

Kapitalen ApS
Central Business Registration No
34883459
Bjernevej 5
5600 Faaborg

Annual report 2015

The Annual General Meeting adopted the annual report on 10.06.2016

Chairman of the General Meeting

Name: Knud Erik Banke Kristensen

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Entity details

Entity

Kapitalen ApS
Bjernevej 5
5600 Faaborg

Central Business Registration No: 34883459

Founded: 10.12.2012

Registered in: Faaborg-Midtfyn

Financial year: 01.01.2015 - 31.12.2015

Executive Board

Johan Harald Gedda
Knud Erik Banke Kristensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
Postboks 10
5100 Odense C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Kapitalen ApS 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 for the financial year 01.01.2015 - 31.12.2015.

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

Faaborg, 10.06.2016

Executive Board



Johan Harald Gedda



Knud Erik Banke Kristensen

Independent auditor's reports

To the owner of Kapitalen ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of Kapitalen ApS for the financial year 01.01.2015 – 31.12.2015. The financial statements, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity Kapitalen ApS and notes, 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. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and the ethical rules of FSR – Danish Auditors and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical procedures and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

The extended review has not resulted in any qualification.

Opinion

Based on our extended review, 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 for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Odense, 10.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Claus Kolin

State Authorised Public Accountant

CVR-nr. 33963556

Accounting policies

Reporting class

This annual report has been presented 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.

In 2014 the company has changed its financial year. The accounting period for 2014 covers eight months.

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

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

Income statement

Other external expenses

Other external expenses comprise expenses for administration.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to equipment comprise amortisation, depreciation for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

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

The Entity is jointly taxed with its Parent. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Equipment are measured at cost less accumulated depreciation.

Accounting policies

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

All finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Equipment	5 years
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Equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Moreover, cost is reduced if more dividend is distributed than what has been earned in the enterprises on a total basis since the Parent's acquisition of the investment.

Investments in associates

Investments in associates are measured at cost and are written down to the lower of recoverable amount and carrying amount.

The recoverable amount is calculated annually based on EBITDA price multiples for comparable companies as well as expectations for the associates' earnings.

Moreover, cost is reduced if more dividend is distributed than what has been earned in the enterprises on a total basis since the Parent's acquisition of the investment.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

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.

Accounting policies

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.

Income tax payable or receivable

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.

Other investments

Securities recognised under current assets comprise listed bonds and investments measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Other external expenses		(280)	(1,046)
Gross profit/loss		(280)	(1,046)
Staff costs	2	(96)	0
Depreciation, amortisation and impairment losses	3	(5)	0
Operating profit/loss		(381)	(1,046)
Income from investments in group enterprises		8	677,261
Other financial income	4	7,550	12,582
Other financial expenses	5	(24,519)	(11,256)
Profit/loss from ordinary activities before tax		(17,342)	677,541
Tax on profit/loss from ordinary activities	6	4,288	(10)
Profit/loss for the year		(13,054)	677,531
Proposed distribution of profit/loss			
Other reserves		0	677,393
Retained earnings		(13,054)	138
		(13,054)	677,531

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Other fixtures and fittings, tools and equipment		33	5
Property, plant and equipment	7	<u>33</u>	<u>5</u>
Investments in group enterprises		33,819	34,104
Investments in associates		941,481	941,481
Other receivables		774	2,375
Fixed asset investments	8	<u>976,074</u>	<u>977,960</u>
Fixed assets		<u>976,107</u>	<u>977,965</u>
Receivables from group enterprises		171,547	113,238
Deferred tax assets		1,356	4,345
Income tax receivable		5,362	0
Receivables		<u>178,265</u>	<u>117,583</u>
Other investments		18,583	14,961
Other investments		<u>18,583</u>	<u>14,961</u>
Cash		<u>4,601</u>	<u>7,431</u>
Current assets		<u>201,449</u>	<u>139,975</u>
Assets		<u><u>1,177,556</u></u>	<u><u>1,117,940</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital	9	500	500
Other reserves		677,393	677,393
Retained earnings		<u>(25,862)</u>	<u>(12,808)</u>
Equity		<u>652,031</u>	<u>665,085</u>
Bank loans		3,256	0
Debt to group enterprises		516,427	447,243
Income tax payable		131	131
Other payables		<u>5,711</u>	<u>5,481</u>
Current liabilities other than provisions		<u>525,525</u>	<u>452,855</u>
Liabilities other than provisions		<u>525,525</u>	<u>452,855</u>
Equity and liabilities		<u><u>1,177,556</u></u>	<u><u>1,117,940</u></u>
Uncertainty relating to recognition and measurement	1		
Contingent liabilities	10		
Main activity	11		

Statement of changes in equity for 2015

	Contri- buted capi- tal DKK'000	Other re- serves DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	500	677,393	(12,808)	665,085
Profit/loss for the year	0	0	(13,054)	(13,054)
Equity end of year	500	677,393	(25,862)	652,031

Notes

1. Uncertainty relating to recognition and measurement

Investments in associates are measured at the lower of cost and recoverable amount, see accounting policies.

