

Tragenco ApS

Bredgade 30, 1260 Copenhagen

Company reg. no. 73 28 22 17

Annual report

1 July 2015 - 30 June 2016

The annual report have been submitted and approved by the general meeting on the 22 November 2016.

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 2015 to 30 June 2016.

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 2016 and of the company's results of its activities in the financial year 1 July 2015 to 30 June 2016.

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

Copenhagen, 22 November 2016

Managing Director

Rasmus Vang

The independent auditor's report on the annual accounts

To the shareholder of Tragenco ApS

We have audited the annual accounts of Tragenco ApS for the financial year 1 July 2015 to 30 June 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.

The management's responsibility 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. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts 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 annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 company'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 the overall presentation of the annual accounts.

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.

The independent auditor's report on the annual accounts

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 June 2016 and of the results of the company's operations for the financial year 1 July 2015 to 30 June 2016 in accordance with the Danish Financial Statements Act.

Copenhagen, 22 November 2016

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

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 administration and premises.

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 include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning 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.

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

Technical plants and machinery	4 years
Other plants, operating assets, fixtures and furniture	10 years

Accounting policies used

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 as financial fixed assets are measured at fair value (market price) on the balance sheet date.

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. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

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>2015/16</u>	<u>2014/15</u>
Rental income concerning investment property	284.632	297.779
2 Other operating income	1.090.000	-23.125
Other external costs	-424.728	-305.983
Costs concerning investment property	-244.235	-339.810
Gross results	705.669	-371.139
Staff costs	-69.718	-64.467
Depreciation and writedown relating to tangible fixed assets	-10.680	-30.000
Operating profit	625.271	-465.606
Other financial income	572.058	489.282
Other financial costs	-350	-790.807
Results before tax	1.196.979	-767.131
Tax on ordinary results	-20.102	-10.363
Results for the year	1.176.877	-777.494
 Proposed distribution of the results:		
Allocated to results brought forward	1.176.877	0
Allocated from results brought forward	0	-777.494
Distribution in total	1.176.877	-777.494

Balance sheet 30 June

All amounts in DKK.

Assets		<u>2016</u>	<u>2015</u>
<u>Note</u>			
Fixed assets			
3	Investment property	6.425.000	7.055.000
4	Other plants, operating assets, and fixtures and furniture	189.000	240.000
	Tangible fixed assets in total	<u>6.614.000</u>	<u>7.295.000</u>
	Other securities and equity investments	7.927.664	10.248.984
	Financial fixed assets in total	<u>7.927.664</u>	<u>10.248.984</u>
	Fixed assets in total	<u>14.541.664</u>	<u>17.543.984</u>
Current assets			
	Receivable corporate tax	51.856	18.597
	Other debtors	59.043	53.772
	Accrued income and deferred expenses	1.603	7.691
	Debtors in total	<u>112.502</u>	<u>80.060</u>
	Available funds	5.159.917	1.082.780
	Current assets in total	<u>5.272.419</u>	<u>1.162.840</u>
	Assets in total	<u>19.814.083</u>	<u>18.706.824</u>

Balance sheet 30 June

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2016</u>	<u>2015</u>
Equity			
5	Contributed capital	1.200.000	1.200.000
6	Results brought forward	18.309.294	17.132.416
	Equity in total	<u>19.509.294</u>	<u>18.332.416</u>
Provisions			
	Provisions for interior maintenance	212.010	224.863
	Provisions in total	<u>212.010</u>	<u>224.863</u>
Liabilities			
	Trade creditors	68.000	68.000
	Other debts	24.779	81.545
	Short-term liabilities in total	92.779	149.545
	Liabilities in total	<u>92.779</u>	<u>149.545</u>
	Equity and liabilities in total	<u>19.814.083</u>	<u>18.706.824</u>

7 Contingencies

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 property.

	<u>30/6 2016</u>	<u>30/6 2015</u>
3. Investment property		
Cost 1 July 2015	3.359.895	3.359.895
Disposals during the year	<u>-333.919</u>	<u>0</u>
Cost 30 June 2016	<u>3.025.976</u>	<u>3.359.895</u>
Revaluation 1 July 2015	3.695.105	3.695.105
Adjustment of previous revaluations	<u>-296.081</u>	<u>0</u>
Revaluation 30 June 2016	<u>3.399.024</u>	<u>3.695.105</u>
Book value 30 June 2016	<u>6.425.000</u>	<u>7.055.000</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 July 2015	300.000	835.330
Disposals during the year	<u>-30.000</u>	<u>0</u>
Cost 30 June 2016	<u>270.000</u>	<u>835.330</u>
Depreciation and writedown 1 July 2015	-60.000	-565.330
Depreciation for the year	-27.000	-30.000
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>6.000</u>	<u>0</u>
Depreciation and writedown 30 June 2016	<u>-81.000</u>	<u>-595.330</u>
Book value 30 June 2016	<u>189.000</u>	<u>240.000</u>
5. Contributed capital		
Contributed capital 1 July 2015	<u>1.200.000</u>	<u>1.200.000</u>
	<u>1.200.000</u>	<u>1.200.000</u>

Notes

All amounts in DKK.

	<u>30/6 2016</u>	<u>30/6 2015</u>
6. Results brought forward		
Results brought forward 1 July 2015	17.132.417	17.909.910
Profit or loss for the year brought forward	<u>1.176.877</u>	<u>-777.494</u>
	<u>18.309.294</u>	<u>17.132.416</u>
7. Contingencies		
Contingent liabilities		
None		