Jurys Inns (UK) Limited

Directors' report and financial statements

Year ended 31 December 2018

Registered number: 06063534
Jurys Inns (UK) Limited

Directors' report and financial statements

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</tbody>
</table>
Jurys Inns (UK) Limited

Directors and other information

Directors

- Lia Nkö
- Carl Jacob Rasin (appointed 01/10/2018)
- Soren Jonas Torner (appointed 01/10/2018)
- Nima Abrishamchian (appointed 01/10/2018)
- Daniel Marc Richards Jaffe (appointed 01/10/2018)

Secretary

Intertrust (UK) Limited (appointed 01/10/2018)

Registered office

35 Great St Helen's
London
United Kingdom
EC3A 6AP

Bankers

/

Solicitors

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London
EC4Y 1HT
England

Registered number

06063534
Jurys Inns (UK) Limited

Directors' report (continued)

Directors' report

The directors submit their annual report together with the audited financial statements of Jurys Inns (UK) Limited ("the Company") for the year ended 31 December 2018.

Principal activities, business review and future developments

The Company is part of a leading hotel group which operates premium budget hotels in the United Kingdom. The hotels cater for a wide market with the business and tourism sectors being the most important sources of revenue and profit.

The Company has sold its investments during the year under review and is currently dormant.

Principal risks and uncertainties

The Company's future performance will be affected by general economic, financial and business conditions, many of which are beyond the Company's control.

The hotel industry's performance is closely aligned to the general economic environment. Therefore, a key risk facing the Company is adverse economic conditions.

Results and dividends

The results of the Company for the year are set out in the profit and loss account on page 8 and in the related notes. No dividend was paid or proposed during the year.

Directors and secretary and their interests

The directors of the Company are set out on page 1. The directors are not required to retire by rotation.

Going concern

As at 31 December 2018, the Company had a net asset position of £138 million (2017: net liability position of £171 million). The Company is dependent upon its parent undertaking, Vesway DAC, to enable it to continue for the foreseeable future. The directors of the Company believe that such support will remain available to the Company.

The directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

Political donations and charitable contributions

The Company made no political donations or charitable donations during the year (2017: £Nil).

Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements.
Jury Inns (UK) Limited

Directors' report (continued)

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such, a Strategic Report has not been presented.

On behalf of the board

Nima Abrishamchian
Director

25 June 2019
Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

Nima Abrishamchian
Director

25 June 2019
Jurys Inns (UK) Limited

Profit and loss account and other comprehensive income
for the year ended 31 December 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>£’000</td>
<td>£’000</td>
</tr>
<tr>
<td>3</td>
<td>Turnover</td>
<td>341,020</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Loss on sale of investments</td>
<td>(19,153)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Interest payable and similar charges</td>
<td>(13,681)</td>
<td>(13,395)</td>
</tr>
<tr>
<td></td>
<td>Profit before taxation</td>
<td>308,286</td>
<td>(13,395)</td>
</tr>
<tr>
<td>6</td>
<td>Income tax charge</td>
<td>328</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Profit/Loss for the year</td>
<td>308,614</td>
<td>(13,395)</td>
</tr>
</tbody>
</table>

The Company had no other comprehensive income during the current or preceding financial year and accordingly no statement of comprehensive income is presented.

The accompanying notes form an integral part of these financial statements.
Jurys Inns (UK) Limited

Balance sheet

as at 31 December 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
</tbody>
</table>

**Fixed assets**

Financial assets                        -  138,843
Intercompany loan receivable             542,684

**Current assets**

Debtors                                  41,317  12,830
                                            41,317  12,830

Creditors: amounts falling due within one year

8 (446,400)  (81,917)

Deferred tax asset                      328

**Net current liabilities**

(404,755)  (69,087)

**Total assets less current liabilities**

137,929  69,756

Creditors: amounts falling due after more than one year

-  (240,440)

**Net liabilities**

137,929  (170,684)

**Capital and reserves**

Called up share capital                  83,760  83,760
Retained earnings                        54,169  (254,444)

**Shareholders' deficit**

137,929  (170,684)

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

On behalf of the board

Nima Abrishamchian
Director

25 June 2019
Jurys Inns (UK) Limited

Statement of changes in equity
for the year ended 31 December 2017

<table>
<thead>
<tr>
<th></th>
<th>Share capital £'000</th>
<th>Retained earnings £'000</th>
<th>Total £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 January 2017</td>
<td>83,760</td>
<td>(241,049)</td>
<td>(157,289)</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss for the year</td>
<td></td>
<td>(13,395)</td>
<td>(13,395)</td>
</tr>
<tr>
<td>At 1 January 2018</td>
<td>83,760</td>
<td>(254,444)</td>
<td>(170,684)</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit/Loss for the year</td>
<td>-</td>
<td>308,614</td>
<td>308,614</td>
</tr>
<tr>
<td>At 31 December 2018</td>
<td>83,760</td>
<td>54,170</td>
<td>137,930</td>
</tr>
</tbody>
</table>
Jurys Inns (UK) Limited

Notes forming part of the financial statements

1 Reporting entity

Jurys Inns (UK) Limited is a company incorporated in the United Kingdom. The Company's registered office is 35 Great St Helen's, London, England. The registered number is 00083534.

