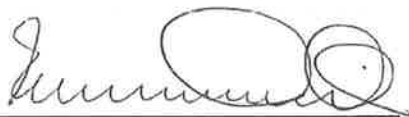


**Hapimag Danmark A/S**  
**Den Gamle Gaard, Stubberupvej 17**  
**4880 Nysted**

**CVR no. 13 86 38 49**

**Annual report for the period 1 January to 31 December 2015**

The annual report was presented and  
adopted at the annual general meeting of  
the Company on 21 June 2016

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

**Chairman**

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## Management's statement on the annual report

The Board of Directors and the Executive Board have today discussed and approved the annual report of Hapimag Danmark A/S for the financial year 1 January - 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the result of the Company's operations for the year 1 January - 31 December 2015.

In our opinion, the Management's review includes a fair review of the development in the Company's operations and financial matters, the result for the year and of the Company's financial position.

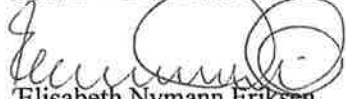
We recommend that the annual report be adopted at the annual general meeting.

Nysted, 21 June 2016

### Executive Board

Oriano Schubiger

### Board of Directors

  
Elisabeth Nymann Eriksen  
Chairman



Saverio Carlo Alfredo Alberti



Oriano Schubiger



**KPMG**  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 Copenhagen Ø  
Denmark

Telephone 70707760  
www.kpmg.dk  
CVR no. 25578198

## **Independent auditor's report**

**To the Shareholder of Hapimag Danmark A/S**

### **Independent auditor's report on the financial statements**

We have audited the financial statements of Hapimag Danmark A/S for the financial year 1 January - 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. 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.

#### **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 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 auditor's 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 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 opinion.

Our audit has not resulted in any qualification.



## **Independent auditor's report**

### **Opinion**

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

### **Emphasis of matter regarding matters in the financial statements**

Without qualifying our opinion, we refer to note 2 and 3 to the financial statements, in which Management explains that the principle of going concern is supported by financial support from the parent company Hapimag AG. Hapimag AG has issued a letter of support stating that they will provide necessary financial support to Hapimag Danmark A/S up to and including May 2017. Further, Hapimag AG will not demand repayment of the long-term loan before the Company is able to continue as a going concern.

### **Statement on the Management's review**

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 21 June 2016

**KPMG**  
Statsautoriseret Revisionspartnerselskab

Klaus Rytz  
state authorised  
public accountant

## Management's review

### The Company

Hapimag Danmark A/S  
Den Gamle Gaard, Stubberupvej 17  
4880 Nysted

Telephone: +45 54 87 15 50  
Fax: +45 54 87 15 91  
Website: [www.hapimag.com](http://www.hapimag.com)

Central Business Registration no.: 13 86 38 49  
Financial Period: 1 January - 31 December  
Incorporated: 1 January 1990  
Municipality of reg. office: Nysted

### Board of Directors

Elisabeth Nymann Eriksen, Chairman  
Saverio Carlo Alfredo Alberti  
Oriano Schubiger

### Executive Board

Oriano Schubiger

### Auditors

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 Copenhagen Ø

### General meeting

The annual general meeting is held on 21 June 2016 at the Company's address

## **Management's review**

### **Principal activities of the Company**

The Company's main activity is to run the holiday resort in Nysted, which comprises 55 holiday flats situated on Lolland. The Company is part of the Hapimag Group in Switzerland which operates holiday resorts in 17 countries.

The Company ceased its activities at Nysted resort at the end of October 2009. The holiday resort has not carried out any rental of holiday flats to Hapimag's members in 2015. Since 2011, Hapimag has leased the resort to the company Den Gamle Gaard i Stubberup ApS.

### **Material uncertainties regarding recognition and measurement**

The valuation of the holiday resort is by nature related to a high degree of uncertainty.

### **Development in activities and financial position**

The loss for the year amounts to DKK 1,643 thousand (2014: DKK -5,832 thousand), primarily related to impairment of the holiday resort, DKK 620 thousand at 31 December 2015. The Company's equity amounts to a negative DKK 1,507 thousand (2014: DKK 135 thousand).

### **Capital resources**

The Company has lost its share capital, which is why Hapimag AG has issued a letter of support in order to provide the Company with sufficient liquidity until end of May 2017.

Hapimag AG has stated that they will not demand repayment of a loan in the amount of DKK 10,200 thousand until the Company has sufficient cash resources. Based on this, it is Management's assessment that the Company is a going concern.

### **Outlook**

Management expects a positive result for 2016.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date that materially affect the Company's financial position at 31 December 2015.

### **Deselection of audit**

It is expected that the Company will choose not to have the statutory financial statements audited next year.

## **Financial statements 1 January - 31 December**

### **Accounting policies**

The annual report of Hapimag Danmark A/S 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.

#### **Foreign currency translation**

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 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 is recognised in the income statement as financial income or financial expenses.

### **Income statement**

#### **Gross profit**

The Company applies section 32 of the Danish Financial Statements Act in accordance with which the Company's revenue is not stated.

Revenue comprises invoiced sale/rental income for the year less price reductions directly attributable to the sale.

Other operating income comprises secondary items in relation to the Company's principal activity.

