

KING Holdco ApS

CVR 36 96 61 14

Annual report 2015

The Annual General Meeting adopted the annual report on *30.06. 2016*



Chairman of the General Meeting

KING Holdco ApS

Contents

Management Statement	1
Independent Auditors' Report	2
Company details	3
Management's review	4
Income statement 16 July - 31 December	6
Statement of comprehensive income 16 July - 31 December	6
Balance sheet 31 December	7
Cash flow statement	8
Statement of changes in equity	9
Notes	10

Management's Statement

The Executive Boards have today considered and adopted the Annual Report of KING Holdco ApS for the financial year 16 July - 31 December 2015.

The Annual Report is prepared in accordance with International Financial Reporting Standards as adopted by the EU. Moreover, the Annual Report is prepared in accordance with additional Danish disclosure requirements. The Management report have been prepared in accordance with Danish disclosure requirements.

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 and cash flows for 2015.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

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

Copenhagen, 20 April 2016

Executive Board



Flemming Breinholt



Dora Brink Clausen



Vivek Kumar

Independent Auditor's Report

To the Shareholders of KING Holdco ApS.

Report on the Financial Statements

We have audited the Financial Statements of KING Holdco ApS for the financial year 16 July - 31 December 2015, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies. The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements of 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.

The 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 and cash flows for the financial year 16 July - 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

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 consistent with the Financial Statements.

Copenhagen, 20 April 2016
PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31


Jesper Winholt
State Authorised Public Accountant


Steffen Kaj Pedersen
State Authorised Public Accountant

Company details

Company	KING Holdco ApS Sankt Petri Passage 5 1165 Copenhagen K Municipality of registered office: Copenhagen
Company type	The company is a Holding Company
Executive board	Flemming Breinholt Dora Brink Clausen Vivek Kumar
Legal counsel	Gorrissen Federspiel H.C. Andersens Boulevard 12 1553 Copenhagen V.
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
Bank	Danske Bank Frederiksberggade 1 1459 Copenhagen K.
Consolidated financial statements	The company is a part of the consolidated financial statements for KARN TOPCO AB, Stockholm, Sweden. Therefore no consolidated financial statement has been prepared for King Holdco ApS in accordance with § 112 in the Danish financial statement act. The consolidated financial statement of Karnov group can be downloaded from www.karnovgroup.se .

Management's review

Financial highlights

	<u>2015</u> DKK'000
Income statement	
Revenue	0
Gross profit	(144)
Finance costs net	(5.768)
Profit/ loss for the year from continuing operations	(5.888)
Balance sheet	
Total assets	896.176
Equity	389.725
Ratios	
Profit margin	-
Return on capital employed	0,0%
Equity ratio	43,5%

Definitions of performance highlight

Profit margin	Gross profit divided by revenue
Return on capital employed	Gross profit divided by total assets
Equity ratio	Equity divided by total equity and liabilities

KING Holdco ApS is founded 16 July 2015, as a consequence the financial highlights contains only financial statements for 2015.

Management's review

Annual report

The Management believe that all essential information to evaluate the company's financial statements and the financial development are included in the annual report and Management review.

No events have occurred after the reporting date of importance to the financial statements.

Company business

The company runs information and communication business through a subsidiary.

Environment

The company have no production, so the company have no substantial economic risk.

Development activities

The company's ongoing activities includes assistance to group subsidiary.
The assistance is developing a user friendly platform for access to information.

Result for the annual report

The loss of the year is as expected.

Outlook for 2016

The expectations for 2016 is a loss for the year a little higher than 2015.

