

A.R. Property ApS

Sigerstedvej 27, 4100 Ringsted

Company reg. no. 37 61 61 68

Annual report

4 April - 31 December 2016

The annual report have been submitted and approved by the general meeting on the 19 May 2017.

Rafal Wolski
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's report

The board of directors and the managing director have today presented the annual report of A.R. Property ApS for the financial year 4 April to 31 December 2016.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2016 and of the company's results of its activities in the financial year 4 April to 31 December 2016.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Ringsted, 28 March 2017

Managing Director

Alicja Barbara Koss

Board of directors

Rafal Wolski

Alicja Barbara Koss

Independent auditor's report

To the shareholder of A.R. Property ApS

Opinion

We have audited the annual accounts of A.R. Property ApS for the financial year 4 April to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 4 April to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 28 March 2017

BUUS JENSEN

State Authorised Public Accountants
Company reg. no. 16 11 90 40

Lotte Nørskov

State Authorised Public Accountant

Company data

The company

A.R. Property ApS
Sigerstedvej 27
4100 Ringsted

Company reg. no. 37 61 61 68
Established: 4 April 2016
Domicile: Ringsted
Financial year: 4 April 2016 - 31 December 2016
1st financial year

Board of directors

Rafal Wolski
Alicja Barbara Koss

Managing Director

Alicja Barbara Koss

Auditors

BUUS JENSEN, Statsautoriserede revisorer

Management's review

The principal activities of the company

The purpose of the company are investment in properties, rental and other services.

Development in activities and financial matters

The results from ordinary activities after tax are DKK -63.715. The management consider the result as excepted.

Accounting policies used

The annual report for A.R. Property ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The profit and loss account

Gross loss

Rental income from investment property'

Rental income comprises income from the lease of property and from charged joint costs, and it is recognised in the profit and loss account for the period relating to the lease payment. Income from the heating account is recognised in the balance sheet as a balance among the lessees.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Costs concerning investment properties

Costs concerning investment properties comprise operation costs, repair and maintenance costs, taxes, charges and other costs. Costs concerning the heating accounts are recognised in the balance sheet as a balance among the lessees.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Buildings	25 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Accounting policies used

According to the rules of joint taxation, A.R. Property ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account

<u>Note</u>	4/4 - 31/12 2016
Gross loss	-24.736
Depreciation and writedown relating to tangible fixed assets	-56.819
Operating profit	-81.555
1 Other financial costs	-131
Results before tax	-81.686
2 Tax on ordinary results	17.971
Results for the year	-63.715
Proposed distribution of the results:	
Allocated from results brought forward	-63.715
Distribution in total	-63.715

Balance sheet

Assets		
<u>Note</u>		<u>31/12 2016</u>
Fixed assets		
3	Land and property	<u>3.370.420</u>
	Tangible fixed assets in total	<u>3.370.420</u>
	Fixed assets in total	<u>3.370.420</u>
Current assets		
	Trade debtors	5.507
	Receivable corporate tax	<u>20.235</u>
	Debtors in total	<u>25.742</u>
	Available funds	<u>159.697</u>
	Current assets in total	<u>185.439</u>
	Assets in total	<u>3.555.859</u>

Balance sheet

<u>Note</u>	<u>31/12 2016</u>
Equity and liabilities	
Equity	
4 Contributed capital	50.000
5 Share premium account	0
6 Results brought forward	<u>3.386.285</u>
Equity in total	<u>3.436.285</u>
Provisions	
Provisions for deferred tax	<u>2.264</u>
Provisions in total	<u>2.264</u>
Liabilities	
Trade creditors	13.720
Debt to group enterprises	8.648
Other debts	<u>94.942</u>
Short-term liabilities in total	<u>117.310</u>
Liabilities in total	<u>117.310</u>
Equity and liabilities in total	<u>3.555.859</u>

7 Contingencies

Notes

	4/4 - 31/12 2016
1. Other financial costs	
Other financial costs	131
	<u>131</u>
2. Tax on ordinary results	
Tax of the results for the year, parent company	-20.235
Adjustment for the year of deferred tax	2.264
	<u>-17.971</u>
3. Land and property	
Cost 4 April 2016	0
Additions during the year	3.427.239
Disposals during the year	0
Cost 31 December 2016	<u>3.427.239</u>
Depreciation and writedown 4 April 2016	0
Depreciation for the year	-56.819
Depreciation and writedown 31 December 2016	<u>-56.819</u>
Book value 31 December 2016	<u>3.370.420</u>

Notes

	<u>31/12 2016</u>
4. Contributed capital	
Contributed capital 4 April 2016	50.000
	<u>50.000</u>
5. Share premium account	
Share premium account 4 April 2016	3.450.000
Transfer to profit or loss account	<u>-3.450.000</u>
	<u>0</u>
6. Results brought forward	
Results brought forward 4 April 2016	0
Profit or loss for the year brought forward	-63.715
Transfer from share premium account	<u>3.450.000</u>
	<u>3.386.285</u>

7. Contingencies

Joint taxation

A.R. Holding ApS, company reg. no 37 25 90 71 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The total tax payable under the joint taxation amounts to DKK 0 thousand.

The liability relating to obligations in connection with withholding tax on dividends, interest and royalties represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.