2 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain comparative information; and
- the effects of new but not yet effective IFRSs.

As the consolidated financial statements of Amaris Hospitality DAC include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures; and
- Certain disclosures required by IAS 36 Impairment of Assets.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional currency

These financial statements are presented in Sterling, being the functional currency of the Company. All financial information presented in Sterling has been rounded to the nearest thousand, except where otherwise stated.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or, if hedged, at the contracted rate. Foreign currency monetary assets and liabilities are translated at the rate ruling at the balance sheet date. All gains and losses arising are reflected in the profit and loss account.
Jurys Inns (UK) Limited

Notes (continued)

2 Accounting policies (continued)

Use of estimates and judgements

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Going concern

As at 31 December 2017 the Company had net current liabilities of £405 million (2017: £69 million) and net liabilities of £138 million (2017: £171 million). The Company is dependent upon its parent undertaking, Vesway DAC, to enable it to continue for the foreseeable future. The directors of the Company believe that such support will remain available to the Company and in consequence the financial statements have been prepared on a going concern basis.

The directors are satisfied that it is appropriate to prepare the Company financial statements on a going concern basis.

Financial fixed assets

Investments in subsidiaries are held at cost less provisions for impairments.

Taxation

Income expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
2 Accounting policies (continued)

Taxation (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Non-derivative financial instruments

Loans and receivables
These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities
Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.
Jurys Inns (UK) Limited

Notes (continued)

3. Turnover

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>341,020</td>
<td>-</td>
</tr>
</tbody>
</table>

4. Loss on sale of investments

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss on sale of investments</td>
<td>19,153</td>
<td>-</td>
</tr>
</tbody>
</table>

5. Interest payable and similar charges

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on amounts due to group undertakings</td>
<td>13,581</td>
<td>13,395</td>
</tr>
</tbody>
</table>

6. Taxation

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax charge</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>328</td>
<td>-</td>
</tr>
<tr>
<td><strong>Tax charge</strong></td>
<td>328</td>
<td>-</td>
</tr>
</tbody>
</table>

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were enacted on 26 October 2015. Finance Bill 2016 further reduced the 18% rate to 17% from 1 April 2020, following substantial enactment on 6 September 2016. Together this will reduce the company's future tax charges accordingly.

A deferred tax asset has been recognised in respect of the current year as there were profits generated and tax expense relating to those profits has not yet been paid. It seems that future economic benefits will flow towards the entity and therefore a deferred tax asset/liability shall be recognised.
Jurys Inns (UK) Limited

Notes (continued)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Debtors: amounts falling due within one year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>Amounts owed by group undertakings</td>
<td>41,317</td>
</tr>
</tbody>
</table>

Amounts owed by group undertakings are non-interest bearing and repayable on demand.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Creditors: amounts falling due within one year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>Accruals</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Amounts due to group undertakings</td>
<td>446,392</td>
</tr>
</tbody>
</table>

446,400    81,917

Amounts due to group undertakings, falling due within one year, are non-interest bearing and repayable on demand.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Deferred tax:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>Deferred tax asset</td>
<td>328</td>
</tr>
</tbody>
</table>

328

A deferred tax asset has been recognised in respect of the current year as there were profits generated and tax expense relating to those profits has not yet been paid. It seems that future economic benefits will flow towards the entity and therefore a deferred tax asset/liability shall be recognised.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Share capital</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>Authorised</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,000,000 ordinary shares of £1 each</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>150,000,000 &quot;B&quot; ordinary shares of £1 each</td>
<td>150,000</td>
</tr>
</tbody>
</table>

|   |            |            |
|   | Allotted, called up and fully paid |            |
|   | 1 ordinary share of £1 each |            |
|   | 122,355,489 "B" ordinary shares of £1 each | 83,760     | 83,760     |

83,760    83,760
Jurys Inns (UK) Limited

Notes (continued)

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. “A” and “B” ordinary shares have the same rights attached and rank pari passu in all respects.

11 Commitments

At 31 December 2018, the Company had no capital commitments (2017: £Nil).

12 Group relationship and controlling parties

The Company’s immediate parent is Jurys Inns Group DAC.

The Company is an indirect wholly owned subsidiary of Pandox AB. The Pandox AB consolidated financial statements, which include the results of the Company, are available from https://www.pandox.se/annual/report2018/en/ .

The ultimate controlling party of Jurys Inns Group DAC is Pandox AB.

13 Related parties

The Company has availed some exemptions available in FRS 101 from disclosing transactions entered into between two or more members of a group and also key management personnel compensation disclosures.

There were no other related party transactions.

14 Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements.

15 Approval of financial statements

The financial statements were approved by the directors on 25 June 2019.