!

Blue Vision A/S

Rosenvængets Hovedvej 14, 2.

2100 Copenhagen Ø

Annual report 2016

This is an English translation of the Danish version, if the is any inconsistency the Danish version shall prevail

CVR-nr. 26 79 14 13

Content

Management endorsement

To date, the Board of Directors and the Executive Management have considered and approved the annual report for 2016 for Blue Vision A/S.

The annual report is presented in accordance with international financial reporting standards, IFRS, which are approved by the EU and additional requirements in the Financial Statements.

We believe that the consolidated financial statements and financial statements give a true and fair view of the group's and the parent company's assets, liabilities and financial position as at 31 December 2016, as well as of the results of the group's and parent company's assets and cash flows for the financial year 1 January – 31 December 2016.

In our opinion, the management report contains a fair account of developments in the group's and the parent company's activities and financial conditions, results for the year, cash flows and financial position, as well as a description of the main risks and uncertainties faced by the group and the parent company.

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

Copenhagen, 31 March 2017 Executive Board:

Henning Borg
Director

Board:

Niels Troen Chairman	Claus Abildstrøm
Gert Mortensen	Peer Thomas Borg

Independent auditor's opinions

To the shareholders in Blue Vision A/S

Conclusion

We believe that the consolidated financial statements and financial statements give a true and fair view of the Group's and the Company's assets, liabilities and financial position as at 31 December 2016, as well as of the results of the Group's and the Company's activities and cashflows for the financial year 1 January – 31 December 2016, in accordance with the

International Financial Reporting Standards as approved by the EU and additional requirements of the Danish Financial Statements Act.

What we have revised

Blue Vision A/S' consolidated financial statements and annual accounts for the financial year 1 January – 31 December 2016, which include income statement, comprehensive income statement, balance sheet, equity statement, cash flow statement and notes, including accounting policies, for both the Group and the company. The consolidated financial statements and financial statements are prepared in accordance with International Financial Reporting Standards as approved by the EU and additional requirements in the Danish Financial Statements Act.

Basis for conclusion

We have carried out our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under these standards and requirements are described in more detail in the section "Auditor's responsibility for the audit of the consolidated financial statements and financial statements" of the audit report. We are of the opinion that the audit evidence obtained is sufficient and appropriate as a basis for our conclusion.

Independence

We are independent of the Group in accordance with the International Code of Conduct for Auditors (IESBA's Code of Conduct) and the additional requirements applicable in Denmark, just as we have fulfilled our other ethical obligations under these rules and requirements.

Emphasis on matters in the accounts

We draw attention to Note 1 to the consolidated financial statements, which states that there is discretionary uncertainty regarding the valuation of the Group's assets destined for sale and how the financing of the Group's continued operations is secured. Our conclusion is not modified on this matter.

Key aspects of the audit

Key aspects of the audit are the factors that, in our professional opinion, were most significant in our audit of the financial statements for the financial year 2016. These matters were addressed as part of our audit of the financial statements as a whole and the form of our conclusion thereon. We do not give a separate conclusion on these matters.

Key conditions	**How has our audit addressed this**
Financing of the Group's continued operations The Group currently has no significant liquidity-generating assets and thus there is limited liquidity preparedness to finance the Group's ongoing activities and operations. The Group is in the process of selling the existing investment and project properties with a view to purchasing new properties, which must be liquidity-generating. **In addition, the company's majority shareholder and Portinho ApS have stated that they will ensure that there will be sufficient cash in the company to cover the ongoing operations until 31 March 2018.** We have considered the above to be a key aspect of the audit, as failure to sell assets and statements of support could have a material impact on the Group's ability to continue operations. **Reference is made to the consolidated financial statements; note 1 for a description thereof;**	part of the assessment of the going cern assumption, we have: assessed the • up's current liquidity preparedness. • reviewed and challenged management's expectations for 2017, including the expected realisation of assets and planned investments. • Gained an understanding of which creditors have overdue outstandings and whether these will be required to be redeemedin the short term by the creditor reviewed the terms of the • company's loan agreements, as well as any draw options. • assessed the strength of the statements of support made, as well as whether the parties that have made the statements of support have the means to provide financial support. We has read the cription of Note 1 of the solidated financial statements and essed whether the description adequately accurately describes the assumptions erlying the group's continued operations.

Key conditions	**How did our audit address this**

Classification and valuation of assets intended for sale:	
Assets determined for sale: DKK 124 million In 2016, Blue Vision A/S decided to put the Group's plot of land in Madeira, which will be used for the construction of a hotel and apartment complex, up for sale. We have considered the above to be a key aspect of the audit, as the classification and valuationof assets destined for sale are subject to significant estimates. *Please refer to* Notes 1 and 9 of the consolidated financial statements for a description thereof.	We have reviewed and challenged management's assessment of the classification and valuation of land in Madeira by reviewing announcements to the stock exchange regarding sales plans and reviewing correspondence with potential buyers. We have assessed whether the plot of land in Madeira meets the criteria in the accounting standards to be classified as destined for sale. We have reviewed the management's valuation of the Group's land plot in Madeira and challenged the management accordingly. We have compared the valuation of the plot of land in Madeira with the values included in the negotiations with the potential buyers. We have read Note 1 and Note 9 of the Consolidated Financial Statements and assessed whether classification and valuation are described appropriately.

Opinion on the management report

Management is responsible for the management report.

Our conclusion on consolidated financial statements and financial statements does not include the management report, and we do not express any kind of conclusion with certainty about the management report.

In connection with our audit of the consolidated financial statements and financial statements, it is our responsibility to read the management report and in this connection consider whether the management report is materially inconsistent with the consolidated financial statements or financial statements or our knowledge gained from the audit or otherwise appears to contain material misstatement.

In addition, our responsibility is to consider whether the management report contains required information in accordance with the Danish Financial Statements Act.

Based on the work carried out, we are of the opinion that the management report is in accordance with the consolidated financial statements and financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We have not found any significant misstatement in the management report.

Management's responsibility for consolidated financial statements and financial statements

Management is responsible for the preparation of consolidated financial statements and financial statements that give a true and fair view in accordance with international financial reporting standards approved by the EU and additional requirements in the Danish Financial Statements Act. Management is also responsible for the internal control that management deems necessary to prepare consolidated financial statements and financial statements without material misstatement, regardless of whether it is due to fraud or error.

In preparing the consolidated financial statements and financial statements, management is responsible for assessing the group's and the company's ability to continue operations; to disclose matters relating to continued operation, where appropriate; and to prepare consolidated financial statements and financial statements on the basis of the accounting principle of continued operations, unless management either intends to liquidate the group or the company, cease operations or has no realistic alternative but to do so.

Auditor's responsibility for auditing of consolidated financial statements and financial statements

Our goal is to obtain a high degree of assurance as to whether the consolidated financial statements and financial statements as a whole are free of material misstatement, regardless of whether this is due to fraud or error, and to issue an audit report with a conclusion. High levels of assurance are a high level of security but are not a guarantee that an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark will always uncover material misstatement when it exists. Misstatements may arise from fraud or error and may be considered material if it can reasonably be expected that it influences individually or collectively the financial decisions taken by accounting users on the basis of consolidated financial statements and financial statements.

As part of an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark, we make reasonable assessments and maintain professional scepticism during the audit. In addition,

- identify and assess the risk of material misstatement in the consolidated financial statements and financial statements, whether due to fraud or error, design and execute audit procedures in response to these risks and obtain audit evidence that is sufficient and suitable to inform our conclusion. The risk of failure to detect material misstatement caused by fraud is higher than that of material misstatement caused by errors, as fraud may include conspiracy, forgery, deliberate omissions, misrepresentation or breach of internal control.
- we gain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, but not to be able to express a conclusion on the effectiveness of the group's and the company's internal controls;
- we will consider whether the accounting policies used by the management are appropriate and whether the accounting estimates and related information prepared by management are reasonable;
- we conclude whether management's preparation of the consolidated financial statements and financial statements on the basis of the accounting principle of continued operations is appropriate and whether, on the basis of the audit evidence obtained, there is material

uncertainty associated with events or circumstances that could create significant doubts about the group's and the company's ability to continue operations. If we conclude that there is material uncertainty, we must disclose in our audit report information in the consolidated financial statements and financial statements or, if such information is not sufficient, modify our conclusion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may result in the Group and the Company no longer being able to continue operations.

- we consider the overall presentation, structure and content of the consolidated financial statements and financial statements, including the note information, and whether the consolidated financial statements and financial statements reflect the underlying transactions and events in such a way as to give a true and fair view thereof;
- we obtain sufficient and suitable audit evidence of the financial information of the companies or business activities of the Group for use in expressing a conclusion about the consolidated financial statements. We are responsible for leading, supervising and executing the group audit. We are solely responsible for our audit conclusion.

We communicate with senior management about, among other things, the planned scope and timing of the audit, as well as significant audit observations, including any significant internal control deficiencies that we identify during the audit.

Copenhagen, 31 March 2017

KPMG
Statsautoriseret Revisionspartnerselskab
CVR-nr. 25 57 81 98

Jacob Lehman
state auditor. auditor Management report

Management report

Company information

Blue Vision A/S
Rosenvængets Hovedvej 14, 2. 2100
Copenhagen Ø

Phone: +45 3333 0705
Website: www.blue-vision.dk

Email: info@bluevision.dk

CVR-nr.: 26 79 14 13
Founded: September 20, 2002
Financial year: 1 January to 31 December
Municipality of origin: Copenhagen

Board

Niels Troen (chairman)
Claus Abildstrøm
Gert Mortensen
Peer Thomas Borg

Directorate

Henning Borg

Revision

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 Copenhagen Ø

General assembly

The Annual General Meeting will be held on 27 April 2017, at 10.00, c/o Danders & More, Frederiksgade 17, 1265 Copenhagen K.

Management report

Main activity

The main activity of the company is to invest in real estate.

Investments may take the form of equity or debt capital and may be made directly or indirectly, for example through companies, contractual rights or other forms.

In addition, the Company may invest in bonds, shares, mortgages and other assets in the county have cash deposits with financial institutions upon the board's decision to achieve the greatest possible value added in the longer term, subject to principle of risk diversification.

Geographically, investments can be made worldwide.

