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Member Crowe Horwath International

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Glorietta Investments I ApS

c/o Crowe Horwath
Rygårds Allé 104
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CVR no. 32 34 45 77

Annual report for 2016

(3th Financial year)

Adopted at the annual general meeting
on 12 June 2017

Audriana Pias
chairman

Contents

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Glorietta Investments I ApS for the financial year 1. januar - 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 company's financial position at 31. december 2016 and of the results of the company's operations for the financial year 1. januar - 31. december 2016.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Nicosia, Cypern, 9 June 2017

Executive board

Audriana Pias

Xenia Georgiou

Independent auditor's report

To the shareholder of Glorietta Investments I ApS

Opinion

We have audited the financial statements of Glorietta Investments I ApS for the financial year 1. januar - 31. december 2016, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under 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 2016 and of the results of the company's operations for the financial year 1. januar - 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 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 these financial statements

Independent auditor's report

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.

- 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 conclusions are 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 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.

Independent auditor's report

Statement on management's review

Management is responsible for management's review.

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Hellerup, 9 June 2017
CVR no. 33 25 68 76
Crowe Horwath

Søren Jonassen
Statsautoriseret revisor

Company details

The company	Glorietta Investments I ApS c/o Crowe Horwath Rygårds Allé 104 2900 Hellerup	
	CVR no.:	32 34 45 77
	Reporting period:	1. januar - 31. december
	Incorporated:	1. January 2014
	Domicile:	København
Executive board	Audriana Pias Xenia Georgiou	
Auditors	Crowe Horwath Statsautoriseret Revisionsinteressentskab Rygårds Allé 104 2900 Hellerup	

Management's review

Business activities
The purpose of the company is to conduct activities in trade, industry and finance, and any transaction relating to real estate or movable property that the company must estimate related to its purpose.

Business review
The Company's income statement for the year ended 31 December shows a loss of EUR 2.845.093, and the balance sheet at 31 December 2016 shows negative equity of EUR 34.078.389.

The company has lost its entire share capital.

The parent company has issued a letter of support in order to ensure the company a working capital for at least a year counting from the balance date.

The main creditor has issued a letter of comfort, that the long term loan will not be called as long asinstallments are paid on time.

Management presents the financial statement under the assumption of going concern.

Significant events occurring after end of reporting period
No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Glorietta Investments I ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2016 is presented in EUR

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report are presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue in the form of house rent less direct cost to the real estate and other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses and amortisation of mortgage loans.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Tangible assets

Items of Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other buildings	50	years

Assets costing less than EUR 12.900 are expensed in the year of acquisition.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Income tax and deffered tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement
1 January 2016 - 31 December 2016

	Note	2016	2015
		EUR	TEUR
Gross profit		**-714.212**	**-1.283**
Staff costs		-741.746	-803
Earnings Before Interest Taxes Depreciation and Amortization		**-1.455.958**	**-2.086**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-779.336	-764
Profit/loss from ordinary operating activities before gains/losses from fair value adjustments		**-2.235.294**	**-2.850**
Financial income		23	0
Financial costs	1	-609.822	-728
Profit/loss before tax		**-2.845.093**	**-3.578**
Tax on profit/loss for the year		0	0
Net profit/loss for the year		**-2.845.093**	**-3.578**

Proposed distribution of profit

Retained earnings	-2.845.093	-3.578
	-2.845.093	**-3.578**

Balance sheet at 31 December 2016

	Note	2016	2015
		EUR	TEUR
Assets			
Land and buildings		36.704.396	36.702
Tangible assets	2	**36.704.396**	**36.702**
Fixed assets total		**36.704.396**	**36.702**
Receivables from associates		2.728.482	584
Receivables		**2.728.482**	**584**
Cash at bank and in hand		**101.510**	**183**
Current assets total		**2.829.992**	**767**
Assets total		**39.534.388**	**37.469**

Balance sheet at 31 December 2016

	Note	2016	2015
		EUR	TEUR
Liabilities and equity			
Share capital		26.700	27
Retained earnings		-34.105.089	-31.259
Equity	3	**-34.078.389**	**-31.232**
Banks		31.403.011	31.078
Payables to subsidiaries		41.908.866	37.357
Long-term debt		**73.311.877**	**68.435**
Trade payables		252.068	199
Other payables		48.832	67
Short-term debt		**300.900**	**266**
Debt total		**73.612.777**	**68.701**
Liabilities and equity total		**39.534.388**	**37.469**

Uncertainty about the continued operation (going concern)	4
Contingent assets, liabilities and other financial obligations	5
Charges and securities	6

Notes

	2016	2015
	EUR	TEUR
1 Financial costs		
Other financial costs	609.822	728
	609.822	**728**

2 Tangible assets

	Land and buildings
Cost at 1 January 2016	40.763.031
Additions for the year	780.486
Cost at 31 December 2016	41.543.517
Impairment losses and depreciation at 1 January 2016	4.059.785
Depreciation for the year	779.336
Impairment losses and depreciation at 31 December 2016	4.839.121
Carrying amount at 31 December 2016	**36.704.396**

Notes

3 Equity

	Share capital	Retained earnings	Total
Equity at 1 January 2016	26.700	-31.259.996	-31.233.296
Net profit/loss for the year	0	-2.845.093	-2.845.093
Equity at 31 December 2016	**26.700**	**-34.105.089**	**-34.078.389**

4 Uncertainty about the continued operation (going concern)

The company has lost its entire share capital.

The parent company has issued a letter of support in order to ensure the company a working capital for at least a year counting from the balance date.

The main creditor has issued a letter of comfort, that the long term loan will not be called as long as installments are paid on time.

Management presents the financial statement under the assumption of going concern.

5 Contingent assets, liabilities and other financial obligations

Andre eventualforpligtelser
The company is taxable to France, since the real estate is situated in France. There are no taxable avtivities in Denmark.

6 Charges and securities

As security for debt payable to banks, mortgage has been taken out on land and buildings