through future earnings. The parent company, Melf S.à r.l., has issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans they have provided to the Company. Therefore the company will be able to serve all current financing. At the date of signing these financial statements the management expect to re-finance in Q3 2016 negotiations in respect of which are at an advanced stage.

During the year the Company had a net cash inflow of EUR 27,736 and cash at bank at the balance sheet date of EUR 48,252.

Management closely monitors the cash requirements of the Company and works with its advisors to forecast and manage liquidity requirements over the life of its investment activities. Management has reviewed the forecasted cash flows and is confident that there are no liquidity issues and that the Company will continue to meet its liabilities as they fall due.

### **Financial position**

The result for the year is as expected.

### **Future developments**

The Company expects a result for next year, before adjustment on property valuations, on par with that reported in 2015.

### **Post balance sheet events**

No other events have occurred after the financial year-end which could significantly affect the Company's financial position.



## Financial Highlights

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## MGM 1H ApS, Copenhagen

### Statement of profit or loss and other comprehensive income for the year from 1 January to 31 December 2015

	Notes	2015	2014
		EUR	EUR
Revenue	4	1,808	69,002
Expenses related to rental activity		-6,792	-15,967
<b>Gross profit</b>		<b>-4,984</b>	<b>53,035</b>
Value adjustment	5	0	97,711
Profit/(Loss) on disposal of investment property		0	-18,454
Other external expenses		-34,042	-36,808
<b>Profit/(Loss) before net financials</b>		<b>-39,026</b>	<b>95,484</b>
Other financial income	6	0	31
Other financial expenses	7	-44,342	-156,244
<b>Profit/(Loss) before tax of continuing operations</b>		<b>-83,368</b>	<b>-60,729</b>
Tax of continuing operations for the year	8	0	-1
<b>Net profit/(loss) for the year</b>		<b>-83,368</b>	<b>-60,730</b>
<b>Total comprehensive income/(expense) for the year</b>		<b>-83,368</b>	<b>-60,730</b>
<b>Total comprehensive income/(expense) for the year attributable to:</b>			
Equity holders of the company		<b>-83,368</b>	<b>-60,730</b>

# MGM 1H ApS, Copenhagen

## Statement of financial position at 31 December 2015

### Assets

	Notes	2015	2014
		EUR	EUR
<b>A. Current Assets</b>			
I. Receivables			
1. Trade receivables		61,509	4,018
2. Receivables from group enterprises	9	1,648	1,648
3. Other receivables		1,808	70,177
<b>Total receivables</b>		<b>64,965</b>	<b>75,843</b>
II. Cash		48,252	20,516
<b>Total current assets</b>		<b>113,217</b>	<b>96,359</b>
<b>Total assets</b>		<b>113,217</b>	<b>96,359</b>

Equity and liabilities

	Notes	2015	2014
		EUR	EUR
<b>A. Shareholders' equity</b>			
I. Share capital		10,737	10,737
II. Retained earnings/accumulated loss		-834,158	-750,790
<b>Total shareholders' equity</b>		<b>-823,421</b>	<b>-740,053</b>
<b>B. Non-current liabilities</b>			
I. Payables to group enterprises	10	0	805,043
<b>Total non-current liabilities</b>		<b>0</b>	<b>805,043</b>
<b>C. Current liabilities</b>			
I. Trade payables		68,929	11,881
II. Payables to group enterprises	10	845,706	1,889
III. Income taxes payables		1	1
IV. Other payables		187	0
V. Accruals		21,815	17,598
<b>Total current liabilities</b>		<b>936,638</b>	<b>31,369</b>
<b>Total liabilities</b>		<b>936,638</b>	<b>836,412</b>
<b>Total equity and liabilities</b>		<b>113,217</b>	<b>96,359</b>

