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***KKAG***  
***Komplementarselskab ApS***

Damhaven 5D, DK-7100 Vejle

**Annual Report for 2015**

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CVR No 34 48 71 11

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
21/4 2016

Søren Lindgaard  
Chairman

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# **Management's Statement**

The Executive and Supervisory Boards have today considered and adopted the Annual Report of KKAG Komplementarselskab ApS for the financial year 1 January - 31 December 2015.

The Annual Report is 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 at 31 December 2015 of the Company and of the results of the Company operations for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Vejle, 11 March 2016

## **Executive Board**

Søren Vad Sørensen

## **Board of Directors**

Bjarne Ammitzbøll  
Chairman

Signe Krog Jensen

Søren Vad Sørensen

# **Independent Auditor's Report on the Financial Statements**

To the Shareholder of KKAG Komplementarselskab ApS

## **Report on the Financial Statements**

We have audited the Financial Statements of KKAG Komplementarselskab ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of 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 Company'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 evaluating the overall presentation of the 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 Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

# **Independent Auditor's Report on the Financial Statements**

## **Statement on Management's Review**

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Aarhus, 11 March 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Henrik Kragh

State Authorised Public Accountant

## **Company Information**

### **The Company**

KKAG Komplementarselskab ApS  
Damhaven 5D  
DK-7100 Vejle

CVR No: 34 48 71 11  
Financial period: 1 January - 31 December  
Municipality of reg. office: Vejle

### **Board of Directors**

Bjarne Ammitzbøll, Chairman  
Signe Krog Jensen  
Søren Vad Sørensen

### **Executive Board**

Søren Vad Sørensen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

# **Management's Review**

## **Main activity**

The objective of the Company is to operate business within trade and industry, including aircraft leasing, and other related activities.

## **Development in the year**

The income statement of the Company for 2015 shows a loss of USD 3,739, and at 31 December 2015 the balance sheet of the Company shows equity of USD 1,844.

## **Subsequent events**

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

## Income Statement 1 January - 31 December 2015

	Note	2015 USD	2014 USDk
Other external expenses		-4.363	-4
<b>Gross profit/loss</b>		<b>-4.363</b>	<b>-4</b>
Financial income	2	61	0
Financial expenses	3	-40	0
<b>Profit/loss before tax</b>		<b>-4.342</b>	<b>-4</b>
Tax on profit/loss for the year	4	603	0
<b>Net profit/loss for the year</b>		<b>-3.739</b>	<b>-4</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-3.739	-4
		<b>-3.739</b>	<b>-4</b>



## Balance Sheet 31 December 2015

	Note	2015 USD	2014 USDk
<b>Assets</b>			
Receivables from group enterprises		12.168	14
Deferred tax asset		2.332	2
<b>Receivables</b>		<b>14.500</b>	<b>16</b>
<b>Current assets</b>		<b>14.500</b>	<b>16</b>
<b>Assets</b>		<b>14.500</b>	<b>16</b>
<b>Liabilities and equity</b>			
Share capital		13.922	14
Retained earnings		-12.078	-8
<b>Equity</b>	5	<b>1.844</b>	<b>6</b>
Payables to group enterprises		10.287	9
Other payables		2.369	1
<b>Short-term debt</b>		<b>12.656</b>	<b>10</b>
<b>Debt</b>		<b>12.656</b>	<b>10</b>
<b>Liabilities and equity</b>		<b>14.500</b>	<b>16</b>
Uncertainty about the continued operation (going concern)	1		
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Related parties and ownership	7		

# Notes to the Financial Statements

## 1 Uncertainty about the continued operation (going concern)

At 31 December 2015 the Company has lost more than 50 % of its share capital; the share capital is expected to be reestablished within a short span of years through an increase of capital. Furthermore, Management has secured the liquid funds necessary to carry on the Company's continued operations by obtaining a Letter of Support from the Company's ultimate parent company KIRK KAPITAL A/S regarding continued financial backing.

	<u>2015</u> USD	<u>2014</u> USDk
<b>2 Financial income</b>		
Interest received from group enterprises	61	0
	<u>61</u>	<u>0</u>
<b>3 Financial expenses</b>		
Interest paid to group enterprises	40	0
	<u>40</u>	<u>0</u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	0	0
Deferred tax for the year	-603	0
	<u>-603</u>	<u>0</u>

# Notes to the Financial Statements

## 5 Equity

	Share capital	Retained earnings	Total
	USD	USD	USD
Equity at 1 January 2015	13.922	-8.339	5.583
Net profit/loss for the year	0	-3.739	-3.739
<b>Equity at 31 December 2015</b>	<b>13.922</b>	<b>-12.078</b>	<b>1.844</b>

The share capital consists of 80 shares of a nominal value of DKK 1.000 (USD 174.03). No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax. The total payable corporation tax is disclosed in the Annual Report of KIRK KAPITAL A/S, which is the management company of the joint taxation.

## 7 Related parties and ownership

### Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

KKAG Aviation A/S, DK-7100 Vejle

The Company is general partner of KA1 P/S, DK-7100 Vejle

### **Consolidated Financial Statements**

The Company is included in the Group Annual Report of KIRK KAPITAL A/S, CVR No: 31 15 98 57, and municipality and reg. office: Vejle..

# **Accounting Policies**

## **Basis of Preparation**

Financial Statements of KKAG Komplementarselskab ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in USD, which is the functional currency of the Company. At 31 December 2015 the USD/DKK exchange rate is 683.00. The corresponding exchange rate at 31 December 2014 was 612.14.

## **Translation policies**

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 recognised in financial income and expenses in the income statement.

## **Income Statement**

### **Other external expenses**

Other external expenses comprise expenses related to administration.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year 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.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the Parent Company and all Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

## **Balance Sheet**

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

# **Accounting Policies**

## **Deferred tax assets and liabilities**

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

## **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## **Financial debts**

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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