

# WTCC P/S

c/o Solstra Capital Partners  
Lautrupsgade 7, 3. tv., 2100 København Ø

CVR no. 29 51 34 49

## Annual report 2018

Approved at the Company's annual general meeting on 14 June 2019

Chairman:



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Mette Kapsch





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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of WTCC P/S for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

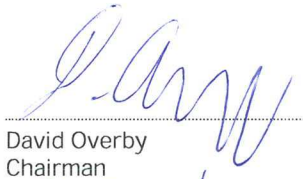
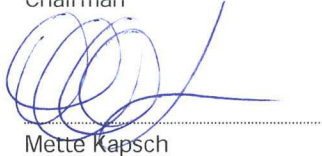
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 14 June 2019  
Executive Board:

  
Henrik Gram

Board of Directors:

  
David Overby  
Chairman  
Palle Sort  
Henrik Gram  
Mette Kapsch

## Independent auditor's report

To the shareholders of WTCC P/S

### Opinion

We have audited the financial statements of WTCC P/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

### Material uncertainty related to going concern

We draw attention to note 2 in which Management states that the Company's ability to remain a going concern is affected by the Group's ability to remain a going concern. Management states that it is a condition for the Group's ability to remain a going concern that the Group extend its main financing agreements or the properties are sold. It is Management's assessment that these assumptions will be achieved, and consequently, the financial statements have been prepared on a going concern assumption.

We have not modified our opinion in respect of this matter.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish 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.

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 the financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

### Statement on the Management's review

Management is responsible for the Management's review.

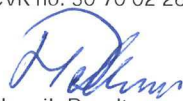
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 14 June 2019  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Henrik Reedtz  
State Authorised Public Accountant  
mne24830



Kaare K. Lendorf  
State Authorised Public Accountant  
mne33819



## Management's review

### Company details

Name	WTCC P/S
Address, Postal code, City	c/o Solstra Capital Partners Lautrupsgade 7, 3. tv., 2100 København Ø
CVR no.	29 51 34 49
Established	18 April 2006
Registered office	Copenhagen
Financial year	1 January - 31 December
Telephone	+45 39 13 91 00
Board of Directors	David Overby, Chairman Palle Sort Henrik Gram Mette Kapsch
Executive Board	Henrik Gram
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management's review

### Business review

The Company's purpose is to acquire holdings in the subsidiaries Copenhagen Towers II P/S and Komplementarselskabet WTCC II A/S. The Company has been involved in the construction of stages 1 and 2 of the Copenhagen Towers project.

### Unusual matters having affected the financial statements

#### *Going concern*

In January 2019 the maturity of the main financing agreements was extended and falls due in 2020. Management has prepared a sensitivity analysis on cash flow budgets showing that the Company will have sufficient liquidity to continue its operations until the loan falls due.

After this, it is a condition for the Company's ability to remain a going concern that the Group extend its main financing agreements or the properties are sold.

There is material uncertainty related to the going concern assumption, which casts significant doubt on the Company's ability to continue as a going concern, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's equity is expected to be re established over the coming years due to rent income from properties, realization of properties and cancellation of debt.

Reference is made to note 2 for more details.

### Financial review

The income statement for 2018 shows a profit of DKK 1,013 thousand against a loss of DKK 472 thousand last year, and the balance sheet at 31 December 2018 shows equity of DKK 5,739 thousand.

### Events after the balance sheet date

No significant events have occurred after the balance date that materially affect the financial statements at 31 December 2018.

### Outlook

In the coming year, Management expects that earnings from the leasing activities will increase in connection with the reduction of vacancy.



## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2018	2017
	Other operating income	1,454	0
	Other external expenses	-56	-39
	Gross margin	1,398	-39
	Value adjustment of intercompany receivables	-338	-413
	Financial expenses	-47	-20
	Profit/loss before tax	1,013	-472
	Tax for the year	0	0
	Profit/loss for the year	1,013	-472
	Recommended appropriation of profit/loss	1,013	-472
	Retained earnings/accumulated loss	1,013	-472



Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	ASSETS		
	Non-fixed assets		
	Receivables		
	Other receivables	0	361
		0	361
	Cash	7,273	7,345
	Total non-fixed assets	7,273	7,706
	<b>TOTAL ASSETS</b>	<b>7,273</b>	<b>7,706</b>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	120,000	120,000
	Retained earnings	-114,261	-115,274
	Total equity	5,739	4,726
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	994	922
	Other payables	540	2,058
		1,534	2,980
	Total liabilities other than provisions	1,534	2,980
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,273</b>	<b>7,706</b>

- 1 Accounting policies
- 2 Material going concern uncertainties
- 3 Staff costs
- 5 Contractual obligations and contingencies, etc.
- 6 Collateral
- 7 Related parties

## Financial statements 1 January - 31 December

## Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2018	120,000	-115,274	4,726
Transfer through appropriation of profit	0	1,013	1,013
Equity at 31 December 2018	120,000	-114,261	5,739

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of WTCC P/S has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

In accordance with section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. We refer to the consolidated financial statements of the parent company in Denmark, CT Solstra ApS.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Income statement

##### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements 1 January - 31 December

## Notes to the financial statements

## 1 Accounting policies (continued)

## Tax

The Company is not an independent taxable entity. The Company's owners are responsible for both current tax and deferred tax, and therefore, these are included in the owners' computation of taxable income.

## Balance sheet

## Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

## Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

## Other payables

Other payables are measured at net realisable value.

## 2 Material going concern uncertainties

In January 2019 the maturity of the main financing agreements was extended and falls due in 2020. Management has prepared a sensitivity analysis on cash flow budgets showing that the Company will have sufficient liquidity to continue its operations until the loan falls due.

After this, it is a condition for the Company's ability to remain a going concern that the Group extend its main financing agreements or the properties are sold.

There is material uncertainty related to the going concern assumption, which casts significant doubt on the Company's ability to continue as a going concern, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's equity is expected to be re established over the coming years due to rent income from properties, realization of properties and cancellation of debt.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 3 Staff costs

The Company has no employees.

#### 4 Investments

Name	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries			
Copenhagen Towers II P/S	100.00%	-499,885	-24,229
Komplementarselskabet WTCC II A/S	100.00%	-133	-15

#### 5 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

As the Company is jointly registered for VAT purposes with its subsidiary Copenhagen Towers II P/S, it is jointly and severally liable with the subsidiary for settling the companies' total VAT liability.

At 31 December 2018, the Company had one pending litigation. This pending litigation consists of a 5 year construction review regarding mismatch and defects of the Copenhagen Towers building. Based on legal advice from an independent attorney, Management believes that the outcome of the case cannot be determined at present.

However, based on prudence, Management has made no provision for the pending legal cases and does not believe any provision is necessary at 31 December 2018.

#### 6 Collateral

The Company's share in Copenhagen Towers II P/S, the carrying amount of which is DKK 0, has been provided as security for the bank loan to Copenhagen Towers II P/S.

#### 7 Related parties

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
CT Solstra ApS	Copenhagen	Lautrupsgade 7, DK-2100 Copenhagen

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
Copenhagen Skyline ApS	Lautrupsgade 7, DK-2100 Copenhagen