# MGM 1H ApS, Copenhagen

## Statement of cash flows

	2015	2014
	EUR	EUR
<b>Profit before net financials</b>	-39,026	95,484
Value adjustments, non-current assets	0	-97,711
Loss on disposal of investment property	0	18,454
Taxes refunded/(paid)	0	369
<b>Changes in:</b>		
Trade and other receivables	10,878	-59,534
Currents liabilities	61,452	-8,015
Financial income	0	31
Financial expenses	-44,342	-320,821
<b>Cash flows from operating activities</b>	<b>-11,038</b>	<b>-371,743</b>
Disposals of investment property	0	4,984,996
Repayments of receivables from group enterprises	0	-2,289
<b>Cash flows from investing activities</b>	<b>0</b>	<b>4,982,707</b>
Repayments on current liabilities	38,774	0
Repayments of non current liabilities	0	-4,595,567
<b>Cash flows from financing activities</b>	<b>38,774</b>	<b>-4,595,567</b>
<b>Net cash flow for the year</b>	<b>27,736</b>	<b>15,397</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents at 1 January	20,516	5,119
Net cash flow for the year	27,736	15,397
<b>Cash and cash equivalents at 31 December</b>	<b>48,252</b>	<b>20,516</b>

## MGM 1H ApS, Copenhagen

### Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
<b>Shareholders' equity at 1 January 2014</b>	10,737	-690,060	-679,323
Profit and loss	0	-60,730	-60,730
<b>Total comprehensive expense for the year</b>	<b>10,737</b>	<b>-750,790</b>	<b>-740,053</b>
<b>Shareholders' equity at 1 January 2015</b>	10,737	-750,790	-740,053
Profit and loss	0	-83,368	-83,368
<b>Total comprehensive expense for the year</b>	<b>10,737</b>	<b>-834,158</b>	<b>-823,421</b>

# MGM 1H ApS, Copenhagen

## Notes

### Note 1 Accounting policies

The financial statements of MGM 1H ApS have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for financial statements, as laid down in the IFRS order issued in accordance with the provisions with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The Financial Statements are presented in Euros (EUR).

The accounting policies for these financial statements are consistent with those applied last year.

#### **New and revised standards and bases for conclusion**

The adoption of the new and amended IFRS and IFRIC interpretations has not had any significant impact on the amounts reported in these financial statements but may impact the accounting for future transactions and arrangements.



## New and revised standards and bases for conclusion which have yet to take effect

The IASB and IFRIC have issued a number of standards and interpretations with an effective date after the date of these financial statements:

<b>IASB/IFRIC documents endorsed</b>	
<b>Name</b>	<b>Effective date Annual periods beginning on or after</b>
Amendments to IAS 1: Disclosure Initiative	1 January 2016
Amendments to IFRSs Annual Improvements to IFRSs 2012-2014 Cycle	1 January 2016
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	1 January 2016

<b>IASB/IFRIC documents not yet endorsed</b>	
<b>Name</b>	<b>Effective date Annual periods beginning on or after</b>
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 16 Leases	1 January 2019

The Directors do not expect that the adoption of these Standards and Interpretations will have material impact on the financial statements of the Company in future periods.

## Statement of profit and loss and other comprehensive income

### Revenue

Rental income receivable from operating leases is recognised on a straight line basis over the term of the lease, except for contingent rental income, which is recognised as earned.

Costs relating to incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the lessee has the option to continue the lease, where, at the inception of the lease, the Management is reasonably certain that the lessee will exercise that option.

Amounts received from lessees to terminate leases or to compensate for dilapidations are recognised in the income statement as received. Service charges and expenses recoverable from tenants.

Income arising from expenses recharged to lessees is recognised in the period in which the expenses can be contractually recovered. Service charges and other such receipts are includ-

ed gross of the related costs in revenue when the Management considers that the entity acts as principal and net when the Management considers that the entity acts as agent.

### **Other external expenses**

Other external expenses comprise of administrative expenses incurred.

### **Net financial result**

Financial income and expenses are recognised in the statement of comprehensive income in the reporting period they relate to. Net financials include interest income and expenses, realised capital and exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### **Tax**

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments less the share of the tax for the period that concerns the changes in equity.

Deferred taxes related to items recognised directly in equity are taken directly to equity.

The Company and all Danish group enterprises are jointly taxed. The Danish income tax charge is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method).

### **Statement of financial position**

#### **Investment property**

Investment property is property held on a long-term basis with the purpose of earning rental income and increases in value and which are not held for sale.

Investment properties are initially measured at cost. After initial recognition, investment properties are measured at fair value based on an internal return based assessment model. The model used is a discounted cash flow model with a five year forecast.

The market value is the estimated amount for which a property is expected to be exchanged between willing parties, at the date of valuation, in an arm's length transaction in which the parties act knowledgeably, prudently and voluntarily.

Fair value adjustments are recognised in a separate line item in the statement of profit and loss and other comprehensive income.

