


**KING Holdco ApS**  
Sankt Petri Passage 5, 1165 København K

**CVR 36 96 61 14**

**Annual report 2016**

The Annual General Meeting adopted the annual report on <sup>31</sup>/<sub>5</sub> 2017



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**Flemming Breinholt**  
**Chairman of the General Meeting**

## **KING Holdco ApS**

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**Management's Statement**

The Executive Boards have today considered and adopted the Annual Report of KING Holdco ApS for the financial year 1 January - 31 December 2016.

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 2016 of the Company and of the results of the Company operations and cash flows for 2016.

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.

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

Copenhagen, 27 April 2017

**Executive Board**

  
Flemming Breinholt

  
Dora Brink Clausen

  
Vivek Kumar

## KING Holdco ApS

### Independent Auditor's Report

To the Shareholders of King Holdco ApS

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2016 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of King Holdco ApS for the financial year 1 January - 31 December 2016, which comprise income statement and statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

#### Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**KING Holdco ApS**

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 27 April 2017  
PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

  
Jesper Winholt  
State Authorised Public Accountant

  
Steffen Kj. Pedersen  
State Authorised Public Accountant

## KING Holdco ApS

### Company details

<b>Company</b>	KING Holdco ApS Sankt Petri Passage 5 1185 Copenhagen K  Municipality of registered office: Copenhagen
<b>Company type</b>	The company is a Holding Company
<b>Executive board</b>	Flemming Brænholt Dora Brink Clausen Vivek Kumar
<b>Legal counsel</b>	Gorrissen Federspiel H.C. Andersens Boulevard 12 1553 Copenhagen V.
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
<b>Bank</b>	Danske Bank Frederiksberggade 1 1459 Copenhagen K.
<b>Consolidated financial statements</b>	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 Karmov group can be downloaded from <a href="http://www.karmovgroup.com">www.karmovgroup.com</a> .

## KING Holdco ApS

### Management's review

#### Financial highlights

	<u>2016</u>	<u>2015</u>
	DKK'000	DKK'000
<b>Income statement</b>		
Revenue	40.000	0
Operating profit	39.838	(144)
Finance costs net	(25.399)	(5.768)
Profit/ loss for the year from continuing operations	16.670	(5.888)
<b>Balance sheet</b>		
Total assets	911.421	886.176
Equity	406.385	389.725
<b>Ratios</b>		
Profit margin	-	-
Return on capital employed	4,4%	0,0%
Equity ratio	44,6%	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 for 2015 does not include a full year.

## **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 has no development activities in 2016

### **Result for the annual report**

The loss of the year is as expected.

### **Outlook for 2016**

The expectations for 2017 is a profit for the year align with 2016.



**KING Holdco ApS****Income statement for 1 January - 31 December**

	Note	2016 DKK'000	2015 DKK'000
Revenue		40.000	-
Revenue		<u>40.000</u>	<u>-</u>
Other expenses		(182)	(144)
Operating profit		<u>39.838</u>	<u>(144)</u>
Finance income	3	205	-
Finance costs	4	(25.804)	(5.788)
Finance costs net		<u>(25.399)</u>	<u>(5.788)</u>
Profit/ loss before income tax		14.439	(5.812)
Income tax expense	5	2.230	25
Profit/ loss for the year from continuing operations		<u>16.670</u>	<u>(5.888)</u>

**Statement of comprehensive income 1 January - 31 December**

	2016 DKK'000	2015 DKK'000
Profit/ loss for the year from discontinuing operations	-	-
Result for the year	16.670	(5.888)
Total comprehensive income for the year	<u>16.670</u>	<u>(5.888)</u>

**KING Holdco ApS**

**Balance sheet 31 December**

	Note	2016 DKK'000	2015 DKK'000
<b>ASSETS</b>			
Investment in Group enterprises	8	895.563	895.563
<b>Non-current assets</b>		<b>895.563</b>	<b>895.563</b>
Receivables from parent company		0	50
Loan to subsidiary		2.329	0
Income tax receivables		13.255	25
Other receivables		39	443
Cash		235	85
<b>Current assets</b>		<b>16.858</b>	<b>813</b>
<b>Total assets</b>		<b>911.421</b>	<b>896.176</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	8	100	100
Retained earnings		406.285	389.625
<b>Equity</b>		<b>406.385</b>	<b>389.725</b>
<b>Borrowings</b>		<b>500.000</b>	<b>500.000</b>
<b>Non-current liabilities</b>		<b>500.000</b>	<b>500.000</b>
Borrowings subsidiary		0	1.288
Other liabilities		5.028	5.163
<b>Current liabilities</b>		<b>5.028</b>	<b>6.451</b>
<b>Total liabilities</b>		<b>505.028</b>	<b>506.451</b>
<b>Total equity and liabilities</b>		<b>911.421</b>	<b>896.176</b>

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**Statement of Cash Flows 1 January - 31 December**

