

RESS LIFE INVESTMENTS A/S
HOLBERGSGADE 14, 2. TV., DK-1057 COPENHAGEN
ANNUAL REPORT
2014/15

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COMPANY DETAILS

Company	Ress Life Investments A/S Holbergsgade 14, 2. tv. DK-1057 Copenhagen
	Internet: www.resslifeinvestments.com
	E-mail: osorensen@citco.com
	CVR No.: 33 59 31 63
	Established: 1 April 2011
Board of Directors	Registered Office: Copenhagen
	Financial year: 1 October - 30 September
Board of Executives	Helle Marianne Breinholt, Chairman
	Jack Austern
	Jeppe Buskov
Auditors	Ole Meier Sørensen, CEO
	Deloitte Statsautoriseret Revisionspartnerselskab
	Weidekampsgade 6 0900 Copenhagen
Annual General Meeting	The Company's Annual General Meeting will be held at 10:00 on 7 January 2016 at the Company's offices in Copenhagen.

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and the Board of Executives have discussed and approved the Annual Report of Ress Life Investments A/S for 1 October 2014 - 30 September 2015.

The Annual Report is presented in accordance with the International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 30 September 2015 and of the results of the Company's operations and cash flows for the financial year 1 October 2014 - 30 September 2015.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 15 December 2015

Board of Executives:

Ole Meier Sørensen

Board of Directors:

Helle Marianne Breinholt
Chairman

Jack Austern

Jeppe Buskov

INDEPENDENT AUDITOR'S STATEMENTS

To the owners Ress Life Investments

Report on the financial statements

We have audited the financial statements of Ress Life Investments A/S for the financial year 1 October 2014 - 30 September 2015, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes including accounting policies. The financial statements are prepared in accordance with the International Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 September 2015 and of the results of its operations and cash flows for the financial year 1 October 2014 - 30 September 2015 in accordance with the International Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 15 December 2015

Thomas Hjortkjær Petersen
State Authorised Public Accountant

MANAGEMENT'S REVIEW

KEY FIGURES AND RATIOS OF THE COMPANY

	2014/15	2013/14	2012/13	2011/12
	USD '000	USD '000	USD '000	USD '000
Income statement				
Operating profit/loss	-229	-210	-116	-184
Financial income and expenses, net	3,689	739	457	1
Profit/loss for the year	3,460	530	314	-183

Balance sheet

Balance sheet total	58,158	38,103	22,204	10,393
Equity	58,043	37,964	21,774	10,334
Financial assets.....	56,978	37,831	22,093	10,354

Key Financial Data:

Ratios

Solvency ratio.....	99.8	99.6	98.1	99.4
Return on equity	7.2	1.8	2.0	0.0
Financial assets..... (in percentage of total assets)	98.0	99.3	99.5	99.6

Other key figures

Net asset value	1,496	1,379	1,348	1,328
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Definitions of Key Financial Data:

$$\text{Return on equity (\%)} = \frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$$

$$\text{Solvency ratio (\%)} = \frac{\text{Equity} \times 100}{\text{Total assets}}$$

MANAGEMENT'S REVIEW

Principal activities

The main activity of the Company is to invest in securities ensuring exposure to the secondary market for US life insurance policies, also known as life settlements. The investment strategy is primarily pursued through investing in fund units issued by Ress Uncorrelated Assets Fund - Ress Life Sub-Fund (the Master Fund) which exclusively invests in life settlements.

The Company is an Alternative Investment Fund ("AIF") as defined in the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") and the Danish Act on Managers of Alternative Investment Funds.

The Company is marketed towards professional investors as defined in the European Union's MIFID Directive (Markets in Financial Instruments Directive), semi-professional investors where permitted, as well as retail investors in Denmark.

The Company's Alternative Investment Fund Manager (AIFM) is Resscapital AB, a limited liability company incorporated in Sweden (company no 556698-1253). The Fund Manager's focus is insurance-linked securities with an emphasis on the secondary market for US life insurance policies. The Fund Manager is authorised and supervised as an alternative investment fund manager (AIFM) by Finansinspektionen, the Swedish Financial Supervisory Authority.