KING Holdco ApS

Income statement for 16 July - 31 December

	<u>Note</u>	<u>2015</u> DKK'000
Revenue		-
Revenue		<u>-</u>
Other expenses		(144)
Gross profit		<u>(144)</u>
Finance Income		-
Finance costs	3	(5.768)
Finance costs net		<u>(5.768)</u>
Profit/ loss before Income tax		(5.912)
Income tax expense	4	25
Profit/ loss for the year from continuing operations		<u>(5.888)</u>

Statement of comprehensive income 16 July - 31 December

	<u>2015</u> DKK'000
Profit/ loss for the year from discontinuing operations	-
Result for the year	(5.888)
Total comprehensive income for the year	<u>(5.888)</u>

KING Holdco ApS

Balance sheet 31 December

	<u>Note</u>	<u>2015</u> DKK'000
ASSETS		
Investment in Group enterprises	7	895.563
Non-current assets		<u>895.563</u>
Receivables from parent company		50
Income tax receivables		25
Other receivables		443
Cash		95
Current assets		<u>613</u>
Total assets		<u>896.176</u>
EQUITY AND LIABILITIES		
Share capital	5	100
Retained earnings		389.625
Equity		<u>389.725</u>
Borrowings		500.000
Borrowings subsidiary		1.288
Other liabilities		5.163
Current liabilities		<u>506.451</u>
Total liabilities		<u>506.451</u>
Total equity and liabilities		<u>896.176</u>

KING Holdco ApS

Statement of Cash Flows **16 July - 31 December**

	<u>Note</u>	<u>2015</u> DKK'000
Profit/ loss before tax		(144)
Finance cost	3	(5.768)
Tax paid		-
		<u>(5.912)</u>
Change in intercompany		1.238
Change in other receivables		(443)
Change in trade payables and other payables		5.162
Net cash generated from operation activities		<u>45</u>
Acquisition of subsidiary		(499.950)
Net cash used in investing activities		<u>(499.950)</u>
Proceeds from borrowings		500.000
Dividends paid		-
Net cash used in financing activities		<u>500.000</u>
Net cash increases in cash and cash equivalents		<u>95</u>
Cash and cash equivalents at beginning of the year		-
Cash and cash equivalents at end of the year		<u>95</u>

Statement of changes in equity

	Share capital	Retained earnings	Dividends	Total
	DKK'000	DKK'000	DKK'000	DKK'000
Shares issued 16 July 2015	50			50
Shares issued 17 July 2015, contribution in kind	50	395.513		395.563
Profit/ loss for the year		(5.888)		(5.888)
Other comprehensive income for the year		-		-
	<u>100</u>	<u>389.625</u>	<u>-</u>	<u>389.725</u>
Dividends		-	-	-
Total transactions with owners, recognised directly in equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December 2015	<u>100</u>	<u>389.625</u>	<u>-</u>	<u>389.725</u>

Notes

- 1 Accounting policies
- 2 Significant accounting estimates and assessments
- 3 Finance costs
- 4 Income tax expenses
- 5 Share capital
- 6 Financial assets and liabilities
- 7 Investment in Group enterprises
- 8 Off-balance sheet items
- 9 Related parties
- 10 Events after the reporting period
- 11 Financial risk

Notes

1 Accounting policies

Basis of preparation

The financial statements of KING Holdco ApS have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and are prepared with additional Danish disclosure requirements for annual reports as started in the IFRS Executive Order pursuant to the Danish Financial Statement act.

The financial statements are presented in Danish kroner (DKK), which is the functional currency.

Changes in accounting policy and disclosures

New standards, amendments and interpretations adopted by the company

The company implemented no new or amended standards or interpretations in 2015.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2015 reporting periods and have not been early adopted by the company.

-IFRS 9 Financial Instruments

-IFRS 15 Revenue from Contracts with Customers

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within 'finance income or costs'.

Revenue

Dividend income is recognised when the right to receive payment is established.

Investments in Group enterprises

Investments in Group enterprises are recognised and measured to cost.

Financial assets

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within in the period in which they arise.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill

Deferred Income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

KING Holdco ApS

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Other receivables

Other receivables consist of interest cap and are recognised initially at fair value

Borrowings and other liabilities

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Statement of Cash flows

The cash flow statement is prepared according to the indirect method. Cash consist cash and cash equivalents. Cash flow statement shows cash flows for the year stemming from operating, investing and financing.

Cash flows from operation activities comprise profit(loss) adjusted for non cash costs, interest received, interest paid, tax paid and change in working capital.

