

Registre de Commerce et des Sociétés

Numéro RCS : B178276

Référence de dépôt : L160144992

Déposé et enregistré le 29/07/2016

RCSL Nr. : B178276

Matricule : 2013 2426 113

ABRIDGED BALANCE SHEET

Financial year from ⁰¹ 01/01/2015 to ⁰² 31/12/2015 (in ⁰³ GBP)

QD Europe (Chancery) S.à r.l.

6A, Route de Trèves
L-2633 Senningerbeg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 <u>253.662.927,00</u>	110 <u>327.648.001,00</u>
I. Intangible fixed assets	1111 _____	111 _____	112 _____
II. Tangible fixed assets	1125 _____ 3	125 <u>253.662.927,00</u>	126 <u>327.648.001,00</u>
III. Financial fixed assets	1135 _____	135 _____	136 _____
D. Current assets	1151 _____	151 <u>58.721,00</u>	152 <u>3.759.177,00</u>
I. Inventories	1153 _____	153 _____	154 _____
II. Debtors	1163 _____	163 _____	164 <u>7.074,00</u>
a) becoming due and payable within one year	1203 _____	203 _____	204 <u>7.074,00</u>
b) becoming due and payable after more than one year	1205 _____	205 _____	206 _____
III. Transferable securities and other financial instruments	1189 _____	189 _____	190 _____
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197 _____	197 <u>58.721,00</u>	198 <u>3.752.103,00</u>
E. Prepayments	1199 _____	199 _____	200 <u>30.978,00</u>
TOTAL (ASSETS)		201 <u>253.721.648,00</u>	202 <u>331.438.156,00</u>

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B178276

Matricule : 2013 2426 113

LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301	60.895.137,00	142.845.355,00
I. Subscribed capital	1303 4	11.266,00	11.266,00
II. Share premium and similar premiums	1305 4	148.354.620,00	148.354.620,00
III. Revaluation reserves	1307		
IV. Reserves	1309		
V. Profit or loss brought forward	1319 4	-5.520.531,00	-1.660.089,00
VI. Profit or loss for the financial year	1321 4	-81.950.218,00	-3.860.442,00
VII. Interim dividends	1323		
VIII. Capital investment subsidies	1325		
IX. Temporarily not taxable capital gains	1327		
B. Subordinated debts			
	1329		
a) becoming due and payable within one year	1425		
b) becoming due and payable after more than one year	1427		
C. Provisions			
	1331 6	18.180.000,00	18.180.000,00
D. Non subordinated debts			
	1339	169.074.886,00	160.044.847,00
a) becoming due and payable within one year	1407 5	3.780,00	84.374,00
b) becoming due and payable after more than one year	1409 5	169.071.106,00	159.960.473,00
E. Deferred income			
	1403 7	5.571.625,00	10.367.954,00
TOTAL (LIABILITIES)		253.721.648,00	331.438.156,00

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Matricule : 2013 2426 113

ABRIDGED PROFIT AND LOSS ACCOUNT

Financial year from ⁰¹ 01/01/2015 to ⁰² 31/12/2015 (in ⁰³ GBP)

QD Europe (Chancery) S.à r.l.

6A, Route de Trêves
L-2633 Senningerbeg

A. CHARGES

	Reference(s)	Current year	Previous year
1. to 2. Gross loss (less B.1 to B.3 and B.5)	1643 _____	643 _____	644 _____
3. Staff costs	1605 _____	605 _____	606 _____
a) Salaries and wages	1607 _____	607 _____	608 _____
b) Social security on salaries and wages	1609 _____	609 _____	610 _____
c) Supplementary pension costs	1611 _____	611 _____	612 _____
d) Other social costs	1613 _____	613 _____	614 _____
4. Value adjustments	1615 _____	615 <u>9.706.667,00</u>	616 _____
a) on formation expenses and on tangible and intangible fixed assets	1617 _____ <u>3</u>	617 <u>9.706.667,00</u>	618 _____
b) on current assets	1619 _____	619 _____	620 _____
5. Other operating charges	1621 _____	621 _____	622 _____
6. Value adjustments and fair value adjustments on financial fixed assets	1623 _____	623 _____	624 _____
7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities	1625 _____	625 _____	626 _____
8. Interest and other financial charges	1627 _____ <u>5</u>	627 <u>9.110.633,00</u>	628 <u>8.533.947,00</u>
a) concerning affiliated undertakings	1629 _____	629 <u>9.110.633,00</u>	630 <u>8.533.947,00</u>
b) other interest and similar financial charges	1631 _____	631 _____	632 _____
9. Share of losses of undertakings accounted for under the equity method	1649 _____	649 _____	650 _____