### **Receivables**

Receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

### **Prepayments**

Prepayments recognised under "Assets" comprise prepaid expenses relating to subsequent reporting periods.

### **Cash and short term deposits**

Cash and short term deposits in the statement of financial position comprise cash at bank and short term deposits with an original maturity of less than three months.

### **Income taxes**

Current tax charges are recognised in the statement of financial position as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior-year taxable income and tax paid in advance.

Provisions for deferred tax are calculated at 15.825 % of all temporary differences between carrying amounts and tax bases, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred liabilities.

### **Financial liabilities**

Financial liabilities are recognised at initial recognition measured at fair value of transaction costs incurred upon the raising of the loan. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Other debt is subsequently measured at amortised cost corresponding to the nominal unpaid debt.

### **Deferred income**

Deferred income is recognised as a liability and comprises of payments received for income relating to subsequent reporting periods.

### **Statement of cash flows**

The cash flow statement shows the company's net cash flows, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are presented using the indirect method and are made up as the net profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid financial and extraordinary expenses and paid income taxes.

Cash flow from investing activities comprise payments related to additions and disposals of fixed assets as well as the provision intercompany loans.

Cash flow from financing activities comprise dividends paid to shareholders, capital increases and reductions, borrowings and repayments of interest-bearing debt.

Cash and cash equivalents comprise cash and short-term securities in respect of which the risk of changes in value is insignificant.

## **Note 2 Going concern**

These financial statements have been prepared on going concern basis.

The Company has lost its share capital but expects to be able to restore it through future earnings. The parent company, Melf S.à r.l., has issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans they have provided to the Company. Therefore the company will be able to serve all current financing. At the date of signing these financial statements the management expect to re-finance in Q3 2016 negotiations in respect of which are at an advanced stage.

Management closely monitors the cash requirements of the Company and works with its advisors to forecast and manage liquidity requirements over the life of its investment activities. Management has reviewed the forecasted cash flows and is confident that there are no liquidity issues and that the Company will continue to meet its liabilities as they fall due.

## Note 3 Assumptions and estimates

### Fair value

The Company measures certain non-financial assets such as investment property, at fair value at the end of each reporting period. Also, fair values of financial instruments measured at amortised costs are disclosed in the financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company must be able to access the principal or the most advantageous market at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



## Note 4 Rental and related income

	2015	2014
	EUR	EUR
Rental income	0	60,702
Service charge income	0	8,300
Other property income	1,808	0
<b>Revenue</b>	<b>1,808</b>	<b>69,002</b>

Rental and related income fully relates to rent attributable to the year ended 31 December 2015. Spaces are leased out under lease agreements of various expiry terms. Lease agreements specify the rent, the rights and obligations of the lessor and the lessee, including notice and renewal options, as well as service and operating cost charges.

## Note 5 Fair value adjustment

	2015	2014
	EUR	EUR
Fair value adjustment of property	0	97,711

## Note 6 Other financial income

	2015	2014
	EUR	EUR
Other interest receivable, exchange gains, and similar income	0	31

## Note 7 Other financial expenses

	2015	2014
	EUR	EUR
Interest payable, group enterprises	44,277	156,244
Interest payable, exchange losses, and similar expenses	64	0
	<b>44,342</b>	<b>156,244</b>



## Note 8 Income taxes

<b>Tax for the year</b>	<b>2015</b>	<b>2014</b>
	EUR	EUR
Current income tax charge	0	1
Deferred income tax	0	0
<b>Total tax for the year</b>	<b>0</b>	<b>1</b>

<b>Reconciliation of tax rate applicable to pre-tax profit</b>	<b>2015</b>	<b>2014</b>
	%	%
Danish tax rate	23.5	24.5
Difference between German and Danish tax rates	- 7.7	- 8.7
<i>Adjustments in respect of prior years</i>	- 1.0	0.1
Write-down of tax asset	0	- 15.8
<b>Effective tax rate</b>	<b>15.8</b>	<b>0.1</b>

## Note 9 Financial risks and financial instruments

### Foreign exchange risks

As the Company's income and costs are primarily in its reporting currency, EUR, the Company is not exposed to any significant currency risks.

### Interest rate risks

The Company is exposed to interest rate risks relating to fluctuations in interest levels in Euroland and Denmark due to balances held at the bank. The primary exposure is related to Euribor und Cibor.