	Note	2016 DKK'000	2015 DKK'000
Profit/ loss before tax		<u>39.838</u>	<u>(144)</u>
Finance income	3	205	-
Finance cost	4	(25,804)	(5,788)
Tax paid		(11,000)	-
		<u>3.439</u>	<u>(6.912)</u>
Change in other receivables		404	(443)
Change in trade payables and other payables		(137)	5,162
<b>Net cash generated from operation activities</b>		<u>3.706</u>	<u>(1,193)</u>
Acquisition of subsidiary		-	(499,950)
<b>Net cash used in investing activities</b>		<u>-</u>	<u>(499,950)</u>
Change in intercompany		(3,668)	1,238
Proceeds from borrowings		-	500,000
Dividends paid		-	-
<b>Net cash used in financing activities</b>		<u>(3,668)</u>	<u>501,238</u>
<b>Net cash increases in cash and cash equivalents</b>		<u>140</u>	<u>95</u>
Cash and cash equivalents at beginning of the year		95	-
<b>Cash and cash equivalents at end of the year</b>		<u>235</u>	<u>95</u>

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**Statement of changes in equity**

	Share capital	Retained earnings	Dividends	Total
	DKK'000	DKK'000	DKK'000	DKK'000
<b>Balance as at 1 January 2016</b>	<b>100</b>	<b>389.825</b>	-	<b>389.725</b>
Profit/ loss for the year		16.889		16.889
<b>Total comprehensive income for the year</b>	-	<b>16.889</b>	-	<b>16.889</b>
Dividends provided				-
<b>Total transactions with owners, recognised directly in equity</b>	-	-	-	-
<b>Balance as at 31 December 2016</b>	<b>100</b>	<b>406.294</b>	-	<b>406.394</b>
<b>Balance as at 1 January 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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				-
<b>Total comprehensive income for the year</b>	<b>100</b>	<b>389.825</b>	-	<b>389.725</b>
Dividends provided				-
<b>Total transactions with owners, recognised directly in equity</b>	-	-	-	-
<b>Balance as at 31 December 2015</b>	<b>100</b>	<b>389.825</b>	-	<b>389.725</b>

## KING Holdco ApS

### Notes

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## KING Holdco ApS

### 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 additional Danish disclosure requirements for annual reports as stated in the IFRS Executive Order pursuant to the Danish Financial Statement act for mid-size entities in reporting class C.

The financial statements are presented in Danish kroner (DKK).

##### **Changes in accounting policies**

Kamov Group Denmark A/S has implemented the standards and amendments that are effective for the financial year of 2016. The new standards and amendments did not effect recognition and measurement for 2016, nor are they expected to have any significant future impact.

##### **Foreign currency**

###### *Functional currency*

The functional currency is the currency used in the primary financial environment in which the entity operates. The functional currency for Kamov Group Denmark A/S is DKK.

###### *Foreign currency translation*

On initial recognition, foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the transaction dates.

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.

##### **Financial income**

Financial income comprise interest income, other finance income and exchange rate gains on translation of foreign currency transactions.

##### **Financial expenses**

Financial expenses comprise interest expenses including interest from finance lease agreements and exchange rate losses on translation of foreign currency transactions. Furthermore amortization of financial liabilities are recognised in financial expenses.

##### **Investments in Group enterprises**

Investments in Group enterprises are recognised and measured to cost.

##### **Financial assets**

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

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.

##### **Deferred tax liabilities**

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. 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.

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### Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

### Trade payables and other liabilities

Trade payables and other liabilities are recognised initially at fair value and subsequently amortised cost. The difference between cost and the nominal value is recognised in the statement of comprehensive income as an interest expense over the loan period using the effective interest method.

### Borrowings

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.

### Cash flows statement

The cash flow statement is prepared using the indirect method and is based on profit for the year. The cash flow statement shows cash flows for the year from operating, investing and financing.

Cash flows from operating activities comprise profit adjusted for non cash transactions, 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 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 repayments on loans and sale and purchase of other financial assets.

Cash consist of cash and cash equivalents.

### New accounting regulations

*New or amended IFRS that have been issued but have not yet come into effect*

Certain new accounting standards and interpretations have been issued by the IASB are not mandatory for 31 December 2016 year-ends and have not been early adopted by the company.

*New or amended IFRS that have been adopted by the EU*

The following and new or amended IFRS of relevance to the Company have been issued and adopted by the EU:

- IFRS 9 "Financial Instruments" reducing the number of asset classes for financial assets to two: amortized cost and fair value. The standard incorporates new requirements for accounting for financial liabilities. The standard will be effective for financial years beginning on or after 1 January 2018. The group is assessing the impact of IFRS 9.
- IFRS 15 "Revenue from contracts with customers" deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The entity is assessing the impact of IFRS 15.

