

Pineapple I Holding ApS

Amaliegade 15, 2. sal, 1256 København K

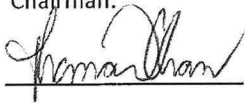
CVR No. 38 86 17 51

Annual report

For the year ended 31 December 2017

Approved at the annual general meeting, on 31/5 2018

Chairman:



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Statement by the Executive Board

The Executive Board have today discussed and approved the annual report of Pineapple 1 Holding ApS for the financial year August 17 – December 31, 2017.

The annual report is prepared in accordance with the Danish Financial Statements Act.

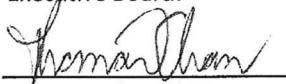
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations for the financial year August 17 – December 31, 2017.

We believe that the Management commentary includes a fair review of the affairs and conditions referred to therein.


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

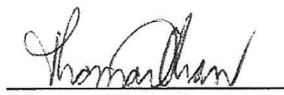
Copenhagen, 31/5 2018


Executive Board:


Thomas Esben Khan

Board of Directors


Kevin Jeremiah Cahill
Chairman


Thomas Esben Khan


Kristian Foss

Independent auditors' report

To the shareholders of
Pineapple I Holding ApS

Opinion

We have audited the financial statements of Pineapple I Holding ApS for the financial year 17 August – 31 December 2017, which comprise an 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 financial position of company at 31 December 2017, and of the results of the company operations for the financial year 17 August – 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 the financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Further, Management is responsible for such internal control as it determines in 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 responsibility for the audit of the financial statement

Our objectives are to obtain reasonable assurance about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can 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 taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 conclusion is 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 Management's review

Management is responsible for Management's review.

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

Based on the work we have performed, we conclude that 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 Management's review.

Odense, 31/5 2018

Ernst & Young

Godkendt Revisionspartnerselskab

CVR No. 30 78 02 28


Morten Schougaard Sørensen

State Authorised

Public Accountant

MNE no.: mne32129

Management's review

Company details

Name	Pineapple I Holding ApS
Address, Postal code, City	Amaliegade 15, 2. sal, 1256 København K
CVR No.	38 86 17 51
Established	17-08-2018
Registered office	Copenhagen
Financial year	17 August - 31 December
Supervisory Board	Kevin Jeremiah Cahill, chairman Thomas Esben Khan Kristian Foss
Executive board	Thomas Esben Khan
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

Management's review

The company's primary activities and company details

The company's purpose is to conduct business as a holding company, invest in real estate, administrate and manage real estate as well as other related activities.

Significant changes in business and economic conditions

The properties within Græsholmvænget Ejendomme ApS and Blomsterhaven Ejendomme ApS were sold in April and May 2018 . Both companies will be liquidated in 2018.

Financial statements for the period August 17 - December 31, 2017

Income statement

Notes	DKK	<u>2017</u>
	Gross profit/loss	-3.750
3	Income from investments	10.779.756
	Financial Income	375.324
2	Financial expenses	<u>-77.628</u>
	Profit/loss before tax	11.073.701
	Tax for the year	<u>-64.668</u>
	Profit/loss for the year	<u>11.009.033</u>
 Recomended appropriation of the profit/loss for the year		
	Reserve for net revaluation according to the equity method	259.246
	Retained earnings	<u>10.749.787</u>
		<u>11.009.033</u>

Financial statements for the period August 17 - December 31, 2017

Balance sheet

Notes	DKK	<u>2017</u>
	Assets	
	Non-current assets	
3	Investment in subsidiary	4.892.769
	Investments	<u>4.892.769</u>
	Total non-current assets	<u>4.892.769</u>
	Current assets	
	Receivables from group entities	12.343.581
	Receivables	<u>12.343.581</u>
	Cash	<u>143.206</u>
	Total current assets	<u>12.486.787</u>
	Total assets	<u><u>17.379.556</u></u>