The Company is marketed by the AIFM towards professional investors as defined in the European Union's MIFID Directive (Markets in Financial Instruments Directive), semi-professional investors where permitted, as well as retail investors in Denmark.

All company announcements are published through Nasdaq GlobeNewswire and can also be found on the company's website www.resslifeinvestments.com under the heading Corporate Governance.

Capital structure:

The Company is primary funded through equity. The Company shall not raise any loans. However, the Company may raise loans of maximum 10% of the Company's assets to redeem shareholders (including to purchase own shares), to exercise subscriptions rights, to temporarily finance transactions made or to pay costs. The capital of the company is represented by the net assets attributable to the investors. The company's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for investors and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the company.

Status on Corporate Governance Recommendations

The recommendations are best practice guidelines, which companies should generally follow. A company failing to comply with a recommendation must explain why it has deviated from the recommendation and what it has done differently (the "comply or explain" approach). Failure to comply with a recommendation is not considered a breach of rules, but merely implies that the Board of Directors of the company has chosen a different approach.

By adhering to sound principles of corporate governance, the Company wishes to maintain the confidence of investors, achieve its financial objectives and act with integrity towards all its stakeholders.

The Company's position on the Corporate Governance Recommendations is listed on its webpage: www.resslifeinvestments.com/corporate-actions.

Corporate Social Responsibility (CSR)

The Company does not have a Corporate Social Responsibility policy since it is not found relevant due to the size of the Company.

MANAGEMENT'S REVIEW

Target figures and policies for the underrepresented gender

The board of directions already meet the general requirement for diversity and do not have to set a target. However, it is the intention to have both genders represented at all times.

Risks

The Board has reviewed the most important strategic and business-related risks. Among the most important risks are; investment risk, i.e. the fact that the value of the fund units can decrease and changes in applicable law which could adversely affect the Company and its share price. Other important risk factors are the Company's dependence on its Alternative Investment Fund Manager and tax risks related to the Company's investment in the Master Fund. Currency risk is another risk factor since the shares are denominated in EUR, the accounting currency is USD and the underlying assets are in USD.

Uncertainties regarding the measurement and determination of financial data

The majority of the Company's assets consist of fund units. The fair value of the Master Fund units is measured at the Net Asset Value (NAV) informed by the Fund Manager of the Master Fund and the liquidity of the tertiary market for Life Settlements - that the Master Fund invests in - is limited and thus it is not certain that the sale of a Life Settlement policy would realize the amount at which the asset is stated in the financial statements. Life expectancies and fair values are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision.

Exceptional matters

There have been no exceptional matters that have affected the annual report.

Board of Directors

Chairman Ms. Helle Marianne Breinholt (born 1964), was appointed to the board of directors on 1 April 2011. Ms. Breinholt has more than 25 years of experience within the area of financial product development, funding, properties and currently holds the following board and management positions:

- BIG Fonden, chairman of the board since 2014
- Breinholt Consulting A/S, founder, board member, CEO, since 2001
- Breinholt Invest A/S, founder, board member, CEO, since 2004
- Investeringsforeningen AL Invest, udenlandske aktier, etisk, board member since 2010
- Investeringsforeningen AL Invest, obligationspleje, board member since 2010

Board member Mr. Jeppe Buskov (born 1975) was appointed to the board of directors on 28 February 2014. Mr. Buskov is a partner in the Danish law firm Kromann Reumert and currently holds the position as chairman of the board of directors of KR 592 A/S, KR 596 A/S, KR 599 A/S and KR 600 A/S.

Board member Mr. Jack Austern (born 1962) was appointed to the board of directors on 27 September 2013. Mr. Austern has been engaged in financial business since 1990 with trading of equities and funds and currently holds the position as member of the board of directors of Jagtbiografen Ny ApS and Nystrøm & Krabbe Ny A/S.

