

## **Victoria House SA: Publication of audited financial statements for the year ended 31 December 2018**

### **About Victoria House SA**

Victoria House SA (“**Victoria House**”), formerly named BerLux SA, was incorporated under the laws of the Grand-Duchy of Luxembourg on 23 August 2017 as public limited liability company (*société anonyme*) for an unlimited period and is registered with the Luxembourg Trade and Companies Register (*Registre du Commerce et des Sociétés*) under number B 217.569. Its registered office is at 1c, rue Gabriel Lippmann, L-5365 Munsbach. Victoria House is part of Victoria Dom Holding (“**VDH**”) group (“**VDH Group**”), which is a family owned joint-stock company operating on the residential property development market in Poland and Germany for over 21 years. VDH is 100% Polish-owned and the business is focused almost entirely on the construction of multi-family houses and their sales to end customers. The VDH Group has built over all 3,600 apartments with additional 1,600 apartments currently under construction. Over the last 5 years VDH had a 45% annual growth rate in apartment sales.

Victoria House and its 6 subsidiaries incorporated under the laws of Germany form the Victoria House Group (the “**Victoria House Group**”). The Victoria House Group develops residential projects to be offered in the real estate market in Berlin. Victoria House was established with a purpose to expand and finance the emerging international activities of the VDH Group. Victoria House issued EUR 18,500,000 corporate bonds due 19 October 2022 (the “**Bonds**”), which are listed on the official list of the Luxembourg Stock Exchange (the “**LxSE**”) and admitted to trading on the Euro MTF market operated by the LxSE in accordance with a base prospectus date as of 9 October 2017. The net proceeds of the Bonds have been used by Victoria House in order to grant loans to its subsidiaries located in Germany for the purpose of financing acquisition of land and development of residential properties in Berlin, Germany. All profits from the sale of real estate are being reinvested in the German subsidiaries of Victoria House for further acquisitions. Potential new issues of bonds and/or loans received from banks by Victoria House or its subsidiaries will be used to faster the growth of the international activities of the VDH Group. Other securities issued by the VDH Group are publicly traded on relevant stock exchanges.

### **About Victoria House Group performance**

The business of Victoria House Group consists of 5 development projects of which one has already been sold at a substantial profit during the year 2018. After completion of the structured sales of a project, which was acquired in 2017, and reporting respective earnings in the first half of the year, Victoria House has provided its German subsidiaries with funding needed to finalise the purchase of consecutive land properties and to start projects’ development. This transaction has strengthened the own equity of Victoria House Group in its first full year of operations. The Victoria House Group has also started the first development project which was offered to individual buyers in the middle of 2018. Almost all apartments were already sold out. The construction of the project is progressing according to the initial schedule and is to be completed by mid-2020. In total, the German subsidiaries of Victoria House owned four land properties at the end of 2018, of which one project has already been marketed and the other three were under engineering and construction permit approval.

## Contacts

The board of directors of Victoria House is composed of 4 directors, whereof 2 of them are external and independent from the VDH Group. Below are the contacts of the directors of Victoria House and serving at the management of other entities of the VDH Group:

Michal Jasinski, Chairman and Director A, E-Mail: [jasinski@victoriadom.pl](mailto:jasinski@victoriadom.pl)

Waldemar Wasiluk, Director A, E-Mail: [w.wasiluk@victoriadom.pl](mailto:w.wasiluk@victoriadom.pl)

## Key financial information

The subscribed capital fully-paid-up of Victoria House is set at EUR 150,000, represented by 150,000 shares with a par value of EUR 1 each. The 150,000 shares are divided into 10 “tracker” share classes (A-J) with 15,000 shares each class.

The financial year of Victoria House runs from January 1 to December 31 of each year. The first financial year began as at and for the period from 23 August 2017 (incorporation date) and ended on 31 December 2018.

The table below sets out the key financial information based on the audited financial statements of Victoria House for the financial year (since incorporation) ended 31 December 2018 and the consolidated financial figures of Victoria House Group (Victoria House and its German subsidiaries) presented in the directors’ report for 2018. The consolidated financial statements of the VDH Group are prepared and audited at the level of VDH, the holding company of the VDH Group.

INCOME STATEMENT for 2018 in EUR	<u>Victoria House</u> <u>Group</u>	<u>Victoria</u> <u>House</u>
Net Sales	28 975 112	0
Cost of Sales	-23 143 456	0
<b>Profit on Sales</b>	<b>5 831 656</b>	<b>0</b>
Operating cost	-1 133 287	-211 209
<b>Operating Profit / (Loss)</b>	<b>4 698 369</b>	<b>(211 209)</b>
Financial income	10 066	895 651
Financial costs	-1 061 109	-914 082
<b>Gross Profit / (Loss)</b>	<b>3 647 326</b>	<b>(229 640)</b>
Income Tax	-1 116 508	-4 815
<b>Net Profit / (Loss)</b>	<b>2 530 818</b>	<b>(234 455)</b>

BALANCE SHEET as at 31.12.18 in EUR	<u>VDH GROUP</u>	<u>VICTORIA HOUSE</u>
Investments in subsidiaries	0	20 337 310
Land and Construction	22 602 062	0
Other Assets	798 157	236 442
Cash at Bank	2 692 663	207 748
<b>Total Assets</b>	<b>26 092 882</b>	<b>20 781 500</b>
Share Capital	150 000	150 000
Reserve Capital	100 000	100 000
Retained/consolidated earnings	(146 635)	0
Net Profit / (Loss)	2 530 818	(234 455)
<b>Own Equity</b>	<b>2 634 183</b>	<b>15 545</b>
Bonds	18 648 000	18 648 000
Loans from related company	3 321 956	2 073 583
Creditors	1 488 743	44 372
<b>Liabilities</b>	<b>23 458 699</b>	<b>20 765 955</b>
<b>Equity &amp; Liabilities</b>	<b>26 092 882</b>	<b>20 781 500</b>

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