Grant Thornton
Statsautoriseret
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

Foncière du Triangle d'Or ApS

c/o Harboe og B. Godkendt Revisionsanpartsselskab, Lersø Parkallé 107, 2100 København Ø

Company reg. no. 30 54 27 03

Annual report

1 March 2020 - 28 February 2021

The annual report was submitted and approved by the general meeting on the 21 September 2021.

Benoit Marie M. Quertemont
Chairman of the meeting

Contents

	Page
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	6
Consolidated financial highlights	8
Management commentary	9
Consolidated financial statements and financial statements 1 March 2020 - 28 February 2021	
Accounting policies	11
Income statement	17
Statement of financial position	18
Consolidated statement of changes in equity	21
Statement of changes in equity of the parent	21
Statement of cash flows	22
Notes	23

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the executive board has presented the annual report of Foncière du Triangle d'Or ApS for the financial year 1 March 2020 - 28 February 2021.

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

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 28 February 2021, and of the result of the activities, consolidated and of the company, respectively, during the financial year 1 March 2020 – 28 February 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

København Ø, 21 September 2021

Executive board

Sebastien Boudreau

Benoit Marie M. Quertemont

Independent auditor's report

To the shareholder of Foncière du Triangle d'Or ApS

Qualified opinion

We have audited the consolidated financial statements and the financial statements of Foncière du Triangle d'Or ApS for the financial year 1 March 2020 to 28 February 2021, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes, consolidated and of the company, respectively and consolidated statement af cash flows. The consolidated financial statements and the financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, except for the effects of the matter described in the paragraph "Basis for qualified opinion", the consolidated financial statements and the financial statements give a true and fair view of the assets, equity and liabilities, and financial position, consolidated and for the company, respectively, at 28 February 2021 and of the profit of operations, consolidated and for the company, respectively and of consolidated cash flows, for the financial year 1 March 2020 - 28 February 2021 in accordance with the Danish Financial Statements Act.

Basis for qualified opinion

The group's investment properties are measured at fair value. The investment properties in one of the subsidiaries are completely vacant as of 28 February 2021 due to a strategic decision to completely renovate and remodel the said properties. Thus, the management has used expected rental income in combination with an estimated required rate of return for the area for valuation of the properties. External valuers have valuated the properties as of 31 December 2020. The management has valued the properties at a higher value than the one made by the external valuers due to other prerequisites.

It is our assessment that the management’s prerequisites for valuation of the property cannot be used as a basis for measuring the fair value as of 28 February 2021.

It is our assessment that the value of the group's investment properties as of 28 February 2021 amounts to t.EUR 1.357.600 which results in a fair value regulation of t.EUR -61.500. This fair value regulation would cause a positive adjustment of tax for the year with t.EUR 17.220, result for the year would be reduced with t.EUR -44.280 and equity would be reduced with t.EUR -44.280.

As such it is our assessment that the value of the company's equity investments in group enterprises amounts to t.EUR 728.673. This would reduce the result for the year and the equity with t.EUR 44.280.

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section “Auditor’s responsibilities for the audit of the consolidated financial statements and the financial statements”. We are independent of the company in accordance with international ethical requirements for auditors (IESBA’s Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independent auditor's report

Responsibilities of management and those charged with governance for the consolidated financial statements and the financial statements

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

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and 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 unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated annual accounts and the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 these consolidated financial statements and financial statements.

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 the 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 group's and the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report

- Conclude on the appropriateness of management's preparation of the consolidated financial statements and the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the group's and 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 consolidated financial statements and 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 group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and contents of the consolidated financial statements and the financial statements, including disclosures in notes, and whether the consolidated financial statements and the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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 the internal control that we identify during our audit.

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the consolidated financial statements and the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the consolidated financial statements or the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the consolidated financial statements and the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Independent auditor's report

Copenhagen, 21 September 2021

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Morten Grønbek
State Authorised Public Accountant
mne34491

Company information

The company	Foncière du Triangle d'Or ApS c/o Harboe og B. Godkendt Revisionsanpartsselskab Lersø Parkallé 107 2100 København Ø	
	Company reg. no.	30 54 27 03
	Established:	29 February 2008
	Domicile:	Copenhagen
	Financial year:	1 March - 28 February
Executive board	Sebastien Boudreau Benoit Marie M. Quertemont	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Parent company	Paris Premier Properties S.à r.l.	

