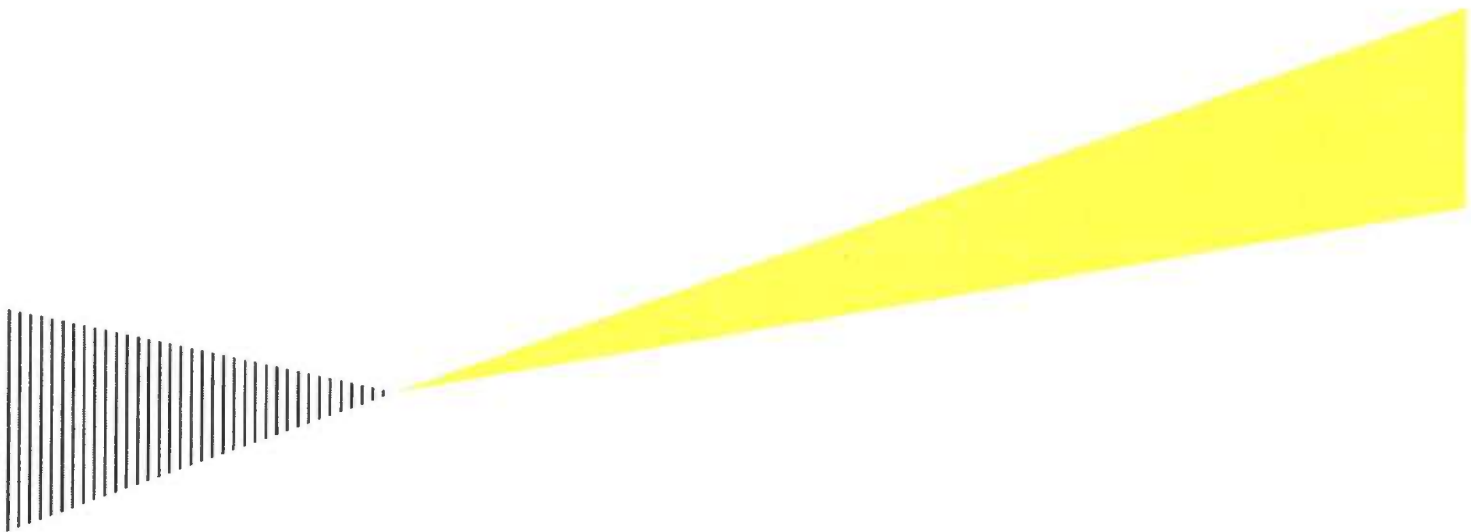


Ejendomsselskabet Danmark 2013 ApS

c/o M7 Real Estate ApS
Borgergade 2, 6. sal, 1300 København K

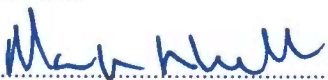
CVR no. 28 70 14 89



Annual report 2016

Approved at the annual general meeting of shareholders on

Chairman:


.....

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Ejendomsselskabet Danmark 2013 ApS for the financial year 1 January - 31 December 2016.

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

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 for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 18 April 2017
Executive Board:



Mette Seifert

Board of Directors:



Mark Hulbert
Chairman



Martin Wolfgang Eckel



Mette Seifert



Independent auditor's report

To the shareholders of Ejendomsselskabet Danmark 2013 ApS

Opinion

We have audited the financial statements of Ejendomsselskabet Danmark 2013 ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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 for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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.
- 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.



Independent auditor's report

- 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 conclusion is 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 note 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.

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 18 April 2017
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 36 70 02 28

Henrik Reedtz
State Authorised Public Accountant

Management's review

Company details

Name	Ejendomsselskabet Danmark 2013 ApS
Address, Postal code, City	c/o M7 Real Estate ApS Borgergade 2, 6. sal, 1300 København K
CVR no.	28 70 14 89
Established	11 May 2005
Registered office	Copenhagen
Financial year	1 January - 31 December
Website	http://www.m7re.co.uk/
E-mail	info@m7re.dk
Telephone	+45 89 88 26 16
Board of Directors	Mark Hulbert, Chairman Martin Wolfgang Eckel Mette Seifert
Executive Board	Mette Seifert
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmutshs Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank Strødamvej 46, 2100 København Ø, Denmark

Management commentary

Business review

The Company's purpose is to invest in real estate located in Denmark, including hiring out and developing such real estate.

Financial review

The income statement for 2016 shows a profit of DKK 56,296,744 against DKK 68,256,679 last year, and the balance sheet at 31 December 2016 shows equity of DKK 360,239,757. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

On 24 February 2017, the Company sold all remaining investment properties.

Outlook

Following the sales of the Company's assets, it is the intention to wind down the Company; most likely within a year.



Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2016	2015
	Gross margin	22,342,306	19,137,011
	Fair value adjustments of investment properties	39,971,992	54,897,987
	Profit before net financials	62,314,298	74,034,998
2	Financial income	8,722	4,631
3	Financial expenses	-6,026,276	-5,782,950
	Profit before tax	56,296,744	68,256,679
	Tax for the year	0	0
	Profit for the year	<u>56,296,744</u>	<u>68,256,679</u>
	Recommended appropriation of profit		
	Extraordinary dividend distributed in the year	16,600,000	60,580,935
	Retained earnings	39,696,744	7,675,744
		<u>56,296,744</u>	<u>68,256,679</u>



Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2016	2015
	ASSETS		
	Fixed assets		
4	Property, plant and equipment		
5	Investment property	548,100,000	544,153,163
		<u>548,100,000</u>	<u>544,153,163</u>
	Total fixed assets	<u>548,100,000</u>	<u>544,153,163</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	343,163	1,705,012
	Other receivables	219,672	1,763,492
	Deferred income	1,031,243	1,107,281
		<u>1,594,078</u>	<u>4,575,785</u>
	Cash	47,103,797	36,629,317
	Total non-fixed assets	<u>48,697,875</u>	<u>41,205,102</u>
	TOTAL ASSETS	<u>596,797,875</u>	<u>585,358,265</u>
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	126,003	126,003
	Retained earnings	360,113,754	320,417,010
	Total equity	<u>360,239,757</u>	<u>320,543,013</u>
	Liabilities		
7	Non-current liabilities other than provisions		
	Mortgage debt	199,935,363	170,908,810
	Other payables	15,935,729	16,164,749
		<u>215,871,092</u>	<u>187,073,559</u>
	Current liabilities		
7	Current portion of long-term liabilities	8,000,000	58,250,000
	Trade payables	10,238,790	5,910,759
	Other payables	2,448,236	13,580,934
		<u>20,687,026</u>	<u>77,741,693</u>
	Total liabilities other than provisions	<u>236,558,118</u>	<u>264,815,252</u>
	TOTAL EQUITY AND LIABILITIES	<u>596,797,875</u>	<u>585,358,265</u>

- 1 Accounting policies
- 8 Collateral
- 9 Related parties



Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	126,003	320,417,010	320,543,013
Transfer, see "Appropriation of profit"	0	56,296,744	56,296,744
Extraordinary dividend distributed	0	-16,600,000	-16,600,000
Equity at 31 December 2016	<u>126,003</u>	<u>360,113,754</u>	<u>360,239,757</u>



Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Ejendomsselskabet Danmark 2013 ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

Income statement

Revenue

Rental income receivable from operating leases, is recognised on a straight-line basis over the term of the lease.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

With reference to section 32 of the Danish Financial statements Act, the items 'Revenue', 'Cost' of sales', Other external expenses' and 'Other operating income' are consolidated into item designated 'Gross profit'.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Investment properties are measured at fair value. Value adjustments are recognised in the income statement.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The fair value is made up by management together with real property advisors. The properties is measured by reference to a yield-based market value. The net income - calculated as possible rental income including loss on non-occupation less operating expenses - is capitalised using a fixed marked-based yield requirement.

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

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short-term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Payables to credit institutions

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, mortgage debt is measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK		2016	2015
2	Financial income		
	Other financial income	8,722	4,631
		<u>8,722</u>	<u>4,631</u>
DKK		2016	2015
3	Financial expenses		
	Other financial expenses	6,026,276	5,782,950
		<u>6,026,276</u>	<u>5,782,950</u>
4	Property, plant and equipment		
	DKK		<u>Investment property</u>
	Cost at 1 January 2016		809,424,435
	Additions in the year		2,149,432
	Disposals in the year		-54,017,851
	Cost at 31 December 2016		<u>757,556,016</u>
	Value adjustments at 1 January 2016		-265,271,272
	Revaluations in the year		39,971,992
	Reversal of prior-year revaluations		15,843,264
	Value adjustments at 31 December 2016		<u>-209,456,016</u>
	Carrying amount at 31 December 2016		<u>548,100,000</u>

Note 8 provides more details on security for loans, etc., as regards property, plant and equipment.

5 Investment property

Valuation method and techniques

The fair value of investment properties is determined using the yield-based model as the calculated value in use of the expected cash flows from the individual properties. The calculation is based on the budgeted net earnings for the coming year adjusted to standard earnings and using a current required market rate of return for similar properties. The value is adjusted for matters that are not reflected in the standard earnings, for instance idle leases, major renovation work, etc.

Key assumptions for determining fair value

The Company's investment properties comprise logistics properties. The investment properties are measured at fair value using the yield-based model. The required rates of return applied are in the interval 8.0%-10.5%.

Fair value estimation

In addition, the following assumptions are applied in the fair value measurement:

- Adjustment is made of the existing rent to expected market rent
- Correction is made in regard to idle leases and the expected rental period
- Estimates are made of the properties' own share of operating expenses and heating costs.

An external valuation expert has assisted with the valuation of all properties.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

6 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK	2016	2015	2014	2013	2012
Opening balance	126,003	126,002	126,000	126,000	125,000
Capital increase	0	1	126,000	126,000	125,000
Capital reduction	0	0	2	0	125,000
	<u>126,003</u>	<u>126,003</u>	<u>252,002</u>	<u>252,000</u>	<u>375,000</u>

7 Long-term liabilities

Of the long-term liabilities, no payments is due after more than 5 years after the balance sheet date.

8 Collateral

As security for the Company's debt to banks, creditors and other suppliers, the Company has placed assets for DKK 548,100,000 as security.

9 Related parties

Ejendomsselskabet Danmark 2013 ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
OCM Luxembourg ROF VI 2 S.a.r.l	Luxembourg	Ultimate Parent Company
Cadmus Danmark ApS	Denmark	Parent Company