As there is no regulated market for unlisted investments, the determination of the recoverable amount will be subject to some uncertainty.

To support the valuation, the Company's Management has obtained market reports on comparable companies for determination of an EBITDA price multiple for the use of the calculation of the recoverable amount and also prepared related sensitivity analyses.

The applied price multiple will consequently be subject to some uncertainty, which may affect the recoverable amount upwards as well as downwards.

	2015	2014
	DKK'000	DKK'000
2. Staff costs		
Wages and salaries	96	0
	<u>96</u>	<u>0</u>
Average number of employees	1	0
	<u>1</u>	<u>0</u>
	2015	2014
	DKK'000	DKK'000
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	2	0
Profit/loss from sale of intangible assets and property, plant and equipment	3	0
	<u>5</u>	<u>0</u>
	2015	2014
	DKK'000	DKK'000
4. Other financial income		
Financial income arising from group enterprises	3,700	1,194
Other financial income	3,850	11,388
	<u>7,550</u>	<u>12,582</u>

Notes

	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>
5. Other financial expenses		
Financial expenses from group enterprises	19,109	10,695
Other financial expenses	<u>5,410</u>	<u>561</u>
	<u>24,519</u>	<u>11,256</u>
	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>
6. Tax on ordinary profit/loss for the year		
Current tax	(4,078)	0
Change in deferred tax for the year	1	66
Adjustment relating to previous years	(130)	(56)
Effect of changed tax rates	<u>(81)</u>	<u>0</u>
	<u>(4,288)</u>	<u>10</u>
		Other fixtures and fittings, tools and equipment
		DKK'000
7. Property, plant and equipment		
Cost beginning of year		5
Additions		33
Disposals		<u>(5)</u>
Cost end of year		<u>33</u>
Depreciation for the year		(2)
Reversal regarding disposals		<u>2</u>
Depreciation and impairment losses end of the year		<u>0</u>
Carrying amount end of year		<u>33</u>

Notes

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other re- ceivables DKK'000
8. Fixed asset investments			
Cost beginning of year	34,237	941,481	2,374
Disposals	(285)	0	0
Cost end of year	33,952	941,481	2,374
Impairment losses beginning of year	(133)	0	0
Impairment losses for the year	0	0	(1,600)
Impairment losses end of year	(133)	0	(1,600)
Carrying amount end of year	33,819	941,481	774

	Registered in	Corpo- rate form	Equity interest %	Equity DKK'000	Profit/loss DKK'000
Subsidiaries:					
Gedda Holding ApS	Faaborg- Midtfn	ApS	100.00	26,304	(11)
Gedda Invest ApS	Faaborg- Midtfn	ApS	0.05	188,005	16,718
Gedda Income ApS	Faaborg- Midtfn	ApS	0.02	396,718	11,743

The names of foreign subsidiaries, registered offices, legal form and ownership share as well as equity and result are not disclosed in pursuance of section 72(4) of the Danish Financial Statement Act.

	Equity interest %	Equity DKK'000	Profit/loss DKK'000
Associates:			
The information has been omitted	N/A	N/A	N/A

The associate's names, registered offices, legal form and ownership share as well as equity and result are not disclosed in pursuance of section 72(4) of the Danish Financial Statement Act.

	Number	Par value DKK	Nominal value DKK'000
9. Contributed capital			
Shares	500,000	1.00	500
	500,000		500

Notes

	<u>2015</u> <u>DKK'000</u>	<u>2014</u> <u>DKK'000</u>	<u>2013/14</u> <u>DKK'000</u>	<u>2012/13</u> <u>DKK'000</u>
Changes in contributed capital				
Contributed capital beginning of year	500	500	500	2,000
Decrease of capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,500)</u>
Contributed capital end of year	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>

10. Contingent liabilities

The Company participates in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies.

The Company has engaged to subscribe for further capital in three investment funds totaling DKK 0.5 million.

Cash and other investments of a carrying amount of DKK 8,966k have been provided as security for bank debt.

11. Main activity

The Company's activity consists of investing in securities and other assets management.