Development in activities and Finances

During the Company's financial year, the net asset value of the Company has increased from 1,095.95 EUR (1,379.04 USD) per share of nominal value of EUR 500 to 1,335.42 EUR (1,496.08 USD) on 30 September 2015. The increase in the net asset value is in accordance with the expectations expressed in the annual report 2013/2014. The annual report shows a profit of USD 3,460 thousand. Management considers the result for the year acceptable.

During the year there has been 8 numbers of capital raises in the total of 11,268 shares with a nominal value of EUR 500 per share and with a total premium of EUR 9,218 thousand (USD 10,288 thousand).

As of 15 May 2015, the Company signed an Alternative Investment Fund Manager (AIFM) agreement with the AIF-manager Resscapital AB in Sweden. As a consequence, the Company is no longer a self-managed Alternative Investment Fund.

MANAGEMENT'S REVIEW

Transition to IFRS and change of both the presentation and the functional currency from EUR to USD

With reference to accounting policies the Company has changed the presentation and the functional currency from EUR to USD with effect from the annual report 2014/15. The effect on the comparative figures is the following: Total comprehensive income in 2013/14 has decreased from USD 3,631 thousand to 530 thousand due to elimination of the exchange rate adjustments on investments in USD. The effect on the company's equity is USD 327 thousand per 1 October 2013. There has been no effect on the total assets nor on the total equity as per 30 September 2014.

Furthermore the Company has made a transition to IFRS with no effect on Comprehensive Income, Statement of Financial Position and Equity.

Development in the master fund

As of 30 September 2015, the Fund Manager has informed that the Master Fund owned 185 policies issued by 48 different US life insurance companies. The total face value of the policies exceeds USD 360 million.

During the year 7 policies with a combined face value of USD 4.8 million matured. The actual number of maturities is in line with expected maturities, but the average size of maturing policies has been below average policy size. The Fund Manager believes this is due to the fact that the Master Fund only began buying larger policies in 2013. The portfolio is still growing and therefore the volatility in actual-to-expected ratios will gradually decrease as the number of policies in the portfolio increases.

The Master Fund values policies using the longest life expectancy at the time of acquisition, among preferred medical underwriters. This was not the case for policies that were acquired in 2011 and 2012. Those policies have been re-valued by the Fund Manager and this had a negative one-time impact on the Master Funds' performance during the calendar year 2015.

The Fund Manager has also communicated that during the year was some insurance carriers announced increased cost of insurance on specific sub-sets of their insurance products. Historically, this has not been an issue, since the regulator in each state has not allowed most premium increases to take place. The increases are now being challenged by policy owners. Historically, policy owners have won class-action lawsuits, notably against Phoenix Cos. (PNX) in connection with cost of insurance increases imposed in 2010 & 2011. To date this has had a minor negative impact on the Master Fund's performance.

The Fund Manager has communicated that an efficient policy selection process combined with conservative medical underwriting, results in the Master Fund purchasing a very small sub-set of reviewed policies. As a result, the Master Fund has experienced maturities of USD 4.8 million. The Fund Manager is therefore pleased to report that the net performance in USD was +8.5% during the financial year ending 30 September 2015.

Outlook

The investment in fund units has increased from USD 36,828 thousand to USD 56,618 thousand during the financial year. This has led to lower fixed costs as a proportion of assets under management. The increase in fund units has also continued after 30 September 2015. Both increasing investments and the expectations that the life settlements market continues to offer attractive returns, enables Management to take a positive view on future performance.

Events after the balance sheet date

On 23 November 2015, Ress Life Investments A/S was admitted to trading and official listing on Nasdaq Copenhagen. The company will trade under the short name RLIINV under "Other Collective Investment Schemes" and with ISIN DK0060315604. Carnegie Investment Bank will act as market maker during normal trading hours.

Since 1 October 2015 the company has increased its capital with a total of EUR 2,869 thousand (USD 3,198 thousand).

