

Parent company accounts of
8206802 - CP Co 33 Ltd.

Chariot Lux Bidco S.à r.l.

Consolidated financial statements

**as at 30 June 2017
and for the period from
4 November 2016 to 30 June 2017**

46A, Avenue J.F Kennedy, 1855, Luxembourg
RCS number: B210296
Share capital: GBP 15,000

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Chariot Lux Bidco S.à r.l.

Consolidated financial statements

For the period from 4 November 2016 to 30 June 2017

Contents

Report of the Réviseur d'Entreprises Agréé	1-3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8-27

To the Board of Managers of
Chariot Lux Bidco S.à r.l.
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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Chariot Lux Bidco S.à r.l. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 30 June 2017, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 4 November 2016 to 30 June 2017, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2017, and its consolidated financial performance and its consolidated cash flows for the period from 4 November 2016 to 30 June 2017 in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under those Regulation, Law and standards are further described in the "Responsibilities of Réviseur d'Entreprises Agréé for the Audit of the Consolidated Financial Statements" section of our report. We are also independent of the Group in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Managers and Those Charged with Governance for the Consolidated Financial Statements

The Board of Managers is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Managers is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Consolidated Financial Statements

The objectives of our audit are to obtain a reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.

- Conclude on the appropriateness of Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of *Réviseur d'Entreprises Agréé* to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de Révision Agréé*



Andreas Meier, *Réviseur d'Entreprises Agréé*
Partner

31 January 2018

Chariot Lux Bidco S.à r.l.
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period from 4 November 2016 to 30 June 2017

	Note	2017 GBP
Continuing operations:		
Gross rental and related income	5	21,513,038
Direct property operating expenses	6	(1,669,365)
Net rental and related income		19,843,673
Net gain from fair value adjustment on investment properties		38,271,365
Change in fair value of derivative financial instrument at fair value through profit or loss	13	(2,088,726)
Other income	7	10,054,608
Other administrative expenses	8	(3,707,113)
Net other income and expense		42,530,134
Net financing expenses	9	(10,087,017)
Profit before taxation		52,286,790
Current tax	10	(233,974)
Deferred tax	10	-
Profit for the period		52,052,816
Other comprehensive income		-
Total comprehensive income for the period attributable to owners of the Company		52,052,816

The accompanying notes form an integral part of these consolidated financial statements.

Chariot Lux Bidco S.à r.l.
Consolidated Statement of Financial Position
As at 30 June 2017

	Note	2017 GBP
ASSETS		
Non-current assets		
Investment properties	12	522,740,371
Derivative financial instrument at fair value through profit or loss	13	3,731,274
Long term deposit		156,000
Total non-current assets		526,627,645
Current assets		
Trade receivables	14	223,462
Prepayments and other receivables	15	828,008
Cash and cash equivalents	16	31,088,057
		32,139,527
Assets classified as held for sale	11	25,200,000
Total current assets		57,339,527
TOTAL ASSETS		583,967,172
LIABILITIES		
Non-current liabilities		
Borrowings	17	277,208,626
Obligations under finance leases	18	44,826,076
Total non-current liabilities		322,034,702
Current liabilities		
Borrowings	17	194,968,401
Obligations under finance leases	18	361,795
Trade and other payables	19	12,386,608
Current tax liabilities	10	233,974
Total current liabilities		207,950,778
TOTAL LIABILITIES		529,985,480
NET ASSETS		53,981,692
Equity		
Share capital	20	15,000
Other equity	21	1,913,876
Retained earnings		52,052,816
TOTAL EQUITY		53,981,692

The accompanying notes form an integral part of these consolidated financial statements.

Chariot Lux Bidco S.à r.l.
Consolidated Statement of Changes in Equity
For the period from 4 November 2016 to 30 June 2017

	Note	Share capital GBP	Other equity GBP	Retained earnings GBP	Total equity GBP
Balance as at 4 November 2016		-	-	-	-
Issuance of shares	20	15,000	-	-	15,000
Capital contribution received	21	-	2,311,500	-	2,311,500
Profit for the period		-	-	52,052,816	52,052,816
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	52,052,816	52,052,816
Capital contribution repaid	21	-	(397,624)	-	(397,624)
Balance as at 30 June 2017		15,000	1,913,876	52,052,816	53,981,692

The accompanying notes form an integral part of these consolidated financial statements.

