

CMNRE CC Copenhagen Residential HoldCo ApS

c/o CASA Finans A/S

Ove Jensens Alle 35

8700 Horsens

Central Business Registration no. 35 80 21 18

---

Annual Report for

1. January - 31. December 2015

Adopted at the Annual General Meeting on 31/05 2016

---

Juha Salokoski  
Chairman

## Contents

	<b>Page</b>
<b>Management's Statement and Auditors' Report</b>	
Statement by management on the annual report	2
Independent auditor's report on the financial statements	3
<b>Company details</b>	
Company details	5
<b>Financial Statements</b>	
Income Statement 1 January - 31 December 2015	6
Balance Sheet at 31 December 2015	7
Cash Flow Statement 1 January - 31 December 2015	9
Notes to the annual report	10
Accounting policies	14

## Statement by management on the annual report

Today, the board of directors and the executive board have discussed and approved the annual report of CMNRE CC Copenhagen Residential HoldCo ApS for the financial year 1 January - 31 December 2015.

The annual report has been 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 its operations and cash flows for the financial year 1 January - 31 December 2015.

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

Copenhagen, 15 April 2016

### **Executive Board**

Torsten Bjerregaard

### **Supervisory Board**

Juha Salokoski

Torsten Bjerregaard

Mika Matikainen

## Independent auditor's report on the financial statements

### ***To the Shareholder of CMNRE CC Copenhagen Residential HoldCo ApS***

We have audited the financial statements of CMNRE CC Copenhagen Residential HoldCo ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, cash flow statement, notes and summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's responsibility for the financial statements**

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of the 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 the 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.

The audit has not resulted in any qualification.

## Independent auditor's report on the financial statements

### **Opinion**

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

Trekantområdet, 15 April 2016

### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR-no.33 77 12 31

Jesper Wiinholt  
State Authorised Public Accountant

John Lindholm Bode  
State Authorised Public Accountant

## Company details

### **The company**

CMNRE CC Copenhagen Residential HoldCo ApS  
c/o CASA Finans A/S  
Ove Jensens Alle 35  
8700 Horsens

Central Business Registration no.:35 80 21 18  
Financial year: 1 January - 31 December  
Incorporated: 13 March 2014  
Domicile: København K

### **Board of directors**

Juha Salokoski  
Torsten Bjerregaard  
Mika Matikainen

### **Executive board**

Torsten Bjerregaard

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
7100 Vejle

## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
<b>Gross profit</b>		<b>-210.836</b>	<b>-10.052</b>
Income from investments in subsidiaries	1	-1.672.367	-5.800
Financial expenses	2	<u>-363.934</u>	<u>-66.667</u>
<b>Profit/loss before tax</b>		<b>-2.247.137</b>	<b>-82.519</b>
Tax on profit/loss for the year	3	<u>124.650</u>	<u>18.792</u>
<b>Net profit/loss for the year</b>		<b><u>-2.122.487</u></b>	<b><u>-63.727</u></b>
Retained earnings		<u>-2.122.487</u>	<u>-63.727</u>
		<b><u>-2.122.487</u></b>	<b><u>-63.727</u></b>

## Balance Sheet at 31 December 2015

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
<b>Assets</b>			
Investments in subsidiaries	4	29.921.833	4.394.200
<b>Fixed asset investments</b>		<u>29.921.833</u>	<u>4.394.200</u>
<b>Fixed assets total</b>		<u>29.921.833</u>	<u>4.394.200</u>
Deferred tax asset		142.324	0
Corporation tax		1.118	18.792
<b>Receivables</b>		<u>143.442</u>	<u>18.792</u>
<b>Cash at bank and in hand</b>		<u>834.471</u>	<u>1.049.948</u>
<b>Current assets total</b>		<u>977.913</u>	<u>1.068.740</u>
<b>Assets total</b>		<u><u>30.899.746</u></u>	<u><u>5.462.940</u></u>



## Balance Sheet at 31 December 2015

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
<b>Liabilities and equity</b>			
Share capital		51.002	50.001
Retained earnings		<u>15.212.784</u>	<u>1.336.272</u>
<b>Equity total</b>	5	<b><u>15.263.786</u></b>	<b><u>1.386.273</u></b>
Payables to subsidiaries		<u>15.625.960</u>	<u>4.066.667</u>
<b>Long-term debt</b>		<b><u>15.625.960</u></b>	<b><u>4.066.667</u></b>
Trade payables		<u>10.000</u>	<u>10.000</u>
<b>Short-term debt</b>		<b><u>10.000</u></b>	<b><u>10.000</u></b>
<b>Debt total</b>		<b><u>15.635.960</u></b>	<b><u>4.076.667</u></b>
<b>Liabilities and equity total</b>		<b><u>30.899.746</u></b>	<b><u>5.462.940</u></b>
Related parties and ownership	6		
Main activity	7		