Company information

Subsidiaries	4 Rue Duphot Paris I ApS, Copenhagen
	5 Rue Beaujon Paris VIII ApS, Copenhagen
	5 Avenue Bosquet Paris VII ApS, Copenhagen
	5 Rue du Boccador Paris VIII ApS, Copenhagen
	7 Rue du Boccador Paris VIII ApS, Copenhagen
	8 Av. D'Eylau - 7-11 Av. Raymond Poincaré Paris XV, Copenhagen
	11 Rue Saint Dominique Paris VII ApS, Copenhagen
	13 Rue Alphonse De Neuville Paris XVI ApS, Copenhagen
	15 Rue de Chernoviz Paris XVI ApS, Copenhagen
	18 Bis Rue D'Anjou Paris VIII ApS, Copenhagen
	18 Rue Godot de Mauroy Paris IX ApS, Copenhagen
	19 Rue Francois 1er Paris VIII ApS, Copenhagen
	34 Avenue Marceau Paris VIII ApS, Copenhagen
	43 Rue Descamps Paris XVI ApS, Copenhagen
	61 Avenue Marceau Paris XVI ApS, Copenhagen
	63 Avenue Des Champs Elysees Paris VIII (II) ApS, Copenhagen
	63 Avenue Des Champs Elysees Paris VIII ApS, Copenhagen
	63 Boulevard des Batignolles Paris VIII ApS, Copenhagen
	66 Rue Pierre Charron Paris VIII ApS, Copenhagen
	98 Rue Pierre Demours Paris XVII ApS, Copenhagen
	130 Rue du Faubourg Saint Honoré Paris VIII ApS, Copenhagen
	48/50 Rue Pierre Charron - 1/3 Rue Cerisoles Paris VIII ApS, Copenhagen
	Boccador-Tremoille SC, France
	9 Rue du Boccador SCI, France
	11-13 Rue Duphot Paris I SC, France
	8-10 Clement Marot SC, France
	24-26 Tremoille 12 Clement Marot SC, France
	28-30 Rue de la Tremoille Paris SNC, France
	9 Rue de Boccador Paris VIII SARL, Luxembourg
	11-13 Rue Duphot Paris I SARL, Luxembourg
	28-30 Rue de la Tremoille Paris VIII SARL, Luxembourg

Consolidated financial highlights

EUR in thousands.	2020/21	2019/20	2018/19	2017/18	2016/17
Income statement:					
Revenue	7.526	3.536	7.215	8.496	10.387
Profit from operating activities	31.944	9.087	28.530	-28.931	79.002
Net financials	-14.055	-5.808	-19.195	-11.545	-14.415
Net profit or loss for the year	30.900	25.284	1.140	-38.988	45.763
Statement of financial position:					
Balance sheet total	1.543.518	1.608.177	1.609.404	1.587.945	1.682.146
Equity	862.089	831.189	796.938	793.174	832.162
Cash flows:					
Operating activities	-87.417	-13.295	-19.431	-158.985	-40.207
Investing activities	180.269	2.024	6.442	144.877	50.902
Financing activities	-102.858	2.427	1.182	23.019	10.015
Total cash flows	-10.006	-8.844	-11.807	8.911	20.710
Employees:					
Average number of full-time employees	2	2	2	2	2
Key figures in %:					
Profit margin (EBIT-margin)	424,4	257,0	395,4	-340,5	760,6
Acid test ratio	153,3	62,4	74,9	45,5	31,2
Solvency ratio	55,9	51,7	49,5	49,9	49,5
Return on equity	3,6	3,1	0,1	-4,8	5,7

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

The financial highlights for 2019/20 only comprise the period October 1st 2019 - February 29th 2020.

Management commentary

The principal activities of the group

The group's main activity consists in any kind of financial investment, including but not limited to, buy, own, rent, manage and sell real estate, and any other similar business in accordance with the decision of the executive board.

The group's investment properties is established as a branch located in France under the current tax laws. In this regard, the group has acquired an external evaluation of the tax conditions in France. The management concluded, based on the evaluation, that the group does not have any tax obligations which are not included in the balance.

Uncertainties about recognition or measurement

The group's properties is primarily development properties and it is therefore difficult to provide a reliable basis for the valuation as the present operationel result does not reflect the market value of the properties. The measurement of the group's properties is therefore subject to uncertainty.

Development in activities and financial matters

The results from ordinary activities after tax totals t.EUR 30.900 against t.EUR 25.284 last year. Management considers the results satisfactory.