The main features of the year

Financial situation of the Group

After undergoing restructuring in 2014 and consolidating and designing a concrete investment and acquisition strategy in 2015, Blue Vision A/S management has in 2016 focused on creating the foundation for the implementation of the strategy.

As of December 31, 2016, equity n shows a positive equity of 96.8 mio.kr against a positive equity at December 31, 2015 of 99.5 mio.kr.

The result for the year 2016 amounts to –2.0 mio.kr. against -3.7 mio.kr. the year before. Management describes the result as gratifying, except that it was not possible to raise additional capital in the company for use in investments in new properties, which should generate a profit in 2016.

Subsidiary Portinho S.A.

Blue Vision A/S owns 79.3% of Portinho S.A., this is in accordance with what Blue Vision A/S also informed about in the management report in the annual report for 2015.

Portinho S.A.'s activity continues to own and develop a plot of land of 31,123 m2 in Madeira, Portugal. The plot of land has been developed and planning permission has been granted for the construction of a total of 66,250 m2 of construction divided into a 5-star hotel with 159 rooms of 30,050 m2 and 148 apartments of 36,200 m2 for sale and rental.

In addition, portinho S.A. in 2016 started the construction of infrastructure on the plot, and the building permit has been extended until April 2018.

Blue Vision A/S has previously announced that the company expected a full or partial divestment of Portinho S.A. in 2016 and despite the fact that a number of showings and negotiations with potential buyers have been made, it is not until the beginning of 2017 that Blue Vision A/S has received real tender offers, cf. also the point in this management report: "Events occurred after the end of the financial year".

Management report

Group investment- and acquisition strategy

The Group continues to focus on implementing the previously announced investment and acquisition strategy, and in 2016 carried out a further exploration of the Russian real estate market and identified three to four potential real estate investments that meet the criteria set out in Blue Vision A/S' basic strategy.

Back in November 2015, Blue Vision A/S announced an acquisition and investment strategist focusing on real estate investments in Russia, including primarily Moscow, based, among other things, on the following criteria:

- a return of at least 15 % on the acquired assets
- solvency of at least 30%
- properties must be well located and at least categorized as Class B+
- the properties must be recent or newly renovated • the tenant of the assets must be high-quality companies
- the acquisitions may be made by partial issue of new shares;

In 2016, Blue Vision A/S has thus focused on identifying potential investment topics in accordance with the strategy and is in concrete dialogue about three different properties. However, the completion of investments is conditional on the provision of capital, which Blue Vision A/S expects to take place in accordance with the expected sale of the company's shares in Portinho S.A.

The Group's acquisition strategy and the established solvency requirements require that the Group raises capital of the order of DKK 60 million, which is expected to take place through a full or partial sale of Blue Vision A/S' ownership interests in the subsidiary Portinho S.A.

Expectations for 2017

Blue Vision A/S expects that in the first half of 2017 a full or partial sale of Blue Vision A/S' ownership interests in the subsidiary Portinho S.A. has been completed, and that in the immediate aftermath of this, through new subsidiaries, acquisitions of o separate real estate investments of office rental properties located centrally in Moscow, Russia will be made. Investments that are in line with the established acquisition and investment strategy. Based on this, a Group profit for 2017 is expected in the range of DKK 5 – 10 million.

Blue Vision A/S
Annual report 2016
CVR-nr. 26 79 14 13

Management report

Financial preparedness

The current short-term debt obligation, due on 1 July 2017, is expected to be honoured in connection with a full or partial sale of the shares in Portinho S.A.

The company's continued operations are also ensured by the fact that the company has received a statement of support from the company's main shareholder and Portinho ApS, who declares that it will ensure that there will be sufficient cash in the company to cover the ongoing operations until 31 December. March 2018, if necessary, by taking out new loans and wanting to withdraw any debts that the company may have to banks, financial institutions and other suppliers, staff, etc.

Consolidated earnings

This year ‘result was -2.0 mio.kr. (2015: DKK -3.7 million) for the group's overall activities. The result for 2016 is affected by operating expenses and interest expenses on operating financing.

The Group's financial costs in 2016 amounted to 1.4 mio.kr. (2015: DKr 1.1 million) is primarily attributable to interest on the company's operating credit.

Events after the end of the financial year

No events have occurred after the end of the financial year that affect the consolidated financial statements and the annual accounts for 2016, except that on 9 March 2017 Blue Vision A/S entered into a Memorandum of Understanding with a foreign company regarding the sale of the company's shares in and receivables from the subsidiary Portinho S.A.

Group overview

As of 31 December 2016, the company owns 79.3% of the share capital of Portinho S.A.

Main and key figures for the Group

tkr.	2016	2015	2015	2013	2012
Income statement					
Operating profit	-1.756	-3.089	-2.003	-5.239	-4.461
Profit or loss on financial items	-259	-653	-3.989	-11.836	-8.132
Profit from continuing operations for the year	-2.015	-3.742	-5.992	-23.679	-23.963
Year-end results from discontinued operations	0	0	62	-118.148	-19.316
Profit for the year	-2.015	-3.742	-5.930	-141.827	-43.279
Balance					
Investment Properties	0	0	0	206.407	296.734
Investment properties under construction	0	23.862	23.787	0	100.453
Project inventory	0	99.696	99.463	0	35.000
Assets determined for sale	124.368	0	0	3.369	0

Management report

Total assets	125.753	126.255	123.971	251.239	503.849
Share capital	108.692	108.692	108.692	75.784	75.784
Equity	96.777	99.533	97.950	-105.440	36.387
Long-term liabilities	0	16.911	22.078	150.275	440.003
Short-term liabilities	9.251	9.811	3.943	206.404	27.459
Liabilities relating to assets intended for sale	19.725	0	0	0	0
Cash flows					
Cash flows from operations	-932	-2.938	-20.740	-8.580	-10.559
Net cash flow from investment	0	-1.688	0	25.190	45.806
Of which investment in tangible assets	0	0	0	-386	-391
Cash flows from finance	0	5.000	0	-48.390	9.455
Total cash flows	-932	374	-20.740	-31.780	44.702
Ratios					
Solvency ratio	74,4%	75,2%	79,01%	-41,97%	7,22%
Result pr. share (EPS Basic), kr.	-0,02	-0,03	-0,06	-1,87	-0,57
Diluted earnings per share (EPS-D), DKK	-0,02	-0,03	-0,06	-1,62	-0,49
Number of shares (listed in paragraph)					
Outstanding number of shares, end	108.692.270	10.869.227	10.869.227	757.835	757.835
Outstanding number of shares excluding treasury shares at closing	107.353.287	10.869.124	10.869.124	757.732	757.732
Average number of shares outstanding excluding treasury shares	93.747.083	10.869.124	988.640	757.732	757.732
Per share of nom. DKK 10 (stated in DKK) *					
Net asset value per share	0,86	8,73	9,01	-139,13	41,42
Stock exchange price (latest trade)	0,31	6,25	14,60	20,10	62,50
Stock exchange price/net asset value	0,36	0,72	1,62	-119,03	1,51

*** For the period 2010-2013, the nominal value of the share is DKK 100 (2014: DKK 10)**

In April 2014, Blue Vision divested the original operating activities, and the result of previous operating activities is presented as a result of discontinued activities. Adjustments have been made to the comparative figures in the profit and loss account for 2012-2013. Nye operating activities were acquired in December 2014.

Profit and diluted earnings per share have been calculated in accordance with IAS 33. Other key figures have been prepared in accordance with the Danish Financial Analysts' Association's "Recommendations and Key Figures 2015". Keyfigures definitions are given on page 48.

Management report

Corporate governance and corporate governance statement

Blue Vision A/S' Board of Directors and Executive Management continuously seek to ensure that the Group's management structure and control systems are appropriate and function satisfactorily. A number of internal policies and procedures have been developed and maintained on an ongoing basis in order to ensure active, secure and profitable management of the Group.

Blue Vision A/S has prepared a statutory report on corporate governance, cf. section 107b of the Danish Financial Statements Act, for the financial year 2016 and publishes it on the Group's website http://www.blue-vision.dk/index.php/da/om-blue-vision/virksomhedsledelse at the same time as the publication of the annual report for 2016. The statutory report is divided into three sections:

- An account of Blue Vision A/S' work with the Recommendations on Corporate Governance. On6 May 2013, the Corporate Governance Committee published updated Recommendations on Corporate Governance, based on the "comply or explain" principle. It is the opinion of the Board of Directors that the Recommendations for Corporate Governance are essentially followed by Blue Vision A/S ' management, taking into account the group's size and level of activity.
- A description of the main elements of Blue Vision A/S' internal control and risk management system in connection with financial reporting.
- A description of the composition of Blue Vision A/S' management bodies, their committees and their function.

In addition to the above description, the Company's website explains, in accordance with the Recommendations, how the Company meets the individual points of the Recommendations.

The report's section on corporate governance is not covered by the auditor's opinion on the management report in the annual report for Blue Vision A/S. The information on the company's control and risk management systems and the composition of the company's management bodies, etc. is covered by the auditor's opinion on the management report in the company's annual report.

Board members and other management duties

The Board of Directors and the Executive Management have the following shareholdings in Blue Vision A/S:

- Peer Thomas Borg nominally 183,000 shares of DKK 1 as at 31 December 2016

The Board of Directors and the Executive Management hold the following management duties in other commercial undertakings:

Chairman Niels Troen:

- Almac ApS, Director
- A/S 14/6 1995, Member of the Board of Directors, Director
- Reviva Capital Denmark, subsidiary af Reviva Capital S.A., Luxembourg, subsidiary manager
- Bredebro Invest ApS, board member, director

Management report

- K/S Charlotte Row, Liverpool, board member
- Kappa Holding ApS, board member, director
- Kappa Properties ApS, board member, director
- Kappa Leasing ApS, board member, director
- Essex GM A/S, bestyrelsesmedlem, director
- Mølholm Development ApS, Director

Board member Attorney Claus Abildstrøm:

- Danders & More Advokatfirmaet I/S, partner
- Fanum A/S, board member
- Alpha Sales Group A/S, board member
- Sahiba A/S, board member
- Kolind Invest A/S, Board member
- Kolind Venture A/S, board member
- SPC Holdings A/S, board member
- CAAB Consulting ApS, Director
- PII A/S, board member
- Kolind A/S, board member
- NDP ApS, board member
- LLC Consult v. Claus Abildstrøm, full responsible participant
- Claubias Ejendomme ApS, Director
- Maglegårds Allé 106 ApS, Director

Board member Gert Michael Mortensen:

- Value Partners ApS, Director

Board member Peer Thomas Borg:

- Prius Ejendomsinvest ApS, Director
- B&I Invest ApS, Director
- Castillo & Co. ApS, Director
- Nectar Asset Management ApS, direktør

Management report

- Nectar Asset Management A/S, board member, direktør
- Nectar Asset Management Ltd (UK), director
- Baker Street ApS, board member, director

Director Henning Borg:

- Joko Components A/S, Chairman
- Baltic Investment Group ApS, Director
- Portinho ApS, Director
- Joko Holding A/S, Chairman

Other information

The Board of Directors is composed with a view to obtaining special competencies with a view to implementing Blue Vision A/S's investment and acquisition strategy,

In addition, it is considered essential that the Board of Directors has general management experience, in particular in the management of listed companies and economic and financial know-how.

