

Partnerservice Hver Gang ApS

Bådehavns­gade 42 2., 2450 Copenhagen

CVR no. 29 92 77 23

Annual report 2018/19

Approved at the Company's annual general meeting on 28 January 2020

Chairman:


.....
Joanna Lipfeld





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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 Partnerservice Hver Gang ApS for the financial year 1 August 2018 - 31 July 2019.

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 July 2019 and of the results of the Company's operations for the financial year 1 August 2018 - 31 July 2019.


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, 28 January 2020
Executive Board:


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Daniel Benjamin Stuhr
.....
Jesper Schou-Kocher

Board of Directors:


.....
Bradley H. Nathan
Chairman

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Joanna Dianne Lipfeld



Independent auditor's report

To the shareholders of Partnerservice Hver Gang ApS

Opinion

We have audited the financial statements of Partnerservice Hver Gang ApS for the financial year 1 August 2018 - 31 July 2019, 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 July 2019 and of the results of the Company's operations for the financial year 1 August 2018 - 31 July 2019 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.

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.

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.

Independent auditor's report

- ▶ 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, 28 January 2020

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Anders Flymer-Dindler

State Authorised Public Accountant

mne35423



Management's review

Company details

Name	Partnerservice Hver Gang ApS
Address, Postal code, City	Bådehavnsgade 42 2., 2450 Copenhagen
CVR no.	29 92 77 23
Established	1 March 1900
Registered office	Hjemstedskommune
Financial year	1 August 2018 - 31 July 2019
Board of Directors	Bradley H. Nathan, Chairman Joanna Dianne Lipfeld
Executive Board	Daniel Benjamin Stuhr Jesper Schou-Kocher
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The Company's activities comprise cleaning and facility services.

Financial review

The income statement for 2018/19 shows a profit of DKK 3,024 thousand against a profit of DKK 3,891 thousand last year, and the balance sheet at 31 July 2019 shows equity of DKK 10,471 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 August 2018 - 31 July 2019

Income statement

Note	DKK'000	2018/19 12 months	2018 7 months
	Gross profit	40,933	26,086
3	Staff costs	-36,244	-20,009
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-746	-532
	Profit before net financials	3,943	5,545
	Other financial income from group enterprises	86	0
	Financial expenses	-160	-83
	Profit before tax	3,869	5,462
4	Tax for the year	-845	-1,571
	Profit for the year	3,024	3,891
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	10,000	0
	Retained earnings/accumulated loss	-6,976	3,891
		3,024	3,891



Financial statements 1 August 2018 - 31 July 2019

Balance sheet

Note	DKK'000	2018/19	2018
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Completed development projects	0	0
	Acquired intangible assets	64	0
	Goodwill	0	0
		<u>64</u>	<u>0</u>
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	1,404	1,877
	Leasehold improvements	33	53
		<u>1,437</u>	<u>1,930</u>
	Investments		
	Deposits, investments	74	53
		<u>74</u>	<u>53</u>
	Total fixed assets	<u>1,575</u>	<u>1,983</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	5,968	4,892
	Receivables from group enterprises	4,431	2,551
	Deferred tax assets	28	0
	Other receivables	138	1
	Prepayments	35	0
		<u>10,600</u>	<u>7,444</u>
	Cash	4,372	2,966
	Total non-fixed assets	<u>14,972</u>	<u>10,410</u>
	TOTAL ASSETS	<u>16,547</u>	<u>12,393</u>



Financial statements 1 August 2018 - 31 July 2019

Balance sheet

Note	DKK'000	2018/19	2018
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	125	125
	Retained earnings	346	7,322
	Dividend proposed	10,000	0
	Total equity	10,471	7,447
	Provisions		
	Deferred tax	0	53
	Total provisions	0	53
	Liabilities other than provisions		
8	Non-current liabilities other than provisions		
	Joint taxation contribution payable	925	1,239
		925	1,239
	Current liabilities other than provisions		
	Trade payables	718	242
	Joint taxation contribution payable	1,258	381
	Other payables	3,175	3,031
		5,151	3,654
	Total liabilities other than provisions	6,076	4,893
	TOTAL EQUITY AND LIABILITIES	16,547	12,393

- 1 Accounting policies
- 2 Going concern uncertainties
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral
- 11 Related parties



Financial statements 1 August 2018 - 31 July 2019

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 August 2018	125	7,322	0	7,447
Transfer through appropriation of profit	0	-6,976	10,000	3,024
Equity at 31 July 2019	125	346	10,000	10,471

Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

1 Accounting policies

The annual report of Partnerservice Hver Gang ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

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.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

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 statements 1 August 2018 - 31 July 2019

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	5 years
Goodwill	5 years
Fixtures and fittings, other plant and equipment	3-10 years
Leasehold improvements	5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

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.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 5 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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.



Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term cash in bank.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Liabilities

Other liabilities are measured at net realisable value which typically equals nominal value.

2 Going concern uncertainties

Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

DKK'000		2018/19 12 months	2018 7 months		
3	Staff costs				
	Wages/salaries	34,983	19,301		
	Pensions	57	18		
	Other social security costs	669	386		
	Other staff costs	535	304		
		<u>36,244</u>	<u>20,009</u>		
	Average number of full-time employees	<u>88</u>	<u>88</u>		
4	Tax for the year				
	Estimated tax charge for the year	925	1,239		
	Deferred tax adjustments in the year	-80	-52		
	Tax adjustments, prior years	0	384		
		<u>845</u>	<u>1,571</u>		
5	Intangible assets				
	DKK'000	Completed development projects	Acquired intangible assets	Goodwill	Total
	Cost at 1 August 2018	159	0	235	394
	Additions	<u>0</u>	<u>70</u>	<u>0</u>	<u>70</u>
	Cost at 31 July 2019	<u>159</u>	<u>70</u>	<u>235</u>	<u>464</u>
	Impairment losses and amortisation at 1 August 2018	159	0	235	394
	Amortisation for the year	<u>0</u>	<u>6</u>	<u>0</u>	<u>6</u>
	Impairment losses and amortisation at 31 July 2019	<u>159</u>	<u>6</u>	<u>235</u>	<u>400</u>
	Carrying amount at 31 July 2019	<u>0</u>	<u>64</u>	<u>0</u>	<u>64</u>

Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

6 Property, plant and equipment

DKK'000	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 August 2018	4,598	130	4,728
Additions	506	0	506
Disposals	-1,286	0	-1,286
Cost at 31 July 2019	<u>3,818</u>	<u>130</u>	<u>3,948</u>
Impairment losses and depreciation at 1 August 2018	2,721	77	2,798
Depreciation	721	20	741
Reversal of accumulated depreciation and impairment of assets disposed	-1,028	0	-1,028
Impairment losses and depreciation at 31 July 2019	<u>2,414</u>	<u>97</u>	<u>2,511</u>
Carrying amount at 31 July 2019	<u><u>1,404</u></u>	<u><u>33</u></u>	<u><u>1,437</u></u>

7 Share capital

The Company's share capital has remained DKK 125 thousand in the past year.

8 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 925 thousand falls due for payment within 1-5 years.



Financial statements 1 August 2018 - 31 July 2019

Notes to the financial statements

9 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Lynx Equity Scandinavia ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2018 onwards as well as withholding taxes on interest, royalties and dividends.

Other financial obligations

Other rent and lease liabilities:

DKK'000	2018/19	2018
Rent and lease liabilities	1,586	125

Management has received an initial claim of approximately DKK 500 thousand. Based on the current assesment of the claim, Management does not expect that the Company is liable.

10 Collateral

The Company has not provided any security or other collateral in assets at 31 July 2019.

11 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Lynx Equity Limited	Toronto, Canada	By contact to the Company

Related party transactions

Partnerservice Hver Gang ApS was engaged in the below related party transactions:

DKK'000	2018/19	2018
Management fee to group	-6,206	-2,191
Interest income from group companies	86	0
Receivables from Lynx Equity Scandinavia	4,345	2,928

Ownership

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

Name	Domicile
Lynx Equity Scandinavia ApS	Copenhagen, Denmark