The group's investment properties is measured at fair value. The measurement of fair value is based on estimates of existing leases, and current market rent for similar properties, in the same location and condition. The rate of return used is significant for the valuation of the group's investments properties.

Special risks

Financial risks

The group's cash reserve is limited, however, it is management's expectation that a positive cash flow will be created through renting out and/or sale of the group's properties, whereby the group will be able to meet its liabilities. Further, the group's parent company has provided a letter of support, expiring 28 February 2022, in which they declare to ensure that there will be sufficient funds in the groups to cover its current operations.

Interest risks

As the interest bearing debt is of a material amount, changes in the interest rates will have a material direct impact on the results.

Environmental issues

The group has in our opinion no special impact on the external environment and therefore no specific environmental policy.

Know how resources

The activity of the group does not require large know how resources and therefore the group has no knowledge resources or research and development activities.

Expected developments

Based on the above, it is the management's overall expectation that the group can run its day to day business with a satisfactory income in the coming year.

Management commentary

Events occurring after the end of the financial year

No events have occured after the balance sheet date which could significantly affect the group's and the parent company's financial position.

Statement of corporate social responsibility

Business model and engagement

The group does not have any policies or activities regarding corporate social responsibility, due to the main activity consisting of property development.

Target figures and policies for the underrepresented gender

The group has no target figures or policies for the under-represented sex.

Accounting policies

The annual report for Foncière du Triangle d'Or ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR). The accounting period was changed in the financial year before last and, consequently, the comparative figures in the income statement comprise the period 1 October 2019 – 29 February 2020.

We have identified a significant error regarding the reserve for net revaluation according to the equity method in previous year's annual report. This have lead to the amount recognised 1 March 2020 being increased by t.EUR 76.783 while retained earnings have been decreased by the same amount. The changes made have no monetary effect on the net profit or loss for the year or the balance sheet for neither the current nor the previous financial year. The comparative figures have been corrected.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

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

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

The consolidated financial statements

The consolidated income statements comprise the parent company Foncière du Triangle d'Or ApS and those group enterprises of which Foncière du Triangle d'Or ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

Accounting policies

Income statement

Revenue

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

The revenue comprises of rental income from the lease of properties and charged joint costs, and it is recognised in the income statement for the period relating to the lease payment.

Other external costs

Other external costs comprises costs for administration and operation of the group's properties.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating to financial assets and liabilities, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the French tax prepayment scheme, etc.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement of the parent as a proportional share of the group enterprises' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

The parent and the Danish group enterprises are subject to French rules on compulsory joint taxation of the consolidated Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total French income tax payable by the Danish group companies is paid to the tax authorities by the company.

The current French income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investment property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs, if any.

On subsequent recognition, investment properties are measured at fair value, corresponding to the amount the properies would be able to sell for to an independent buyer on the balance sheet date. The fair value are measured using a return-based model, using a capitalized value of the expected future cash flows for the investment properties. The calculation is based on the budgetted net earnings for the coming year, adjusted to normal earnings and by using a rate of return, that reflects the current rate of return for similar investment properties. Compared to the previous financial year, the method of measurement remains unchanged.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the income statement under the item ”Other external costs”.

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item ”Value adjustments of property”.

Investments

Equity investments in group enterprises

Equity investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Accounting policies

Equity investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Equity investments in group enterprises with a negative equity value are recognised at no value, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Income tax and deferred tax

As administration company, Foncière du Triangle d'Or ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the French tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Accounting policies

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Income statement

EUR thousand.

Note		Group 1/3 2020 - 28/2 2021	Group 1/10 2019 - 29/2 2020	Parent 1/3 2020 - 28/2 2021	Parent 1/10 2019 - 29/2 2020
1	Revenue	7.526	3.536	0	0
	Other external costs	-9.276	-6.103	-392	-213
	Value adjustment of investment property	34.713	11.654	0	0
	Gross profit	**32.963**	**9.087**	**-392**	**-213**
3	Staff costs	0	0	0	0
	Other operating costs	-1.019	0	0	0
	Operating profit	**31.944**	**9.087**	**-392**	**-213**
	Income from equity investments in group enterprises	0	0	31.267	25.648
	Other financial income	27	3	0	0
4	Other financial costs	-14.082	-5.811	-12	-151
	Pre-tax net profit or loss	**17.889**	**3.279**	**30.863**	**25.284**
5	Tax on net profit or loss for the year	13.011	22.005	37	0
6	**Net profit or loss for the year**	**30.900**	**25.284**	**30.900**	**25.284**

Statement of financial position

EUR thousand.

