

**Afrinord Hotel Investments A/S
Central Business Registration No
29621675
Amager Strandvej 60-64, 3rd floor
2300 Copenhagen S**

Annual report 2015

The Annual General Meeting adopted the annual report on 25/4 2016

Chairman of the General Meeting


Name: Monica Reib

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Entity details

Entity

Afrinord Hotel Investments A/S
Amager Strandvej 60-64, 3rd floor
2300 Copenhagen S

Central Business Registration No: 29621675

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Hans Jørgen Nyegaard
Lena Marianne Algerin
Paula Sundberg
Pedro Goncalo Camacho Raposo
Kristin Liv Sellevold

Executive Board

Lars Gordon Nielsen, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen 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 Afrinord Hotel Investments A/S for the financial year 01.01.2015 - 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 01.01.2015 - 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.

Copenhagen, 20.04.2016

Executive Board



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Chief Executive Officer

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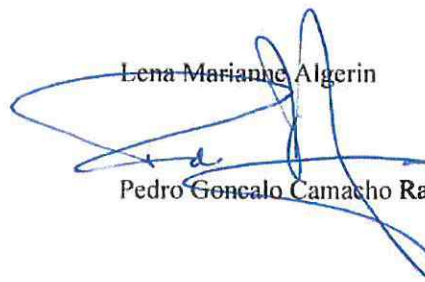
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Independent auditor's reports

To the owners of Afrinord Hotel Investments A/S

Report on the financial statements

We have audited the financial statements of Afrinord Hotel Investments A/S for the financial year 01.01.2015 - 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 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

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.

Copenhagen, 20.04.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Ove Nielsen

State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Entity's activities consist in lending to hotel projects in Africa.

The Entity is making an effort to obtain the best possible security for its loans. However, lending to Africa involves a high level of risk.

If one of the Entity's borrowers gets into financial trouble, this may very well have a great impact on the Entity's financial position.

Deposits from the Entity's shareholders finance its lending operations.

Development in activities and finances

Profit for the year amounts to EUR 52,078, which is considered satisfactory.

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 enterprises.

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

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Other financial income

Other financial income comprises interest income, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

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

Income tax receivable or payable

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.

Income statement for 2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR'000</u>
Revenue		304.634	57
Other external expenses		<u>(233.438)</u>	<u>(10)</u>
Operating profit/loss		71.196	47
Other financial income	1	5.082.723	2.780
Other financial expenses	2	<u>(5.081.874)</u>	<u>(2.771)</u>
Profit/loss from ordinary activities before tax		72.045	56
Tax on profit/loss from ordinary activities	3	<u>(19.967)</u>	<u>(14)</u>
Profit/loss for the year		<u>52.078</u>	<u>42</u>
Proposed distribution of profit/loss			
Dividend for the financial year		250.000	0
Retained earnings		<u>(197.922)</u>	<u>42</u>
		<u>52.078</u>	<u>42</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR'000</u>
Other receivables		22.293.787	24.096
Fixed asset investments	4	<u>22.293.787</u>	<u>24.096</u>
Fixed assets		<u>22.293.787</u>	<u>24.096</u>
Trade receivables		0	38
Other short-term receivables		3.410.317	669
Income tax receivable		2.537	3
Receivables		<u>3.412.854</u>	<u>710</u>
Cash		<u>840.979</u>	<u>563</u>
Current assets		<u>4.253.833</u>	<u>1.273</u>
Assets		<u>26.547.620</u>	<u>25.369</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 EUR</u>	<u>2014 EUR'000</u>
Contributed capital	5	250.000	250
Retained earnings		130.699	329
Proposed dividend		250.000	0
Equity		<u>630.699</u>	<u>579</u>
Other payables		<u>22.488.657</u>	<u>22.981</u>
Non-current liabilities other than provisions	6	<u>22.488.657</u>	<u>22.981</u>
Current portion of long-term liabilities other than provisions	6	3.410.317	1.789
Income tax payable		6.596	14
Other payables		<u>11.351</u>	<u>6</u>
Current liabilities other than provisions		<u>3.428.264</u>	<u>1.809</u>
Liabilities other than provisions		<u>25.916.921</u>	<u>24.790</u>
Equity and liabilities		<u><u>26.547.620</u></u>	<u><u>25.369</u></u>
Ownership	7		

Statement of changes in equity for 2015

	Contributed capital EUR	Retained earnings EUR	Proposed dividend EUR	Total EUR
Equity beginning of year	250.000	328.621	0	578.621
Profit/loss for the year	0	(197.922)	250.000	52.078
Equity end of year	250.000	130.699	250.000	630.699

Notes

	2015	2014	
	EUR	EUR'000	
1. Other financial income			
Interest income	1.893.541	1.380	
Exchange rate adjustments	3.189.182	1.400	
	5.082.723	2.780	
	2015	2014	
	EUR	EUR'000	
2. Other financial expenses			
Interest expenses	1.896.014	1.376	
Exchange rate adjustments	3.185.860	1.395	
	5.081.874	2.771	
	2015	2014	
	EUR	EUR'000	
3. Tax on ordinary profit/loss for the year			
Current tax	19.967	14	
	19.967	14	
		Other receivables	
		EUR	
4. Fixed asset investments			
Cost beginning of year		24.096.499	
Additions		3.714.582	
Disposals		(5.517.294)	
Cost end of year		22.293.787	
Carrying amount end of year		22.293.787	
	Number	Par value	Nominal
		EUR	value
			EUR
5. Contributed capital			
Ordinary shares	250	1.000,00	250.000
	250		250.000

Notes

	Instalments within 12 months 2014 EUR'000	Instalments within 12 months 2015 EUR	Instalments beyond 12 months 2015 EUR	Outstanding after 5 years 2015 EUR
6. Long-term liabilities other than provisions				
Other payables	1.789	3.410.317	22.488.657	5.247.387
	1.789	3.410.317	22.488.657	5.247.387

Other payables consist of debt to the Company's shareholders.

7. Ownership

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

The Industrialisation Fund for Developing Countries, Copenhagen, Denmark

Swedfund International AB, Stockholm, Sweden

Rezidor Hotels ApS Danmark, Copenhagen, Denmark

Finnish Fund for Industrial Cooperation Ltd., Helsinki, Finland

The Norwegian Investment Fund for Developing Countries, Oslo, Norway