Members of the Board of Directors are generally elected at the Annual General Meeting for 1 year at a time. The Management Board shall elect a Chairman from among its members. A Deputy Chairman of the Management Board shall not be appointed.

Incentive programs

The Blue Vision Group does not have an incentive program.

Statement of social responsibility and underrepresented gender

Due to the group's small size, the Blue Vision Group has not yet adopted actual policies and prepared a report on the Group's social responsibility, including a policy for reducing climate impact and human rights.

Due to the Group's current situation, Blue Vision A/S has chosen to have a target figure of 20% in so far as board members elected by the general meeting must be made up of the underrepresented gender. The target has not yet been met. The company operates in an industry characterised by a high ratio of men. In connection with any change of board members, the company will make an assessment of suitable female candidates and the company strives to ensure that the target figure is met no later than per year. on 31 December 2019.

Due to the number of employees in the Group, no goals and policies have been set for the Executive Board.

Management report

The Group's goals and policies for the underrepresented gender will be adjusted on an ongoing basis in line with the Group's development and activity.

Knowledge resources

Due to the company's Board of Directors and Executive Management as well as a number of tone-stated shareholders, Blue Vision A/S has broad experience and know-how within investment in real estate and general financing of the purchase and sale of real estate.

In addition, the company's Board of Directors and Executive Management possess similar experience in the management of listed companies.

Shareholder information

Share capital

In the financial year 2016, Blue Vision A/S' share capital amounted to DKK 10,869,227 until 17 February2016, remaining at 10,869,227 shares of nominally DKK 10 listed on Nasdaq Copenhagen A/S under fund code DK0060278737.

On 18 February 2016, Blue Vision A/S carried out a share split to the effect that the Company's share capital amounted to nominally DKK 108,692,270 , corresponding to 108,692,270 shares of nominal value DKK 1 listed on Nasdaq Copenhagen A/S under fund code DK0060700359. No shares are granted special rights. There are no restrictions on marketability and no voting restrictions.

The company’s articles of association may be amended by adopting the resolution with at least 2/3 of both the votes cast and the voting share capital represented at the general meeting.

Powers Attorney

In accordance with Articles of Association 4.1.A – C of the Company, the Board of Directors is authorised, in the period up to 30 April 2020, to:

See § 4.1A. to increase the company's share capital by up to a nominal value of DKK 500,000,000 on one or more occasions. The increase may be made by cash payment, by conversion of debt or as a deposit in non-cash values, including deposits by an existing company. The capital increase shall include pre-emptive rights for existing shareholders. The new shares must be negotiable instruments and recorded in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The rights of the new shares to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

cf. section 4.1. B. to increase the company's share capital by up to a nominal value of DKK 500,000,000 on one or more occasions. The increase may be made by cash payment, by conversion of debt or by payment in non-cash value, including deposits by an existing company. The capital increase shall be without pre-emptive rights for existing shareholders

Management report

and the capital increase shall be made at the market price. The new shares must be negotiable instruments and are recorded in the register of shareholders of the company, cf. article 3.2 of the Articles of Association. The rights of the new shares to dividends and other rights in the company shall commence from such date as may be determined by the Board of Directors, but not later than the first financial year following the year in which the capital increase is registered.

Cf. §4.1.C. to increase the company's share capital by up to nominally DKK 500,000,000 upon issuance of new B shares. The increase may be made by full cash payment, by conversion of debt or as a deposit in non-cash values, including deposits by an existing company. The capital increase shall be without pre-emptive rights for existing shareholders and shall be at least at market price. The new B shares are issued in a new independent share class, which the Board of Directors is authorised to establish in connection with the capital increase. The B shares must be non-negotiable and recorded in the company's register of shareholders. The B shares shall not be issued in dematerialized form through VP SECURITIES A/S and shall not be admitted to trading and official listing on NASDAQ Copenhagen. In addition, the B shares must have the same right to dividends and other rights in the company as the company's other shares. The B shares' right to exercise and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

In accordance with Article 4.2 of the Articles of Association of the Company, the Board of Directors is authorised, in the period up to 30 April 2020, to:

allow the company to issue warrants on one or more occasions. The warrants must give the right to subscribe nominally DKK 500,000,000 shares in the company. The issue shall be without the right of subscription for existing measures and shall be issued on market terms. At the same time, the Board of Directors is authorized to carry out capital increases in the company on or several occasions in connection with subsequent exercise of the above-mentioned warrants. The increase must be without pre-emptive rights for the company's previous shareholders. The new shares must be negotiable instruments and be registered in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The subscription price shall be determined by the Board of Directors in connection with the issue of the warrants and shall never be below the market price at the time of issue. The new shares must be paid up in full. The rights of the new shares to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

In accordance with Article 4.3.A-B of the Company's Articles of Association, the Board of Directors is authorised, in the period up to 30 April 2020, to:

Cf. section 4.3.A. to allow the company to borrow against bonds or other debentures with a right for the lender to convert his claim into shares in the company (convertible loans). The convertible loans may not give the right to subscribe nominally for DKK 500,000,000 shares in the company. The convertible loan shall be made without pre-emptive subscription rights for the previous shareholders of the debt and shall be granted on market terms. At the same time, the Board of Directors is authorized to carry out a capital increase in the company's abet

Management report

on one or more occasions in connection with a subsequent conversion of the above loans. The intention shall be affected without pre-emptive rights for the company's previous actions. The new shares must be negotiable and recorded in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The closing price shall be fixed by the Board of Directors in connection with the issue of the convertible loans and shall never be below the market rate at the time of issue. The new shares must be paid up in full. The right of the new shares to dividends and other rights in the company shall commence from such date as may be determined by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

Cf. section 4.3.B. by one or several times to let the company take out loans against bonds or other promissory notes with a right for the lender to convert his claim into shares in the company (convertible loans). The convertible loans may not give the right to subscribe nominally to DKK 60,000,000 shares in the company. Issued but not utilized convertible loans which are no longer convertible may be reissued by the Board of Directors. The convertible loan must be taken without pre-emptive rights for the company's former shareholders and the admission must be made on market terms. At the same time, the Board of Directors is authorized to affect a capital increase in the company ad e n or several times in connection with a later conversion of the above loans. The increase must be made without pre-emptive rights for the company's current shareholders. The new shares must be negotiable instruments and be registered in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The subscription price shall be freely fixed by the Board of Directors in connection with the issue of the convertible loans, except that subscription may never be made below 100. The new shares must be paid up in full. The rights of the new shares to the exploitation and other rights of the company shall accrue from such date as may be determined by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

In accordance with Article 4.4 of the Articles of Association, the Board of Directors is authorized to lay down the detailed conditions for the capital increases in accordance with the above authorisations and to make such changes to the company's articles of association, including the creation of new classes of capital, which may be necessary as a result of the Board of Directors' exercise of the aforementioned authorisations.

Dividend

Blue Vision A/S has not established any actual dividend policy.

The Board of Directors recommends to the Annual General Meeting that no dividend be paid for 2016.

Own share policy

Following the share split on 18 February 2016, the company initiated the purchase programme of treasury shares, and thus owns 1.23% of its own shares at the end of 2016. The Board of Directors has decided to continue the acquisition to 2%. Pursuant to the authorisation of the

Management report

general meeting, the Company may acquire a maximum nominal value of DKK 10,869,227 treasury shares, corresponding to 10% of the share capital.

Shareholders, chapters and votes

As of 31 December 2016, the Company's share capital consists of 108,692,270 shares of a nominal value of DKK 1 with 1 vote each.

Shareholder composition at the time of presentation of the accounts:

	Number of shares	ownership interest	
	Pcs.		
Portinho ApS	36.005.050	33,13%	
Jeanette Gyldstoff Borg	23.478.816	21,60%	
Other registered shareholders	22.087.895	20,32%	
Unnamed Shareholders	25.781.526		23.72%
Total excluding treasury shares	26,838,322	98.77%	
Treasury shares	1.338.983		1.23%
	108.692.270	100,00%	

Financial calendar for 2016

The Annual General Meeting will be held on 27 April 2017, at 10.00, c/o Danders & More, Frederiksgade 17, 1265 Copenhagen K.

The financial calendar for 2017 is as follows:

31 March 2017	Publication of annual report for 2016
28 April 2017	Holding of the Annual General Meeting for 2016
25. august 2017	Publication of interim report 2. quarter 2017
30 March 2018	Publication of annual report for 2017
27 April 2018	Holding of the Annual General Meeting for 2017

Management report

Contact Person – Investor Relations

Blue Vision A/S' website www.blue-vision.dk further information and all publishede-announcements can be found.

Inquiries regarding relations with investors and the stock market can also be directed to Henning Borg:

Phone: +45 4075 4434
E-mail: info@bluevision.dk

Issued company announcements in 2016

In 2016, Blue Vision A/S issued the following company announcements:

January 6 Financial Calendar for 2016.

27 January Notice of extraordinary general meeting.

January 29 Schedule of proposed stock split.

January 29 Cooperation agreement with DOTC on theprovision of capital.

18 February Minutes extraordinary general meeting and Appendix 1 – overview of management duties.

February 18 Announcement of changes to the Board of Directors.

18 February Implementation of stock split

February 29 Market Maker Deal Announcement

2 March Announcement of deadline for submission of items to be included on the agenda of the Annual General Meeting on 29 April 2016.

