

Vesterbro ApS

Amaliegade 15, 2. sal, 1256 København K

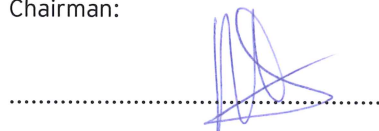
CVR no. 31 94 34 42



Annual report 2015

Approved at the annual general meeting of shareholders on 11 May 2016

Chairman:





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Statement by the Executive Board

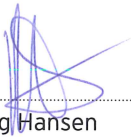
The Executive Board has today discussed and approved the annual report of Vesterbro ApS for the financial year 1 January - 31 December 2015.

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 Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

Copenhagen, 11 May 2016
Executive Board:



Mette Krog Hansen



Katarzyna Jolanta
Ciesielska



Robert McCorduck

Independent auditors' report on the financial statements

To the shareholders of Vesterbro ApS

We have audited the financial statements of Vesterbro ApS for the financial year 1 January - 31 December 2015, 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.

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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 according to Danish audit regulations. 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 auditors' 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 auditors 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.

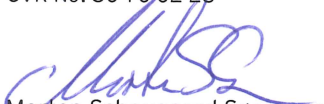
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

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

Odense, 11 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant



Management's review

Name	Vesterbro ApS
Address, Postal code, City	Amaliegade 15, 2. sal, 1256 København K
CVR No.	31 94 34 42
Established	23 January 2009
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mette Krog Hansen Katarzyna Jolanta Ciesielska Robert McCorduck
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015 12 months	2013/14 18 months
	Gross profit/loss	-214,994	439,183
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-222,500	-333,751
	Operating profit/loss	-437,494	105,432
	Financial income	0	4,065,604
4	Financial expenses	-219,105	-565,079
	Profit/loss before tax	-656,599	3,605,957
5	Tax for the year	6,395	-129,057
	Profit/loss for the year	-650,204	3,476,900
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	-650,204	3,476,900
		-650,204	3,476,900

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2015</u>	<u>2014</u>
	ASSETS		
	Non-current assets		
6	Property, plant and equipment		
	Land and buildings	10,945,081	11,053,156
		<u>10,945,081</u>	<u>11,053,156</u>
	Investments		
	Other receivables	362,162	24,054
		<u>362,162</u>	<u>24,054</u>
	Total non-current assets	<u>11,307,243</u>	<u>11,077,210</u>
	Current assets		
	Receivables		
7	Other receivables	336	18,882
	Deferred income	6,891	19,834
		<u>7,227</u>	<u>38,716</u>
	Cash	<u>0</u>	<u>38,752</u>
	Total current assets	<u>7,227</u>	<u>77,468</u>
	TOTAL ASSETS	<u><u>11,314,470</u></u>	<u><u>11,154,678</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2015	2014
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	125,000	125,000
	Retained earnings	-538,050	112,154
	Total equity	<u>-413,050</u>	<u>237,154</u>
	Provisions		
	Other provisions	362,162	24,054
9	Total provisions	<u>362,162</u>	<u>24,054</u>
	Liabilities other than provisions		
10	Non-current liabilities other than provisions		
	Mortgage debt	10,004,796	10,004,796
	Other payables	326,825	334,336
		<u>10,331,621</u>	<u>10,339,132</u>
	Current liabilities other than provisions		
	Trade payables	206,940	70,127
	Payables to group entities	671,811	272,778
	Income taxes payable	129,057	129,057
	Other payables	25,929	82,376
		<u>1,033,737</u>	<u>554,338</u>
	Total liabilities other than provisions	<u>11,365,358</u>	<u>10,893,470</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>11,314,470</u></u>	<u><u>11,154,678</u></u>

- 1 Accounting policies
- 2 The Company's principal activities
- 3 Material uncertainties regarding going concern
- 11 Collateral
- 12 Contractual obligations and contingencies, etc.
- 13 Contingent assets
- 14 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 July 2013	125,000	-3,364,746	-3,239,746
Profit/loss for the year	0	3,476,900	3,476,900
Equity at 1 January 2015	125,000	112,154	237,154
Profit/loss for the year	0	-650,204	-650,204
Equity at 31 December 2015	125,000	-538,050	-413,050

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Vesterbro ApS has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

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

Reporting currency

The financial statements are presented in Danish kroner.

Income statement

Revenue

Rent comprises rental income from the leases of properties. Rent is recognised on an accruals basis.

Rent is measured net of all types of discounts/rebates granted. Also, rent is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit/loss

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

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	50 years
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Land is not depreciated.

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 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.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of fixed assets

Property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there are indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost.

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

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Provisions

Other provisions comprise expected maintenance liabilities in accordance with section 22 of the Danish Rent Act and section 18b of the Consolidated act on Temporary Regulation of Housing Condition. Provisions are recognised when, as a result of past events, the Company has legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Corporation 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 value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

2 The Company's principal activities

The purpose of the Company is to hold shares in companies, acquire, hold, sell, rent or rent out real estate or to engage in any other related business.

3 Material uncertainties regarding going concern

Equity and reservers are negative at DKK 413 thousand. The company is partly financed by loans from the parent company Kiwi FRB ApS.

The parent company has declared that it will support Vesterbro ApS financially in 2016 to enable the company to meet all its obligations as they fall due.

Based on the support from the parent company the annual report for 2015 has been prepared under the going concern assumption

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2015 12 months	2013/14 18 months
4 Financial expenses		
Interest expenses, group entities	16,450	6,322
Other interest expenses	202,655	558,757
	<u>219,105</u>	<u>565,079</u>
5 Tax for the year		
Tax adjustments, prior years	-6,395	129,057
	<u>-6,395</u>	<u>129,057</u>
6 Property, plant and equipment		
DKK		Land and buildings
Cost at 1 January 2015		12,369,617
Additions in the year		114,425
Cost at 31 December 2015		<u>12,484,042</u>
Impairment losses and depreciation at 1 January 2015		1,316,461
Amortisation/depreciation in the year		222,500
Impairment losses and depreciation at 31 December 2015		<u>1,538,961</u>
Carrying amount at 31 December 2015		<u>10,945,081</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2015	2014
7 Other receivables		
Other receivables	336	18,882
	<u>336</u>	<u>18,882</u>

Other receivables under investments comprise deposits in Grundejernes Investeringsfond (GI)

8 Share capital

The Company's share capital has remained DKK 125,000 over the past 5 years.

9 Provisions

Maintenance liabilities BRL § 18b DKK 361,162.

Maintenance liabilities related to BRL § 18b are expected to fall due within 2-5 years.

10 Long-term liabilities

Of the long-term liabilities, DKK 10,119 thousand falls due for payment after more than 5 years after the balance sheet date.

Other payables comprises of deposit and prepaid rent.

11 Collateral

As security for the company's mortgage debt, the company has placed assets with total carrying amount of DKK 10,945 thousand.

12 Contractual obligations and contingencies, etc.

Other contingent liabilities

Guarantee has been provided in respect of mortgage loans in the sister companies in the KIWI FRB ApS Group. The loans total DKK 214,959 thousand.

The company is jointly taxed with other Danish group entities, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the period on and after 23 May 2014 as well as withholding taxes on interest, royalties and dividends falling due for payment on and after 23 May 2014.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

13 Contingent assets

The company has a deferred tax asset of DKK 420 thousand that has not been capitalized.

14 Related parties

Vesterbro ApS' related parties comprise the following:

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Kiwi FRB ApS	Amaliegade 15, 2. sal, 1256 København K