Balance sheet

	Equity and liabilities	
	Equity	
4	Share capital	50.000
	Retained earnings	10.749.787
	Reserve for net revaluation according to the equity method	259.246
	Total equity	<u>11.059.033</u>
	Liabilities	
	Payables to parent company	6.088.993
	Long-term liabilities	<u>6.088.993</u>
	Payables to group entities	163.112
	Income tax payables	64.668
	Other payables	3.750
	Short-term liabilities	<u>231.530</u>
	Total liabilities	<u>6.320.523</u>
	Total equity and liabilities	<u><u>17.379.556</u></u>

5. Contractual obligations and contingencies, etc.

6. Related parties

Financial statements for the period August 17 - December 31, 2017

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Reserve for net revaluation according to the equity method</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 17/08 2017	50.000	0	0	50.000
Profit/loss for the year	0	259.246	10.749.787	11.009.033
Equity at 31/12 2017	<u><u>50.000</u></u>	<u><u>259.246</u></u>	<u><u>10.749.787</u></u>	<u><u>11.059.033</u></u>

Financial statements for the period August 17 - December 31, 2017

Notes

1. Accounting policies

The annual report of Pineapple I Holding ApS has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

It is the company's first financial year. Accordingly the income statement, balance sheet and notes do not contain comparative figures.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income Statement

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross margin'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial

Financial income and expenses are recognized in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, etc.

Tax

Tax for the year include current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowance, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Financial statements for the period August 17 - December 31, 2017

Notes

1. Accounting policies - continued

Balance sheet

Investment in subsidiary

Investments in subsidiaries are measured using the equity method, at the parent's proportionate share of such entities' equity. The equity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under "Provisions" in so far as the parent has a legal or constructive obligation to cover the deficit.

Gains or losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realizable value and the carrying amount.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Corporation tax

Current tax payable and receivable is recognized in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior year's taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values.

Deferred tax is measured according to the taxation rules and taxations rates applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax. Deferred tax assets are recognized at the value at which they are expected to be utilized, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Liabilities

Other liabilities are measured at net realizable value.

Financial statements for the period August 17 - December 31, 2017

Notes

DKK	<u>2017</u>
2. Financial expenses	
Interest expenses, affiliated companies	77.121
Interest expenses, bank and others	457
Bank charges etc.	50
	<u>77.628</u>
3. Investments	
	Investment in group entities
Cost at 17 August 2017	0
Additions	4.633.523
Cost at 31 December 2017	<u>4.633.523</u>
Value adjustment 17 August 2017	0
Adjustment for the year	259.246
Value adjustment 31 December 2017	<u>259.246</u>
Carrying amount at 31 December 2017	<u>4.892.769</u>

	Legal form	Domicile	Interest	Equity	Profit/loss
Subsidiaries					
Pjedsted Ejendomme ApS	ApS	Copenhagen K, Denmark	100%	-5.243.112	2.593.275
Græsholmvænget Ejendomme ApS	ApS	Copenhagen K, Denmark	100%	1.265.841	220.007
Blomsterhaven Harlev ApS	ApS	Copenhagen K, Denmark	100%	952.347	203.577
Fraugde Ejendomme ApS	ApS	Copenhagen K, Denmark	100%	826.495	-173.782
Brændekær Ejendomme ApS	ApS	Copenhagen K, Denmark	100%	739.815	865.623
Familiebolig A/S	ApS	Copenhagen K, Denmark	100%	1.108.271	-135.904

4. Share capital

There has been no change in share capital since the company was established. 50.000

5. Contractual obligations and contingencies, etc.

Guarantee commitments:	None
Rent and lease liabilities:	None
Cautionary commitments:	None

The Company is jointly taxed with Pineapple Odense Residential Komplementarselskab ApS, CVR no 37 15 44 90, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

6. Related parties

The company is included in the consolidated financial statements of Ares Management, L.P., Los Angeles, California. The consolidated financial statements can be obtained upon request from the parent company.