Beato Danmark ApS

Thorsvej 19, Frøslev, DK-6330 Padborg

Annual Report for 1 January - 31 December 2016

CVR No 33 38 15 22

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 24/5 2017

Winfried Berndt
Chairman

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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Beato Danmark ApS for the financial year 1 January - 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Padborg, 24 May 2017

Executive Board

Tobias Nagel

Carsten Felix

Practitioner’s Statement on Compilation of Financial Statements

To the Management of Beato Danmark ApS

We have compiled the Financial Statements of Beato Danmark ApS for the financial year 1 January - 31 December 2016 on the basis of the Enterprise’s accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors’ Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Trekantområdet, 24 May 2017
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Bunk Harbo Larsen	Henrik Forthoft Lind
State Authorised Public Accountant	State Authorised Public Accountant

Company Information

The Company	Beato Danmark ApS Thorsvej 19 Frøslev DK-6330 Padborg CVR No: 33 38 15 22 Financial period: 1 January - 31 December Incorporated: 29 December 2010 Financial year: 6th financial year Municipality of reg. office: Aabenraa
Executive Board	Tobias Nagel Carsten Felix
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle
Bankers	Jyske Bank Kilen 1 6330 Padborg

Income Statement 1 January - 31 December

	Note	2016	2015
		TDKK	TDKK
Gross profit/loss		**2.070**	**2.084**
Depreciation and impairment of property, plant and equipment		-675	-675
Profit/loss before financial income and expenses		**1.395**	**1.409**
Financial income		34	0
Financial expenses		-777	-827
Profit/loss before tax		**652**	**582**
Tax on profit/loss for the year	2	-146	-135
Net profit/loss for the year		**506**	**447**

Distribution of profit

Proposed distribution of profit

Retained earnings	506	447
	506	**447**

Balance Sheet 31 December

Assets

	Note	2016	2015
		TDKK	TDKK
Land and buildings		18.175	18.763
Property, plant and equipment	3	**18.175**	**18.763**
Investments in subsidiaries	4	50	0
Fixed asset investments		**50**	**0**
Fixed assets		**18.225**	**18.763**
Trade receivables		220	440
Other receivables		300	300
Receivables		**520**	**740**
Cash at bank and in hand		**1.142**	**878**
Currents assets		**1.662**	**1.618**
Assets		**19.887**	**20.381**

Balance Sheet 31 December

Liabilities and equity

	Note	2016	2015
		TDKK	TDKK
Share capital		81	81
Retained earnings		2.105	1.475
Equity	5	**2.186**	**1.556**
Provision for deferred tax		178	148
Provisions		**178**	**148**
Mortgage loans		6.167	6.655
Long-term debt	6	**6.167**	**6.655**
Mortgage loans	6	452	452
Trade payables		229	134
Corporation tax		142	145
Other payables		10.533	11.291
Short-term debt		**11.356**	**12.022**
Debt		**17.523**	**18.677**
Liabilities and equity		**19.887**	**20.381**
Main activity	1		
Contingent assets, liabilities and other financial obligations	7		

Notes to the Financial Statements

1 Main activity

The object of the Company is to carry on investment activities, including purchase and sale as well as investment in real property.

2 Tax on profit/loss for the year

	2016 TDKK	2015 TDKK
Current tax for the year	151	155
Deferred tax for the year	30	30
	181	**185**
which breaks down as follows:		
Tax on profit/loss for the year	146	135
Tax on changes in equity	35	50
	181	**185**

3 Property, plant and equipment

	Land and buildings TDKK
Cost at 1 January	22.136
Additions for the year	86
Cost at 31 December	22.222
Impairment losses and depreciation at 1 January	3.373
Depreciation for the year	674
Impairment losses and depreciation at 31 December	4.047
Carrying amount at 31 December	**18.175**
Depreciated over	30 years

Notes to the Financial Statements

		2016	2015
		TDKK	TDKK
4	**Investments in subsidiaries**		
	Cost at 1 January	0	0
	Additions for the year	50	0
	Cost at 31 December	50	0
	Value adjustments at 1 January	0	0
	Value adjustments at 31 December	0	0
	Carrying amount at 31 December	**50**	**0**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Celcine Fleet Management ApS	Padborg, Denmark	50.000	100%

5 Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	81	1.475	1.556
Fair value adjustment of hedging instruments, beginning of year	0	1.211	1.211
Fair value adjustment of hedging instruments, end of year	0	-1.052	-1.052
Tax on adjustment of hedging instruments for the year	0	-35	-35
Net profit/loss for the year	0	506	506
Equity at 31 December	**81**	**2.105**	**2.186**

The share capital consists of 81 shares of a nominal value of TDKK 1,000. No shares carry any special rights.

Notes to the Financial Statements

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2016	2015
	TDKK	TDKK
Mortgage loans		
After 5 years	4.339	4.830
Between 1 and 5 years	1.828	1.825
Long-term part	6.167	6.655
Within 1 year	452	452
	6.619	**7.107**

7 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

Land and buildings with a carrying amount of	18.175	18.763

The following assets have been placed as security with bankers:

Mortgage registered to the mortgagor totalling TDKK 12.500 on land and buildings with a carrying amount of	18.175	18.763

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Beato Danmark 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 accounting policies applied remain unchanged from last year.

Financial Statements for 2016 are presented in TDKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation and impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Notes, Accounting Policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Notes, Accounting Policies

Other external expenses

Other external expenses comprise office expenses etc.

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other buildings	30 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes, Accounting Policies

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The items “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enter pri ses calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes, Accounting Policies

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.