

Control Balance for liquidation purpose

ASSETS	2016-12-31	Change	2017-07-31
Fixed assets			
Participations in group companies	0	100	100
Deposits	65 798	-65 798	0
Other long-term securities	14	0	14
Real estate projects	1 394	1 117	2 511
	67 206	-64 681	2 625
Total Fixed assets	67 206	-64 681	2 625
Current assets			
Other receivables	15 122	-14 923	199
Deferred expenses and accrued income	231	-198	33
Total current receivables	15 353	-15 120	232
Cash on hand and in bank	6 353	-5 148	1 205
Total current assets	21 706	-20 268	1 438
Total Assets	88 912	-84 949	4 063
EQUITY AND LIABILITIES			
Share capital	76 270		76 270
Retained earnings or losses	-24 323	5 588	-18 736
Premium Fund	26 443		26 443
Profit/loss for the year	5 588	-88 143	-82 556
Total Equity	83 977	-82 556	1 421
Accounts payable	1 485	-1 314	171
Other liabilities	2 259	52	2 311
Accrued expenses and deferred income	1 192	-1 032	160
Total current liabilities	4 936	-2 294	2 642
TOTAL EQUITY AND LIABILITIES	88 912	-84 849	4 063

Specification 2017-07-31

	KSEK		KSEK
Projects	637	Short term debts	171
Market research	1 152	Accounts payable	159
Project Birmingham	548	Taxes and fess	2 106
Project Denmark	175	Note payable	46
Project Gävle		debt to subsidiary	
Total	2 511	Total	2 482
Current assets		Accrued costs	8
Taxes and fees	95	Accrued cost Euroclear	44
VAT	52	Accrued staff cost	109
Accounts receivable	53	Accrued audit cost	
Prepaid rents	14	Total	160
Prepaid Insurance	19		
Total	232		

Charlotte, August 31 2017



Ted Rollins
 Chairman of the board
 Fastilium Property Group AB



Statement of the auditor on review of balance sheet for liquidation purposes under Chapter 25 Section 13 of the Swedish Companies Act

To the General Meeting of the Shareholders of Fastilium Property Group AB, corporate identity number 556705-1965

We have reviewed the Board of Directors' balance sheet for liquidation purposes at 31 July 2017.

Responsibilities of the Board of Directors for the balance sheet for liquidation purposes

The Board of Directors is responsible for the preparation of a balance sheet for liquidation purposes which meets the requirements of Chapter 25 Section 14 of the Swedish Companies Act and for such internal control as the Board of Directors determines to be necessary to enable the preparation of a balance sheet for liquidation purposes that is free from material misstatement, whether due to fraud or error.

Responsibilities of the auditor

We are responsible for reviewing the balance sheet for liquidation purposes so that we are able to make a written statement that the balance sheet for liquidation purposes meets the requirements of the Swedish Companies Act. We have conducted the review in accordance with RevR 1 *Granskning av kontrollbalansräkning* ("Review of balance sheet for liquidation purposes"). This recommendation requires that we comply with ethical requirements and plan and perform the review to be able to state with limited assurance that the balance sheet for liquidation purposes meets the requirements of the Swedish Companies Act.

The review involves performing procedures to obtain evidence about the amounts and disclosures in the balance sheet for liquidation purposes. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the balance sheet for liquidation purposes, whether due to fraud or error. In making that risk assessment, the auditor considers internal control relevant to the Board of Directors' preparation of the balance sheet for liquidation purposes in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. The review has primarily been limited to analytical procedures pertaining to the balance sheet for liquidation purposes and the basis for this, as well as inquiries among the personnel of the company. Our assurance is therefore based on limited assurance compared with an audit. We consider that the evidence we have obtained is sufficient and appropriate as a basis for our opinion.

Opinion

Based on our review nothing has emerged to indicate that the balance sheet for liquidation purposes does not meet the requirements of the Swedish Companies Act.

Other disclosures

This statement is intended solely as a basis for the first meeting for liquidation purposes under Chapter 25 Section 15 of the Swedish Companies Act and is not intended to be used for any other purpose.

Stockholm 6 September 2017

KPMG AB

Mattias Johansson
Authorized Public Accountant

9. The Board's proposal for a decision regarding Item 9 - decision whether the Company is going to liquidate or continue the business

On 27 August 2017, the Board of Directors of the Company has prepared a balance sheet for liquidation purposes according to Chapter 25. Section 13 of the Companies Act (2005:551), and has been reviewed by the Company's auditor, which has issued an opinion on the same. The balance of payments statement shows that the company's equity is less than half of the registered share capital. As a result, the Board of Directors of the Company is obliged to convene a general meeting (first meeting of the Board). If the Company's shareholders' equity at the time of the meeting does not amount to at least half of the registered share capital, the Annual General Meeting shall examine whether the Company is to liquidate or to continue with its business, thus the Board makes the following proposals:

The Board's primary proposal - the business continues

The Board of Directors of the Company intends to take action to prevent the company to liquidate, which will ensure that the Company's equity will be ensured. The Board of Directors of the Company further intends to establish a new balance sheet to prove that the Company has sufficient resources for continued operations.

A decision on continued operation means that the AGM will be convened within eight months of the first inspection meeting to re-examine whether the Company will liquidate on the basis of a new balance of payments account (second control board). If the Company's equity, according to the balance sheet of accounts presented at the second control meeting, does not amount to at least the registered share capital, the company is required to enter into liquidation.

Board's secondary proposal - liquidation

In spite of the primary proposal to continue with the business, the Board is furthermore guilty under the Companies Act (2005: 551) to suggest a complete proposal for liquidation to the AGM. Because of this the Board proposes, subject to the fact that the Annual General Meeting does not decide that the Company will continue with its business, that the Annual General Meeting decides that the Company will liquidate.

The reason for the Board's secondary proposal is that the Company's equity is less than half of the registered share capital according to the balance sheet of the Board of Directors established on 27 August 2017. Should the Annual General Meeting decide on liquidation, the liquidation decision is proposed from the date the liquidation is registered with the Swedish Companies Registration Office. The Board can not specify the date on which the Company's retained assets, if any, are expected to be replaced. The possible assets are calculated to amount to SEK 0. The Board has no liquidator proposal.

10. The Board proposes a write-down of the share capital of Fastilium Property Group AB

The purpose of the proposed impairment is to make a provision for free reserves.

The write-down is intended to occur by withdrawing the shares, 32,364,545, currently held by VSA Jersey. No compensation for the withdrawn shares will be provided.

The reason for the return/cancellation of the shares is that the agreement between the Company and VSA Jersey on the construction and transfer of properties, which was the basis for the issue of these shares, has ceased to apply.

11. Background on the resolution on approving the transfer of all ongoing projects to Valeo Nordic Holding AB

During the time when the company tried to establish itself on the Swedish real estate market, Fastilium has invested resources to process land and property owners to find suitable feasible projects.

However, it has been found that Fastilium failed to attract financiers in order to complete the projects initiated. Valeo Nordic Holding AB has offered to acquire the projects.

The Board is of the opinion that a compensation that corresponds to the expenses directly linked to the market and the projects is reasonable and justified as there is no goodwill generated in the company that could justify a higher price.

The value of the transfer is estimated to approximately 2.5 MSEK.