Other external costs comprise operating costs and maintenance.

#### **Financial income and expenses**

Financial income and expenses include interest, capital and exchange gains and losses.

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

Tax on profit/loss for the year comprises current tax on the taxable income for the year and adjustment of deferred tax.

Additions, deductions and compensation, etc., regarding tax payment are included in the financial items.



## Financial statements 1 January - 31 December

### Accounting policies

#### Balance Sheet

##### Property, plant and equipment

Land and buildings, other operating equipment, tools and equipment are measured at cost less accumulated depreciation and write-downs. Land is not depreciated.

The basis of depreciation is cost less expected residual value after the end of the asset's useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings	27	years
Refurbishment and extensions	5-60	years
Other fixtures and fittings, tools and equipment	5-14	years

Gains and losses on the disposal of property, plant and equipment are determined as the difference between selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income and expenses.

##### Impairment of non-current assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net income from the use of the asset or the group of assets.

##### Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

## **Financial statements 1 January - 31 December**

### **Accounting policies**

#### **Prepayments, assets**

Prepayments comprise costs incurred in relation to subsequent financial years.

#### **Liabilities other than provisions**

Financial liabilities are recognised at the date of borrowing at cost corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost. Other liabilities are measured at net realisable value.

#### **Corporation tax and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the expected value of their utilisation.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

## Financial statements 1 January - 31 December

### Income statement

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>Gross profit</b>		<b>-308</b>	<b>-591</b>
Depreciation, amortisation and impairment losses of property, plant and equipment		<u>-1,337</u>	<u>-5,243</u>
<b>Loss before financial income and expenses</b>		<b>-1,645</b>	<b>-5,834</b>
Financial income		4	3
Financial expenses		<u>-2</u>	<u>-1</u>
<b>Loss before tax</b>		<b>-1,643</b>	<b>-5,832</b>
Tax on loss for the year	1	<u>0</u>	<u>0</u>
<b>Loss for the year</b>		<b><u>-1,643</u></b>	<b><u>-5,832</u></b>
<b>Proposed distribution of loss</b>			
Retained earnings		<u>-1,643</u>	<u>-5,832</u>
		<b><u>-1,643</u></b>	<b><u>-5,832</u></b>

## Financial statements 1 January - 31 December

### Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>Assets</b>			
Land and buildings		<u>9,882</u>	<u>11,221</u>
<b>Property, plant and equipment</b>		<u><b>9,882</b></u>	<u><b>11,221</b></u>
<b>Total non-current assets</b>		<u><b>9,882</b></u>	<u><b>11,221</b></u>
Trade receivables		81	45
Other receivables		35	73
Prepayments		<u>24</u>	<u>13</u>
<b>Receivables</b>		<u><b>140</b></u>	<u><b>131</b></u>
<b>Cash at bank and in hand</b>	<input checked="" type="checkbox"/>	<u><b>454</b></u>	<u><b>732</b></u>
<b>Total current assets</b>		<u><b>594</b></u>	<u><b>863</b></u>
<b>Total assets</b>		<u><u><b>10,476</b></u></u>	<u><u><b>12,084</b></u></u>

## Financial statements 1 January - 31 December

### Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>Equity and liabilities</b>			
Share capital		4,000	4,000
Retained earnings		-5,507	-3,865
<b>Total equity</b>	2	<u>-1,507</u>	<u>135</u>
Payables to group companies		11,879	11,879
Other payables		104	70
<b>Current liabilities other than provisions</b>		<u>11,983</u>	<u>11,949</u>
<b>Total liabilities other than provisions</b>		<u>11,983</u>	<u>11,949</u>
<b>Total equity and liabilities</b>		<u><u>10,476</u></u>	<u><u>12,084</u></u>
Development in the Company's activities and financial position			
Contingent liabilities	5		
Mortgages and collateral	4		

## Financial statements 1 January - 31 December

### Notes

#### 1 Tax on loss for the year

No current or deferred tax is incumbent on the Company. The Company has a deferred tax asset which is not recognised in the financial statements as it is uncertain whether it is possible for the Company to use the tax asset.

#### 2 Equity

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 January 2015	4,000	-3,864	136
Net profit/loss for the year	0	-1,643	-1,643
<b>Equity at 31 December 2015</b>	<b>4,000</b>	<b>-5,507</b>	<b>-1,507</b>

The share capital consists of 4,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

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

The Company has lost its share capital which is why Hapimag AG has issued a letter of support in order to provide the Company with sufficient liquidity until end of May 2017.

## Financial statements 1 January - 31 December

### Notes

#### **3 Payables to group companies**

Hapimag AG has stated that it will not demand repayment of loan in the amount of DKK 10,200 thousand until the Company has sufficient cash resources to repay the debt or part thereof without negatively affecting Hapimag Danmark A/S' ability to continue as a going concern.

Hapimag AG has stated that the loan of DKK 10,200 thousand is subordinated to all other creditors.

The letter of subordination is of indefinite duration.

The long-term debt to the parent company is a non-interest bearing liability.

#### **4 Mortgages and collateral**

The Company has granted a mortgage in the amount of DKK 4,000 thousand on land and buildings, property, plant and equipment owned by the Company.

#### **5 Contingent liabilities**

The Company has no contingent liabilities.