MANAGEMENT'S REVIEW

Financial Calendar

7 January 2016	Annual General Meeting
23 May 2016	Half-yearly interim financial statement 2015/2016

STATEMENT OF COMPREHENSIVE INCOME 1 OCTOBER - 30 SEPTEMBER

	Note	2014/15 USD	2013/14 USD '000
Other external expenses.....	2	-182,468	-174
Staff costs	3	-46,803	-36
OPERATING PROFIT/LOSS		-229,271	-210
Other financial income.....	4	3,698,041	740
Other financial expenses	5	-8,523	-1
PROFIT/LOSS BEFORE TAX		3,460,247	529
Tax on profit/loss for the year		0	1
PROFIT/LOSS FOR THE YEAR		3,460,247	530
TOTAL COMPREHENSIVE INCOME		3,460,247	530
No transactions in other comprehensive income			
Earnings per share		USD	USD
Average number of shares issued		33,163	21,964
Earnings per share in the denomination of USD		104.34	2.413

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER

ASSETS	Note	2015 USD	2014 USD '000
Other investments	10	56,618,467	36,828
Other receivables	10	360,000	1,003
Financial assets.....		56,978,467	37,831
NON-CURRENT ASSETS		56,978,467	37,831
Other short-term receivables		0	76
Prepayments		7,609	9
Accounts receivable		7,609	84
Cash and cash equivalents		1,171,538	188
CURRENT ASSETS.....		1,179,147	272
ASSETS.....		58,157,614	38,103

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER

EQUITY AND LIABILITIES	Note	2015 USD	2014 USD '000
Contributed capital.....	6	24,882,001	18,550
Share premium		29,342,549	19,055
Retained earnings.....		3,818,680	359
EQUITY.....		58,043,230	37,964
Other payables		114,384	139
Current liabilities		114,384	139
LIABILITIES		114,384	139
EQUITY AND LIABILITIES		58,157,614	38,103

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STATEMENT OF CHANGES IN EQUITY

	Contributed capital USD	Share premium USD	Revaluation Reserve USD	Retained Earnings USD	Total USD
Equity at 1 October 2013	10,882,916	11,389,906	44,041	-542,548	20,593,834
Change in currency			-44,041	370,950	326,909
Total comprehensive income for the year				530,031	530,031
Issue of share capital	7,667,352	7,664,870			15,332,222
Equity at 30 September 2014	18,550,268	19,054,776	0	358,433	37,963,477
Total comprehensive income for the year				3,460,247	3,460,247
Issue of share capital	6,331,733	10,287,773			16,619,506
Equity at 30 September 2015	24,882,001	29,342,549	0	3,818,680	58,043,230

STATEMENT OF CASH FLOWS

	Note	2014/15 USD	2013/14 USD '000
Total comprehensive income for the year		3,460,246	530
Financial income		-3,698,041	-740
Financial expenses.....		8,523	1
Change in current liabilities		-26,162	46
Income tax		0	0
Cash flows from operating activities		-255,434	-163
Purchase of financial assets		-16,095,357	-15,645
Financial income		305	2,789
Change in receivables.....		719,622	-893
Cash flows from investing activities		-15,375,430	-13,749
Issue of ordinary shares.....		16,619,501	14,001
Financial expenses.....		-4,718	0
Cash flows from financing activities.....		16,614,783	14,001
Change in cash and cash equivalents		983,919	89
Cash and cash equivalents 1 October		187,619	99
Cash and cash equivalents 30 September		1,171,538	188

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Note

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ACCOUNTING POLICIES

The annual report of Ress Life Investments A/S for 2014/15 is presented in accordance with the International Financial Reporting Standards (IFRS) and additional Danish disclosure requirements for Annual Reports, as laid down in the IFRS executive order issued in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class D.

First time adoption of IFRS

For all periods up to and including the year ended 30 September 2014, the Company prepared its financial statements in accordance with local generally accepted accounting standards (Danish GAAP). These financial statements for the year ended 30 September 2015 are the first the Company has prepared in accordance with IFRS.

