

INTRODUCTION

Incorporation, name, address and subsidiaries

The Company was incorporated under the legal name Echo Prime Properties B.V. as a private company with limited liability in the Netherlands on 4 January 2016 in accordance with the applicable laws of the Netherlands.

On 1 August 2016, the Company changed its legal name to Echo Polska Properties B.V.

On 12 August 2016 the Company was transformed into a joint stock company and changed its legal name to Echo Polska Properties N.V.

The Company's registered address is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. The Company is registered with the Dutch trade register under number 64965945.

Nature of business

The Company has been established in the Netherlands with the primary objective of acquiring good quality income generating property assets (predominantly in Europe), in order to offer investors a yielding property investment.

Results of operations

The results of operations are set out in the financial statements.

Board of directors

Hadley James Tyzack Dean (executive director);
Maciej Adam Drozd (executive director)
Marek Marian Belka (non-executive director)
Peter Joost Rudolf Driessen (non-executive director)
Maciej Wojciech Dyjas (non-executive director);
Dionne Traci Hirschowitz (non-executive director));
Andrew Joseph König (non-executive director)
Nebil Senman ((non-executive director)).
Andrea Philippa Steer (non-executive director)
Marc Wainer (non-executive director);
Robert Weisz (non-executive director).

Statement of Financial Position as at 4 January 2016

| | <u>4 January 2016</u> |
|---|------------------------|
| | EUR |
| ASSETS | |
| Current assets | |
| Due from Echo Investment S.A. | 20,000 |
| Total assets | <u><u>20,000</u></u> |
| | <u>January 4, 2016</u> |
| | EUR |
| SHAREHOLDER'S EQUITY AND LIABILITIES | |
| Shareholder's equity | |
| Issued Share Capital | 20,000 |
| Total equity and liabilities | <u><u>20,000</u></u> |
| <i>Net asset value per share</i> | 1.00 |

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Echo Prime Properties B.V. (the "Company") was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law on 4 January 2016 in accordance with the applicable laws of the Netherlands. The Company's official seat (*statutaire zetel*) is in Amsterdam, The Netherlands, and its registered address is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

On 1 August 2016, the Company changed its legal name to Echo Polska Properties B.V.

On 12 August 2016 the Company was transformed into a joint stock company ("*naamloze vennootschap*") and changed its legal name to Echo Polska Properties N.V. The Company has been incorporated in the Netherlands with the primary objective of acquiring good quality income generating property assets (predominantly in Europe), in order to offer investors a yielding property investment.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ marginally from these estimates. In preparing these financial statements, the significant judgments made by management in applying the company's accounting policies and the key sources of estimation are discussed further in Note 2.2 Basis of preparation.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and incorporate the principal accounting standards as set out below.

2.2. Basis of preparation

The financial statements have been prepared on the historical cost basis and are presented in EUR (€), which is the functional and presentational currency of the Company.

Critical judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The principal areas where such judgements and estimates have been made are:

2.3. Going concern

The Company's financial statements have been prepared on a going concern basis.

2.4. Share capital

Ordinary share capital

Ordinary shares are classified as equity.

3. SHARE CAPITAL AND RESERVES

Share capital and share premium

| | <u>4 January 2016</u> |
|-----------------------------------|-----------------------|
| | <u>EUR</u> |
| Issued | |
| 20,000 ordinary shares of 1€ each | 20,000 |

4. SUBSEQUENT EVENTS

On 3 February 2016, Echo Investment S.A. (the Company's sole shareholder as per the date of incorporation) paid an amount of EUR 20,000 to fully pay up the issued shares of the Company.

On 17 February 2016 the Company issued 211,970,402 new ordinary shares with a nominal value of 1€ each acquired and paid up by Echo Investment S.A. by means of non-cash contributions of:

- 1,510 investment certificates in Forum XXIX Fundusz Inwestycyjny Zamkniety („Fund I”), a closed-end investment fund under the laws of Poland, representing the entire capital of the Fund I, with a fair market value of EUR 46,458,998;

- 7,023 investment certificates in Forum XXXIV Fundusz Inwestycyjny Zamkniety („Fund II”), a closed-end investment fund under the laws of Poland, representing the entire capital of the Fund II, with a fair market value of EUR 165,511,404.

On 1 June 2016, the Company issued 202,910,878 new ordinary shares with a nominal value of 1€ each of which 194,987,826 shares were acquired and paid up by Redefine Properties Limited and 7,923,052 shares were acquired and paid up by Echo Investment S.A by means of a joint non-cash contribution of:

- 376,693 investment certificates in Forum XXIX Fundusz Inwestycyjny Zamkniety („Fund I”), a closed-end investment fund under the laws of Poland, representing the entire capital of the Fund I, with a fair market value of EUR 141,121,269.
- 590,013 investment certificates in Forum XXXIV Fundusz Inwestycyjny Zamkniety („Fund II”), a closed-end investment fund under the laws of Poland, representing the entire capital of the Fund II, with a fair market value of EUR 117,333,836.

On 1 June 2016, the Company issued a preferred dividend distribution to Echo Investment S.A for the amount of EUR 9,775,000.

On 1 August 2016, the Company changed its legal name to Echo Polska Properties B.V.

On 12 August 2016, the Company issued 500,000 new ordinary shares with a nominal value of 0.81€ each acquired and paid up by Hadley James Tyzack Dean by means of a cash contribution for the amount of EUR 405,000.

On 12 August 2016 the Company was transformed into a joint stock company (“*naamloze vennootschap*”) and changed its legal name to Echo Polska Properties N.V.

Save for the acquisitions, further details of which are set out in **Annexure 7**, the Directors are not aware of any other events subsequent to 4 January, not arising in the normal course of business, which are likely to have a material effect on the financial information contained in these financial statements.

5. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 22 August 2016.

Signatures of the Management Board of the Echo Polska Properties N.V.

22 August 2016