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B178276

Matricule : 2013 2426 113

	Reference(s)	Current year	Previous year
10. Extraordinary charges	1633 _____ 3	633 _____ 67.648.001,00	634 _____
11. Income tax	1635 _____	635 _____ 5.175,00	636 _____
12. Other taxes not included in the previous caption	1637 _____	637 _____ 18,00	638 _____
13. Profit for the financial year	1639 _____	639 _____ 0,00	640 _____ 0,00
TOTAL CHARGES		641 _____ 86.470.494,00	642 _____ 8.533.947,00

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Matricule : 2013 2426 113

B. INCOME

	Reference(s)	Current year	Previous year
1. to 3. and 5. Gross profit (less A.1 and A.2)	1739 _____	739 <u>4.520.276,00</u>	740 <u>4.673.505,00</u>
4. Reversal of value adjustments	1707 _____	707 _____	708 _____
a) on formation expenses and on tangible and intangible fixed assets	1709 _____	709 _____	710 _____
b) on current assets	1711 _____	711 _____	712 _____
6. Income from financial fixed assets	1715 _____	715 _____	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
7. Income from financial current assets	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income from financial current assets	1725 _____	725 _____	726 _____
8. Other interest and other financial income	1727 _____	727 _____	728 _____
a) derived from affiliated undertakings	1729 _____	729 _____	730 _____
b) other interest and similar financial income	1731 _____	731 _____	732 _____
9. Share of profits of undertakings accounted for under the equity method	1745 _____	745 _____	746 _____
10. Extraordinary income	1733 _____	733 _____	734 _____
13. Loss for the financial year	1735 _____	735 <u>81.950.218,00</u>	736 <u>3.860.442,00</u>
TOTAL INCOME		737 <u>86.470.494,00</u>	738 <u>8.533.947,00</u>

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Déposé le 29/07/2016

**QD Europe (Chancery) S.à r.l.
Société à responsabilité limitée**

Registered address:

First Floor, Bloc A, Building EBBC, route de Trèves 6A
L-2633 Senningerberg
Grand Duchy of Luxembourg,

Subscribed Capital: GBP 11,266

R.C.S. Luxembourg: B 178 276

Annual accounts for the year ended 31 December 2015

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QD Europe (Chancery) S.à r.l.

*NOTES TO THE ANNUAL ACCOUNTS**For the period ended 31 December 2015***1. General**

QD Europe (Chancery) S.à r.l. (the “Company”) is a private limited liability company incorporated on 14 June 2013 and governed by the Luxembourg laws, and in particular the law of 10 August 1915 on commercial companies and the amendments of law on 18 September 1933 and 28 December 1992 on “Sociétés à responsabilité limitée”. The Company is registered with companies register of Luxembourg under the number B 178.276.

The registered address of the Company was located at 7, rue Lou Hemmer, L-1748 Luxembourg. In February 2014, the Company changed its registered address to First Floor, Bloc A, Building EBBC, route de Treves 6A, L-2633 Senningerberg, Luxembourg.

The purpose of the Company shall be the holding of participations, in any form whatsoever, in Luxembourg and foreign companies and any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, control and development of its portfolio.

The Company may further guarantee, grant loans or otherwise assist the companies in which it holds a direct or indirect participation or which form part of the same group of companies as the Company. The Company may carry out any commercial, industrial or financial activities which it may deem useful in accomplishment of its purpose.

In particular, the Company will provide the companies within its portfolio with the services necessary to their administration, control and development. For that purpose, the Company may require and retain the assistance of other advisors.

Another object of the Company is the acquisition, development, promotion, sale and management and/or lease for its own account of real estate properties either in the Grand Duchy of Luxembourg or abroad as well as all other operations relating to real estate properties, including the direct or indirect holding of participations in companies in Luxembourg or abroad, the principal object of which is the acquisition, development, promotion, sale, management and/or lease of real estate properties.

2. Significant accounting policies**2.1 Basis of preparation**

The Company maintains its books and records in Pound Sterling (GBP). The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the law, determined and applied by the Board of Managers.

The main valuation rules applied by the Company are the following:

2.2 Tangible assets*Land and buildings*

The tangible assets are valued at their acquisition cost including the incidental cost of acquisition reduced by accumulated depreciations. The tangible assets are depreciated over their estimated useful lives. The buildings are depreciated on a straight line basis over 50 year period. Land is not depreciated. Tangible assets in course of construction/development are not depreciated until the completion of the works.