Accordingly, the Company has prepared financial statements which comply with IFRS applicable for periods ending on or after 30 September 2015, together with the comparative period data as at and for the year ended 30 September 2014, as described in the accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 October 2013, the Company's date of transition to IFRS.

The transition to IFRS has not resulted in any changes to the opening balance sheet, nor opening equity. A third balance sheet is therefore not required to be presented as there have been no adjustments with material effect on the information in the balance sheet at the beginning of the comparative period. The transition to IFRS has led the Company to provide further disclosures than earlier. First time adoption of IFRS is applied in accordance with IFRS 1 "First-time adoption of International Financial Reporting Standards" and the Company has not used any of the optional exemptions from retrospective application of other IFRS'.

The financial statements are presented in USD, which is also the Company's functional currency. The functional currency has been changed from EUR to USD. The change is due to Ress Life Investments's main investment is based in Luxembourg fund, which is accounted in USD. In order to avoid the currency difference fluctuations and to present a rather true value of the fund and investments it has been decided by management to change the currency from EUR to USD. The change has resulted in changes as issue of share capital and comprehensive income in EUR are recognized to the exchange rate at the transaction date as well as investments and other assets, liabilities and transactions in USD would not be effected by currency fluctuations between EUR and USD unlike earlier years. Total comprehensive income in 2013/14 has decreased from USD 3,631 thousand to 530 thousand due to elimination of the exchange rate adjustments on investments in USD. The effect on the company's equity is USD 1,507 thousand per 1 October 2013. There has been no effect on the total assets nor on the total equity as per 30 September 2014

The Company has not applied the following new IFRS' that have been issued but are not yet effective: IFRS 9 "Financial instruments" and IFRS 15 "Revenue from Contracts with Customers" which are effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

Furthermore the Company has not applied the following revised IFRS' that have been issued but are not yet effective: Amendments to IFRS 11, IAS 1, IAS 16, IAS 41, IFRS 10, IFRS 12 and IAS 28 as well as the Annual Improvements to IFRS' 2012-2014 Cycle which are effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

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ACCOUNTING POLICIES

Material uncertainty related to recognition and measurement

Determination of functional currency

'Functional currency' is the currency of the primary economic environment in which the Company operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management considers the USD as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results, as well as the currency in which it receives subscriptions for its investors. This determination also considers the competitive environment in which the Fund is compared.

Uncertainties regarding the measurement and determination of financial data

The majority of the Company's assets consist of fund units. The fair value of the Master Fund units is measured at the Net Asset Value (NAV) informed by the Fund Manager of the Fund and the liquidity of the tertiary market for Life Settlements - that the Master Fund invests in - is limited and thus it is not certain that the sale of a Life Settlement policy would realize the amount at which the asset is stated in the financial statements. Life expectancies and fair values are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision.

General information on recognition and measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and write-down, are also recognised in the income statement.

Assets are recognised in the statement of financial position when it is likely that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the statement of financial position when it is likely that future economic benefits will flow from the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

INCOME STATEMENT

Other external expenses

Other external expenses include costs relating to administration and similar expenses.

Staff costs

Staff costs comprise fees to members of the Board of Directors.

NOTES

ACCOUNTING POLICIES

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit/loss for the year

The Company has exemption from tax in Denmark in accordance with the Danish tax rules for Investment Companies, the taxation occurs with the investors instead. Therefore the Company has no recognition of corporate tax, but less amounts may occur in terms of withholding taxes.

STATEMENT OF FINANCIAL POSITION

Financial assets/Other investments

The company classifies its investments in securities as financial assets at fair value through profit or loss. These financial assets are classified by management at FVTPL at inception.

Financial assets/other investments designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but their performance is evaluated on a fair value basis and they are managed in accordance with the company's documented investment strategy.

The company's policy requires the AIF-Manager and the management to evaluate the information about these financial assets on a fair value basis. Assets in this category are classified as non-current assets as those are not expected to be realised within 12 months of the balance sheet date.