The Company limits interest rate risk by taking out only fixed rate loans.

### Credit risk

It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is minimised. There are no significant concentrations of credit risk within the Company. With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents,

The Company's exposure to credit risk arises from any default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Credit risks arising from operating activities relate mainly to the non-payment of rentals by tenants of the properties held by the Company. This risk is managed by obtaining deposits from tenants as security for rental payments. Credit risks related to the placement of liquid funds (counterparty credit risks) are minimised by making agreements only with the most reputable domestic and international banks and financial institutions.

### Liquidity risks

It is the Company's strategy to reduce the liquidity risk by taking out long-term interest-only loans.

The Company monitors its risk to a shortage of funds using cash flow forecasting techniques focused on the maturity profile of its debt commitments, operational cash flow and capital expenditure.

The financial liabilities are also covered by the letter of support provided by the parent company.<sup>1</sup>

The subsequent table summarises the maturity profile of the Company's financial liabilities as at 31 December based on contractual undiscounted payments.

<b>At 31 December 2015</b>	<b>On demand</b>	<b>less than 1 year</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	EUR	EUR	EUR	EUR	EUR
Payables to group enterprises	0	845,706	0	0	845,706
Trade and other payables	0	69,117	0	0	69,117
Accruals	0	21,815	0	0	21,815
	<b>0</b>	<b>936,638</b>	<b>0</b>	<b>0</b>	<b>936,638</b>

<b>At 31 December 2014</b>	<b>On demand</b>	<b>less than 1 year</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	EUR	EUR	EUR	EUR	EUR
Payables to group enterprises	0	0	893,035	0	893,035
Trade and other payables	0	29,479	0	0	29,479
	<b>0</b>	<b>29,479</b>	<b>893,035</b>	<b>0</b>	<b>922,514</b>

<sup>1</sup> See note 2

## Fair values

A comparison of the carrying value of financial instruments included in the Company's Financial Statements to their fair value is included below by class of instrument.

The fair value of the financial assets and liabilities are included at an estimate of the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash, trade and other receivables, and trade and other payables approximate their carrying amounts due to the short-term maturities of these instruments.

The fair value of payables to group enterprises is estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

Financial assets	2015	
	Carrying amount	Fair value
	EUR	EUR
Trade and other receivables	63,317	63,317
Receivables from group enterprises	1,648	1,648
Cash	48,252	48,252
<b>Loans and receivables</b>	<b>113,217</b>	<b>113,217</b>

Financial liabilities	Carrying amount	Fair value
	EUR	EUR
Payables to group enterprises	845,706	845,706
Trade and other payables	69,117	69,117
Accruals	21,815	21,815
<b>Financial liabilities held at amortised cost</b>	<b>936,638</b>	<b>936,638</b>



## Note 10 Related parties

Tommas Jakobsen and Per Gunnar Isaksson are members of the Supervisory Board of MGM 1H ApS.

None of the directors were paid by MGM 1H ApS in the year. The Directors are employed by Hestia Danmark ApS, which renders management services to MGM 1H ApS. The amount charged by Hestia Danmark ApS in the year to 31 December 2015 for services rendered was EUR 3,150 (2014: EUR 4,233). At the year-end EUR 1,575 (2014: EUR 3,354) remains outstanding.

The Company does not have any employees.

The parent company, Melf S.à r.l., has issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans they have provided to the Company. All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Balances with group enterprises in EUR:

	Principal Amount	Balance outstanding 31 Dec 2015	Rate of Interest	Maturity
	EUR	EUR	%	
Payable fall due for payment within 1 year:				
<b>Melf S.à r.l.</b>	<b>805,043</b>	<b>851,210</b>	<b>5.50 %</b>	<b>On demand</b>
Receivables:				
<b>GRP 1A ApS</b>	<b>372</b>	<b>372</b>	<b>0 %</b>	<b>On demand</b>
<b>GRP 1K ApS</b>	<b>5,507</b>	<b>5,507</b>	<b>0 %</b>	<b>On demand</b>
<b>MGM 1G ApS</b>	<b>389</b>	<b>389</b>	<b>0 %</b>	<b>On demand</b>
<b>MGM 1E ApS</b>	<b>887</b>	<b>887</b>	<b>0 %</b>	<b>On demand</b>

## Note 11 Post balance events

No events have occurred after the financial year-end which could significantly affect the Company's financial position.