Chariot Lux Bidco S.à r.l.
Consolidated Statement of Cash Flows
For the period from 4 November 2016 to 30 June 2017

	Note	2017 GBP
Cash flows from operating activities		
Profit before taxation		52,286,790
Adjustments:		
Net gain from fair value adjustment on investment properties	12	(38,271,365)
Gain on disposal of investment property	7	(10,050,970)
Change in fair value of derivative financial instrument at fair value through profit or loss	13	2,088,726
Net financing expenses	9	10,087,017
<i>Cash generated from operations before working capital changes</i>		<i>16,140,198</i>
Working capital changes:		
Increase in trade receivables		(223,462)
Increase in prepayments and other receivables	15	(828,008)
Increase in trade and other payables	19	12,386,608
<i>Cash generated from operations</i>		<i>27,475,336</i>
Interest received on saving accounts	9	33,599
Payment for prepaid interest rate swap	13	(5,820,000)
Net cash flows from operating activities		21,688,935
Cash flows from investing activities		
Acquisition of investment properties	12	(504,525,837)
Sale proceeds from disposal of investment properties, net of costs to sell		50,750,970
Long term deposits acquired		(156,000)
Net cash flows used in investing activities		(453,930,867)
Cash flows from financing activities		
Proceeds from issue of shares	20	15,000
Capital contribution received	21	2,311,500
Capital contribution repaid	21	(397,624)
Shareholder loan received	17	231,808,500
Shareholder loan repaid	17	(39,364,793)
Third party borrowings received, net of transaction costs	17	280,419,421
Third party borrowings repaid	17	(3,707,757)
Finance cost paid on borrowings		(5,594,360)
Repayment of obligations under finance lease		(2,159,898)
Net cash flows from financing activities		463,329,989
Increase in cash and cash equivalents		31,088,057
Cash and cash equivalents at the end of the financial period		31,088,057

The accompanying notes form an integral part of these consolidated financial statements.

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements
For the period from 4 November 2016 to 30 June 2017

1. General information

Chariot Lux Bidco S.à r.l. (the Company) was incorporated on 4 November 2016 under the laws of Grand Duchy of Luxembourg as a private limited liability company ("société à responsabilité limitée") for an unlimited period with its registered office located at 46A, Avenue J.F Kennedy, 1855, Luxembourg. The Company holds investments in various subsidiaries as disclosed in note 3.3, together known as the Group. The direct parent of the Company is Chariot Lux Holdco S.à r.l. (the shareholder), a company incorporated in Grand Duchy of Luxembourg. The ultimate controlling party of the Group is Beaumont Summit Finance DAC, incorporated in Ireland.

The principal activity of the Company is to hold participations in Luxembourg and foreign jurisdictions and to grant assistance by way of loans, advances, guarantees or securities or otherwise to the companies in which it holds interest or which form part of the group to which the Company belongs.

The principal activity of the Group is property ownership and management with the aim of deriving profits through the continued use or through an orderly sale of the investment properties.

These consolidated financial statements are non-statutory financial statements of the Company. The Company's financial year starts on 1 July and ends on 30 June of each year. Being the first year of incorporation, these financial statements are drawn from the date of incorporation to 30 June 2017.

These consolidated financial statements were approved for issue by the Board of Managers on 31 January 2018.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Standard, Interpretation or Amendment	Description	Effective for annual periods beginning on or after
IFRS 9	Financial instruments	1 January 2018
IFRS 15	Revenue from Contracts with Customers (and the related Clarifications)	1 January 2018
IFRS 16	Leases	1 January 2019
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint venture	Not yet determined
Amendments to IAS 7	Disclosure Initiative	1 January 2017
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

a) IFRS 9 Financial instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

2. Application of new and revised International Financial Reporting Standards (IFRSs) (*continued*)

2.1 New and revised IFRSs in issue but not yet effective (*continued*)

a) IFRS 9 Financial instruments (*continued*)

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

b) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective. *The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.* Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e., when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

2. Application of new and revised International Financial Reporting Standards (IFRSs) (*continued*)

2.1 New and revised IFRSs in issue but not yet effective (*continued*)

c) IFRS 16 Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

d) Amendments to IAS 7 – Disclosure initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

e) Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses

Decreases below cost in the carrying amount of a fixed-rate debt instrument measured at fair value for which the tax base remains at cost give rise to a deductible temporary difference, irrespective of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, or whether it is probable that the issuer will pay all the contractual cash flows;

When an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, and the tax law restricts the utilisation of losses to deduction against income of a specific type (e.g. capital losses can only be set off against capital gains), an entity assesses a deductible temporary difference in combination with other deductible temporary differences of that type, but separately from other types of deductible temporary differences;

The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this; and

In evaluating whether sufficient future taxable profits are available, an entity should compare the deductible temporary differences with future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences.