*NOTES TO THE ANNUAL ACCOUNTS CONTINUED**For the period ended 31 December 2015***2. Significant accounting policies (continued)****2.3 Tangible assets (continued)**

If the management determines that a permanent impairment has occurred in the value of a tangible asset, an additional value adjustment is made in order to reflect that loss. If a tangible fixed asset is permanently impaired, an exceptional value adjustment is recorded to bring such asset to its lower value to be attributed to it at the balance sheet date. This exceptional value adjustment is reversed if the reasons for which the value adjustment was made have ceased to apply.

2.4 Cash and cash equivalents

Cash includes cash on hand and cash with bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Restricted cash is disclosed separately within cash and cash equivalents

2.5 Debtors

Debtors are valued at their nominal value and are subject to a value adjustment when their recovery is compromised.

2.6 Non subordinated debts

Non subordinated debts are recorded at their nominal value including interests if any.

2.7 Revenue recognition

Net turnover represents rents charged to tenants in accordance with the terms of the related lease agreements and is recognized in the period to which it contractually relates, net of taxes.

2.8 Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which at the balance sheet date are either likely or certain to be incurred but uncertain as to their amount or as to the date at which they will arise.

2.9 Interest income and expenses

Interest income and expenses are accounted for on an accrual basis.

2.10 Foreign currency translation

The Company maintains its accounting records in GBP and its accounts are expressed in that currency. Transactions expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction.

Balances denominated in foreign currencies are translated into GBP as follows:

- Assets and liabilities in foreign currencies are translated into GBP at the rates prevailing at the balance sheet date except for fixed assets which are recorded at the historical exchange rates.
- Realized gains and losses and unrealized losses are reflected in the profit and loss account. Unrealized gains are not recognized in the profit and loss account.

*NOTES TO THE ANNUAL ACCOUNTS CONTINUED**For the period ended 31 December 2015***2. Significant accounting policies (continued)****2.10 Foreign currency translation (continued)**

Where there is an economic link between an asset and a liability, they are translated in total according to the method described above and only the net unrealized exchange loss is recorded in the profit and loss account.

2.11 Comparative figures

In accordance with the Luxembourg Commercial law and filing obligations and templates for small sized Companies, certain reclassifications have been done on the comparative figures as of 31 December 2014 in order to allow a better comparison between both financial years. These reclassifications neither impact the net equity nor the result for the year ended 31 December 2014.

3. Land and buildings

	Land	Buildings	Tangible assets in course of development	Total
	GBP	GBP	GBP	GBP
Cost as at 31 December 2014	65,529,600	262,118,401	---	327,648,001
Additions	---	---	3,369,594	3,369,594
Cost as at 31 December 2015	<u>65,529,600</u>	<u>262,118,401</u>	<u>3,369,594</u>	<u>331,017,595</u>
Value adjustments as at 31 December 2014	---	---	---	---
Value adjustment of prior years	---	(5,546,667)	---	(5,546,667)
Value adjustment during the year	---	(4,160,000)	---	(4,160,000)
Value adjustments as at 31 December 2015	<u>---</u>	<u>(9,706,667)</u>	<u>---</u>	<u>(9,706,667)</u>
Impairments recognized during the year	<u>(13,529,600)</u>	<u>(54,118,401)</u>	<u>---</u>	<u>(67,648,001)</u>
Net book value as at 31 December 2014	<u>65,529,600</u>	<u>262,118,401</u>	<u>---</u>	<u>327,648,001</u>
Net book value as at 31 December 2015	<u>52,000,000</u>	<u>198,293,333</u>	<u>3,369,594</u>	<u>253,662,927</u>

The Company's land and buildings consists of the following property located in the United Kingdom:

- On 27 August 2013, the Company acquired from its indirect shareholder all of its right to purchase the property located at 24–31 Grosvenor Square, London. As part of the purchase from the Seller, the Company acquired the remainder of a 999 year head-lease at a peppercorn rent.
- The Company received rent in advance from the Seller for an amount of GBP 35 million for the period from 28 August 2013 until 27 February 2017. Additionally, as part of the sub-lease, the Company may have to refund an amount of GBP 18.18 million being the (Vacant Possession Amount), if the Seller vacates the property after the expiry of the first 3 years and 6 months but prior to the expiry of the full term of the lease. Accordingly, the Company recognized a provision for this amount in the annual accounts (refer Note 6).

*NOTES TO THE ANNUAL ACCOUNTS CONTINUED**For the period ended 31 December 2015***3. Land and buildings (continued)**

- Accordingly, the Company is recognizing rental income net of the Vacant Possession Amount provision over the period of 3.5 years. As such, an amount of GBP 4,796,328 (2014: GBP 4,796,328) has been recognized as a rental income in the profit and loss account during the period ended 31 December 2015.
- As at 31st December 2015 GBP 3,369,594 has been incurred on the development plan. Due to their nature, these costs have been capitalized, but will not be depreciated until completion of the works.