Cash flows from investing activities comprise payment in connection with the purchase and sale of companies and intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the share capital, dividend payments to owners, raising of loans and instalments on loans and sale and purchase of other financial assets.

2 Significant accounting estimates and assessments

The preparation and the Financial statements involves the use of informed accounting estimates. These estimates and assessments are made by KING Holdco's Management.

There are no areas implying a high degree of assessment or complexity or areas in which assumptions and material to the financial statement.

KING Holdco ApS

Notes

3 Finance costs

	2015
	DKK'000
Fair value loss on financial instruments	(643)
Finance costs to borrowings	(5.107)
Finance costs intercompany	(18)
	<u>(5.768)</u>

4 Income tax expenses

	2015
	DKK'000
Tax on profit/ loss for the year can be specified as follows:	
Current tax on profit/ loss for the year	(25)
	<u>(25)</u>
Profit/ loss before income tax:	<u>(5.912)</u>
Calculated 23,5% tax on profit/ loss before tax	(1.389)
Other adjustments	1.364
Tax charge	<u>(25)</u>
No deferred income tax	

5 Share capital

	Number of shares	Shares of DKK
KING Holdco ApS	100.000	1
	<u>100.000</u>	

The company was established 16 July 2015.
All shares issued by the company were fully paid.

6 Financial assets and liabilities

	2015				
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
	0 – 1 year	1 < 5 year	> 5 year	Total	Fair value
Borrowings subsidiary	-	1.288	-	1.288	1.288
Borrowings	-	500.000	-	500.000	500.000
Other liabilities	5.163	-	-	5.163	5.163
Financial liabilities	<u>5.163</u>	<u>501.288</u>	<u>-</u>	<u>506.451</u>	<u>506.451</u>
Receivables from parent company	50	-	-	50	50
Other receivables	443	-	-	443	443
Cash	95	-	-	95	95
Financial assets	<u>588</u>	<u>-</u>	<u>-</u>	<u>588</u>	<u>588</u>
	<u>4.575</u>	<u>501.288</u>	<u>-</u>	<u>505.863</u>	<u>505.863</u>

KING Holdco ApS

Notes

7 Investment in Group enterprises	2015
	DKK'000
Cost	895.563
	895.563

Investment in Group enterprises as follows

	Place of business	% of owner- ship interest	Profit/ loss DKK'000	Equity DKK'000
Karnov Group Denmark Holding A/S	Copenhagen	100	43.668	179.754

8 Off-balance sheet items	2015
	DKK'000
Shares in subsidiary Karnov Group Denmark Holding A/S is pledged along intercompany receivables and deposits at banks.	895.708

9 Related parties

The group is controlled by Five Arrows Principal Investments II Holding Sàrl (incorporated in Luxembourg), which owns 55,4% of the company's shares.

	Parent companies 2015	Other group companies 2015
Received interest	-	-
Paid interest	-	18
Financial assets	50	-
Financial liabilities	-	1.288

10 Events after the reporting period

No events have occurred after the reporting date of importance to the financial statements.

11 Financial risk

Credit risk

Credit risk arises from cash and cash equivalents, as well as credit exposures from loans to other companies in the group. The credit risk concerning cash equivalents are based on the group risk policies.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

Liquidity risk

The company generates sufficient positive cash flows to service its liabilities and planned development. Surplus cash is declared as dividend. Capital management is carried out to ensure low risk. Management monitors funding and liquidity and ensures the availability of required liquidity through cash management and committed facilities.

Market risks

Foreign exchange risk:

The company has no assets or liabilities in foreign currency as a result of this the company is not exposed to foreign exchange rate risks.

Interest rate risk

The company's payables and receivables to the parent company and other group companies are subject to a variable interest rate which is currently CIBOR plus 6.8%. The company's payable to lenders are also subject to a variable interest of CIBOR + 5%. The company has entered in into a interest cap to reduce the risk on interest.

Bank deposits are subject to variable interest rates which are currently 0.0%.

The carrying amounts of recognized financial assets or liabilities will not change significantly subject to changes in interest rate levels.