31 March Annual Report 2015.

5 April Correction to financial calendar for 2016.

6 April Notice of annual general meeting.

29 April Minutes of annual general meeting.

May 9 Corrected emisssion – concretization.

Management report

12. May Interim Report 1. quarter 2016.

29 june Correction financial calendar 2016.

1 July Future plans, specifications, information, etc.

July 6 Grand Election Notice Portinho ApS.

6 july Major shareholder announcement Jeanette Gyldstoff.

6. juli Major shareholder announcement Marble Road Group ApS.

6 july Major shareholder announcement H.C. Holding Investeringsaktieselskab.

8 August Status of purchase of treasury shares.

August 23 Interim Rapport 2nd quarter 2016.

27. oktober Major shareholder announcement H.C. Holding Investeringsaktieselskab.

29. december Financial calendar for 2017

27 February Deadline for submission of items to be included on the agenda of the Annual General Meeting

9. marts Information on memorandum of understanding about Portinho S.A.

Expected company announcements in 2017

Blue Vision A/S expects to issue the following additional company announcements etc. in 2017:

31 March 2017	Publication of annual report for 2016
28. april 2017	Minutes of the Annual General Meeting for 2016

Management report

25. august 2017	Publication of interim report Q2 2017

Financial report of the Group

Income statement

Operating profit

Operating profit amounts to DKK -1.8 million (2015: DKK -3.1 million). Operating profit is affected by the Group's operating expenses.

Financial income

Financial income of 1.1 mio.kr. (2015: 0.5 mio.kr.) can be attributed to a return on investment in a private investment company.

Financial costs

Financial expenses in 2016 of DKK 1.4 million (2015: DKK 1.1 million) are primarily attributable to the debt financing in Blue Vision A/S.

Tax on profit for the year

The Group's tax on profit for the year amounts to DKK 0.0 million (2015: DKK 0.0 million), due to the Group's negative taxable income for the year.

As of December 31, 2016, the Group has an unrecognized tax asset primarily consisting of carry-forward tax losses. At the time of financial reporting, there is uncertainty about whether the tax asset can be used to offset positive income in the foreseeable future.

Profit for the year

The result for the year 2016 amounts to DKK -2.0 million (2015: DKK -3.7 million). Profit for the year is affected by administrative and financial expenses.

The result for the year 2016 is satisfactory.

Management report

Balance

Current assets

The Group has a total deposit of DKK 1.3 million as at 31 December 2016 (2015: 1.7 mio.kr.) in a private investment company with a guaranteed return of at least 3%. In the year, they realized a return of a total of 1.1 million.

Assets determined for sale

Blue Vision A/S owns 79.3% of Portinho S.A., whose activity is still to own and develop a plot of land of 31,123 m2 in Madeira, Portugal. The plot of land has been developed and planning permission has been granted for the construction of a total of 66,250 m2 of construction divided into a 5-star hotel with 159 rooms of 30,050 m2 and 148 apartments of36,200 m2 for sale and rent.

Blue Vision A/S has previously announced that the company expected a complete or certain divestment of Portinho S.A. in 2016 and despite the fact that a number of showings have been made and a number of negotiations have been conducted with potential buyers, it is not until the beginning of 2017 that Blue Vision A/S has received real tender offers, cf. also the point in the presence end management reports: "Events occurring after the end of the financial year"

As a result of the above, the group's investment and project properties consisting of building plots in Madeira, Portugal, have been transferred in the balance sheet to assets intended for sale.

Equity

The Group's equity amounts to DKK 96.8 million at 31 December 2016 compared to DKK 99.5 million at 31 December 2015.

Long-term liabilities

The Group's long-term debt obligations consist of debts owed to shareholders in Portugal and received advance payments for the purchase of apartments.

Current liabilities

The Group's short-term debt obligations consist primarily of supplier debt and other debt obligations, which together amount to 9.3 mio.kr. (2015: 9.8 mio.kr.) In addition, debt to shareholders amounts to 1.6 mio.kr. (2015: 1.3 mio.kr.).

Cash flow statement

Cash flow from operations in 2016 totalled -0.9 mio.kr. against DKK -3.7 million in 2015. The Group's operating activities in 2016 were primarily financed by return on investments.

In total, blue vision group's cash preparedness has been reduced by DKK 0.9 million from 1 January 2016 to 31 December 2016.

Management report

The Group's liquidity preparedness as at 31 December 2016 amounts to 0.0 mio.kr in the form of cash and cash equivalents. At the end of 2016, the Group has no drawing facilities in the Group's financial institutions.

Uncertainty of recognition and measurement

Group assets for sale relating to investment properties measured at fair value and project properties measured at cost. In December 2014, the Group commissioned an independent valuation of investment properties under construction and project properties, which show a total value of approximately 130 mio.kr. The assessed value supports the company's valuation. Assets determined for sale are recognized in the annual report for 2016 at 124 mio.kr. For a description of uncertainties related to valuation, please refer to Note 1 to the consolidated financial statements.

Parent company Blue Vision A/S

The parent company's operating profit amounts to DKK -1.3 million (2015: DKK -2.7 million), which is essentially attributable to administrative expenses for 2016.

Profit for the year amounts to DKK 2.7 million (2015: DKK 0.9 million). The negative operating profit is offset by financial income in the form of interest on subsidiaries receivable. The result for the year is in line with expectations.

The Company's equity amounts to DKK 74.5 million at 31 December 2016 compared to DKK 72.6 million at 31 December 2015. Blue Vision A/S has thus increased its equity in 2016.

In addition, there are no further matters relating to the parent company's financial statements that do not also apply to the Group as a whole.

Consolidated financial statements 1 January – 31 December

Income statement

tkr.	Note	2016	2015
Administrative expenses	4	-1,756	-3,089
Operating profit		-1,756	-3,089
Financial resources	2	1,112	462
Financial costs	3	-1,371	-1,115
Profit before tax		-2,015	-3,742
Tax on profit or loss for the year	5	0	0
Profit for the year /comprehensive income		-2.015	**-3.742**
Distributed as follows:			
Shareholders in Blue Vision A/S		-1.035	-2.773
Minority shareholders		-980	-969
		-2.015	-3.742
Result pr. share	6		
Result pr. share (EPS Basic)		-0,02	-0,26
Diluted earnings per share (EPS-D), continuing activities		-0,02	-0,26

Balance

tkr.	Note	2016	2015
ACTIVE **Long-term**			
Investment properties under construction	7	0	23.862
		0	23.862

Consolidated financial statements 1 January – 31 December

Other non-current assets			
Project properties 8 99,696 Deferred tax 12 0		0 0	
		0	99.696
Total non-current assets		0	123.558
Current assets			
Receivables	10	36	633
Financial assets	18	1,348	1,688
Cash and cash equivalents 376		11	1
		1.385	2.697
Assets for sale	9	124,368	0
Current assets **total**			2.697
125.753 **Total assets**		125.753	126.255

Balance

tkr.		Note	2016
PASSIVE			
Equity			
Share capital		108.692	108.692
Reserve for own shares		-642	-10
Transmitted result		-14.909	-13.765
2015			
Shareholders in Blue Vision A/S' share of equity		93.141	94.917
Minorities		3.636	4.616
Equity	totalling 13	96.777	99.533

Obligations
Long-term liabilities

Consolidated financial statements 1 January – 31 December

Debt to shareholders 16.911
14 0 16.911

Total long-term liabilities 0 **Current liabilities**

Debts to financial institutions and other liabilities	15	5,557	5,030
Debt to shareholders	16	1,591	1,268
Supplier debt		2.103	3.513
		9.251	9.811
Liabilities relating to assets intended for sale	9	19.725	0

Total current liabilities 28,976 9,811
Total liabilities 28,976 26,722 **Total**
liabilities 125,753 126,255

Cash flow statement

tkr. Note 2016
2015

Profit for the year	-2.015	-3.742
Financial income	-1,112	-462

Operating cash flow prior to change of
working capital -3,127 -4,204 Change in working capital:

Change in current assets, etc.	127	86
Change in debt obligations, etc.	2,819	1,180
Cash flow from primary operations	-181	-2.938
Equity movements	-751	0
Cash flow from operating activities	-932	-2,938
Investing in financial assets	0	-1.688
	0	-1.688

Cash flows from investment activity

Consolidated financial statements 1 January – 31 December

Assumption of other debt obligations			0	5.000
			0	5.000
Cash flows from financing activity				
Cash flows from discontinued operations			0	0
Change in cash and cash equivalents	-932		374	
Cash and cash equivalents 1 January			376	
		2	-556	376
Cash and cash equivalents 31 December				

Cash in the balance sheet shall be specified as follows:				
Cash and cash equivalents			1	376
Draw on credit facilities			-557	
		0	-556	376
Cash and cash equivalents 31 December	11			

Statement of own funds

	Aktietkr. capital	Reserve for own shares	Transmitted result	Total	Minoritetsinteres-be	Own-capital total		
Equity 1 January 2015			-10.992	97.690	260	97.950	108.692	-10
Comprehensive income 2015								
Profit for the year	0	0	-2.773	-2.773	-969	-3.742		
Exchange rate adjustments	0	0	0	0	101			
Total arrival in 2015 total -3.641			0 0		-2.773	-2.773	-868	
Transactions with owners								
Minority interests in conversion	0	0	0	0	5.224	5.224		
Transactions with owners in 2015 total	0	0	0	0	5.224	5.224		
Equity 31 December 2015	108.692	-10	-13.765	94.917	4.616	99.533		
	0		-1.035	-1.035	-980	-2.015		
Comprehensive income 2016	0		-1.035	-1.035	-980	-2.015		

Profit for the year		0				
Total arrival in 2016 total		0				
Transactions with owners						
Own shareholdings	0	-632	0	-632	0	-632
Cost stock split	0	0	-109	-109	0	-109
Transactions with owners in 2016 total	0	-632	-109	-741	0	-741
Equity 31 December 2016	108.692	-642	-14.909	93.141	3.636	96.777

Summary of notes to the consolidated financial statements

Note

Consolidated financial statements 1 January – 31 December

Note
-

Note

1 Significant accounting estimates and assessments

Classification of assets destined for sale

The company decided in 2016 to put the plot of land on Madeira, which will be used for the construction of a hotel and apartment complex for sale. The plot of land has so far been presented under fixed assets in the balance sheet, such as investment properties and project properties.

