

BonBon-Land A/S

**Gartnervej 2
Holme-Olstrup
4684 Holmegaard**

CVR no 18 93 61 35

**Annual report for the period
1 October 2015 to 30 September 2016**

Adopted at the annual general meeting
on 17 February 2017

Isidoro Díez Caveda
Chairman

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Statement by Management on the annual report

The Executive and Supervisory Boards have today discussed and approved the annual report of BonBon-Land A/S for the financial year 1 October 2015 - 30 September 2016.

The annual report has been 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 30 September 2016 and of the results of the Company's operations for the financial year 1 October 2015 - 30 September 2016.

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

We recommend the adoption of the annual report at the annual general meeting.

Madrid, 17 February 2017

Executive Board

Mattis Willms

Jesús Pablo Fernández Morán

Supervisory Board

Juan José López Taracena
Chairman

Jesús Pablo Fernández Morán

Isidoro Díez Caveda

Independent Auditor's Report

To the shareholder of BonBon-Land A/S

Report on the Financial Statements

We have audited the financial statements of BonBon-Land A/S for the financial year 1 October 2015 - 30 September 2016, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

The 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 the 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 about 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 judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as 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.

The 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 30 September 2016 and of the result of the Company's operations for the financial year 1 October 2015 - 30 September 2016 in accordance with the Danish Financial Statements Act.

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, 17 February 2017

KPMG
Statsautoriseret Revisionspartnerselskab
CVR-no. 25 57 81 98

Joakim Juul Larsen
State Authorised Public Accountant

Company details

The Company

BonBon-Land A/S
Gartnervej 2
Holme-Olstrup
4684 Holmegaard

CVR no.: 18 93 61 35
Reporting period: 1 October - 30 September
Incorporated: 1 November 1995
Domicile: Næstved

Supervisory Board

Juan José López Taracena, Chairman
Jesús Pablo Fernández Morán
Isidoro Díez Caveda

Executive Board

Mattis Willms
Jesús Pablo Fernández Morán

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Financial highlights

5-year summary:

| | <u>2015/16</u> | <u>2014/15</u> | <u>2013/14</u> | <u>2012/13</u> | <u>2011/12</u> |
|--|----------------|----------------|----------------|----------------|----------------|
| | DKK'000 | DKK'000 | DKK'000 | DKK'000 | DKK'000 |
| Key figures | | | | | |
| Profit/loss | | | | | |
| Gross profit/loss | 31,732 | 32,913 | 33,796 | 34,435 | 31,844 |
| Profit/loss from ordinary operating activities before gains/losses from fair value adjustments | -3,414 | -7,381 | -6,839 | -6,879 | -8,915 |
| Net financials | -356 | -546 | -4,536 | -6,799 | -10,541 |
| Profit/loss for the year | -3,770 | -7,927 | -11,408 | -13,535 | -25,426 |
| Balance sheet | | | | | |
| Balance sheet total | 144,202 | 152,062 | 162,644 | 177,447 | 186,522 |
| Investment in property, plant and equipment | 6,974 | 4,255 | 6,787 | 8,213 | 3,703 |
| Equity | 127,313 | 131,083 | 139,010 | 11,288 | -10,177 |
| Financial ratios | | | | | |
| Solvency ratio | 88.3% | 86.2% | 85.5% | 6.4% | -5.5% |

Management's review

Business activities

The Company's principal activity is operation of the amusement park BonBon-Land.

Business review

The Company's income statement for the year ended 30 September shows a loss of DKK 3,770 thousand, and the balance sheet at 30 September 2016 shows equity of DKK 127,313 thousand.

Management is still working on implementing the operational improvements - including new investments in activities designed to ensure the improvement of the future development.

Management expects that the planned initiatives will improve the development and it is therefore expected that the ordinary operating result will be positive within 3-5 years.

Special risks apart from generally occurring risks in industry

Operating risks

There are no extraordinary risks apart from the common risks in the business area in general.

Impact on external environment and measures of preventing, reducing or mitigating damage

The Company is continuously working on reducing the consumption of energy as well as on recycling and environmentally friendly disposal.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the group's and the parent company's financial position.

Accounting policies

The annual report of BonBon-Land A/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

In compliance with section 86(4) of the Danish Financial Statement Act, the Company has omitted to prepare a cash flow statement.

The accounting policies applied are consistent with those of last year.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects revenue less cost for raw materials and consumables and other external expenses.

Revenue

Income consist of entrance fees to BonBon-Land, including sale of season tickets for one year, income from partners, catering and goods for resale. Income is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place before year end and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised exchange rate gains and losses on foreign currency transactions etc.

Accounting policies

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the group entities in Denmark. The Company is jointly taxed with Centaur Holding Denmark A/S, which is the administrative company for the joint taxation, and consequently settles all corporation tax payments with the tax authorities concurrently with the Company's payment of joint taxation contribution.

