

CC Copenhagen Residential A/S
Ove Jensens Alle 35
8700 Horsens
Central Business Registration no. 35 80 21 42

Annual Report for
1. januar - 31. december 2015

Adopted at the Annual General Meeting on 31 May 2016

Juha Salokoski
Chairman

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Statement by management on the annual report

Today, the board of directors and the executive board have discussed and approved the annual report of CC Copenhagen Residential A/S 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.

Horsens, 5 February 2016

Executive Board

Michael Mortensen

Supervisory Board

Michael Mortensen

Torsten Bjerregaard

Juha Salokoski

Mika Matikainen

Independent auditor's report on the financial statements

To the Shareholders of CC Copenhagen Residential A/S

We have audited the financial statements of CC Copenhagen Residential A/S 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, 05 February 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

CC Copenhagen Residential A/S
Ove Jensens Alle 35
8700 Horsens

CVR no.: 35 80 21 42
Financial year: 1 January - 31 December
Incorporated: 13 March 2014
Financial year: 2nd financial year
Domicile: Horsens

Board of directors

Michael Mortensen
Torsten Bjerregaard
Juha Salokoski
Mika Matikainen

Executive board

Michael Mortensen

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
Gross profit		-2.683.074	-10.000
Financial income		<u>290</u>	<u>398</u>
Profit/loss before tax		-2.682.784	-9.602
Tax on profit/loss for the year	1	<u>592.325</u>	<u>2.352</u>
Net profit/loss for the year		<u><u>-2.090.459</u></u>	<u><u>-7.250</u></u>
Retained earnings		<u>-2.090.459</u>	<u>-7.250</u>
		<u><u>-2.090.459</u></u>	<u><u>-7.250</u></u>

Balance Sheet at 31 December 2015

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Assets			
Stocks	2	<u>194.801.098</u>	<u>4.291.944</u>
Other receivables		2.333.726	1.072.236
Deferred tax asset		592.325	0
Corporation tax		<u>2.352</u>	<u>2.352</u>
Receivables		<u>2.928.403</u>	<u>1.074.588</u>
Cash at bank and in hand		<u>21.301.250</u>	<u>1.523.884</u>
Current assets total		<u>219.030.751</u>	<u>6.890.416</u>
Assets total		<u><u>219.030.751</u></u>	<u><u>6.890.416</u></u>

Balance Sheet at 31 December 2015

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Liabilities and equity			
Share capital		39.500.000	5.500.000
Retained earnings		<u>-2.097.709</u>	<u>-7.250</u>
Equity total	3	<u>37.402.291</u>	<u>5.492.750</u>
Trade payables		<u>181.628.460</u>	<u>1.397.666</u>
Short-term debt		<u>181.628.460</u>	<u>1.397.666</u>
Debt total		<u>181.628.460</u>	<u>1.397.666</u>
Liabilities and equity total		<u>219.030.751</u>	<u>6.890.416</u>
Related parties and ownership	4		
Main activity	5		

Cash Flow Statement

1 January - 31 December

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Net profit/loss for the year		-2.090.459	-7.250
Adjustments	6	-592.615	-2.750
Change in working capital	7	<u>-11.539.850</u>	<u>-3.966.514</u>
Cash flows from operating activities before financial income and expenses		-14.222.924	-3.976.514
Financial income		<u>290</u>	<u>398</u>
Cash flows from operating activities		<u>-14.222.634</u>	<u>-3.976.116</u>
Cash capital increase		<u>34.000.000</u>	<u>5.500.000</u>
Cash flows from financing activities		<u>34.000.000</u>	<u>5.500.000</u>
Change in cash and cash equivalents		19.777.366	1.523.884
Cash and cash equivalents at 1 January 2015		<u>1.523.884</u>	<u>0</u>
Cash and cash equivalents at 31 December 2015		<u><u>21.301.250</u></u>	<u><u>1.523.884</u></u>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		<u>21.301.250</u>	<u>1.523.884</u>
Cash and cash equivalents at 31 December 2015		<u><u>21.301.250</u></u>	<u><u>1.523.884</u></u>

Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK	DKK
1 Tax on profit/loss for the year		
Current tax for the year	0	-2.352
Deferred tax for the year	<u>-592.325</u>	<u>0</u>
	<u>-592.325</u>	<u>-2.352</u>

	<u>2015</u>	<u>2014</u>
	DKK	DKK
2 Stocks		
Work in progress	<u>194.801.098</u>	<u>4.291.944</u>
	<u>194.801.098</u>	<u>4.291.944</u>

Land is part of work in progress with following amount	174.700.813	0
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The company has entered into a conditional agreement regarding the purchase of land. The liability is included in trade payables.

Notes to the Annual Report

3 Equity

	Share capital	Retained earnings	Total
Equity at 1 January 2015	5.500.000	-7.250	5.492.750
Cash capital increase	34.000.000	0	34.000.000
Net profit/loss for the year	0	-2.090.459	-2.090.459
Equity at 31 December 2015	39.500.000	-2.097.709	37.402.291

The share capital consists of 39.500.000 shares of a nominal value of DKK 39.500.000. No shares carry any special rights.

The share capital has developed as follows:

	2015	2014
	DKK	DKK
Share capital at 1 January 2015	5.500.000	0
Additions for the year	34.000.000	5.500.000
Disposals for the year	0	0
Share capital at 31 December 2015	39.500.000	5.500.000

4 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:

CMNRE CC Copenhagen Residential HoldCo ApS
CASA Finans A/S

5 Main activity

The Company's object is acquire, develop and sell building plots no. 2, 3 and 5 at Sundmolen, 2100 København Ø.

Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK	DKK
6 Cash flow statement - adjustments		
Financial income	-290	-398
Tax on profit/loss for the year	<u>-592.325</u>	<u>-2.352</u>
	<u>-592.615</u>	<u>-2.750</u>
7 Cash flow statement - change in working capital		
Change in inventories	-190.509.154	-4.291.944
Change in receivables	-1.261.490	-1.072.236
Change in trade payables, etc.	<u>180.230.794</u>	<u>1.397.666</u>
	<u>-11.539.850</u>	<u>-3.966.514</u>

Accounting policies

The annual report of CC Copenhagen Residential A/S 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

Gross profit

The Company uses the regulations in the Danish Financial Statements Act §32, after which the company's revenue is not stated.

Gross profit comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Accounting policies

Financial income and expenses

Financial income and expenses include interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. The tax recognised in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively.

Tax for the year, which comprises the wholly owned Danish and foreign subsidiaries 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.

Balance Sheet

Stocks

Stocks are measured at using FIFO method. Where the net realisable value is lower than the cost, inventories are carried at this lower value.

Income tax and deferred 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.

Joint taxation contributions payable and receivable are recognised in the balance sheet as income tax receivable or income tax payable, respectively.

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.

Deferred tax is adjusted for elimination of unrealised intra-group gains and losses.

Deferred tax is measured on the basis of the taxation rules and taxation rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Accounting policies

Liabilities

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 under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the Company's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.