In 2015, a permanent impairment has been booked and proportionally allocated between land and buildings. This impairment was based on a valuation report performed by an independent valuer and recognized in the profit and loss accounts under the caption “Extraordinary charges”.

4. Capital and reserves*a) Subscribed capital*

On 14 June 2013 (Date of incorporation), the Sole Shareholder of the Company subscribed and fully paid an amount of GBP 10,634 (EUR 12,500) represented by 12,500 shares with a nominal value of EUR 1 each.

On 21 March 2014, in an extraordinary general meeting, the Sole Shareholder resolved to convert the currency of the share capital from Euros (EUR) to GBP. As a result of this conversion EUR 12,500 share capital was revalued as GBP 10,432, represented by 12,500 shares without a nominal value per share.

Further it was also resolved to increase the share capital by GBP 835 represented by 1,000 shares. Therefore, the total share capital as at 31 December 2015 is GBP 11,266 represented by 13,500 shares (without a nominal value per share).

b) Share premium and similar premiums

On 20 August 2013, the Sole Shareholder of the Company contributed with a cash amount of GBP 148,355,455. The Company recorded this contribution as a non-share equity contribution under Share premium.

On 21 March 2014, in an extraordinary general meeting, the Sole Shareholder of the Company resolved to transfer GBP 835 to the Company's share capital and GBP 148,354,620 from the non-share equity contribution into share premium.

c) Legal reserve

Under Luxembourg commercial law, an amount equal to at least 5 percent of the profit of the year must be allocated to a legal reserve until such reserve equals 10 percent of the issued share capital. This reserve is not available for dividend distribution.

QD Europe (Chancery) S.à r.l.

NOTES TO THE ANNUAL ACCOUNTS CONTINUED

For the period ended 31 December 2015

4. Capital and reserves (continued)

d) Movements in capital and reserves

	Subscribed capital	Share premium and similar premiums	Profit and loss brought forward	Result for the financial year	Total
Balances as at 1 st January 2014	10,634	148,355,455		(1,660,089)	146,706,000
Allocation of the 2013 result			(1,660,089)	1,660,089	
Transfer to share capital from share premium	835	(835)			
Changes in functional currency of share capital	(203)				(203)
Capital contribution without issue of shares		(148,355,455)			(148,355,455)
Share premium		148,355,455			148,355,455
Result for the financial period				(3,860,442)	(3,860,442)
Balance as at 31 December 2014	11,266	148,354,620	(1,660,089)	(3,860,442)	142,845,355
Balances as at 1 st January 2015	11,266	148,354,620	(1,660,089)	(3,860,442)	142,845,355
Allocation of the 2014 result			(3,860,442)	3,860,442	
Result for the financial period				(81,950,218)	(81,950,218)
Balance as at 31 December 2015	11,266	148,354,620	(5,520,531)	(81,950,218)	60,895,137

5. Amounts owed to affiliated undertakings

	Currency	Maturity date	Interest rate	Balance as at 31/12/2014	Net movement during the year	Balance as at 31/12/2015
Non-current						
QD Europe S.à r.l. (refer (i) below)	GBP	19/08/2017	5.125% + 3 month LIBOR	159,960,473	9,110,633	169,071,106
Balance as at 31 December				159,960,473	9,110,633	169,071,106

- i) On 20 August 2013, the Company entered into an interest bearing loan facility agreement with its shareholder for the acquisition of the Property.

During the year ended 31 December 2015, the total interest expense was GBP 9,110,633 (2014: GBP 8,533,947) and was recognized in the profit and loss accounts under the caption "Interest and other financial charges – concerning affiliated undertakings".

Other current amounts owed to affiliated undertakings correspond to GBP 3,780 (2014: GBP 43,705) and relates to various operational accounts of the Company.

6. Provision and accrued liabilities

	2015 GBP	2014 GBP
Non-current portion		
Provision for vacant possession (refer Note 3)	18,180,000	18,180,000
Total non-current	18,180,000	18,180,000

QD Europe (Chancery) S.à r.l.

NOTES TO THE ANNUAL ACCOUNTS CONTINUED

For the period ended 31 December 2015

7. Deferred income

	2015	2014
	GBP	GBP
Deferred income	10,367,953	15,164,282
Less: Amortization of deferred income during the period (refer Note 3)	<u>(4,796,328)</u>	<u>(4,796,328)</u>
Balance as at 31 December 2015	<u>5,571,625</u>	<u>10,367,954</u>