

IRAF Kay ApS

c/o SF Management ApS,
Amaliegade 15, 2. sal.
1256 København K
Denmark

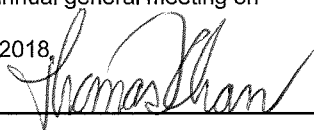
CVR no. 37 37 09 08

Annual report for the period 1 January – 31 December 2017

The annual report was presented and approved at the
Company's annual general meeting on

27 February 2018.

chairman



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IRAF Kay ApS
Annual report 2017
CVR no. 37 37 09 08

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of IRAF Kay ApS for the financial year 1 January – 31 December 2017.

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 assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 27 February 2018
Executive Board:



Nicola Antonio Di Ciacca



Gareth James Purcell



Christian Ulrich Brandt
Birger-Christensen



Independent auditor's report

To the shareholder of IRAF Kay ApS

Opinion

We have audited the financial statements of IRAF Kay ApS for the financial year 1 January – 31 December 2017 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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



Independent auditor's report

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.

Statement on the Management's review

Management is responsible for the Management's review.

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

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

Copenhagen, 27 February 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Tuborg
State Authorised
Public Accountant
MNE no. 24621

IRAF Kay ApS
Annual report 2017
CVR no. 37 37 09 08

Management's review

Company details

IRAF Kay ApS
c/o SF Management ApS, Amaliegade 15, 2. sal.
1256 København K
Denmark

CVR no.:	37 37 09 08
Established:	11 January 2016
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Executive Board

Nicola Antonio Di Ciacca
Gareth James Purcell
Christian Ulrich Brandt Birger-Christensen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen
Denmark

Annual general meeting

The annual general meeting will be held on 27 February 2018.

Management's review

Operating review

Principal activities

The purpose of the entity is to be the holding company and conduct business in real estate investment, management and real estate management, real estate development and other related activities.

Development in activities and financial position

The company's income statement for the year shows a loss of DKK 11,630 thousand. The balance sheet shows an equity of DKK 55,457 thousand.

Adjustment of deferred tax of DKK 8,281 thousand regarding previous year has had a significant impact of the financial result.

Events after the balance sheet date

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

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	1 Jan – 31 Dec 2017	11 Jan - 31 Dec 2016
Other external costs		<u>-25</u>	<u>-25</u>
Gross loss		-25	-25
Write-down on equity investments in group entities		-50	0
Financial expenses	2	<u>-32</u>	<u>0</u>
Loss before tax		-107	-25
Tax on loss for the year	3	<u>-11,523</u>	<u>0</u>
Loss for the year		<u><u>-11,630</u></u>	<u><u>-25</u></u>
Proposed distribution of loss			
Retained earnings		<u>-11,630</u>	<u>-25</u>
		<u><u>-11,630</u></u>	<u><u>-25</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2017	2016
ASSETS			
Fixed assets			
Investments	4		
Equity investments in group entities		<u>67,544</u>	<u>67,594</u>
		<u>67,544</u>	<u>67,594</u>
Total fixed assets		<u>67,544</u>	<u>67,594</u>
Current assets			
Receivables			
Other receivables		<u>130</u>	<u>0</u>
		<u>130</u>	<u>0</u>
Cash at bank and in hand		<u>83</u>	<u>168</u>
Total current assets		<u>213</u>	<u>168</u>
TOTAL ASSETS		<u>67,757</u>	<u>67,762</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		61	61
Retained earnings		<u>55,396</u>	<u>67,026</u>
Total equity		<u>55,457</u>	<u>67,087</u>
Provisions			
Provisions for deferred tax		<u>11,519</u>	<u>0</u>
Total provisions		<u>11,519</u>	<u>0</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Payables to group entities		756	650
Other payables		<u>25</u>	<u>25</u>
		<u>781</u>	<u>675</u>
Total liabilities other than provisions		<u>781</u>	<u>675</u>
TOTAL EQUITY AND LIABILITIES		<u>67,757</u>	<u>67,762</u>
Contractual obligations, contingencies, etc.	5		

Financial statements 1 January – 31 December

Statement of changes in equity

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	61	67,026	67,087
Transferred over the distribution of loss	<u>0</u>	<u>-11,630</u>	<u>-11,630</u>
Equity at 31 December 2017	<u><u>61</u></u>	<u><u>55,396</u></u>	<u><u>55,457</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of IRAF Kay ApS for 2017 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Other external costs

Other external costs comprise of administration costs.

Impairment of fixed assets

The carrying amount of equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Financial income and expenses

Financial income and expenses comprise income and interest expenses.

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. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Equity investments in group entities

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Liabilities other than provisions

Liabilities are measured at net realisable value.

Deferred tax

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January – 31 December

Notes

2 Financial expenses

DKK'000	1 Jan – 31 Dec 2017	11 Jan - 31 Dec 2016
Interest expense to group entities	31	0
Other financial costs	1	0
	<u>32</u>	<u>0</u>

3 Tax on profit/loss for the year

Deferred tax for the year	3,238	0
Adjustment of tax concerning previous years	4	0
Adjustment of deferred tax concerning previous years	<u>8,281</u>	<u>0</u>
	<u>11,523</u>	<u>0</u>

4 Investments

DKK'000	1 Jan – 31 Dec 2017
Cost at 1 January 2017	67,594
Additions for the year	<u>0</u>
Cost at 31 December 2017	67,594
Write-down at 1 January 2017	0
Write-down for the year	<u>-50</u>
Write-down at 31 December 2017	-50
Carrying amount at 31 December 2017	<u><u>67,544</u></u>

5 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company has no contingent liabilities.