On March 7, the company announced that a letter of intent has been entered into with a potential buyer for the sale of the plot of land. As a result, the plot of land in the consolidated financial statements and financial statements is classified as assets intended for sale. The associated obligations are also classified in balance sheet to liabilities relating to assets intended for sale.

Management expects the plot of land to be sold within the next 12 months.

Discretionary uncertainty

The determination of the carrying value of certain assets and liabilities requires assessments, estimates and assumptions about future events.

The group's assets destined for sale amount to 124 mio.kr. and relates to investment properties measured at fair value and project properties measured at cost. In December 2014, the Group prepared an independent valuation of investment properties under construction and project properties, which show a total value of approximately 130 mio.kr. The valuation has been confirmed by the valura in 2015. The value raised, together with the letter of intent for the sale of its subsidiary Portinho S.A., supports the company's valuation.

Financing of the Group's continued operations

At the end of 2016, the Group has no drawing facilities in the Group'sfinancial institutions.

The current short-term debt obligation, due on 1 July 2017, is expected to be honoured in connection with a full or partial sale of the shares in Portinho S.A.

The company's continued operations excluding construction costs are ensured by the company having received a statement of support from the company's majority shareholder and Portinho ApS, which declares that there will be sufficient cash in the company to cover its ongoing operations until 31 March 2018, if necessary bytaking out new loans and to withdraw from any debts, that the company may have for banks, financial institutions and others including suppliers, staff, etc.

In the event that the majority shareholder and Portinho ApS cannot pay according to thestatement of support given, this will have significant negative consequences for the Group and thereby the Group's future development, profit, cash flows and financial position.

Consolidated financial statements from 1 January – 31 December

tkr.	2016	2015

2 Financial income

	2016	2015
Exchange rate adjustments	58	150
Interest, returns, other	1.054	
312	1.112	
	462	

3 Financial costs

	2016	2015
Interest, financial institutions and other debt obligations	1.371	1.115
	1.371	1.115
Interest on financial liabilities measured at amortised cost pose!	1.371 !	1.115 !
!	!	

4 Administrative expenses

Remuneration to the general meeting-elected auditor

	2016	2015
Statutory audit	250	250
Other security declaration tasks	0	306
Other assistance	20	111
667	270	

Remuneration to the Board of Directors and executive management

The Board of Directors and the Executive Management did not receive remuneration in 2016 (2015: DKK 0).

5 Tax

Tax on the profit for the year can be explained as follows:

Consolidated financial statements 1 January – 31 December

Calculated 22% tax on profit before tax (2015: 23.5%)	454	867
Unrecognized Deferred Tax	-454	-867
	0	0
Effective tax rate	0,0%	0,0%

tkr.	2016	2015
6 Result pr. share		
Profit for the year	-2.015	-3.742
Blue Vision Group's share of profit for the year	-2,015	-3,742
Average number of shares	93,747,083	10,869,227
Average number of treasury shares	307,739	103
Average number of shares in circulation	93,439,344	10,869,124
Result pr. share (EPS Basic)	0.02	-0.26
Diluted earnings per share (EPS-D) , continuing operations	0.02	-0.26

On 18 February 2016, Blue Vision A/S carried out a share split so that the Company's share capital now amounts toa minimum of DKK 108,692,270, corresponding to 108,692,270 shares of nominally DKK 1.

Consolidated financial statements 1 January – 31 December

tkr.	2016	2015
7 Investment properties under construction		
Fair value 1 january	23.862	23.787
Procurement at cost	56	0
Exchange rate adjustment	111	75
Transferred to assets destined for sale	-24.029	0
Fair value 31. december	0	23.862

The investment properties include a plot of land in Madeira, Portugal. The plot of land has been developed, and planning permission has been granted for the construction of an expected 30,050 m2 of construction divided into a 5-star hotel with 159 rooms. Investment property is transferred to assets intended for sale.

The Group shall not be liable to any obligations relating to the Group's investment properties under construction.

tkr.	2016	2015
8 Project property		
Cost price 1 January	99.696	99.463
Procurement at cost	154	0
Exchange rate adjustment	349	233
Transferred to assets destined for sale	-100.199	0
Cost 31. december	0	99.696
Carrying value 31 December	**0**	**99.696**

Project property includes a plot of land in Madeira, Portugal. The plot of land has been developed and planning permission has been granted for the construction of an expected 36,200 m2 of flats destined for resale. Project ownership has been transferred to assets intended for sale. The Group does not have any obligations regarding the Group's project property.

Consolidated financial statements 1 January – 31 December

tkr.		2016	2015
9 Assets and liabilities for sale			
Assets determined for sale			
Cost price 1 January		0	0
Transferred from investment properties under construction		24.029	0
Transferred from project property		100.199	0
Other current assets relating to assets intended for sale		140	
	0	124.368	
Cost 31. december		**124.368**	
	0		
Carrying value 31 December			**0**
Obligations for sale			
Cost price 1 January		0	0
Other liabilities relating to assets intended for sale	0	19.725	
		19.725	
Cost 31. december	0	**19.725**	
Carrying value 31 December	**0**		

Assets and liabilities intended for sale are attributable to investment properties under construction and project property comprising a plot of land in Madeira, Portugal. On 9 March 2017, a Memorandum of Understanding was entered into with a foreign company regarding the sale of Blue Vision's shares and receivables from its subsidiary Portinho S.A.

Consolidated financial statements 1 January – 31 December

10 Receivables

VAT due	36,151	
Other loans and advances	0	482
		36
633		

11 Cash and cash equivalents

The Group's liquidity reserve consists of cash equivalents, which as at 31 December 2016 amount to DKK 1 million. (2015: 376 tkr.)

The Company has received a statement of support from the Company's majority shareholder and Portinho ApS, who declares that there will be sufficient cash in the Company to cover its ongoing operations until 31 March 2018, if necessary by adding new loans, and that it will withdraw any debts that the Company may have to bank, financiali nstitutions and other including suppliers, staff, etc.

12 Deferred Tax

As of 31 December 2016, the Blue Vision Group has an unrecognised deferred tax asset of 23 mio.kr. (2015: 23 mio.kr.)

At the time of financial reporting, there is uncertainty associated with whether the tax asset can be used to offset positive income in the foreseeable future.

13 Own funds, own shares and asset management

The share capital consists of 108,692,270 shares of DKK 1 (2015: 10,869,227 shares of DKK 10). No shares are granted special rights. There are no restrictions on marketability and no voting restrictions. All shares are fully paid up and there have been nomovements on the share capital in 2015.

Treasury shares

	Number of		nominal values (tkr.)		% share capital	
	2016	2015	2016	2015	2016	2015
1 january	1.338.983	103	1.338.983	10	1,23	0,00
31. december	1.338.983	103	1.338.983	10	1,23	0,00

Consolidated financial statements 1 January – 31 December

All treasury shares are owned by Blue Vision A/S.

Capital management

The Executive Board and the Board of Directors regularly assess the Group's asset management. Relevant ratios for solvency and liquidity are continuously monitored without targets being set . If the need for capital injection is identified, the Executive Board and the Board of Directors will make an assessment of the optimal method for doing so.

14 Other debt obligations (long-term)

Other debt obligations consist of debts to other shareholders in Portugal and prepayment for the purchase of apartments.

tkr.	2016	2015

15 Debts to financial institutions and other debt obligations

Debts owed to financial institutions 557 30 Other liabilities 5,000 5,000

Carrying value	5,557	5,030

Debts to financial institutions and other debt obligations are recognized thus in the balance sheet:

Current liabilities	5.557	5.030
Carrying value	5,557	5,030
Nominal value	5,557	5,030

Other debt obligations consist of a standing, fixed-rate loan totalling DKK 5 million, which falls to payment on 1 July 2018, In March 2017, commitments have been obtained regarding the extension of the current short-term debt obligation of DKK 5 million so that it becomes due on 1 July 2018.

16 Debt to shareholders

As of 31 December 2016 , the Group's debt to shareholders relates to an ongoing operating balance with Portinho ApS and the majority shareholder Jeanette Borg.

Consolidated financial statements 1 January – 31 December

17 Contingent assets, liabilities and collateral

Contingent assets

For deferred tax asset, see note 12.

Contingent liabilities

As of 31 December 2016, the Blue Vision Group has not assumed contingent liabilities.

Liabilities

A mortgage has been given on investment properties and project properties for a total of Tkr 53,568, the carrying value of which as at 31 December2016 totals TKr 124,368. The mortgage is secured by Portinho ApS, which is a close relative of Blue Vision A/S, receivable from third parties. Blue Vision A/S's ceo has personal and indefinite power of attorney to remove this mortgage at the time of financial reporting .

18 Financial risks and financial instruments

As a result of its operations, investments and financing, the Blue Vision Group is exposed to a number of financial risks, including market risks (interest rate risks), credit risks and liquidity risks.

Market risks

Interest rate risks

As a result of its financing activities, the Group is not exposed to fluctuations in interest rates. The Group's plot of land is financed by equity and debt to shareholders, where a moratorium has been imposed so that the debt does not bear interest.

The Group's bank deposits are placed in accounts on ordinary demand terms.

Credit risks

The Group has no significant receivables and is not exposed to credit risks.

Liquidity risks

The Group's liquidity reserve as at 31 December 2016 consists of cash and cash equivalents.

The Company has received a statement of support from the Company's majority shareholder and Portinho ApS, who declares that there will be sufficient cash in the Company to cover the ongoing operations until 31 March 2018, if necessary by taking out new loans, and that it will withdraw any debts that the Company may have to the bank, financial institutions and other including suppliers, staff, etc.; The Group's debt obligations are due as follows:

	2016				
tkr.	Accounting value	Contract equal money-flow	Within 1 year	1 to 5 years	After 5 years

Consolidated financial statements 1 January – 31 December

	19.725	19.725	19.725		
	28.976	28.976	33.175	5.000	
Non-derivative financial instruments					
Debt to shareholders	1.591	1.591	1.591	0	0
Debts to banking institutions and others					
debt obligations*	5.557	5.557	5.557	5.000	0
Supplier debt	2.103	2.103	6.302	0	0
Liabilities relating to assets destined for sale				0	0
31. december 2016					0

* Other debt obligations consist of a standing, fixed-rate loan totalling 5 mio.kr, which falls to payment on July 1, 2017. In March 2017, commitments were reached to extend the current 5 mio.kr short-term debt obligations. thus, at this is due on July 1, 2018.