## Cash Flow Statement

### 1 January - 31 December

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Net profit/loss for the year		-2.122.487	-63.727
Adjustments	8	1.911.651	53.675
Change in working capital	9	<u>0</u>	<u>10.000</u>
<b>Cash flows from operating activities before financial income and expenses</b>		<b>-210.836</b>	<b>-52</b>
Financial expenses		<u>-363.934</u>	<u>-66.667</u>
<b>Cash flows from operating activities</b>		<b><u>-574.770</u></b>	<b><u>-66.719</u></b>
Fixed asset investments made etc		<u>-27.200.000</u>	<u>-4.400.000</u>
<b>Cash flows from investing activities</b>		<b><u>-27.200.000</u></b>	<b><u>-4.400.000</u></b>
Raising of loans from group subsidiaries		11.559.293	4.066.667
Cash capital increase		<u>16.000.000</u>	<u>1.450.000</u>
<b>Cash flows from financing activities</b>		<b><u>27.559.293</u></b>	<b><u>5.516.667</u></b>
<b>Change in cash and cash equivalents</b>		<b>-215.477</b>	<b>1.049.948</b>
Cash and cash equivalents at 1 January 2015		<u>1.049.948</u>	<u>0</u>
<b>Cash and cash equivalents at 31 December 2015</b>		<b><u><u>834.471</u></u></b>	<b><u><u>1.049.948</u></u></b>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		<u>834.471</u>	<u>1.049.948</u>
<b>Cash and cash equivalents at 31 December 2015</b>		<b><u><u>834.471</u></u></b>	<b><u><u>1.049.948</u></u></b>

## Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK	DKK
<b>1 Income from investments in subsidiaries</b>		
Share of losses of subsidiaries	-1.672.367	-5.800
	<u><b>-1.672.367</b></u>	<u><b>-5.800</b></u>
<b>2 Financial expenses</b>		
Interest paid to group enterprises	359.293	66.667
Other financial expenses	4.641	0
	<u><b>363.934</b></u>	<u><b>66.667</b></u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	17.674	-18.792
Deferred tax for the year	-126.449	0
Adjustment of deferred tax concerning previous years	-15.875	0
	<u><b>-124.650</b></u>	<u><b>-18.792</b></u>

## Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK	DKK
<b>4 Investments in subsidiaries</b>		
Cost at 1 January 2015	4.400.000	0
Additions for the year	<u>27.200.000</u>	<u>4.400.000</u>
Cost at 31 December 2015	<u>31.600.000</u>	<u>4.400.000</u>
Revaluations at 1 January 2015	-5.800	0
Net profit/loss for the year	<u>-1.672.367</u>	<u>-5.800</u>
Revaluations at 31 December 2015	<u>-1.678.167</u>	<u>-5.800</u>
<b>Carrying amount at 31 December 2015</b>	<b><u><u>29.921.833</u></u></b>	<b><u><u>4.394.200</u></u></b>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Votes and ownership</u>	<u>Equity</u>	<u>Net profit/loss for the year</u>
CC Copenhagen Residential A/S	Horsens	80%	37.402.291	-2.090.459
			<u>37.402.291</u>	<u>-2.090.459</u>

## Notes to the Annual Report

### 5 Equity

	Share capital	Retained earnings	Total
Equity at 1 January 2015	50.001	1.336.272	1.386.273
Cash capital increase	1.001	15.998.999	16.000.000
Net profit/loss for the year	0	-2.122.487	-2.122.487
<b>Equity at 31 December 2015</b>	<b>51.002</b>	<b>15.212.784</b>	<b>15.263.786</b>

The share capital consists of 51.002 shares of a nominal value of DKK 1. No shares carry any special rights. The share capital has developed as follows:

	2015 DKK	2014 DKK
Share capital at 1 January 2015	50.001	0
Additions for the year	1.001	50.001
Disposals for the year	0	0
<b>Share capital at 31 December 2015</b>	<b>51.002</b>	<b>50.001</b>

### 6 Related parties and ownership

#### Ownership

According to the company's register of shareholders, the following shareholders hold a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

CapMan Nordic Real Estate Investment S.á.r.l., 7A, rue Robert Stümper, L-2557 Luxembourg

### 7 Main activity

The company's purpose is to hold shares in the subsidiary CC Copenhagen Residential A/S

## Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK	DKK
<b>8 Cash flow statement - adjustments</b>		
Financial expenses	363.934	66.667
Income from investments in subsidiaries	1.672.367	5.800
Tax on profit/loss for the year	<u>-124.650</u>	<u>-18.792</u>
	<b><u>1.911.651</u></b>	<b><u>53.675</u></b>
<b>9 Cash flow statement - change in working capital</b>		
Change in trade payables, etc.	<u>0</u>	<u>10.000</u>
	<b><u>0</u></b>	<b><u>10.000</u></b>

## Accounting policies

The annual report of CMNRE CC Copenhagen Residential HoldCo ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those applied last year.

The annual report for 2015 is presented in DKK

### **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 is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income Statement**

#### **Other external expenses**

Other external expenses comprise office expenses, etc.

#### **Income from investments in subsidiaries**

The proportionate share of the profit or loss after tax of the individual subsidiaries is recognised in the income statement after full elimination of intra-group gains/losses.

## Accounting policies

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and 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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes

### **Balance Sheet**

#### **Investments in subsidiaries and associates**

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises 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).

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Company A/S is adopted are not taken to the net revaluation reserve.

Acquisitions are accounted for using the purchase method, cf. the description of the statement of goodwill above.

#### **Deferred tax assets and liabilities**

Current tax obligations and receivable tax is recognized in the balance sheet as calculated tax on profit/loss for the year, regulated tax from previous years, and account payments.

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.



## Accounting policies

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement. For the current year the current tax rate are 22%.

### **Debts**

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

### **Cash Flow Statement**

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

### **Cash flows from operating activities**

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

### **Cash flows from investing activities**

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

### **Cash flows from financing activities**

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

### **Cash and cash equivalents**

Cash and cash equivalents comprise "Cash at bank and in hand" and "Current asset investments". "Current asset investments" consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.