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

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Trademarks

Acquired trademarks are measured at cost less accumulated amortisation and impairment losses. Trademarks are amortised over 20 years. Amortisation period is longer for long-term acquired intangible assets with a strong market position and long-term revenue generation.

Intangible assets are written down to the lower of recoverable amount and carrying amount.

Tangible assets

Buildings and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

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

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

| | Useful life | Residual value |
|---|-------------|----------------|
| Buildings | 30-40 years | 0 % |
| Other fixtures and fittings tools and equipment | 3-10 years | 0 % |

Accounting policies

Tangible assets are written down to the lower of the recoverables amount and carrying amount.

Stocks

Stocks are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost, which usually is nominal value. Write-down is made for bad debt loss based on an individual assessment of the receivable.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years.

Joint taxation contributions payable and receivable are recognised in the balance sheet as receivables from or payable to affiliated companies respectively.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

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. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Accounting policies

Liabilities

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income comprises payments received concerning income in subsequent reporting years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate 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 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.

Financial Highlights

Definitions of financial ratios.

Solvency ratio
$$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$$

Income statement 1 October - 30 September

| | <u>Note</u> | <u>2015/16</u> DKK'000 | <u>2014/15</u> DKK'000 |
|--|-------------|---------------------------|---------------------------|
| Gross profit | | 31,732 | 32,913 |
| Staff costs | 1 | -19,812 | -18,583 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | 2 | -15,334 | -21,711 |
| Profit/loss before financial income and expenses | | -3,414 | -7,381 |
| Financial income | 3 | 14 | 16 |
| Financial costs | 4 | -370 | -562 |
| Profit/loss before tax | | -3,770 | -7,927 |
| Tax on profit/loss for the year | 5 | 0 | 0 |
| Net profit/loss for the year | | -3,770 | -7,927 |
| Retained earnings | | -3,770 | -7,927 |
| | | -3,770 | -7,927 |

Balance sheet 30 September

| | <u>Note</u> | <u>2015/16</u> DKK'000 | <u>2014/15</u> DKK'000 |
|--|-------------|---------------------------|---------------------------|
| Assets | | | |
| Trademarks | | 5,407 | 5,907 |
| Intangible assets | 6 | <u>5,407</u> | <u>5,907</u> |
| Land and buildings | | 80,129 | 82,162 |
| Other fixtures and fittings, tools and equipment | | 36,789 | 42,615 |
| Tangible assets | 7 | <u>116,918</u> | <u>124,777</u> |
| Fixed assets total | | <u>122,325</u> | <u>130,684</u> |
| Goods for resale | | 4,618 | 4,200 |
| Stocks | | <u>4,618</u> | <u>4,200</u> |
| Trade receivables | | 1,819 | 2,293 |
| Receivables from group enterprises | | 1,066 | 943 |
| Prepayments | | 826 | 995 |
| Receivables | | <u>3,711</u> | <u>4,231</u> |
| Cash at bank and in hand | | <u>13,548</u> | <u>12,947</u> |
| Currents assets total | | <u>21,877</u> | <u>21,378</u> |
| Assets total | | <u><u>144,202</u></u> | <u><u>152,062</u></u> |

Balance sheet 30 September

| | <u>Note</u> | <u>2015/16</u> DKK'000 | <u>2014/15</u> DKK'000 |
|--|-------------|------------------------------|------------------------------|
| Liabilities and equity | | | |
| Share capital | | 6,655 | 6,655 |
| Retained earnings | | <u>120,658</u> | <u>124,428</u> |
| Equity | 8 | <u>127,313</u> | <u>131,083</u> |
| Payables to group enterprises | | <u>5,508</u> | <u>8,950</u> |
| Long-term debt | 9 | <u>5,508</u> | <u>8,950</u> |
| Trade payables | | 3,058 | 1,475 |
| Payables to group enterprises | | 3,725 | 5,164 |
| Other payables | | 3,804 | 5,154 |
| Deferred income | | <u>794</u> | <u>236</u> |
| Short-term debt | | <u>11,381</u> | <u>12,029</u> |
| Debt total | | <u>16,889</u> | <u>20,979</u> |
| Liabilities and equity total | | <u><u>144,202</u></u> | <u><u>152,062</u></u> |
| Contingent assets, liabilities and other financial obligations | 10 | | |
| Charges and securities | 11 | | |
| Related parties and ownership | 12 | | |

Equity

| | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|------------------------------------|----------------------|--------------------------|-----------------------|
| Equity at 1 October 2015 | 6,655 | 124,428 | 131,083 |
| Net profit/loss for the year | 0 | -3,770 | -3,770 |
| Equity at 30 September 2016 | <u>6,655</u> | <u>120,658</u> | <u>127,313</u> |