Note	Assets	Group 28/2 2021	Group 29/2 2020	Parent 28/2 2021	Parent 29/2 2020
	Non-current assets				
7	Investment property	1.419.100	1.579.600	0	0
	Total property, plant, and equipment	1.419.100	1.579.600	0	0
8	Equity investments in group enterprises	0	0	772.953	741.665
	Total investments	0	0	772.953	741.665
	Total non-current assets	**1.419.100**	**1.579.600**	**772.953**	**741.665**
	Current assets				
	Trade receivables	2	1.315	0	0
	Receivables from group enterprises	106.713	0	216.535	136.756
	Tax receivables from group enterprises	0	0	15.478	0
	Other receivables	10.942	10.368	0	55
	Total receivables	117.657	11.683	232.013	136.811
	Cash on hand and demand deposits	6.761	16.894	1.638	10.754
	Total current assets	**124.418**	**28.577**	**233.651**	**147.565**
	Total assets	**1.543.518**	**1.608.177**	**1.006.604**	**889.230**

Statement of financial position

EUR thousand.

Note	Equity and liabilities	Group 28/2 2021	Group 29/2 2020	Parent 28/2 2021	Parent 29/2 2020
	Equity				
	Contributed capital	50.038	50.038	50.038	50.038
	Reserve for net revaluation according to the equity method	0	0	624.024	592.736
	Retained earnings	812.051	781.151	188.027	188.394
	Total equity	**862.089**	**831.189**	**862.089**	**831.168**
	Provisions				
9	Provisions for deferred tax	187.708	213.715	0	0
	Total provisions	**187.708**	**213.715**	**0**	**0**
	Liabilities other than provisions				
	Mortgage loans	412.217	517.502	0	0
	Deposits	324	0	0	0
10	Total long term liabilities other than provisions	412.541	517.502	0	0
10	Current portion of long term payables	64.074	2.207	0	0
	Bank loans	0	6.288	0	6.040
	Trade payables	22	18	0	0
	Payables to group enterprises	0	32.094	128.216	51.137
	Income tax payable	12.996	0	12.996	0
	Income tax payable to group enterprises	0	0	2.444	0
	Other payables	3.892	4.970	859	885
11	Accruals and deferred income	196	194	0	0
	Total short term liabilities other than provisions	81.180	45.771	144.515	58.062
	Total liabilities other than provisions	**493.721**	**563.273**	**144.515**	**58.062**
	Total equity and liabilities	**1.543.518**	**1.608.177**	**1.006.604**	**889.230**

Statement of financial position

EUR thousand.

Note	Equity and liabilities	Group 28/2 2021	Group 29/2 2020	Parent 28/2 2021	Parent 29/2 2020
2	**Fees, auditor**				
12	**Charges and security**				
13	**Contingencies**				
14	**Related parties**				

Consolidated statement of changes in equity

EUR thousand.

	Contributed capital	Retained earnings	Total
Equity 1 October 2019	50.038	746.900	796.938
Retained earnings for the year	0	25.306	25.306
Capital adjustment	0	8.945	8.945
Equity 1 2020	50.038	781.151	831.189
Retained earnings for the year	0	30.900	30.900
	50.038	**812.051**	**862.089**

Statement of changes in equity of the parent

EUR thousand.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Total
Equity 1 October 2019	50.038	566.353	180.548	796.939
Share of profit or loss	0	17.438	7.846	25.284
Capital adjustment	0	8.945	0	8.945
Equity 1 March 2020	50.038	592.736	188.394	831.168
Share of profit or loss	0	31.267	-367	30.900
Capital adjustment	0	21	0	21
	50.038	**624.024**	**188.027**	**862.089**

Statement of cash flows

EUR thousand.

