

Newscycle Denmark ApS

Visionsvej 51, 9000 Aalborg

CVR no. 35 38 46 93



Annual report 2015

Approved at the annual general meeting of shareholders on 30 May 2016

Chairman:

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Justin Cho



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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Newsycle Denmark 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 Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

Aalborg, 30 May 2016
Executive Board:

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke.

Justin Cho

Board of Directors:

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke.

Justin Cho
Chairman

Independent auditors' report on the financial statements

To the shareholders of Newsycle Denmark ApS

We have audited the financial statements of Newsycle Denmark ApS for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 auditors consider 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 opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Aalborg, 30 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Søren V. Nejmann
State Authorised Public Accountant



Henrik K. Andersen
State Authorised Public Accountant



Company details

Name	Newscycle Denmark ApS
Address, Postal code, City	Visionsvej 51, 9000 Aalborg
CVR No.	35 38 46 93
Established	25 June 2013
Registered office	Aalborg
Financial year	1 January - 31 December
Telephone	+45 96 31 42 00
Telefax	+45 96 31 42 42
Board of Directors	Justin Cho, Chairman
Executive Board	Justin Cho
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A, P O Box 710, 9100 Aalborg, Denmark

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	<u>2015</u>	<u>2014</u>
	Gross profit/loss	-73	-63
3	Financial expenses	-22,084	-20,854
	Profit/loss for the year	<u>-22,157</u>	<u>-20,917</u>
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	<u>-22,157</u>	<u>-20,917</u>
		<u>-22,157</u>	<u>-20,917</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2015	2014
	ASSETS		
	Non-current assets		
4	Investments		
	Investments in group entities, net asset value	220,654	220,654
		220,654	220,654
	Total non-current assets	220,654	220,654
	TOTAL ASSETS	220,654	220,654
	EQUITY AND LIABILITIES		
	Equity		
5	Share capital	171	171
	Retained earnings	49,851	72,008
	Total equity	50,022	72,179
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	170,569	148,412
	Other payables	63	63
		170,632	148,475
	Total liabilities other than provisions	170,632	148,475
	TOTAL EQUITY AND LIABILITIES	220,654	220,654

- 1 Accounting policies
- 2 The Company's principal activities
- 7 Collateral
- 8 Contractual obligations and contingencies, etc.

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2015	171	72,008	72,179
Profit/loss for the year	0	-22,157	-22,157
Equity at 31 December 2015	171	49,851	50,022

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Newscycle Denmark ApS for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Consolidated financial statements

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

Reporting currency

The financial statements are presented in Danish kroner.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Costs of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

Other external expenses

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

Financial expenses

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

Tax

The parent company is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The parent company is the management company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

On payment of joint taxation contributions, the current Danish corporation tax charge is allocated between the jointly taxed enterprises in proportion to their taxable income. Enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use the tax losses to reduce their own taxable income.

Balance sheet

Investments in group entities

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of non-current assets

Every year, investments in subsidiaries are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

2 The Company's principal activities

Newsycle Denmark ApS is a holding company with the purpose of owning shares in Newsycle Solutions A/S.

DKK'000	2015	2014
3 Financial expenses		
Interest expenses, group entities	5,128	4,405
Other financial expenses	16,956	16,449
	22,084	20,854

Financial statements for the period 1 January - 31 December

Notes to the financial statements

4 Investments

DKK'000	<u>Domicile</u>	<u>Interest</u>	<u>Equity</u>	<u>Profit/loss</u>
Subsidiaries				
Newscycle Solutions A/S	Denmark	100.00 %	47,092	10,369

5 Share capital

The share capital consists of 171,444 shares at a nominal value of DKK 1 each. All shares rank equally.

The Company's share capital has remained DKK 171 thousand over the past 3 years.

6 Deferred tax

The Company has tax losses at a carrying amount of DKK 43 million. As it is uncertain if these tax losses can be utilised within a foreseeable future, their carrying amount has not been recognised in the financial statements.

7 Collateral

The Company has placed its shares in the subsidiary Newscycle Solutions A/S as security for loans to other companies in the group.

8 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for the income year 2015 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment.