

Terminal 3 ApS

c/o Baggoe Schou, Fiolstræde 44, 3. th.
1171 København
Denmark

CVR no. 30 27 34 78

Annual report 2019

The annual report was presented and approved at the
Company's annual general meeting on

4 June 2020

Peter Eric Broström
chairman

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 January – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

Terminal 3 ApS
Annual report 2019
CVR no. 30 27 34 78

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Terminal 3 ApS for the financial year 1 January – 31 December 2019.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 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 4 June 2020
Executive Board:

Peter Eric Broström

Board of Directors:

Peter Eric Broström
Chairman

Hélène Henning

Roland Maria Döhn

Emil Jonatan Jansbo

Independent auditor's report

To the shareholder of Terminal 3 ApS

Opinion

We have audited the financial statements of Terminal 3 ApS for the financial year 1 January – 31 December 2019 comprising 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 Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Danish Financial Statements Act and for such internal control that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these 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 company 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 4 June 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Tuborg
State Authorised
Public Accountant
mne24621

Terminal 3 ApS
Annual report 2019
CVR no. 30 27 34 78

Management's review

Company details

Terminal 3 ApS
c/o Baggøe Schou, Fiolstræde 44, 3. th.
1171 København
Denmark

CVR no.:	30 27 34 78
Established:	14 February 2007
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Peter Eric Broström, Chairman
Hélène Henning
Roland Maria Döhn
Emil Jonatan Jansbo

Executive Board

Peter Eric Broström,

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen
Denmark

Management's review

Operating review

Principal activities

The Company's principal activity is to acquire, sell and lease the property at Nordager 28, 6000 Kolding, Denmark.

Development in activities and financial position

The income statement shows a profit for the financial year of DKK 3,817 thousand. The balance sheet shows an equity of DKK 9,268 thousand.

The results for the year are considered to be in accordance with expectations.

Events after the balance sheet date

After the balance sheet date, the virus COVID-19 has been declared a pandemic by the WHO, which affects the world and our society, including the real estate business.

At the current stage, Management assess that the effects from COVID-19 will not have a material impact on the Company's rental income nor its financial position.

No other events have occurred after the balance sheet date that materially affect the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2019	2018
Revenue		9,651	9,465
Other external costs		<u>-1,691</u>	<u>-1,649</u>
Gross profit		7,960	7,816
Depreciation, amortisation and impairment losses		<u>-902</u>	<u>-902</u>
Operating profit		7,058	6,914
Financial expenses	3	<u>-2,165</u>	<u>-2,177</u>
Profit before tax		4,893	4,737
Tax on profit for the year	4	<u>-1,077</u>	<u>-1,042</u>
Profit for the year		<u>3,816</u>	<u>3,695</u>
Proposed profit appropriation			
Extraordinary dividend paid		2,000	0
Proposed dividends for the year		5,406	5,254
Retained earnings		<u>-3,590</u>	<u>-1,559</u>
		<u>3,816</u>	<u>3,695</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	<u>31/12 2019</u>	<u>31/12 2018</u>
ASSETS			
Fixed assets			
Property, plant and equipment			
Investment property	5	<u>83,881</u>	<u>84,784</u>
Total fixed assets		<u>83,881</u>	<u>84,784</u>
Current assets			
Receivables			
Receivables from group entities		0	3,000
Other receivables		23	0
Prepayments		<u>51</u>	<u>54</u>
		<u>74</u>	<u>3,054</u>
Cash at bank and in hand		<u>6,456</u>	<u>5,055</u>
Total current assets		<u>6,530</u>	<u>8,109</u>
TOTAL ASSETS		<u>90,411</u>	<u>92,893</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital		125	125
Retained earnings		3,737	7,327
Proposed dividends for the financial year		<u>5,406</u>	<u>5,254</u>
Total equity		<u>9,268</u>	<u>12,706</u>
Provisions			
Provisions for deferred tax		<u>6,664</u>	<u>6,111</u>
Total provisions		<u>6,664</u>	<u>6,111</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
	6		
Debt to credit institutions		52,296	52,149
Payables to shareholder		11,296	11,290
Deposits		<u>9,175</u>	<u>8,995</u>
		<u>72,767</u>	<u>72,434</u>
Current liabilities other than provisions			
Current portion of non-current liabilities		120	116
Payables to shareholder		41	41
Corporation tax		524	488
Other payables		<u>1,027</u>	<u>997</u>
		<u>1,712</u>	<u>1,642</u>
Total liabilities other than provisions		<u>74,479</u>	<u>74,076</u>
TOTAL EQUITY AND LIABILITIES		<u>90,411</u>	<u>92,893</u>
Average number of employees	2		
Contractual obligations, contingencies, etc.	7		
Mortgages and securities	8		
Related parties	9		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2019	125	7,327	5,254	12,706
Ordinary dividends paid	0	0	-5,254	-5,254
Transferred over the profit appropriation	0	-1,590	5,406	3,816
Extraordinary dividends paid	0	-2,000	0	-2,000
Equity at 31 December 2019	125	3,737	5,406	9,268

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Terminal 3 ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Income statement

Revenue

Revenue comprises rental income from the lease of property and from recharged costs. Revenue is recognised in the income statement for the period relating to the financial year.

Other external costs

Other external costs comprise costs incurred during the year as a result of the rental of the Company's property and administration.

Depreciation

Depreciation of property, plant and equipment.

Financial income and expenses

Other financial expenses comprise interest expense.

Tax on profit for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Investment property is measured at cost less accumulated depreciation and impairment losses.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	100 years
-----------	-----------

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Cash at bank and in hand

Cash at bank and in hand comprise cash.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability..

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

2 Average number of employees

2019	2018
0	0

3 Financial expenses

DKK'000

Interest expense to group entities
Other financial costs

2019	2018
492	492
1,673	1,685
2,165	2,177

4 Tax on profit for the year

DKK'000

Current tax for the year
Change in deferred tax

2019	2018
524	488
553	554
1,077	1,042

5 Property, plant and equipment

DKK'000

Cost at 1 January 2019
Cost at 31 December 2019

Depreciation at 1 January 2017
Depreciation for the year

Depreciation at 31 December 2017

Carrying amount at 31 December 2019

Investment property
99,349
99,349
-14,566
-902
-15,468
83,881

6 Liabilities other than provisions

DKK'000

Debt to credit institutions
Payables to shareholder
Deposits

Total debt at 31/12 2019	Repayment, second year	Outstanding debt after five years
52,416	120	53,100
11,337	41	11,328
9,175	0	9,175
72,928	161	73,603

Financial statements 1 January – 31 December

Notes

7 Contractual obligations, contingencies, etc.

NLP Holding 2014 ApS being the administration Company. The Company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

8 Mortgages and securities

As collateral for debt to credit institutions has been granted on investment property representing a book value of DKK 84,182 thousands at 31 December 2019.

9 Related party disclosures

Terminal 3 ApS is included in the consolidated financial statements of Savills Investment Management KVG GmbH, org.nr. HRV 68783, Frankfurt de Main, Germany, where they can be obtained.