18 Financial risks and financial instruments, continued

2015

Consolidated financial statements 1 January – 31 December

tkr.	Carrying value	Contractual Cash flows	Within 1 year	1 to 5 years	After 5 years
Non-derivative financial instruments					
Debt to shareholders	18.179	19.738	1.268	16.911	0
Debts to banking institutions and others debt obligations;	5.030	5.330	5.030	0	0
Supplier debt	3.513	3.513	3.513	0	0
31. december 2015	26.722	28.581	9.811	16.911	0

Categories of financial instruments

tkr.	2016 Fair value	2016 Accounting value	2015 Fair value	2015 Accounting Value
Receivables	36	36	633	633
Financial assets*	1.348	1.348	1.688	1.688
Cash and cash equivalents	1	1	376	376
Assets determined for sale	124.368	124.368	0	0
	125.753	125.753	2.697	2.697
Loans and advances				
Debts to banking institutions and others debt obligations;	5.557	5.557	5.030	5.030
Debt to shareholders	1.591	1.591	18.179	18.179
Supplier debt	2.103	2.103	3.513	3.513
Obligations for sale	19.725	19.725	0	0
Financial liabilities measured at amortized cost price	28.976	28.976	26.722	26.722

* The Group has a total deposit of DKK 1.3 million as at 31 December 2016 (2015: 1.7 mio.kr.) in a private investment company with a guaranteed return of at least 3%. In the year, a total return of DKK 1.1 million (2015: 0.3 mio.kr.

Consolidated financial statements 1 January – 31 December

Methods and assumptions for the calculation of fair values

The fair value of fixed-rate loans, which is measured at amortized cost in the balance sheet, is calculated based on discounting models in which all estimated and fixed cash flows are discounted using zero coupon interest curves.

The fair value of the deposit shall be approximately equal to the carrying value.

Receivables and supplier debts, etc. with a short credit period are estimated to have a fair value equal to the carrying value.

18 Financial risks and financial instruments, continued to

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Financial assets of Tkr 125,753 measured at fair value by Level 3, unobservable inputs. The fair value statement takes into account the credit rating of the company in whichthe valuation is located. Nominal deposits and earned returns for the period are estimated to constitute the fair value as of 31 December 2016.

19 Related parties

Blue Vision A/S has registered the following shareholders with 5% or more of the share capital:

- Portinho ApS, Rosenvængets Hovedvej 14, 2., 2100 Copenhagen (33.13%)
- Jeanette Gyldstoff Borg (21.60%)
- Marble Road Group ApS, Jomsborgvej 37, 4. tv., 2900 Hellerup (10,07%)
- H.C.Holding. Investeringsaktieselskab, Energivej 30, DK-2750 Ballerup (10.22%)

Jeanette Gyldstoff Borg owns the share capital in Portinho ApS and Baltic Investment Group ApS through the holding company Haab Ltd. and thus acquires a controlling influence in Blue Vision A/S.

Related parties with whom the Group has had transactions

In addition to loan agreements, as referred to in Notes 14 and 16, there have been the following transactions with these related parties:

A mortgage has been made on assets intended for sale for a total of DKK 53,568. (2015: 53,568 tkr.), whose carrying value as at 31 December 2016 totals 124,228 tkr. The mortgage is secured by Portinho ApS, which is a close relative of Blue Vision A/S, receivable from third parties. Blue Vision A/S's ceo has at the time of financial reporting has personal and indefinite power of attorney to remove this mortgage.

20 Post-balance sheet events

No events have occurred after the end of the financial year that affect the consolidated financial statements and the financial statements for 2016, except that on 9 March 2017 Blue Vision A/S

Consolidated financial statements 1 January – 31 December

entered into a Memorandum of Understanding (Letter of Intent) with a foreign company regarding the sale of the company's shares in and receivables from the subsidiary Portinho S.A.

21 Accounting policies

Blue Vision A/S is a limited liability company based in Denmark. The financial part of the annual report for the period 1 January – 31 December2016 includes both the consolidated financial statements of Blue Vision A/S and its subsidiaries (the Group) as well as separate annual accounts for the parent company.

The consolidated financial statements for Blue Vision A/S for 2016 are presented in accordance with international financial reportingstandards as approved by the EU and additional requirements in the Danish Financial Statements Act.

On 31 March 2017, the Board of Directors and the Executive Management considered and approved the annual report for 2016 for Blue Vision A/S. The annual report will be submitted to Blue Vision A/S' shareholders for approval atthe annual general meeting on 27 April 2017.

Basis for preparation

The consolidated financial statements are presented in Danish kroner rounded to the nearest DKK 1,000.

The consolidated financial statements are prepared according to the historical cost principle, except for investment properties and financial assets, which are measured at fair value.

Assets determined for sale

Assets intended for sale include non-current assets destined for sale. Liabilities relating to assets intended for sale are liabilities directly related to these assets, which will be transferred at the time of the transaction. Assets are classified as "bestmt for sale" when their carrying value will be recovered primarily through a sale within 12 months under a formal plan rather than through continued use.

Assets and related liabilities shall be separated into separate lines inthe b alancense and the principal items shall be specified in the notes on the accounts. Comparative figures in the balance sheet are not adjusted.

Discontinued activities

Discontinued activities include major separate entities disposed of or spun off for sale. Profit and loss on discontinued activities is presented separately in the profit and loss account with adjustment of comparative figures. Similarly, assets and related liabilities from discontinued operations are separated into separate lines in the balance sheet, and cash flows from discontinued operations are presented separately in the cash flow statement.

Assets and liabilities from discontinued activities, other than financial assets, etc., are valued at the lowest value of carrying and fair value less disposal costs. No depreciation shall be made on plant files intended for sale.

Description of accounting policies

Consolidated financial statements 1 January – 31 December

Consolidated financial statements

The consolidated financial statements include the parent company Blue Vision A/S and subsidiaries in which the Group has a controlling influence (power) over the company, the opportunity or right to receive variable returns from the company and the opportunity to use the controlling influence to influence the amount of the return.

Undertakings in which the group exercises significant but not controlling influence are considered to be associated undertakings. Significant influence is typically achieved by directly or indirectly owning or holding more than 20% of the voting rights, but less than 50%.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

When assessing whether Blue Vision A/S has a controlling or significant influence, shareholder agreements and potential voting rights are taken into account if they are real and have substance at the balance sheet date.

A group description is given on page 11.

The consolidated financial statements have been prepared as a compilation of the accounts of the parent company and the subsidiaries, calculated in accordance with the group's accounting policies, eliminated for intragroup income and expenses, shareholdings, internal balances and dividends, and realised and unrealized profits from transactions between the consolidated undertakings.

The consolidated financial statements include 100 % of the accounting items of the subsidiaries. The minority interest's share of the profit for the year and of the equity of subsidiaries that are not 100% owned is included as part of the group's profit or equity, respectively, but is shown separately.

Minority interests

At the time of initial recognition, minority holdings shall be measured either at fair value or at their pro rata share of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired undertaking. The choice of method is made for each transaction. Minority interests are subsequently adjusted for their proportionate share of changes in the subsidiary's equity. Comprehensive income is allocated to minority interests, regardless of the fact that the minority interest may become negative.

The purchase of minority shares in a subsidiary and the sale of minority shares in a subsidiary which does not entail the cessation of control shall be treated in the group account as an equity transaction and the difference between the consideration and the carrying value shall be allocated to the parent company's share of equity.

Conversion of foreign currency

Transactions in foreign currencies were converted during the year into the current currency at the rate of the transaction date. Exchange rate differences that occur between the rate of the transaction date and the rate on the payment date are recognized in the income statement under financial income or expenses.

Shares, bonds and other investment assets, receivables, debts and other monetary items denominated in foreign currencies shall be converted into the functional currency at the exchange rate of the balance sheet date.

The difference between the balance sheet date rate and the rate at the time of the receivable or debt arising or the rate in the most recent annual report shall be recognised in the profit and loss account under financial income and expenses.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

Derivative financial instruments

When assessing financial instruments are recognized from the trading date and measured in the balance sheet at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other debts, and offsetting of positive and negativeassets is made only when the Group has the right and intention to settle several net financial instruments. Fair values for derivative financial instruments are calculated on the basis of current market data and recognised valuation methodologies.

Fair value protection

Changes in the fair value of derivative financial instruments classified as and meeting the criteria for securing the fair value of a recognised asset or liabilities shall be recognised in the profit and loss account together with changes in the value of the secured asset or liability in respect of the part secured.

The part of the value adjustment of a derivative financial instrument that is not part of a hedging relationship is presented under financial items.

Other related financial instruments

For derivative financial instruments that do not qualify for treatment as hedging instruments or are classified as such, changes in fair value are recognized on an ongoing basis in the profit and loss account under financial items.

Conversion options

Certain debentures contain conditions similar to derivative financial instruments. Embedded derivative financial instruments which qualify for this are recognized separately and measured at first recognitionto fair value. Such segregated embedded derivative financial instruments are classified as equity.

Income statement

Operating costs

Operating expenses include costs incurred to achieve net sales for the year, including costs for the acquisition, development and construction of project properties.

In addition, operating expenses relating to investment properties are included.

Administrative costs

Administrative expenses include expenses incurred in the year for management and administration, including administrative staff costs, office premises and office costs, and depreciation and amortization. In addition, write-downs of receivables from sales are included.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

Other operating income and expenses

Other operating income and expenses include accounting items of a secondary nature to the activities of the undertakings, including profits and losses arising fromthe sale and replacement of tangible assets. Profits and losses from the sale of non-current assets are calculated as the selling price less selling expenses and the carrying value at the time of sale.

Financial income and expenses

Financial income and expenses include interest, capital gains and losses and write-downs relating to securities and debt and transactions denominated in foreign currencies, respectively. In addition, the amortisation of liabilities, surcharges and allowances is included underthe on-account tax scheme, as well as changes in the fair value of derivative financial instruments not classified as hedging agreements.