Regular purchases and sales of securities are recognised on the trade date - the date on which the company commits to purchase or sell the investment. Financial assets at FVTPL are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets are presented in the statement of comprehensive income within "other financial income or expenses" in the period in which they arise.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Prepayments, assets

Prepayments recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents

Cash and cash equivalents include bank overdraft and liquid funds

Equity

Equity include contributed capital, share premium, revaluation reserve and retained earnings.

The revaluation reserve represents amounts accumulated when converting share capital and share premium from EUR to USD as of 30 September 2014. Share premium consist of the value addition to the shares at the time of their issuance for amounts exceeding the nominal value of EUR 500.

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ACCOUNTING POLICIES

Liabilities

Other liabilities are measured at amortised cost equal to nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

CASH FLOW STATEMENT

Cash flow statement

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of financial asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

NOTES	2014/15	2013/14	Note
	USD	USD '000	
Other external expenses			2
Legal fees	43,690	17	
Audit fees	10,562	10	
Professional & Management fees	69,272	110	
Transaction costs & fees	42,316	23	
Miscellaneous expenses.....	16,628	14	
	182,468	174	
Specification on audit fees			
Statutory audit	10,562	10	
Other assurance reports	0	0	
Tax advisory	0	0	
Other services	0	0	
	10,562	10	
Staff costs			3
Wages and salaries.....	44,136	35	
Other social security costs	2,667	1	
	46,803	36	
Board of Directors, salaries	44,136	35	
	44,136	35	
Average number of employees	0	0	
Other financial income			4
Interest income.....	213	0	
Exchange rate adjustments	4,989	5	
Fair value adjustments.....	3,692,747	731	
Other interest income.....	92	4	
	3,698,041	740	
Other financial expenses			5
Exchange rate adjustments	533	0	
Fair value adjustments.....	3,272	0	
Other financial expenses	4,718	1	
	8,523	1	

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Note

Contributed capital

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The contributed capital comprises:

38,797 shares	24,882,001
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Contributed capital 1 October 2014	18,550,268
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9 December 2014, issue of capital, 570 shares	356,934
29 January 2015, issue of capital, 787 shares.....	474,470
2 March 2015, issue of capital, 1,408 shares.....	795,874
30 March 2015, issue of capital, 808 shares.....	454,097
30 April 2015, issue of capital, 2,265 shares.....	1,218,457
27 May 2015, issue of capital, 3,502 shares.....	1,963,750
1 July 2015, issue of capital, 1,059 shares	580,861
28 September 2015, issue of capital, 869 shares.....	487,290

Contributed capital 30 September 2015	24,882,001
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The development in contributed capital since 1 April 2011.

	Number of shares	Share capital EUR
In 2011/12	7,803	3,901,500
In 2012/13	8,595	4,297,500
In 2013/14	11,131	5,565,500
In 2014/15	11,268	5,634,000
	38,797	19,398,500

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Note

Contingencies etc.

7

Contingent liabilities

None

Charges and securities

None

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Related parties

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Ress Life Investments A/S's related parties include:

Resscapital AB

Citco Denmark ApS

Board of Directors

Transactions with related parties	2014/15 USD	2013/14 USD '000
Resscapital AB	2,003	0
Kroman Reumert (boardmember Jeppe Buskov is a partner hereof)	43,690	17
Citco Denmark ApS	59,310	42
Salaries for board of directors is mentioned in note 2		

Shareholders holding of more than 5% of the share capital:**Share Capital**

The Swedish Club
Gullbergs Strandgata 6
411 04 Göteborg
Sweden

9,68 %

Apoteket AB:S Pensionsstiftelse
Norrländsgatan 16, 5tr
111 43 Stockholm
Sweden

9.38 %

Helga Liselott Tham
Box 7370
103 91 Stockholm
Sweden

9.09 %

Banque Carnegie Luxembourg SA
5, place de la Gare
1616 Luxembourg
Luxembourg

12.29 %

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Shareholders holding of more than 5% of the share capital: Share Capital

SEB Life International Assurance Ltd Bloodstone Building Sir John Rogerson's Quay Dublin 2 Ireland	6.01 %
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Controlling interest

Note

None of the shareholders has controlling interest.