The Group management is in the process of considering the impact of above standards and amendments and has yet to assess their full impact.

3. Significant accounting policies

3.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU).

3.2 Basis of preparation

These consolidated financial statements have been prepared on the historical cost basis, except for certain investment properties and derivative financial instruments as disclosed in notes 12 and 13 that are measured at fair values at the end of each reporting period.

As at the reporting date, the Group is in net current liability position of GBP 150,611,251, which is due to the interest free loan payable to the shareholder on demand amounting to GBP 192,443,707 (see note 17). The shareholder has confirmed that no repayments will be demanded for the 18 months following the period end, which leaves the Group into a net current asset position of GBP 41,832,456, and therefore the Group will be in a position to meet all its obligations as they fall due, accordingly these consolidated financial statements have been prepared on going concern basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Basis of consolidation

The consolidated financial statements include the accounts of the Company and all subsidiaries controlled by the Company. The Company controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one of the elements mentioned above.

The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date the control ceases.

Accounting practices of subsidiaries which differ from the Company are adjusted on consolidation.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Unrealised losses on transactions between Group companies are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The management has assessed that the Company is not an investment entity under IFRS 10, and therefore the Company will continue to prepare the consolidated financial statements for the Group.

3. Significant accounting policies (continued)

3.3 Basis of consolidation (continued)

These consolidated financial statements include the financial statements of the Company and the following subsidiaries as of 30 June 2017:

Subsidiary	Country of incorporation	Ownership	% of ownership
Chariot Investment Holdings 1 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 2 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 3 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 4 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 5 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 6 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 7 S.à r.l.	Luxembourg	Company	100%
Chariot Investment Holdings 8 S.à r.l.	Luxembourg	Company	100%
CP Co Midco Limited	United Kingdom	Company	100%
CP Co Borrower Limited	United Kingdom	Company	100%
CP Co 1 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 2 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 3 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 4 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 5 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 6 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 7 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 8 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 9 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 11 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 13 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 14 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 15 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 19 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 20 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 23 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 25 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 27 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 29 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 32 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 33 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 34 Limited	United Kingdom	CP Co Borrower Limited	100%
CP Co 35 Limited	United Kingdom	CP Co Borrower Limited	100%

The subsidiaries listed above are exempt from the requirements relating to audit of their individual financial statements in the United Kingdom by virtue of Section 479A of the Companies Act 2006 of the law of the United Kingdom, where the subsidiaries are registered.

3.4 Investment property

Investment properties are initially recognised at cost, including related transaction costs. After initial recognition, investment properties are carried at fair value.

Properties are externally valued on the basis of fair value at the Consolidated Statement of Financial Position date. Investment properties are recorded at market value. Any surplus or deficit arising on revaluing investment properties is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no economic benefits are expected from disposal. Disposals are recognised on completion. Profits and losses arising are recognised through the Statement of Profit or Loss and Other Comprehensive Income, the profit on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus additions in the period.

3.5 Assets held under finance leases

Assets held under finance leases comprise the leasehold lands classified as investment properties, which are recognised and derecognised in line with the Group's accounting policies for investment properties.

3. Significant accounting policies (*continued*)

3.6 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups), except for investment properties, classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

3.7 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

3. Significant accounting policies (*continued*)

3.7 Financial instruments (*continued*)

a) Financial assets (*continued*)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. Significant accounting policies (*continued*)

3.7 Financial instruments (*continued*)

a) Financial assets (*continued*)

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

b) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. Significant accounting policies *(continued)*

3.7 Financial instruments *(continued)*

c) Derivatives financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The Group did not apply Hedge Accounting during the period.

3.8 Leases

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand; call deposits with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

The carrying value of cash and cash equivalents is considered to approximate fair value.

3.10 Gross rental and related income

Rental income is recognised on an accruals basis. Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earliest termination date.

