

Tragenco ApS

Bredgade 30, 1260 Copenhagen

Company reg. no. 73 28 22 17

Annual report

1 July 2016 - 30 June 2017

The annual report has been submitted and approved by the general meeting on the 14 November 2017.

Rasmus Vang
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 managing director has today presented the annual report of Tragenco ApS for the financial year 1 July 2016 to 30 June 2017.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 30 June 2017 and of the company's results of its activities in the financial year 1 July 2016 to 30 June 2017.

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

Copenhagen, 8 November 2017

Managing Director

Rasmus Vang

Independent auditor's report

To the shareholder of Tragenco ApS

Opinion

We have audited the annual accounts of Tragenco ApS for the financial year 1 July 2016 to 30 June 2017, 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 30 June 2017 and of the results of the company's operations for the financial year 1 July 2016 to 30 June 2017 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

Independent auditor's report

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:

- 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.

Independent auditor's report

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.

Copenhagen, 8 November 2017

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Anders Schelde-Mollerup Funder

State Authorised Public Accountant

Company data

The company

Tragenco ApS
Bredgade 30
1260 Copenhagen

Company reg. no. 73 28 22 17
Domicile: Copenhagen
Financial year: 1 July - 30 June

Managing Director

Rasmus Vang

Auditors

Redmark, Statsautoriseret Revisionspartnerselskab
Dirch Passers Allé 76
2000 Frederiksberg

Lawyer

Moltke-Leth Attorneys, 12 Amaliegade, 1256 Copenhagen K

Accounting policies used

The annual report for Tragenco ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Net turnover

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

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 operating income/costs

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains and losses on disposal of intangible and tangible fixed assets.

Other external costs

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.

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 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 expected residual value after the end of the useful life of the asset.

Accounting policies used

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

Technical plants and machinery	5-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

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 losses are recognised in the profit and loss account as other operating income or other operating expenses.

Investment property

Investment properties are measured at fair value based on an individual assessment of each property. Adjustments to fair value, are showed in the income statement under the item " Value adjustment of investment property". As a result of the valuation at fair value there will be no depreciation on investment properties.

Financial fixed assets

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

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.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

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.

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

Accounting policies used

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.

Other provisions

Provisions include provisions for interior maintenance.

Liabilities

Other liabilities concerning debts to suppliers, subsidiaries, and associated enterprises and other debts are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 July - 30 June

All amounts in DKK.

<u>Note</u>	<u>2016/17</u>	<u>2015/16</u>
Rental income concerning investment property	240.039	284.632
2 Other operating income	2.641.247	1.090.000
Other external costs	-441.281	-424.728
Costs concerning investment property	-135.852	-244.235
Gross result	2.304.153	705.669
3 Staff costs	-70.028	-69.718
Depreciation and writedown relating to tangible fixed assets	-27.000	-10.680
Operating profit	2.207.125	625.271
Other financial income	645.633	572.058
Other financial costs	-1.609	-350
Result before tax	2.851.149	1.196.979
Tax on ordinary result	-84.499	-20.102
Result for the year	2.766.650	1.176.877
 Proposed distribution of the result:		
Allocated to results brought forward	2.766.650	1.176.877
Distribution in total	2.766.650	1.176.877

Balance sheet 30 June

All amounts in DKK.

Assets		<u>2017</u>	<u>2016</u>
<u>Note</u>			
Fixed assets			
4	Investment property	4.325.172	6.425.000
5	Other plants, operating assets, and fixtures and furniture	162.000	189.000
	Tangible fixed assets in total	<u>4.487.172</u>	<u>6.614.000</u>
	Other securities and equity investments	17.493.036	7.927.664
	Financial fixed assets in total	<u>17.493.036</u>	<u>7.927.664</u>
	Fixed assets in total	<u>21.980.208</u>	<u>14.541.664</u>
Current assets			
	Receivable corporate tax	44.443	51.856
	Other debtors	62.137	59.043
	Accrued income and deferred expenses	1.516	1.603
	Debtors in total	<u>108.096</u>	<u>112.502</u>
	Available funds	<u>388.706</u>	<u>5.159.917</u>
	Current assets in total	<u>496.802</u>	<u>5.272.419</u>
	Assets in total	<u>22.477.010</u>	<u>19.814.083</u>

Balance sheet 30 June

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2017</u>	<u>2016</u>
Equity			
6	Contributed capital	1.200.000	1.200.000
7	Results brought forward	21.075.943	18.309.294
	Equity in total	<u>22.275.943</u>	<u>19.509.294</u>
Provisions			
	Provisions for interior maintenance	117.807	212.010
	Provisions in total	<u>117.807</u>	<u>212.010</u>
Liabilities			
	Trade creditors	78.125	68.000
	Other debts	5.135	24.779
	Short-term liabilities in total	<u>83.260</u>	<u>92.779</u>
	Liabilities in total	<u>83.260</u>	<u>92.779</u>
	Equity and liabilities in total	<u>22.477.010</u>	<u>19.814.083</u>

Notes

All amounts in DKK.

1. The significant activities of the enterprise

The main activity has as in previous years been to make capital expenditure in real estate and other securities and equity investments.

2. Other operating income

Other operating income relates to sale of properties.

	<u>2016/17</u>	<u>2015/16</u>
3. Staff costs		
Salaries and wages	12.500	12.761
Pension costs	<u>57.528</u>	<u>56.957</u>
	<u>70.028</u>	<u>69.718</u>
4. Investment property		
Cost 1 July 2016	3.025.976	3.359.895
Disposals during the year	<u>-1.132.172</u>	<u>-333.919</u>
Cost 30 June 2017	<u>1.893.804</u>	<u>3.025.976</u>
Revaluation 1 July 2016	3.399.024	3.695.105
Adjustment of previous revaluations	<u>-967.656</u>	<u>-296.081</u>
Revaluation 30 June 2017	<u>2.431.368</u>	<u>3.399.024</u>
Book value 30 June 2017	<u>4.325.172</u>	<u>6.425.000</u>

Notes

All amounts in DKK.

	<u>30/6 2017</u>	<u>30/6 2016</u>
5. Other plants, operating assets, and fixtures and furniture		
Cost 1 July 2016	270.000	300.000
Disposals during the year	<u>0</u>	<u>-30.000</u>
Cost 30 June 2017	<u>270.000</u>	<u>270.000</u>
Depreciation and writedown 1 July 2016	-81.000	-60.000
Depreciation for the year	-27.000	-27.000
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>0</u>	<u>6.000</u>
Depreciation and writedown 30 June 2017	<u>-108.000</u>	<u>-81.000</u>
Book value 30 June 2017	<u>162.000</u>	<u>189.000</u>
6. Contributed capital		
Contributed capital 1 July 2016	<u>1.200.000</u>	<u>1.200.000</u>
	<u>1.200.000</u>	<u>1.200.000</u>
7. Results brought forward		
Results brought forward 1 July 2016	18.309.293	17.132.417
Profit or loss for the year brought forward	<u>2.766.650</u>	<u>1.176.877</u>
	<u>21.075.943</u>	<u>18.309.294</u>