Notes

| | <u>2015/16</u> DKK'000 | <u>2014/15</u> DKK'000 |
|---|---------------------------|---------------------------|
| 1 Staff costs | | |
| Wages and salaries | 18,778 | 17,545 |
| Pensions | 646 | 633 |
| Other social security costs | 388 | 405 |
| | <u>19,812</u> | <u>18,583</u> |
| | | |
| Average number of employees | <u>53</u> | <u>53</u> |
| | | |
| 2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | |
| Depreciation intangible assets | 500 | 500 |
| Depreciation tangible assets | 14,834 | 21,332 |
| Gain/loss on disposal | 0 | -121 |
| | <u>15,334</u> | <u>21,711</u> |
| | | |
| which breaks down as follows: | | |
| Trademarks | 500 | 500 |
| Buildings | 3,250 | 2,860 |
| Other fixtures and fittings, tools and equipment | 11,584 | 18,472 |
| Loss/(profit) on sale of tangible assets | 0 | -121 |
| | <u>15,334</u> | <u>21,711</u> |
| | | |
| 3 Financial income | | |
| Interest received from group enterprises | 11 | 12 |
| Other financial income | 1 | 0 |
| Exchange gains | 2 | 4 |
| | <u>14</u> | <u>16</u> |

Notes

| | <u>2015/16</u> DKK'000 | <u>2014/15</u> DKK'000 |
|------------------------------------|---------------------------|---------------------------|
| 4 Financial costs | | |
| Interest paid to group enterprises | 294 | 496 |
| Other financial costs | 42 | 1 |
| Exchange loss | 34 | 65 |
| | <u>370</u> | <u>562</u> |

5 Tax on profit/loss for the year

The company has a deferred tax asset which amounts to DKK 20,934 thousand. The deferred tax asset has not been recognised, as Management does not expect positive taxable income in the coming years.

6 Intangible assets

| | <u>Trademarks</u> |
|---|---------------------|
| Cost at 1 October 2015 | <u>10,000</u> |
| Cost at 30 September 2016 | <u>10,000</u> |
| Impairment losses and amortisation at 1 October 2015 | 4,093 |
| Amortisation for the year | <u>500</u> |
| Impairment losses and amortisation at 30 September 2016 | <u>4,593</u> |
| Carrying amount at 30 September 2016 | <u>5,407</u> |

Notes

7 Tangible assets

| | Land and buildings | Other fixtures and fittings, tools and equipment | Total |
|---|-----------------------|---|----------------|
| Cost at 1 October 2015 | 121,630 | 281,989 | 403,619 |
| Additions for the year | 1,217 | 5,758 | 6,975 |
| Cost at 30 September 2016 | 122,847 | 287,747 | 410,594 |
| Impairment losses and depreciation at 1 October 2015 | 39,468 | 239,374 | 278,842 |
| Depreciation for the year | 3,250 | 11,584 | 14,834 |
| Impairment losses and depreciation at 30 September 2016 | 42,718 | 250,958 | 293,676 |
| Carrying amount at 30 September 2016 | 80,129 | 36,789 | 116,918 |

8 Equity

The share capital consists of 6,655 shares of a nominal value of TDKK 1. No shares carry any special rights.

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

9 Long term debt

| | Debt at 1 October 2015 | Debt at 30 September 2016 | Payment within 1 year | Debt after 5 years |
|-------------------------------|------------------------------|------------------------------------|--------------------------|-----------------------|
| Payables to group enterprises | 8,950 | 5,508 | 0 | 0 |
| | 8,950 | 5,508 | 0 | 0 |

Notes

10 Contingent assets, liabilities and other financial obligations

The Company has provided a guarantee for the affiliated company BonBon Rejser A/S in favour of Rejsegarantifonden, and funds totalling DKK 354 thousand have been deposited.

The Company has provided BonBon Rejser Danmark A/S with a letter of support for 2016/17.

The Company is jointly taxed with other companies in the Centaur Holding Denmark Group. As a fully owned subsidiary, the Company is jointly and severally liable with the other jointly taxed companies for danish income and withholding tax on dividend, interest and royalties within the joint taxation group.

As at 30 September 2016, the Company has lease obligations amounting to DKK 244 thousand (2014/15: DKK 301 thousand) equivalent to 19 months' lease.

11 Charges and securities

The Company's buildings have been provided as collateral to the Company's bank. The collateral amounts to DKK 14,533 thousand.

12 Related parties and ownership

Ownership

According to the Company's register of shareholders, the following shareholders hold a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Centaur Holding Denmark A/S
Gartnervej 2
Holme-Olstrup
DK-4684 Holmegaard

Consolidated financial statements

The Company is included in the group annual report of Parques Reunidos Servicios Centrales S.A., Casa de Campo, s/n 28011 Madrid, Spain