*New or amended IFRS that have not yet adopted by the EU*

Furthermore, the following and new or amended IFRS of relevance to the Company have been issued but not yet adopted by the EU:

- IFRS 16 "Leasing" was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted. The group is assessing the impact of IFRS 16.

The company expects to adopt the above standards and amendments when they become mandatory.

## **KING Holdco ApS**

### **2 Significant accounting estimates and assessments**

The preparation of the financial statements involves the use of informed accounting estimates. These estimates are made by King Holdco's Management. The estimates are based on professional judgement, historical data and other factors available to Management. By their nature, estimates include uncertainty, and actual results may therefore be different from the estimates at the reporting date. Estimates are continuously evaluated, and the effects of any changes are recognised in the relevant period.

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



**KING Holdco ApS**

**Notes**

<b>3 Finance income</b>	<u>2016</u>	<u>2015</u>
	<small>DKK'000</small>	<small>DKK'000</small>
Finance income intercompany	205	-
	<u>205</u>	<u>-</u>
<b>4 Finance costs</b>	<u>2016</u>	<u>2015</u>
	<small>DKK'000</small>	<small>DKK'000</small>
Fair value loss on financial instruments	(404)	(843)
Finance costs to borrowings	(24.512)	(5.107)
Finance costs intercompany	(687)	(18)
	<u>(25.604)</u>	<u>(5.768)</u>
<b>5 Income tax expenses</b>	<u>2016</u>	<u>2015</u>
	<small>DKK'000</small>	<small>DKK'000</small>
Tax on profit/ loss for the year can be specified as follows:		
Current tax on profit/ loss for the year	(2.230)	(25)
	<u>(2.230)</u>	<u>(25)</u>
Profit/ loss before income tax:	<u>14.439</u>	<u>(5.812)</u>
Calculated 22% tax on profit/ loss before tax	3.177	(1.389)
Non-taxable income	(8.800)	
Other adjustments	3.393	1.354
Tax charge	<u>(2.230)</u>	<u>(25)</u>
No deferred income tax		
<b>6 Share capital</b>	<u>Number of</u>	<u>Shares of</u>
	<small>shares</small>	<small>DKK</small>
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.

**KING Holdco ApS**

**Notes**

**7 Financial assets and liabilities**

	2016				
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
	0 - 1 year	1 < 5 year	> 5 year	Total	Fair value
Borrowings subsidiary	-	-	-	-	-
Borrowings	-	500.000	-	500.000	500.000
Other liabilities	5.026	-	-	5.026	5.026
<b>Financial liabilities</b>	<b>5.026</b>	<b>500.000</b>	<b>-</b>	<b>505.026</b>	<b>505.026</b>
Receivables from subsidiary	0	2.329	-	2.329	2.329
Other receivables	39	-	-	39	39
Cash	235	-	-	235	235
<b>Financial assets</b>	<b>274</b>	<b>2.329</b>	<b>-</b>	<b>2.603</b>	<b>2.603</b>
	<b>4.752</b>	<b>497.871</b>	<b>-</b>	<b>502.423</b>	<b>502.423</b>

	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
<b>Financial liabilities</b>	<b>5.163</b>	<b>501.288</b>	<b>-</b>	<b>506.451</b>	<b>506.451</b>
Receivables from parent company	50	-	-	50	50
Other receivables	443	-	-	443	443
Cash	95	-	-	95	95
<b>Financial assets</b>	<b>588</b>	<b>-</b>	<b>-</b>	<b>588</b>	<b>588</b>
	<b>4.675</b>	<b>501.288</b>	<b>-</b>	<b>505.863</b>	<b>505.863</b>

## KING Holdco ApS

### Notes

8 Investment in Group enterprises	2016	2015
	DKK'000	DKK'000
Coat	885.563	885.563
	<u>885.563</u>	<u>885.563</u>

#### Investment in Group enterprises as follows

	Piece of business	% of ownership interest	Profit/ loss DKK'000	Equity DKK'000
Karnov Group Denmark Holding A/S	Copenhagen	100	(25.805)	114.160

9 Off-balance sheet items	2016	2015
	DKK'000	DKK'000
Shares in subsidiary Karnov Group Denmark Holding A/S is pledged along intercompany receivables and deposits at banks.	885.798	885.708

### 10 Related parties

The group is controlled by Five Arrows Principal Investments II Holding Sàrl (Incorporated in Luxembourg), which controls 53,89% of the company's shares.

	Parent companies		Other group companies	
	2016	2015	2016	2015
Received interest	-	-	205	-
Paid interest	-	-	(887)	16
Financial assets	-	50	2.329	-
Financial liabilities	-	-	-	1.288

### 11 Events after the reporting period

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

### 12 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.

## KING Holdco ApS

### Notes

#### 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 7.0%. The company's payable to lenders are also subject to a variable interest of CIBOR + 4%. 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% (2015: 0.0%).

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

#### 13 Contingencies

taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to TDKK 266 (2015: TDKK 0). Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.