Rental income is recognised on a straight-line basis over the entire lease term. Where such rental income is recognised ahead of the related cash flow, an adjustment is made to ensure the carrying value of the related property including the accrued rent does not exceed the external valuation. Initial material direct costs incurred in negotiating and arranging a new lease are amortised on a straight line basis over the period from the date of lease commencement to the earliest termination date.

Where a lease incentive payment, including surrender premium paid, does not enhance the value of a property, it is amortised on a straight line basis over the period from the date of lease commencement to the earliest termination date. Upon receipt of a surrender premium for the early termination of a lease, the profit, net of dilapidations and non-recoverable outgoings related to the lease concerned, is immediately reflected in income.

Service and management charges and other property income are recognised in the accounting period in which the services are rendered.

3.11 Finance costs

All finance costs are recognised in profit or loss in the period in which they are incurred.

3. Significant accounting policies (*continued*)

3.12 Functional and presentation currency

These consolidated financial statements are presented in British Pounds (GBP), which is the Group's functional currency.

All entities within the scope of consolidation, as disclosed in note 3.3, have GBP as their functional and presentation currency.

3.13 Foreign currency translations

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.14 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. Significant accounting policies (*continued*)

3.14 Taxation (*continued*)

c) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4. Use of estimates and judgements

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The areas involving a higher degree of judgement or complexity are set out below and in more detail in the related notes:

Investment property:

Investment property and property related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where such sales occur shortly after the valuation date. Investments in property are relatively illiquid; however the Group has tried to mitigate this risk by investing in properties that it considers to be good quality.

The valuations are carried by external valuers, the details of which have been laid down in note 12 to these consolidated financial statements.

Business combinations and asset acquisitions:

In determining whether the transaction or an event is a business combination or an asset acquisition the management considers if the assets acquired and liabilities assumed are a business in terms of the IFRS 3. If the assets acquired do not meet the definition of a business, the transaction or other event is treated as an asset acquisition. Such assessment involves high degree of judgement.

During the period, the Group acquired a subsidiary owning, indirectly, various car parks located in the United Kingdom. The Group management concluded that the assets acquired do not constitute a business, as defined in the IFRS 3. Therefore, the transaction was treated as an asset acquisition.

Taxation:

The calculation of the Group's deferred tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits, losses and/or cash flows.

5. Gross rental and related income

	For the period from 4 November 2016 to 30 June 2017 GBP
Fixed rent	20,175,020
Variable rent	862,706
Service charges income	131,551
Insurance	333,063
Others	10,698
Total gross rental and related income	21,513,038

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements *(continued)*
For the period from 4 November 2016 to 30 June 2017

6. Direct property operating expenses

	For the period from 4 November 2016 to 30 June 2017 GBP
Variable rent	807,967
Fixed rent	407,637
Service charges	107,388
Insurance	342,188
Others	4,185
Total direct property operating expenses	1,669,365

7. Other income

	For the period from 4 November 2016 to 30 June 2017 GBP
Gain on disposal of investment property	10,050,970
Other	3,638
Total other income	10,054,608

Gain on disposal of investment property represents the difference between sale proceeds and the carrying value of the car parks. During the period the Group sold seven car parks for an amount of GBP 50,875,000.

8. Other administrative expenses

	For the period from 4 November 2016 to 30 June 2017 GBP
Legal and professional expenses	3,584,482
Non-recoverable taxes other than levies on income	30,017
Bank charges	33,563
Other expenses	59,051
Total other administrative expenses	3,707,113

9. Net financing expenses

Net financing expenses comprise interest on loans, amortisation of finance lease liabilities and interest income on funds invested. Interest expense and income is recognised as it accrues in profit or loss, using the effective interest method.

Net financing costs can be analysed as follows:

	For the period from 4 November 2016 To 30 June 2017 GBP
Interest expense on:	
Borrowings	8,616,016
Interest income from:	
Saving accounts with commercial banks	(33,599)
Other finance expenses:	
Interest on obligations under finance leases	1,504,600
Total financing expenses	10,120,616
Total financing income	(33,599)
Net financing costs	10,087,017

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements (*continued*)
For the period from 4 November 2016 to 30 June 2017

10. Taxation

For the period from
4 November 2016
to 30 June 2017
GBP

Tax expense	
Current tax	233,974
Deferred tax	-
Total taxation	233,974

Tax reconciliation:

