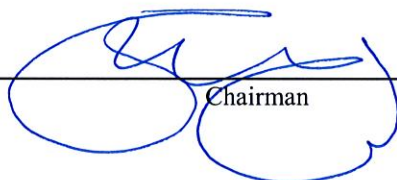


RESIDENTIAL AIR CON HOLDING APS
Staktoften 16, 2950 Vedbæk

Annual report for 2015

Adopted at the annual general meeting on *20/5-2016*



Chairman

CVR no. 36 96 69 04

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COMPANY DETAILS

The company	Residential Air Con Holding ApS Staktoften 16 2950 Vedbæk
	Tel: +45 45 89 01 33
	Fax: +45 45 89 31 33
	CVR no.: 36 96 69 04
	Financial year: 1 January - 31 December
	Domicile: Vedbæk
Board of Directors	Jesper Bernhoft, chairman Annette Bernhoft Andersen, John Korsø Jensen
Board of Executives	Daniel Williams
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Østerfælled Torv 10, 2. sal 2100 København Ø

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

Today, the board of directors and the executive board have discussed and approved the annual report of Residential Air Con Holding 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 for the financial year 1 January - 31 December 2015.

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

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

Vedbæk, 20 May 2016

Board of Executives



Daniel Williams

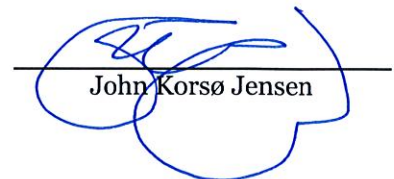
Board of Directors



Jesper Bernhoft
chairman



Annette Bernhoft Andersen



John Korsø Jensen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Residential Air Con Holding ApS

Report on the financial statements

We have audited the financial statements of Residential Air Con Holding ApS for the financial year 1 January - 31 December 2015, which comprise summary of significant accounting policies, income statement, balance sheet and notes. 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.

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 operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

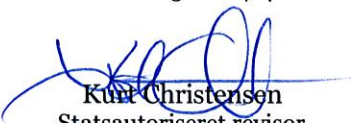
Statement on management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the financial statements.

København, 20 May 2016

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR-no.31 06 17 41



Kurt Christensen
Statsautoriseret revisor
(State-authorised public accountant)

MANAGEMENT'S REVIEW

The company's business activities

The company's activity is developing and marketing solutions within the residential air con industry.

Post balance sheet events

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Development in the financial year

The Company was founded as a spin off from a split of Multi-Wing Group Holding ApS as per 29 April 2015. The purpose of Residential Air Con Holding ApS is to pursue new business opportunities in other segments and involving new business partners. One of the purposes is to segregate the new activities as much as possible from the current Multi-Wing brand. At the end of 2015 Residential Air Con Holding ApS established its first subsidiary in order to pursue this strategic decision.

The Company's earnings in the period 1 January – 31 December 2015 and the financial position at 31 December 2015 is shown in the following income statement and balance sheet with related notes.

Net result for the year is considered satisfactory.

ACCOUNTING POLICIES

The annual report of Residential Air Con Holding ApS for 2015 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 2015 is presented in Danish kroner.

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.

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 include expenses related to administration etc.

Financial income and expenses

Financial income and expenses include interest, financial expenses, realised and unrealised capital and exchange rate gains and losses on transactions in foreign currencies etc.

Income from investments in subsidiaries and associates

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

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

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.

Investments in subsidiaries and associates

Fair value

The items "Investments in subsidiaries and associates" 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 and associates 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 and associates 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 Residential Air Con ApS 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.

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

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.

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 assets, including the tax value of tax loss carried forward, are measured at the value at which the assets is expected to be realised, either by elimination in tax on future earnings or against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at the net realisable value.

ACCOUNTING POLICIES

Deferred tax is measured on the basis of the tax rules and tax rates, which are operative at the balance sheet date, if the deferred tax was expected realised as current tax. Changes in deferred tax due to changes in the tax rate are measured in the income statement. For the present financial year a tax rate of 23.5 %.