Financial risks and financial instruments

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Foreign exchange risks

The Shares are denominated in EUR. The accounting currency is USD and the underlying assets are USD based. Accordingly, the value of the Shares is likely to fluctuate with any fluctuations in the exchange rate between USD and EUR. If the value of EUR depreciates against USD, the EUR price of the Shares will appreciate. In addition, there is a currency risk depending on the local accounting currency for each shareholder.

Interest rate risks

Due to its investing and financing activities, Ress Life Investments A/S is exposed to interest rate risks related to fluctuations in interest levels in USA, Euroland and Denmark.

The interest rate exposure relating to interest rate changes comprises changes in interest yields on balances with banks.

Early termination

The Company has a potential risk related to an early termination of the Master Fund, which the Company has invested in. The Fund Manager would, in such situation, have to distribute to the Unitholders of the Master Fund their pro-rata interest in the assets. The Master Fund's investments would have to be sold by the Fund Manager or distributed to the Company. It is possible that at the time of such sale or redemption certain investments held by the Master Fund may be worth less than the initial cost of the investment, resulting in a loss to the Master Fund and to the Company. Moreover, in the event the Master Fund terminates prior to the complete amortization of organizational expenses, any unamortized portion of such expenses will be accelerated and will be debited from (and thereby reduce) amounts otherwise available for distribution to the Company.

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Tax risks

For the Company an investment in the Master Fund involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Master Fund will have investments (or of Luxembourg), or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Master Fund to its Unitholders. No assurance can be given regarding the actual level of taxation imposed upon the Master Fund. Each Unitholder is strongly urged to consult its own tax advisers regarding their tax implications of investing, holding and disposing of Units in the Master Fund and, if relevant, receiving distributions in respect of Units in the Master Fund.

Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the company's financial instruments that are carried in the financial statements.

	Carrying amount		Fair value	
	30 Sep 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014
	USD	USD '000	USD	USD '000
Financial assets				
Other investments	56,618,467	36,828	56,618,467	36,828
Other receivables	360,000	1,003	360,000	1,003
Other short-term receivables.....	0	76	0	76
Prepayments	7,609	9	7,609	9
Cash and cash equivalents	1,171,538	188	1,171,538	188
Financial liabilities				
Other payables	114,384	139	114,384	139

The fair value of the financial assets and liabilities are included at an estimate of the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidations sale. The following method and assumptions were used to estimate the fair values.

The Company invests primarily in the Master Fund which NAV is used as fair value of Other Investments. The Fund Manager calculates the NAV in the Master Fund once every month per the end of each month. The Master Fund invests in life insurance policies whose valuation is carried out on an individual basis based on several factors such as premium payments and changes in these, updates of life expectancy, changes in discount rates and general "mark-to-market" adjustments. Twice a year the calculations are verified by an external auditor or actuary.

The fair value of receivables, prepayments, cash, payables and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments. The company's own credit risk has not been taken into account.

Fair value estimation - other investments:

In connection with the adoption of IFRS, the company adopted IFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. This requires the company to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company 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 that have been applied in valuing the respective asset.

The determination of what constitutes 'observable' requires significant judgement by the company. The management considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the company's financial assets measured at fair value at 30 September 2015. All fair value measurements disclosed are recurring fair value measurements.

Financial assets/other investments

	2014/15 USD	2013/14 USD '000
Level 1	0	0
Level 2	56,618,467	36,828
Level 3	0	0
Total	56,618,467	36,828

There have been no transfers between the levels in the fair value hierarchy this year.

Events after the balance sheet date

On 23 November 2015, Ress Life Investments A/S was admitted to trading and official listing on Nasdaq Copenhagen. The company will trade under the short name RLINV under "Other Collective Investment Schemes" and with ISIN DK0060315604. Carnegie Investment Bank will act as market maker during normal trading hours.

Since 1 October 2015 the company has increased its capital with a total of EUR 2,869 thousand (USD 3,198 thousand).