Profit before taxation (Luxembourg @ 27.08%)	45,452,095
Profit before taxation (United Kingdom @ 19.75%)	6,834,695
Profit before taxation	52,286,790

Tax on profit on at applicable tax rates	13,658,280
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Tax effect of:

- deductions not allowed	3,792,400
- unrecognised deferred tax asset on tax losses	(17,701,710)
- other items	251,030
- non-resident landlord tax in the United Kingdom at special rates	233,974
Total taxation	233,974

The table below shows income tax levied by jurisdiction:

	For the period from 4 November 2016 to 30 June 2017
Luxembourg	-
United Kingdom	233,974

Deferred Taxation

As disclosed in Note 4, the Group purchased car parks located in the United Kingdom. As this was treated as an asset acquisition, there was an initial recognition exemption on all deferred taxes other than on tax losses. However, the Group considered that the tax losses could expire due to the change of ownership and, due to this uncertainty, did not attribute any part of the acquisition cost to any deferred tax asset that might arise as a result of some of these losses remaining available to the Group, which would, in any case, not have a material impact on the accounts.

The Group has not recognised a deferred tax asset arising from available tax losses at 30 June 2017, as it is uncertain whether the Group will earn sufficient profits in the future against which these losses can be offset. The available tax losses as at 30 June 2017 amount to GBP 104,127,704, and unrecognised deferred tax asset amounts to GBP 17,701,710.

11. Assets classified as held for sale

As at 30 June 2017, the Group intends to dispose of three freehold and one leasehold car parks, for which the negotiations with the buyers are being finalised. The car parks are therefore classified as assets held for sale. Prior to such classification the car parks were carried at fair value being part of the investment properties held by the Group, therefore no further adjustments are required.

There are no liabilities directly associated with the assets classified as held for sale.

The table below shows assets classified as held for sale:

	2017 GBP
Investment properties (note 12)	<u>25,200,000</u>

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements *(continued)*
For the period from 4 November 2016 to 30 June 2017

12. Investment properties

	GBP
Acquisition of car parks in the asset acquisition	504,525,837
Disposals during the period	(40,700,000)
Fair value gain during the period*	38,926,663
Total carrying value as at 30 June 2017 as per external valuation (see below)	502,752,500
Less: Assets classified as held for sale (note 11)	(25,200,000)
Carrying value as at 30 June 2017 as per external valuation	477,552,500
Add: Finance lease asset (note 18)**	45,187,871
Carrying value as at 30 June 2017	522,740,371

*excluding an amount of GBP 655,298 on account of fair value loss on finance lease asset.

**included herein an amount of GBP 655,298 on account of fair value loss.

The table below presents the fair value hierarchy of the investment properties as at 30 June 2017:

	Level 1	Level 2	Level 3
	GBP	GBP	GBP
Investment properties, including those held for sale	-	-	502,752,500
	-	-	502,752,500

The table below presents the classification of the investment properties as at 30 June 2017:

Classification	GBP
Freehold	238,650,000
Long leasehold	159,552,500
Short leasehold	104,550,000
Fair value in GBP	502,752,500

The Group's investment property portfolio was valued by external valuers on the basis of fair value, in accordance with the RICS Valuation Professional Standards 2014, published by the Royal Institute of Chartered Surveyors. External valuations were prepared by Cushman & Wakefield (C&W). The independent valuers provide the fair value of the Group's properties every 12 months. The information provided to C&W, the assumptions and the valuation models used by C&W are reviewed by the Asset Manager. This also includes a review of fair value movements over the period.

The fair value of the properties has been determined using the investment approach applying a net initial yield to the passing rent. Net initial yield is based on the comparable transactions and the market experience of the external valuers and averages to 6.32% for 81 car parks covered in valuation.

Any changes in assumptions might affect the determination of yield. The quantitative impact of the change in yield on the valuation is analysed as follows:

Change of Yield	-25 bps	+25 bps
	GBP	GBP
Freehold	249,650,000	228,350,000
Long leasehold	166,652,500	153,352,500
Short leasehold	107,450,000	101,500,000
Fair value in GBP	523,752,500	483,202,500
Movement in fair value	4.18% increase	3.89% decrease

13. Derivative financial instrument at fair value through profit or loss

On 13 December 2016, the Group entered into a *pay fixed and receive floating* interest rate swap arrangement with the Commonwealth Bank of Australia in order to mitigate the risk of the variable rate borrowing disclosed in note 17. The Group discharged its obligation by prepaying the fixed leg of the swap transaction on the date of transaction amounting to GBP 5,820,000 with reserving a right to receive the floating rate.

