

**Ikano Property FE A/S
Central Business Registration No
25327896**

Annual report 2015

The Annual General Meeting adopted the annual report on 13.06.2016

Chairman of the General Meeting

Name: Steen Jensen

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Entity details

Entity

Ikano Property FE A/S
Stationsparken 24
2600 Glostrup

Central Business Registration No: 25327896

Registered in: Danmark

Financial year: 01.09.2015 - 31.12.2015

Board of Directors

Steen Jensen
Lee Thomas Hartigan
Christian Røjkjær

Executive Board

Christian Røjkjær, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Ikano Property FE A/S for the financial year 01.09.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.09.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Glostrup, 31.05.2016

Executive Board

Christian Røjkjær
CEO

Board of Directors

Steen Jensen

Lee Thomas Hartigan

Christian Røjkjær

Independent auditor's reports

To the owners of Ikano Property FE A/S

Report on the financial statements

We have audited the financial statements of Ikano Property FE A/S for the financial year 01.09.2015 - 31.12.2015, which comprise the 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

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 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 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 audit 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 31.12.2015 and of the results of its operations for the financial year 01.09.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. 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 commentary is consistent with the financial statements.

Independent auditor's reports

København, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Jens Ringbæk

State Authorised Public Accountant

Management commentary

Primary activities

The objective of the company is investments in property companies and projects in the Far East and other related business.

Development in activities and finances

The income statement for 2015 shows a profit after tax of DKK 18,320k for 4 months, which is in accordance with expectations.

The increase in the balance sheet date exchange rate between Malaysian Ringgit (RM) and Danish Kroner (DKK) has led to an exchange rate adjustment of DKK 4,645k, which has been recognised directly in the equity.

Description of material changes in activities and finances

For administrative reasons the Group has decided to change the financial year from 01.09 – 31.08. As a result, the Company's financial year covers the 4 months period from 01.09 – 31.12.2015, after which the Company's first full financial year will be for the period 01.01 – 31.12.2016.

Outlook

The Company expects positive results at the same level in the future for the property companies owned. The expectations are based on rental prices being at the same level as prior years and the occupancy being unchanged

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

Following the exemption clause in section 112 of the Danish Financial Statements Act, consolidated financial statements have not been prepared.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability

Due to changes in the Company's financial year, from being 01.09 – 31.08 to now being 01.01 – 31.12, with this financial year shortened to a 4 months period from 01.09 – 31.12.15, there is non-comparability to the comparative figures in last year's financial statement, which consists of a 12 months period from 01.09 – 31.08.2015.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Accounting policies

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Changes in the fair value of derivative financial instruments applied for hedging net investments in independent foreign subsidiaries or associates are classified directly as equity.

Income statement

Other external expenses

Other external expenses comprise expenses incurred for the Entity's administrative functions.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all sister companies. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

<u>Notes</u>	<u>2015 DKK</u>	<u>2014/15 DKK'000</u>
Other external expenses	(34.977)	(112)
Operating profit/loss	(34.977)	(112)
Income from investments in group enterprises	18.363.379	77.698
Other financial expenses	(50)	(1)
Profit/loss from ordinary activities before tax	18.328.352	77.585
Tax on profit/loss from ordinary activities	(8.185)	35
Profit/loss for the year	18.320.167	77.620
Proposed distribution of profit/loss		
Reserve for net revaluation according to the equity method	18.363.379	77.698
Retained earnings	(43.212)	(78)
	18.320.167	77.620

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014/15 DKK'000</u>
Investments in group enterprises		<u>428.348.184</u>	<u>405.340</u>
Fixed asset investments	1	<u>428.348.184</u>	<u>405.340</u>
Fixed assets		<u>428.348.184</u>	<u>405.340</u>
Income tax receivable		<u>26.607</u>	<u>35</u>
Receivables		<u>26.607</u>	<u>35</u>
Cash		<u>480.995</u>	<u>481</u>
Current assets		<u>507.602</u>	<u>516</u>
Assets		<u><u>428.855.786</u></u>	<u><u>405.856</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014/15 DKK'000</u>
Contributed capital	2	44.190.000	44.190
Reserve for net revaluation according to the equity method		384.731.512	361.723
Retained earnings		(209.326)	(166)
Equity		<u>428.712.186</u>	<u>405.747</u>
Other payables		143.600	109
Current liabilities other than provisions		<u>143.600</u>	<u>109</u>
Liabilities other than provisions		<u>143.600</u>	<u>109</u>
Equity and liabilities		<u><u>428.855.786</u></u>	<u><u>405.856</u></u>
Contingent liabilities	3		
Ownership	4		
Consolidation	5		

Statement of changes in equity for 2015

	Contributed capital DKK	Reserve for net revalua- tion accor- ding to the equity me- thod DKK	Retained earnings DKK	Total DKK
Equity beginning of year	44.190.000	361.723.200	(166.114)	405.747.086
Exchange rate adjustments	0	4.644.933	0	4.644.933
Profit/loss for the year	0	18.363.379	(43.212)	18.320.167
Equity end of year	44.190.000	384.731.512	(209.326)	428.712.186

Notes

1. Fixed asset investments

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity interest %</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Subsidiaries:					
Ikano Corporation Sdn. Bhd.	Kuala Lumpur	Sdn. Bhd.	100,00	428.348.184	18.363.379

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
2. Contributed capital			
Shares	44.190	1.000,00	44.190.000
	44.190		44.190.000

3. Contingent liabilities

The Company is joint taxation arrangement which group-affiliated entities. In accordance with the Corporation Tax Act rules the Company is held liable for any obligation to withholding tax on royalties and dividends for the jointly taxed companies, in addition the Company is jointly and severally liable for corporation taxes falling upon the jointly taxed companies.

4. Ownership

The Company has registered the following shareholders to hold more than 5% of the voting share or of the nominal value of the share capital:

Ikano Private Limited (Singapore)

5. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Ikano Private Limited (Singapore).