Note		Group 1/3 2020 - 28/2 2021	1/10 2019 - 29/2 2020
	Net profit or loss for the year	30.900	25.284
15	Adjustments	-33.669	-27.854
16	Change in working capital	-70.566	-4.913
	Cash flows from operating activities before net financials	-73.335	-7.483
	Interest received, etc.	0	-5
	Interest paid, etc.	-14.082	-5.807
	Cash flows from ordinary activities	-87.417	-13.295
	Cash flows from operating activities	**-87.417**	**-13.295**
	Purchase of property, plant, and equipment	-4.452	-819
	Sale of property, plant, and equipment	184.721	2.843
	Cash flows from investment activities	**180.269**	**2.024**
	Long-term payables incurred	0	2.427
	Repayments of long-term payables	-102.858	0
	Cash flows from investment activities	**-102.858**	**2.427**
	Change in cash and cash equivalents	**-10.006**	**-8.844**
	Cash and cash equivalents at 1 March 2020	16.894	25.738
	Cash and cash equivalents at 28 February 2021	**6.888**	**16.894**
	Cash and cash equivalents		
	Cash on hand and demand deposits	6.888	16.894
	Cash and cash equivalents at 28 February 2021	**6.888**	**16.894**

Notes

EUR thousand.

		Group		Parent	
		1/3 2020 - 28/2 2021	1/10 2019 - 29/2 2020	1/3 2020 - 28/2 2021	1/10 2019 - 29/2 2020
1.	**Revenue**				
	Rental income	7.526	3.536	0	0
		7.526	**3.536**	**0**	**0**
2.	**Fees, auditor**				
	Total remuneration for Grant Thornton, State Authorised Public Accountants	61	52	2	2
	Remuneration related to statutory audit	61	52	2	2
		61	**52**	**2**	**2**

3. Staff costs

The group has employeed 2 employees in the year. None of the employees have been remunerated (19/20: 0).

		Group 1/3 2020 - 28/2 2021	Group 1/10 2019 - 29/2 2020	Parent 1/3 2020 - 28/2 2021	Parent 1/10 2019 - 29/2 2020
4.	**Other financial costs**				
	Financial costs, group enterprises	0	95	0	95
	Other financial costs	14.082	5.716	12	56
		14.082	**5.811**	**12**	**151**
5.	**Tax on net profit or loss for the year**				
	Tax on net profit or loss for the year	12.996	0	-37	0
	Adjustment of deferred tax for the year	-26.007	-22.005	0	0
		-13.011	**-22.005**	**-37**	**0**

Notes

EUR thousand.

		Parent	
		1/3 2020 - 28/2 2021	1/10 2019 - 29/2 2020
6.	**Proposed appropriation of net profit**		
	Reserves for net revaluation according to the equity method	31.267	12.270
	Transferred to retained earnings	0	13.014
	Allocated from retained earnings	-367	0
	Total allocations and transfers	**30.900**	**25.284**

		Group	
		28/2 2021	29/2 2020
7.	**Investment property**		
	Cost 1 March 2020	960.013	960.649
	Additions during the year	4.452	819
	Disposals during the year	-78.329	-1.455
	Cost 28 February 2021	**886.136**	**960.013**
	Fair value adjustment 1 March 2020	619.587	609.251
	Adjustments to fair value for the year	34.713	11.680
	Adjustment to fair value, assets disposed of	-121.336	-1.344
	Fair value adjustment 28 February 2021	**532.964**	**619.587**
	Carrying amount, 28 February 2021	**1.419.100**	**1.579.600**

The groups investment properties are combined, residential, commercial and office properties, placed in the center of Paris. The investment properties are as described in the used accounting policies measured at fair value by using a return-based model. Indications of the price have been provided by a third party.

In valuating the properties a rent for the not leased square meters have been applied according to the market rent in the area.

In calculating the groups investment properties' fair value a rate of return between 2,60 % - 3,75 % have been used.

Notes

EUR thousand.

	Parent 28/2 2021	Parent 29/2 2020
8. Equity investments in group enterprises		
Cost 1 March 2020	225.712	225.712
Cost 28 February 2021	**225.712**	**225.712**
Revaluations, opening balance 1 March 2020	515.953	494.738
Net profit or loss for the year before amortisation of goodwill	31.267	25.669
Dividend	0	-13.400
Other movements in capital	21	8.946
Revaluation 28 February 2021	**547.241**	**515.953**
Carrying amount, 28 February 2021	**772.953**	**741.665**

Group enterprises:

	Domicile	**Equity interest**
4 Rue Duphot Paris I ApS	Copenhagen	100 %
5 Rue Beaujon Paris VIII ApS	Copenhagen	100 %
5 Avenue Bosquet Paris VII ApS	Copenhagen	100 %
5 Rue du Boccador Paris VIII ApS	Copenhagen	100 %
7 Rue du Boccador Paris VIII ApS	Copenhagen	100 %
8 Av. D'Eylau - 7-11 Av. Raymond Poincaré Paris XV	Copenhagen	100 %
11 Rue Saint Dominique Paris VII ApS	Copenhagen	100 %
13 Rue Alphonse De Neuville Paris XVI ApS	Copenhagen	100 %
15 Rue de Chernoviz Paris XVI ApS	Copenhagen	100 %
18 Bis Rue D'Anjou Paris VIII ApS	Copenhagen	100 %
18 Rue Godot de Mauroy Paris IX ApS	Copenhagen	100 %
19 Rue Francois 1er Paris VIII ApS	Copenhagen	100 %
34 Avenue Marceau Paris VIII ApS	Copenhagen	100 %
43 Rue Descamps Paris XVI ApS	Copenhagen	100 %
61 Avenue Marceau Paris XVI ApS	Copenhagen	100 %
63 Avenue Des Champs Elysees Paris VIII (II) ApS	Copenhagen	100 %
63 Avenue Des Champs Elysees Paris VIII ApS	Copenhagen	100 %
63 Boulevard des Batignolles Paris VIII ApS	Copenhagen	100 %
66 Rue Pierre Charron Paris VIII ApS	Copenhagen	100 %
98 Rue Pierre Demours Paris XVII ApS	Copenhagen	100 %
130 Rue du Faubourg Saint Honoré Paris VIII ApS	Copenhagen	100 %
48/50 Rue Pierre Charron - 1/3 Rue Cerisoles Paris VIII ApS	Copenhagen	100 %
Boccador-Tremoille SC	France	100 %
9 Rue du Boccador SCI	France	100 %
11-13 Rue Duphot Paris I SC	France	100 %

Notes

EUR thousand.

8-10 Clement Marot SC	France	100 %
24-26 Tremoille 12 Clement Marot SC	France	100 %
28-30 Rue de la Tremoille Paris SNC	France	100 %
9 Rue de Boccador Paris VIII SARL	Luxembourg	100 %
11-13 Rue Duphot Paris I SARL	Luxembourg	100 %
28-30 Rue de la Tremoille Paris VIII SARL	Luxembourg	100 %

		Group		Parent	
		28/2 2021	29/2 2020	28/2 2021	29/2 2020
9.	**Provisions for deferred tax**				
	Provisions for deferred tax 1 March 2020	213.715	244.621	0	0
	Deferred tax relating to the net profit or loss for the year	-26.007	-30.906	0	0
		187.708	**213.715**	**0**	**0**

		Total payables 28 Feb 2021	Current portion of long term payables	Long term payables 28 Feb 2021	Outstanding payables after 5 years
10.	**Liabilities other than provision**				
	Group				
	Mortgage loans	476.291	64.074	412.217	0
	Deposits	324	0	324	0
		476.615	**64.074**	**412.541**	**0**

		Group		Parent	
		28/2 2021	29/2 2020	28/2 2021	29/2 2020
11.	**Accruals and deferred income**				
	Accruals and deferred income	196	194	0	0
		196	**194**	**0**	**0**

Notes

EUR thousand.

12. Charges and security

As collateral for the group's mortgage loans, t.EUR 476.291, security has been granted on land and buildings representing a carrying amount of t.EUR 1.419.100 at 28 February 2021.

13. Contingencies

Contingent liabilities

Recourse guarantee commitments:

The company has guaranteed bank loans of group enterprises. On 28 February 2021, the total guaranteed bank loans of the group enterprises totalled t.EUR 380.193.

Joint taxation

The company acts as administration company for the group of companies subject to the French scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 12.996.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

14. Related parties

Controlling interest

Majority shareholder

Paris Premier Properties S.à r.l.,128 Boulevard de la Petrusse, L-2330 Luxembourg

Ultimate parent company

Cardif Life S.A., 23-25 avenue de la Porte-Neuve, L-2227 Luxembourg

Notes

EUR thousand.

		Group	
		1/3 2020 - 28/2 2021	1/10 2019 - 29/2 2020
15.	**Adjustments**		
	Other financial income	-27	-2
	Other financial costs	14.082	5.807
	Financial liabilities	-34.713	-11.654
	Tax on net profit or loss for the year	12.996	0
	Deferred tax	-26.007	-22.005
		-33.669	**-27.854**

		Group	
16.	**Change in working capital**		
	Change in receivables	-105.974	2.083
	Change in trade payables and other payables	35.408	-6.996
		-70.566	**-4.913**