The termination date of the swap is 14 December 2021.

The derivative is carried at fair value which is received from the external valuers (Chatham Financial Europe Ltd.). The notional amount of derivative is GBP 285,000,000 and the fair value as at 30 June 2017 amounts to GBP 3,731,274.

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements (*continued*)
For the period from 4 November 2016 to 30 June 2017

13. Derivative financial instrument at fair value through profit or loss (*continued*)

Movement in the value is as follows:

	GBP
Prepayment of fixed leg obligation	5,820,000
Change in fair value of derivative financial instrument	(2,088,726)
Fair value as at 30 June 2017	3,731,274

14. Trade receivables

This represents receivables from the sole tenant of the Group in the normal course of business.

All trade receivables are within their credit limits and are unimpaired.

The carrying values of trade receivables approximate their fair values as at 30 June 2017.

15. Prepayments and other receivables

	2017 GBP
Prepayments	827,973
Others	35
Total prepayments and other receivables	828,008

Other receivables include unpaid share capital, receivable from the shareholder amounting to GBP 35.

16. Cash and cash equivalents

As at 30 June 2017, cash and cash equivalents include balances amounting to GBP 27,404,917 held in the bank accounts which are pledged in the favour of the security agent, as described in note 17 of these consolidated financial statements, by virtue of an account pledge agreement in relation to the external loan.

17. Borrowings

Details of borrowings as at 30 June 2017 consist of:

Description	Maturity	Interest rate	Outstanding amount GBP
External loan (i)	13 December 2021	LIBOR + 4.85% (where floor for LIBOR is 0.35%)	277,208,626
	on demand or latest by 15 December		
Shareholder loan (ii)	2026	Non-interest bearing	192,443,707
Total borrowings excluding interest			469,652,333
Accrued interest			2,524,694
Total borrowings as at 30 June 2017			472,177,027
Less: Current portion			(194,968,401)
Non-current borrowings as at 30 June 2017			277,208,626

17. Borrowings (*continued*)

As at 30 June 2017 the carrying value of the borrowings equaled the fair value.

- i) On 20 November 2016, the Company entered into a loan agreement to raise external finance from Euro Dinero S.à r.l. and Starwood Property Mortgage Sub-15-A, L.L.C., as Co-lenders. The financing arrangement was undertaken by Hatfield Philips Agency Services Limited as the Agent of Co-Lenders and the Secutity Agent of this arrangement. Other information of this facility is as follows:
 - The total amount made available under this agreement amounted to GBP 285,000,000 which was fully drawn on the utilisation date.
 - Average interest rate during the period on this facility was 5.26%.
 - The repayment of principal amount is linked to sale of properties by the Company. Nevertheless, the loan has to be repaid in full by the final maturity date, as disclosed in the table above, if not repaid already.
 - This is secured under account pledge agreement, as disclosed in note 16.
 - This is also secured under a receivable pledge agreement, whereby, all receivables of Chariot Lux Holdco S.à r.l., ("the Shareholder"), are pledged for the benefit of the Co-Lenders.
 - This is further secured under a share pledge agreement, whereby, the shares held by the Shareholder in the Company are pledged for the benefit of the Co-Lenders.
 - This is further secured by virtue of a Security Agreement, whereby, all assets of the Shareholder and the Company are subject to a fixed floating charge.
 - The Debt Yield (Historic) and Debt Yield (Projected) was 12.32%, which was well above the soft covenant level of 9.5% set under the facility.
 - The Loan-to-Value (Open Market) was 52.69%, which was well below the soft covenant level of 65% set under the facility.
 - All covenants related to the facility agreement were met as at the period end.
- ii) On 16 December 2016, the Company entered into a loan agreement with the shareholder for a total facility limit amounting to GBP 250,000,000. This loan is non-interest bearing and is unsecured. On initial drawdown the Company utilised an amount of GBP 231,808,500 under this agreement, therefore the amount of GBP 18,191,500 remains unutilised as at 30 June 2017.

The loan is repayable on demand and is therefore classified as a current liability, however, the shareholder has confirmed that no repayments will be demanded for at least 18 months following the period end.