Borrowing costs from general borrowing or loans directly related to acquisition, construction

Tax on profit for the year

Tax due and receivable is shown under current assets/liabilities. Respectively, joint taxation contributions due are recognised in the balance sheet under receivables from or debts owed to affiliated undertakings.

Balance sheet Investment properties

Properties are classified as investment properties when held for the purpose of obtaining rental income and/or capital gains. Investment properties are measured at first admission at cost, which includes the purchase price of properties and costs directly related to the acquisition. Subsequently, investment properties are measured at fair value. Changes in fair value are recognized in the profit and loss account as value adjustments of investment properties under "value adjustments of investment properties and financial liabilities" in the financial year in which the change occurs.

Fair value is calculated either at average sales prices of comparable properties or with a return-based cash flow model, where future cash flows are discounted to present value in a given return requirement. The return requirement is determined property by property based on stated return requirements on comparable properties in the same geographical area.

Realised profit and loss on the sale of investment properties is calculated as the difference between an carrying value and the sale price and is recognised separately in the accounting item "value adjustments of investment properties and financial debt obligations".

Investment properties under construction are recognized at the initial cost from the acquisition, plus project and construction costs, as best expressions of fair value at the time of financial reporting.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

Project properties

Project stock includes land, buildings and ongoing construction projects at own expense for later sale.

Land is measured at the purchase price plus costs that are estimated to add value to the land. Construction projects are measured at cost price plus project and construction costs incurred, including financing costs and staff costs up to the end of the construction project. If the expected net realisation value is estimated lower than the carrying value, depreciation shall be made to that lower value.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

Receivables

Receivables are measured at amortized cost. Write-downs are made to counter losses where an objective indication has occurred that an individual receivable or portfolio of receivables has deteriorated.

Write-downs are calculated as the difference between the carrying value and the present value of the expected cash flows, including the realisation value of any collateral received. The discount rate shall be the effective interest rate applied at the time of first recognition for each receivable or portfolio.

The recognition of interest on written receivables is calculated on the written-down value at the effective interest rate for each receivable.

Equity

Dividend

Dividends are recognized as a liability at the time of adoption at the annual general meeting (the date of declaration). Dividends proposed for the year are shown as a separate item under equity.

Advance dividends are recognised as a liability at the time of the decision.

Conversion right reserve

The conversion rights reserve contains the value of conversion rights issued built into certain debt obligations, which are recognized separately and measured at first recognition at fair value, and are classified as equity.

Reserve for own shares

The reserve for treasury shares contains the purchase amounts for the company's holding of treasury shares. Dividends for treasury shares are recognized directly in transferred comprehensive income in equity.

Gains and losses on the sale of treasury shares are carried forward at an issue premium.

Premium on issue

The issue premium includes amounts in excess of the nominal share capital paid up by shareholders through capital increases and gains and losses on the sale of treasury shares.

Payable tax and deferred tax

Current tax liabilities and current tax receivables are recognisedin the balance sheet as calculated tax on the taxable income of the year, adjusted for tax on previous years' taxable income and for taxes paid on account.

Consolidated financial statements 1 January – 31 December

21 Accounting policies, continued

Deferred tax is measured by the balance sheet-oriented debt method by all temporary differences between the carrying and tax value of assets and liabilities. However, deferred tax is not recognized on temporary differences relating to tax-non-depreciable goodwill and office properties, as well as other items where temporary differences – other than acquisitions – have arisen at the time of acquisition without having an effect on profit or taxable income. In cases where the calculation of the tax value can be made according to different tax rules, deferred tax is measured on the basis of the use of the asset planned by the management or the settlement of the liability.

Deferred tax assets, including the tax value of carry-forward tax losses, are recognized under other non-current assets at the value to which they are expected to be used, either by offsetting against tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax assets are assessed annually and recognized only to the extent that they are likely to be utilized.

Deferred tax assets and liabilities are set off where the Group has a legal right to offset current tax liabilities and tax assets or intends either to offset current tax liabilities and tax assets on a net basis or to realize the assets and liabilities simultaneously.

Deferred tax is measured on the basis of the tax rules and tax rates that will apply under the balance sheet date legislation when the deferred tax is expected to be triggered as current tax. Changes in deferred tax due to changes in tax rates are recognized in the two figures for the year.

Financial commitments

Subordinated loans, debts owed to shareholders and other long-term liabilities shall be recognised by borrowing as revenue received after deduction of transaction costs incurred. In subsequent periods, financial liabilities at amortised cost, corresponding to the capitalised value, are measured using the "effective interest rate method", so that the difference between the proceeds and the nominal value is recognised in the profit and loss account over the loan period.

Financial liabilities to bank and credit institutions relating to the financing of investment properties shall be measured at the first time of recognition of the remuneration received. After initial recognition, financial liabilities to bank and credit institutions relating tithe financing of investment properties at fair value are measured with recognition in the profit and loss account, corresponding to the measurement of investment properties.

This method has been chosen to provide some symmetry between the measurement of assets and liabilities, as management believes that there may be certain economic relationships between some of the principal factors determining the fair value of an investment property and the fair value of the related financial debt obligations.

Other financial liabilities must be at net realisation value.

21 Accounting policies, continued

Consolidated financial statements 1 January – 31 December

Cash flow statement

The cash flow statement shows cash flows by operating, investment and financing activity for the year, the year's shift in cash and cash equivalents at the beginning and end of the year.

The liquidity effect of buying and selling companies is shown separately under cash flows from investment activity. In the cash flow statement, the cash flows of purchased companies are recognized from the time of acquisition, and the cash flows of sold companies are recognized up to the time of sale.

Cash flows from operating activities are calculated according to the indirect method as profit before tax adjusted for non-cash operating items, change in working capital, interest received and paid, dividends received and corporate tax paid.

Cash flows from investment activities include payments related to the purchase and sale of businesses and activities, the purchase and sale of intangible, tangible and other non-current assets, and the purchase and sale of securities not included as cash and cash equivalents.

Cash flows from financing activities include changes in the size or composition of share capital and associated costs, as well as borrowing, repayment of interest-bearing debt, purchase and sale of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents include cash only.

Cash flows in currencies other than the functional currency are converted at average exchange rates, unless these differ materially from the prices of the transaction date.

Ratios

Earnings per share (EPS Basic) and earnings per share (EPS-D) are calculated in accordance with IAS 33. Other key figures have been prepared in accordance with the Danish Financial Analysts' Association's "Recommendations and Key Figures 2015".

21 Accounting policies, continued

Key performance indicators definitions

The key figures given in the annual report are calculated as follows:

Solvency ratio	$\frac{\text{Equity excluding minority, end x 100}}{\text{Total liabilities, end}}$
Result*	Profit attributable to the parent company's shareholders
Return on equity	$\frac{\text{Result* x 100}}{\text{Average equity excluding minorities}}$
Result pr. share (EPS Basic)	$\frac{\text{Result*}}{\text{Average number of shares outstanding}}$

Consolidated financial statements 1 January – 31 December

Diluted earnings per share (EPS-D)	Diluted result* / Diluted average number of shares outstanding
Cash Flow pr. aktie (CFPS)	Cash flows from operating activities / Diluted average number of shares outstanding
Net asset value per share	Equity excluding minority sint. / Number of shares at end
Dividends per share	Dividend percentage x share face value / 100
Dividend yield	Parent company dividend ratio
Payout ratio	Dividend payment / Result*
Current Price Earning (P/E)	Stock exchange price / EPS
Price/Cash Flow (P/CF)	Stock exchange price / CFPS
Exchange rate/net asset value (P/BV)	Stock exchange price / Net asset value

22 New accounting regulation

At the time of publication of this annual report, there are a number of new or amended standards and interpretations which have not yet entered into force and have therefore not been incorporated into the annual report.

The new standards and interpretations will be implemented as they become mandatory.

Management believes that these will not have a significant impact on the annual report for the coming financial years.

Annual accounts 1 January – 31 December

tkr.	Note	2016	2015
Administrative costs	4	-1.320	-2.710
Operating profit		-1.320	-2.710
Financial income	2	4.667	4.052
Financial costs	3	-687	-404
Profit before tax		2.660	938
Tax on profit for the year	5	0	0

Income statement

Profit for the year		2.660	938

Annual report 1 January – 31. december

Proposals for profit allocation

Transmitted result	938

Comprehensive income statement

Profit for the year	2.660	938
Other comprehensive income after tax	0	0
	2.660	938
	2.660	
938	2.660	

Annual accounts 1 January – 31 December
Balance

tkr.	Note	2016	2015
ACTIVE	**Long-term active**		
Shares in subsidiaries	6	0	15.547
Claims on subsidiaries	7	0	59,084
Deferred tax	8	0	0
Total non-current assets			74.631
	0		
Current assets			
Claims on subsidiaries	7	7.727	3.789
Receivables	9	36	151
Financial assets	16	1.348	1.688
Cash and cash equivalents	10	1	376
		9.112	6.004
Assets determined for sale		74.631	0

Total current assets 83,743 6,004 **Total assets**
83,743 80,635

Balance

tkr.	Note	2016	2015
PASSIVE			
Equity			
Share capital		108.692	108.692

Annual report 1 January – 31. december

Reserve for own shares		-642	-10
Transmitted result		-33.559	-36.110
Equity	totalled 11,74,491,72,572		
Short-term liabilities			
Debts to financial institutions and other debt obligations	12	5.557	5.017
Debt to shareholders	13	1.591	1.268
Leverandørgæld		2.104	1.778

Total short-term liabilities 9,252 8,063 **Total liabilities**
9,252 8,063 **Total liabilities** 83,743 80,635

Annual accounts 1 January – 31 December
Cash flow statement

tkr.	Note	2016
2015		
Profit for the year	2,660,938	
Financial income	0	-4,052
Financial costs	0	404
Operating cash flow before change in working capital	2,660	-2,710
Change in working capital:		
Change in current assets, etc.	-3,483	-700
Change in debt obligations, etc.	632	-22
Cash flow from primary operations	-191	-3.432
Interest expense, paid	0	-254
Equity movements	-741	0
Cash flow from operating activities		-932
-3,686		
Investing in financial assets	0	-1.688
	0	-1.688
Cash flows from investment activity		
Recording of loan	0	5.000
	0	5.000
Cash flows from financing activity		