Liabilities

Liabilities to suppliers and other liabilities are measured at amortised cost, normally corresponding to nominal value

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other payables, respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in equity. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

As for derivative financial instruments that do not qualify for hedge accounting, fair value adjustments are recognised in the income statement on a current basis.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2015	2014
		kr.	t.kr.
GROSS PROFIT		-734.166	-25
Income from investments in associates		5.845.902	7.030
Financial costs		-4.646	0
PROFIT/LOSS BEFORE TAX		5.107.090	7.005
Tax on profit/loss for the year		0	0
PROFIT/LOSS FOR THE YEAR		5.107.090	7.005
Reserve for net revaluation under the equity method		5.845.902	7.030
Retained earnings		-738.812	-25
		5.107.090	7.005

BALANCE SHEET AT 31 DECEMBER

	<u>Note</u>	<u>2015</u> kr.	<u>2014</u> t.kr.
Assets			
Investments in subsidiaries	1	90.776	0
Investments in associates	2	<u>27.550.626</u>	<u>26.121</u>
Fixed asset investments		<u>27.641.402</u>	<u>26.121</u>
FIXED ASSETS TOTAL		<u>27.641.402</u>	<u>26.121</u>
Receivables from subsidiaries		<u>377.852</u>	<u>0</u>
Receivables		<u>377.852</u>	<u>0</u>
Cash at bank and in hand		<u>4.327.977</u>	<u>0</u>
CURRENT ASSETS TOTAL		<u>4.705.829</u>	<u>0</u>
ASSETS TOTAL		<u><u>32.347.231</u></u>	<u><u>26.121</u></u>

BALANCE SHEET AT 31 DECEMBER

	Note	2015 kr.	2014 t.kr.
LIABILITIES AND EQUITY			
Share capital		125.000	125
Reserve for net revaluation under the equity method		9.013.876	7.584
Retained earnings		22.647.938	18.387
EQUITY TOTAL	3	31.786.814	26.096
Trade payables		512.150	25
Anden gæld		48.267	0
Short-term debt		560.417	25
DEBT TOTAL		560.417	25
LIABILITIES AND EQUITY TOTAL		32.347.231	26.121
Contingencies, etc.	4		
Related parties and ownership	5		

NOTES TO THE ANNUAL REPORT

	2015 kr.	2014 t.kr.
1 Investments in subsidiaries		
Cost at 1 January 2015	0	0
Additions for the year	90.776	0
Cost at 31 December 2015	90.776	0
Revaluations at 1 January 2015	0	0
Revaluations at 31 December 2015	0	0
Carrying amount at 31 December 2015	90.776	0
2 Investments in associates		
Cost at 1 January 2015	18.750.000	18.750
Cost at 31 December 2015	18.750.000	18.750
Revaluations at 1 January 2015	7.370.989	0
Adjustment to equity value at beginning of year	0	-213
Exchange adjustment	643.080	554
Net profit/loss for the year	5.845.902	7.030
Dividends paid	-5.000.000	0
Fair value adjustment of hedging instruments for the year	-59.345	0
Revaluations at 31 December 2015	8.800.626	7.371
Carrying amount at 31 December 2015	27.550.626	26.121
'Remaining positive difference included in the above carrying amount at 31 December 2015	4.774.500	5.219

NOTES TO THE ANNUAL REPORT

3 EQUITY

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2015	125.000	7.584.239	18.386.750	26.095.989
Exchange adjustments	0	643.080	0	643.080
Fair value adjustment of hedging instruments	0	-59.345	0	-59.345
Net profit/loss for the year	0	5.845.902	-738.812	5.107.090
Udloddet udbytte fra associerede virksomheder	0	-5.000.000	5.000.000	0
Equity at 31 December 2015	125.000	9.013.876	22.647.938	31.786.814

4 CONTINGENCIES, ETC.

The Company was founded as a spin off from a split of Multi-Wing Group Holding ApS as per 29 April 2015. As a result the Company is on a pro-rata apportionment liable for existing and potential liabilities towards Multi-Wing Group Holding ApS as per that date.

5 RELATED PARTIES AND 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:

Jesper Bernhoft, Apt 609, Via Roncone 22, 6927 Agra, Schwitterland