18. Obligations under finance leases

Leasing arrangements

The Group has leased lands for various car parks, which form part of the investment properties disclosed at fair value. The average remaining lease term is 50 years, however, certain leases are for period beyond 100 years. The Group doesn't have title to the leased assets and it lies with the lessor.

The interest rate underlying all obligations under finance leases is 5.78%.

Finance lease liabilities

	Minimum lease payments GBP	Present value of obligations under finance leases GBP
Not later than one year	2,945,956	361,795
Later than one year and not later than five years	11,783,824	1,547,965
Later than five years	124,310,450	43,278,111
	139,040,230	45,187,871
Less: future financial charges	(93,852,359)	-
Obligations under finance leases as at 30 June 2017	45,187,871	45,187,871
Current portion		361,795
Non-current portion		44,826,076
Obligations under finance leases as at 30 June 2017		45,187,871

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements (*continued*)
For the period from 4 November 2016 to 30 June 2017

19. Trade and other payables

	2017 GBP
Deferred rent income	9,061,248
Value-added-tax liabilities	1,110,342
Other payables	2,215,018
Total trade and other payables	12,386,608

Deferred rent income represent advances received from tenants for future rental periods which are not yet recognised in the profit or loss account as revenue.

The management considers that the carrying amount of trade and other payables approximates their fair value.

20. Share capital

The authorised and issued capital of the Company is GBP 15,000, represented by 15,000 ordinary shares of GBP 1 each.

21. Other equity

Other equity represents capital contribution from the shareholder of the Company without issuance of any shares. There are no restrictions on the distribution of this reserve. Details of movement during the period are as follows:

- On 16 December 2016, the Company received a capital contribution, without the issuance of shares, amounting to GBP 2,311,500.
- Out of the total contribution received, the Company repaid an amount of GBP 397,624 in four different disbursements during the period.

22. Operating leases with tenants

	2017 GBP
Within one year	31,165,164
After one year but not more than five years	130,494,688
More than five years	583,416,984
	745,076,836

The Group has entered into commercial leases on its property portfolio. The commercial property leases typically have lease terms of 24 or 35 years and include clauses to enable periodic upward only revision of the rental charge according to prevailing market conditions. Remaining lease terms as at 30 June 2017 are 9 and 20 years for different lease agreements.

23. Financial instruments and risk management policies and procedures

23.1 Categories of financial instruments

All financial assets and financial liabilities are carried at amortised cost except for derivative financial instrument disclosed in note 13, which is carried at fair value.

Fair values of financial assets and financial liabilities are disclosed in note 23.8 below.

23.2 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings and obligations under finance leases as detailed in notes 17 and 18 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings).

The Group is not subject to any externally imposed capital requirements, except as disclosed in note 17.

23. Financial instruments and risk management policies and procedures (*continued*)

23.2 Capital risk management (*continued*)

The management reviews capital structure of the Group on a regular basis. The gearing ratio at 30 June 2017 was as follows:

	2017 GBP
Debt * (note 17 and 18)	517,364,898
Cash and bank balances	(31,088,057)
Net debt	486,276,841
Total equity	53,981,692
Net debt to total equity ratio	9 : 1
Debt ratio	90%

*Represents borrowings and obligations under finance leases.

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns and benefits for all stakeholders and to maintain a strong capital base to support the development of the investment activities.

The Group's management regularly monitors compliance with financial covenants. Please refer to note 17.

23.3 Financial risk management objectives

The Group's management monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Besides the capital risk management, the management seeks to minimise the effects of these risks by reviewing the credit worthiness of the counterparties with whom the business is conducted and where necessary these objectives are achieved by using derivative financial instruments. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

These risks and managements responses are addressed below in detail.

23.4 Market risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, foreign currency risk and other price risks.

The Group doesn't have any financial instruments exposing it to other price risk. Interest rate risk and foreign currency risk are further discussed below.

23.5 Interest rate risk

The Group's interest rate risk principally arises from borrowings.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. As at 30 June 2017, the Group has variable interest rate borrowings amounting to GBP 281,292,243.

The Group's strategy is to mitigate the interest rate risk on its variable interest borrowings by entering into derivative contracts. The Group entered into an interest rate swap arrangement, as detailed in note 13, whereby the Group paid its full obligation with respect to the floating component of the variable rate borrowing, and is therefore not subject to any interest rate risk on this borrowing.