Annual report 1 January – 31. december

Change in cash and cash equivalents -932
374

Likvider first		376	
	2	-556	376
Cash and cash equivalents December 31	, 10		

Cash in the balance sheet shall be specified as follows:			
Cash and cash equivalents		1	376
Draw on credit facilities		-557	0
Cash and cash equivalents 31 December	10	-556	376

tkr.	Share capital	Reserve for own shares	Transmitted result	Equity total
	108.692	-10	-37.048	71.634
		0	938	938
		0	938	938
	108.692	-10	-36.110	72.572
		0	2.660	2.660
		0	2.660	2.660

Statement of own funds

Equity 1 January 2015

Annual accounts 1 January – 31 December

Equity movements **i 2015**

Profit for the year		0
Total arrival in 2015 total	0	

Equity 31 December 2015

Equity movements **i 2016**

Profit for the year	0
Total arrival in 2016 total	0

Transactions with owners						
Acquisition of own capital shares		0	-632	0	-632	
Cost stock split		0	0	-109	-109	
				-109		
Capital issuers transactions						0
						-632
	-741	108.692	-642	33.559	74.491	

Equity 31 December 2016

Summary of notes to the financial statements

Note **Note**

1 Accounting estimates and valuations

2 Financial income

3 Financial costs

4 Remuneration to general meeting elected

11 Equity

12 Debts to financial institutions and others debt obligations;

13 Debt to shareholders

Annual report 1 January – 31. december

Annual accounts 1 January – 31 December

Note

1 Accounting estimates and assessments

Reference is made to Note 1 of the consolidated financial statements, which describes estimates and assessments related to the subsidiary's investment properties under construction and project properties. The value of the shares in the subsidiary Portinho S.A. is dependent on the underlying valuation of the properties.

tkr.		2016	2015

2 Financial income

Exchange rate adjustments		0	150
Interest, affiliates	3.590	3.613	
Interest, return, other		1.054	
	312	4.667	
	4.052	3.613	
Interest on financial assets measured at amortized cost amounts to!			3,590!

3 Financial costs

Interest rates, other		687	
	404	687	
			404
Interest on financial liabilities measured at amortized cost amounts to!		687	404!

4 Remuneration to the general meeting-elected auditor

See Note 4 of the Consolidated Financial Statements.

Annual accounts 1 January – 31 December

tkr.	2016	2015

5 Tax

Tax on the profit for the year can be explained as follows:

Calculated 22% tax on profit before tax (2015: 23.5%)	-599	-220
Non-deductible costs	0	0
Unrecognized tax deferred	599	220

Effective tax rate

6 Shares in subsidiaries

Cost price 1 January		15.547	112
Access		0	15.435
Cost 31. december		0	0
15.547	15.547	0,0 %	0,0 %
Transferred to assets of sale		-15,547	0
Carrying value 31 December		0	15,547

Shares in subsidiaries include the following companies:

Ownership interest Ownership interest

Annual accounts 1 January – 31 December

Name	Hometown	2016	2016
Portinho S.A.*	Madeira, Portugal	79.3%	79.3%

** Reviewer: Miguel Freitas, Statutory Auditor, Madeira, Portugal.*

tkr.		2016	2015
7	**Claims on subsidiaries**		
	Non-current assets:		
	Receivable from Portinho S.A.	59.084	59.084
	Transferred to assets destined for sale	-59.084	0
		0	59.084
	Current assets:		
	Receivable from Portinho S.A.	7.727	3.789
		7.727	3.789

8 Deferred tax

See Note 12 of the Consolidated Financial Statements.

9 Receivables

Vat due	36	151
	36	151

10 Cash and cash equivalents

The parent company's liquidity reserve consists of cash equivalents, which as of December 31, 2016 amount to DKK 1. (2015: 376 tkr.)

11 Equity

The composition of the share capital and treasury shares are set out in note 13 of the consolidated financial statements.

Annual accounts 1 January – 31 December

12 Debts to financial institutions and otherdebt obligations

See Note 15 to the Consolidated Financial Statements.

13 Debt to shareholders

See Note 16 of the Consolidated Financial Statements.

14 Contingent assets, liabilities and collateral

Contingent assets

See Note 17 of the Consolidated Financial Statements.

Contingent liabilities

Until 4 April 2014, the parent company has been jointly taxed with other Danish companies in the Blue Vision Group.

As a former management company, the company is jointly and severally liable with the other companies in the joint taxation for Danish corporation taxes within the former joint taxation circle. Corporation tax due within the joint taxation circle amounts to DKK 0 as at 31 December 2016 (2015: DKK 0). Any corrections to taxable joint taxation income could result in a larger amount being the liability of the parent undertaking.

14 Contingent assets, liabilities and collateral, cont'd

Blue Vision A/S has also been jointly registered for VAT with the subsidiaries until 4 April 2014 and is jointly and severally liable for the VAT liability of the jointly registered companies.

Guarantees

No debt guarantees have been provided.

15 Financial risks and financial instruments

Interest rate risks

Due to its limited financing activities, the company is not exposed to fluctuations in interest rates.

The Group's bank deposits are placed in accounts on ordinary demand terms.

Annual accounts 1 January – 31 December

Interest rate risks

The company has a receivable fromthe utility company. The value of the receivable must be seen in the context of the development of the development project in the benefited company.

Liquidity risks

The Company's liquidity reserve as at 31 December 2016 consists of cash and cash equivalents.

The Company has received a statement of support from the Company's majority shareholder and Portinho ApS, which declares that there will be sufficient cash in the Company to cover its ongoing operations until 31 March 2018, if necessary by adding new loans, and that it will withdraw from any debts that the Company may have to banks; financial institutions and other including suppliers, staff, etc.;

The debt obligations of the company are due as follows:

2016

tkr.	Accounting- money- Within value	Contract- flows	Equal 1 year	1 to 5 years	After 5 years
Non-derivative financial Instruments					
Debt to shareholders	1,591	1,591	1,591	0	0

Debts to banking institutions and others
debt obligations 5,557 5,557 5,557 0 0 Supplier debt 2,104 2,104 2,104 0 0

31. december 2016
9.252
9.252 9.252 0 0

Annual accounts 1 January – 31 December

15 Financial risks and financial instruments, continued

	2015				
tkr.	Carrying value	Contract-straight Cash flows	Within 1 year	1 to 5 years	After 5 years
Non-derivative financial instruments					
Debt to shareholder	1.268	1.268	1.268	0	0
Debts to banking institutions and others debt obligations;	5.017	5.017	5.017	0	0
Leverandørgæld	1.778	1.778	1.778	0	
31. december 2015	8.063	8.063	8.063	0	0

The maturity analysis is based on all undiscounted cash flows including estimated interest payments. Interest payments are estimated based on current market conditions.

Categories of financial instruments

	2016		2015	
tkr.	Fair value	Accounting value	Fair value	Accounting Value
Receivables from subsidiaries*	7.727	7.727	62.872	62.872
Receivables	36	36	151	151
Financial assets	1.348	1.348	1.688	1.688
Cash and cash equivalents	1	1	376	376
Assets determined for sale	74.631	74.631	0	0
Loans and advances	83,743	83,743	65,087	65,087
Debt to shareholders	1,591	1,591	1,268	1.268
Debts to banking institutions and others debt obligations	5,557	5,557	5,017	5.017
Supplier debt	2.104	2.104	1.778	1.778
Financial liabilities measured at				

Annual accounts 1 January – 31 December

amortized cost price	9,252	9,252	8,063	8.06 3

* Nominal value of receivables from subsidiaries as at 31 December 2016 amounts to DKK 87,512. (December 31, 2015: $83,521).

15 Financial risks and financial instruments, continued

Methods and assumptions for the calculation of fair values

The fair value of fixed-rate loans, which is measured at amortized cost in the balance sheet, is calculated based on discounting models in which all estimated and fixed cash flows are discounted using zero coupon interest curves.

Receivables and supplier debt with a short credit period are estimated to have a fair value equal to the carrying value.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

For a description of the Company's financial instruments measured at fair value in the balance sheet, see Note 18 to the Consolidated Financial Statements.

16 Related parties

In addition to the mention in Note 19 to the consolidated financial statements, the parent company's related parties include subsidiaries and their subsidiaries, cf. note 6 to the parent company's annual report.

The parent company has a claim on the affiliated company, cf. note 7 to the parent company's annual accounts.

Remuneration to the Executive Management and the Board of Directors is set out in Note 4 to the Consolidated Financial Statements.

In addition, no transactions were carried out during the year with the Board of Directors, the Executive Management, significant shareholders or other related parties.

17 Post-balance sheet events

See Note 20 to the Consolidated Financial Statements.

18 Accounting policies

The separate financial statements for the parent company have been incorporated into the annual report because the Danish Financial Statements Act requires a separate parent company financial statement for IFRS contributors.

Annual accounts 1 January – 31 December

The parent company's annual accounts are presented in accordance with International Financial Reporting Standards as approved by the EU and Danish disclosure requirements for annual reports for listed companies.

Description of accounting policies

In relation to the accounting policies described for the consolidated financial statements (see Note 21 to the consolidated financial statements),the accounting policies of the parent company differ only on the following points:

18 Accounting policies, continued

Financial records

Dividends from shares in subsidiaries are recorded in the parent company's profit and loss account in the financial year in which the dividend is declared. If more than the period's comprehensive income is distributed in subsidiaries during the period in which the dividend is declared, impairment tests are carried out.

Write-downs on shares in subsidiaries where the carrying value exceeds the recoverable value shall be recognised in financial expenses in the profit and loss account.

Shares in subsidiaries

Capital shares in subsidiaries are measured in the parent company's annual accounts at cost. If there are indications of impairment needs, impairment tests are carried out. Where the carrying value exceeds the recoverable value, this lower value shall be written down.

Tax on profit for the year

Blue Vision A/S is jointly taxed with other Danish companies in the Blue Vision Group.

Baltic Investment Group ApS is the management company for joint taxation and as a result settles all payments of corporation tax with the tax authorities.

Respectively, joint taxation contributions due are recognised in the balance sheet under receivables from or debts owed to affiliated undertakings.

19 New accounting regulation

See Note 22 of the Consolidated Financial Statements. None of the new or amended standards or interpretations listed are expected to have an effect on the parent company's financial statements.