

Alpha Properties Holding ApS

Fridtjof Nansens Plads 5, 2100 København Ø

CVR no. 32 34 03 50



Annual report 2016

Approved at the annual general meeting of shareholders on 9 May 2017

Chairman:



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Contents

Statement by the Executive Board	2
Independent auditors' report	3
Management's review	5
Company details	5
Management commentary	6
Financial statements for the period 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes to the financial statements	11

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Alpha Properties Holding ApS for the financial year 1 January - 31 December 2016.

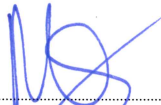
The annual report is prepared in accordance with the Danish Financial Statements Act.

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.

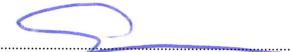
Copenhagen, 9 May 2017
Executive Board:



Mette Krog-Hansen



Robert McCorduck



Katarzyna Jolanta
Ciesielska

Independent auditors' report

To the shareholders of Alpha Properties Holding ApS

Opinion

We have audited the financial statements of Alpha Properties Holding 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 a summary of significant 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 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 judgment 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.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditors' report

- ▶ 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.

Odense, 9 May 2017

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant



Management's review

Company details

Name	Alpha Properties Holding ApS
Address, Postal code, City	Fridtjof Nansens Plads 5, 2100 København Ø
CVR no.	32 34 03 50
Established	3 July 2013
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mette Krog Hansen Robert McCorduck Katarzyna Jolanta Ciesielska
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark



Management's review

Management commentary

Business review

The company's purpose is to own and hold shares in companies, buying, selling, renting and renting real estate and any other related business.

Financial review

The income statement for 2016 shows a loss of DKK 346,101 against a DKK 229,070 last year, and the balance sheet at 31 December 2016 shows equity of DKK 182,469,569.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2016 12 months	2014/15 18 months
	Gross margin	-405,332	-110,721
	Financial income	0	423
2	Financial expenses	-107,401	-118,772
	Profit/loss before tax	-512,733	-229,070
3	Tax for the year	166,632	0
	Profit/loss for the year	-346,101	-229,070
	Recommended appropriation of profit/loss		
	Extraordinary dividend distributed in the year	0	4,500,050
	Retained earnings/accumulated loss	-346,101	-4,729,120
		-346,101	-229,070



Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2016</u>	<u>2014/15</u>
	ASSETS		
	Fixed assets		
4	Investments		
	Investments in group enterprises	180,668,069	180,668,069
		<u>180,668,069</u>	<u>180,668,069</u>
	Total fixed assets	<u>180,668,069</u>	<u>180,668,069</u>
	Non-fixed assets		
	Receivables		
	Deferred tax assets	112,801	0
	Joint taxation contribution receivable	1,403	0
		<u>114,204</u>	<u>0</u>
	Cash	3,928,437	4,285,601
	Total non-fixed assets	<u>4,042,641</u>	<u>4,285,601</u>
	TOTAL ASSETS	<u><u>184,710,710</u></u>	<u><u>184,953,670</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2016</u>	<u>2014/15</u>
	EQUITY AND LIABILITIES		
	Equity		
5	Share capital	1,000,000	1,000,000
	Retained earnings	181,469,569	181,815,670
	Total equity	<u>182,469,569</u>	<u>182,815,670</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group enterprises	2,205,000	2,100,000
	Other payables	36,141	38,000
		<u>2,241,141</u>	<u>2,138,000</u>
	Total liabilities other than provisions	<u>2,241,141</u>	<u>2,138,000</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>184,710,710</u></u>	<u><u>184,953,670</u></u>

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Collateral



Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 July 2014	80,000	-35,210	44,790
Capital increase	920,000	186,580,000	187,500,000
Profit/loss for the year	0	-229,070	-229,070
Proposed extraordinary dividend recognised under equity	0	-4,500,050	-4,500,050
Equity at 1 January 2016	1,000,000	181,815,670	182,815,670
Profit/loss for the year	0	-346,101	-346,101
Equity at 31 December 2016	1,000,000	181,469,569	182,469,569

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Alpha Properties Holding ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act to report 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.

Income statement

Gross margin

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

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.

The Company and its Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary during the period of ownership are treated as a reduction in the cost of acquisition.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of non-current assets

Investments are carried at cost. Every year investments in subsidiaries are reviewed for impairment.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

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".

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base 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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

	2016 12 months	2014/15 18 months
DKK		
2 Financial expenses		
Interest expenses, group entities	105,000	100,000
Other financial expenses	2,401	18,772
	<u>107,401</u>	<u>118,772</u>
3 Tax for the year		
Tax adjustments, prior years	-166,632	0
	<u>-166,632</u>	<u>0</u>

	Investments in group enterprises
DKK	
Cost at 1 January 2016	180,668,069
Cost at 31 December 2016	180,668,069
Carrying amount at 31 December 2016	<u>180,668,069</u>

DKK	Legal form	Domicile	Interest	Equity	Profit/loss
Subsidiaries					
Alpha 1 A/S	A/S	Copenhagen	100.00 %	16,451,096	418,215
Alpha 2 A/S	A/S	Copenhagen	100.00 %	41,415,149	2,178,438
Alpha 3 A/S	A/S	Copenhagen	100.00 %	15,732,752	2,329,488

5 Share capital

Analysis of changes in the share capital over the past 3 years:

DKK	2016	2014/15	2014
Opening balance	1,000,000	80,000	80,000
Capital increase	0	920,000	0
	<u>1,000,000</u>	<u>1,000,000</u>	<u>80,000</u>



Financial statements for the period 1 January - 31 December

Notes to the financial statements

6 Contractual obligations and contingencies, etc.

Other contingent liabilities

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 30 June 2015 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 30 June 2015.

7 Collateral

The Company has not placed any assets as security for loans at 31/12 2016.