The loan provided by Chariot Lux Holdco S.à r.l. with a nominal value of GBP 192,443,707 is a non-interest bearing loan and therefore not subject to interest rate risk. Consequently a change of market interest rates will not lead to volatility within the statement of profit or loss and other comprehensive income.

23. Financial instruments and risk management policies and procedures (*continued*)

23.6 Foreign currency risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group is mainly exposed to such risk in respect of other receivables and other payables of the Company and its subsidiaries denominated in Euros. These balances in entirety are not considered material, however, these are closely monitored by the management to ensure that they do not grow significantly.

The table below shows the carrying amount of the Group's foreign currency denominated assets and liabilities.

	2017	
	Assets	Liabilities
Euros (EUR)	126,816	139,866

The following table details the Group's sensitivity to a 10% increase and decrease in the GBP against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The effect of 10% change in the rate of respective currencies to GBP will have following effect on profit and equity:

	2017	
	+10%	-10%
Euros (EUR)	GBP 1,186 increase	GBP 1,450 decrease

23.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate the counterparties. Currently, the Group has rented all carparks to one tenant, with a well-known credit worthiness, for which the rentals are generally received 90 days in advance, and therefore, the management does not consider that the Group has significant risk exposure over the receivables in ordinary course of business. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained.

Cash and bank balances as at 30 June 2017 amounted to GBP 31,088,057. Funds were placed with financial institutions whose ratings are as follows:

Rating Agency	Financial Institution	Rating	2017 GBP
S&P	ING Bank	A-	27,404,917
S&P	Banco Santander	A-	3,683,140
			31,088,057

At 30 June 2017, the largest combined credit exposure to single counterparty was GBP 27,404,917 which represents the total of cash accounts held with ING Bank. This represents 4.7% of total assets and 47.8% of the current assets. The Group doesn't have any other significant credit risk exposure to single counterparty.

23.8 Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group's liquidity position is monitored on a regular basis by the management. A summary table with maturity of financial assets and liabilities presented below is used by key management personnel to manage liquidity risks. The amounts disclosed in the below tables are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the consolidated statement of financial position as the impact of discounting is not significant.

Chariot Lux Bidco S.à r.l.
Notes to the Consolidated Financial Statements (*continued*)
For the period from 4 November 2016 to 30 June 2017

23. Financial instruments and risk management policies and procedures (*continued*)

23.8 Liquidity risk management (*continued*)

The maturity analysis as at 30 June 2017 is as follows:

	Fair value / Carrying value	< 3 months	3 to 12 months	1 to 5 years	> 5 years
Assets					
Long term deposits	156,000	-	-	-	156,000
Cash and cash equivalents	31,088,057	31,088,057	-	-	-
Trade receivables	223,462	223,462	-	-	-
Derivative financial instrument at fair value through profit or loss	3,731,274	-	-	3,731,274	-
	35,198,793	31,311,519	-	3,731,274	156,000
Liabilities					
Borrowings	472,177,027	194,968,401	-	277,208,626	-
Trade and other payables	3,325,360	3,325,360	-	-	-
	475,502,387	198,293,761	-	277,208,626	-

24. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of balances and transactions between the Group and other related parties, not disclosed elsewhere in these financial statements as such, are below:

Name of the related party	Relationship	Nature of transaction	Amount in GBP
(i) Chariot Lux Holdco S.à r.l.	Shareholder	Issuance of share capital	15,000
		Capital contribution received without issuance of shares	2,311,500
		Repayment of capital contribution	397,624
		Interest free loan received	231,808,500
		Interest free loan repaid	39,364,793
(ii) Hugh Sayer	Director of subsidiaries	Directorship fee for the period	25,000
(iii) TMF Luxembourg S.A.	Managing director of the Company	Fee for acting as managing director	12,567
		Fee for other services	139,748
		Payable to TMF Luxembourg S.A. included in trade and other payables	132,163

25. Commitment and contingent liabilities

There are no contingencies and commitments except as disclosed elsewhere in these consolidated financial statements.

26. Events after reporting date

Subsequent to the balance sheet date, the Group sold four car parks for GBP 24,750,000 as part of the disposal plan, as disclosed in note 11.

Furthermore, the sale of three properties was completed subsequent to period end, but no adjustments are required to be made to these consolidated financial statements as the plan to sell the said properties was approved and finalised after the balance sheet date.

There are no other events after the reporting date, that require disclosure in or adjustments to these consolidated financial statements.