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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 October 2018 - 30 September 2019

The annual report was submitted and approved by the general meeting on the 15 May 2020.

Mads Harboe Nørring
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance EUR 146.940 is the same as the English amount of EUR 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The executive board has today presented the annual report of Foncière du Triangle d'Or ApS for the financial year 1 October 2018 to 30 September 2019.

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

We consider the accounting policies used appropriate, and in our opinion, the consolidated annual accounts and the annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated and for the company respectively at 30 September 2019, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 October 2018 to 30 September 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

København Ø, 15 May 2020

Executive board

Sebastien Boudreau

Mads Harboe Nørring

Independent auditor's report

To the shareholder of Foncière du Triangle d'Or ApS

Qualified opinion

We have audited the consolidated annual accounts and the annual accounts of Foncière du Triangle d'Or ApS for the financial year 1 October 2018 to 30 September 2019, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity and notes, consolidated and for the company respectively and consolidated cash flow statement. The consolidated annual accounts and the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Except for the possible effect of the matter described in the paragraph "Basis for qualified opinion", it is our opinion that the consolidated annual accounts and the annual accounts give a true and fair view of the assets, liabilities and financial position, consolidated and for the company respectively at 30 September 2019 and of the results of the operations, consolidated and for the company respectively and of consolidated cash flows for the financial year 1 October 2018 to 30 September 2019 in accordance with the Danish Financial Statements Act.

Basis for qualified opinion

It has not been possible to obtain sufficient audit documentation for the valuation of the group's deffered tax liability. Therefore a qualifacation for the valuation of the deffered tax liability and the adjustments for the year in the income statement have been made.

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 below section “Auditor’s responsibilities for the audit of the consolidated annual accounts and the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainties concerning the enterprise's ability to continue as a going concern

Without qualifying our opinion, we draw attention to note 1 in which the management describes the group's financial situation. We concur with the management's description of the financial situation.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 1 in which the management describes the uncertainty associated with the valuation of the groups's investments properties. We concur with the management's description of the uncertainties and the accounting treatment.

The management's responsibilities for the consolidated annual accounts and the annual accounts

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

Independent auditor's report

In preparing the consolidated annual accounts and the annual accounts, the management is responsible for evaluating the group’s and the company’s ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the consolidated annual accounts and the annual accounts, unless the management either intends to liquidate the group or the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated annual accounts and the annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts and the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the consolidated annual accounts and the annual accounts.

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

- Identify and assess the risks of material misstatement in the consolidated annual accounts and the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the consolidated annual accounts and the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts and the annual accounts 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.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated annual accounts and the annual accounts, including the disclosures in the notes, and whether the consolidated annual accounts and the annual accounts reflect the underlying transactions and events in a manner that gives a true and 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 annual accounts. 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's review

The management is responsible for the management's review.

Our opinion on the consolidated annual accounts and the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the consolidated annual accounts and the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the consolidated annual accounts or the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the consolidated annual accounts and the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 15 May 2020

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 October - 30 September
Executive board	Sebastien Boudreau Mads Harboe Nørring	
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 XI 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 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 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.	2018/19	2017/18	2016/17	2015/16	2014/15
Profit and loss account:					
Net turnover	7.215	8.496	10.387	17.706	16.766
Results from operating activities	28.530	-28.931	79.002	444.557	190.832
Net financials	-19.195	-11.545	-14.415	-28.027	-16.060
Results for the year	1.140	-38.988	45.763	243.771	125.135
Balance sheet:					
Balance sheet sum	1.609.404	1.587.945	1.682.146	1.665.018	1.180.587
Equity	796.938	793.174	832.162	785.916	541.168
Cash flow:					
Operating activities	-19.431	-158.985	-40.207	2.870	-36.355
Investment activities	6.442	144.877	50.902	-53.986	3.401
Financing activities	1.182	23.019	10.015	46.116	40.071
Cash flow in total	-11.807	8.911	20.710	-5.000	7.117
Key figures in %:					
Profit margin	395,4	-340,5	760,6	2.510,8	1.138,2
Acid test ratio	74,9	45,5	31,2	14,1	31,9
Solvency ratio	49,5	49,9	49,5	47,2	45,8
Return on equity	0,1	-4,8	5,7	36,7	26,1

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

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 as to 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 are t.EUR 1.140 against t.EUR -38.988 last year. The management consider 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 discount rate 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 September 30th 2020, 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.

The expected development

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 subsequent to 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

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 under-represented sex

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 is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (large enterprises).

The accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The consolidated annual accounts

The consolidated annual accounts 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 has controlling interest. As it appears from the group chart, enterprises of which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not controlling interest are considered associated enterprises.

By the consolidation, elimination of intercompany income and costs, shareholding, intercompany balances and dividends and realised and unrealised gains and losses from transactions among the consolidated enterprises takes place.

Equity interests in group enterprises are settled by the proportional share of the group enterprises' trade value of net assets and liabilities at the date of acquisition.

Income statement

Net turnover

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

Accounting policies

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 gain or loss from disposal of properties.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the French tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

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 of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

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

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

The balance sheet

Investment property

At the first recognition, investment property is measured at cost, comprising the cost of the property and directly attached 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.

Accounting policies

Costs which add new or improved qualities to an investment property compared to its condition at the time of acquisition and which thereby improves 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 profit and loss account in the item "Costs concerning investment property".

Like other material fixed assets, except from land, investment property has a limited life financial life. The impairment taking place concurrently with the aging of the investment property is reflected in the current measuring of the investment property at fair value.

Value adjustments are recognised in the profit and loss account in the item "Value adjustments of property".

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

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

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

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.

Accounting policies

Available funds

Available funds comprise cash at bank and in 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 and associates 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.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Foncière du Triangle d'Or ApS is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Foncière du Triangle d'Or ApS is unlimited, jointly and severally liable towards the French tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or “Payable corporate tax".

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Accounting policies

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

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

The cash flow statement

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

The effect of cash flow deriving from purchase and sale of enterprises appears separately under cash flow from investment activities. In the cash flow statement, cash flow deriving from purchased enterprises is recognised as of the date of acquisition, and cash flow deriving from sold enterprises is recognised until the sales date.

Cash flow from operating activities

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities

Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Available funds

Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Income statement 1 October - 30 September

EUR thousand.

Note		Group 2018/19	Group 2017/18	Parent 2018/19	Parent 2017/18
2	Net turnover	7.215	8.496	0	0
	Other external costs	-11.742	-91.429	-373	-307
	Value adjustment of investment property	33.057	54.002	0	0
	Gross profit	**28.530**	**-28.931**	**-373**	**-307**
	Income from equity investments in group enterprises	0	0	7.859	-38.592
	Other financial income	650	2	648	0
5	Other financial costs	-19.845	-11.547	-6.994	-1
	Pre-tax net profit or loss	**9.335**	**-40.476**	**1.140**	**-38.900**
6	Tax on ordinary results	-8.195	1.488	0	-88
7	**Net profit or loss for the year**	**1.140**	**-38.988**	**1.140**	**-38.988**

Statement of financial position at 30 September

EUR thousand.

Assets

Note		Group 2019	Group 2018	Parent 2019	Parent 2018
	Fixed assets				
8	Investment property	1.569.900	1.541.100	0	0
	Tangible fixed assets in total	1.569.900	1.541.100	0	0
9	Equity investments in group enterprises	0	0	720.472	794.767
	Financial fixed assets in total	0	0	720.472	794.767
	Fixed assets in total	**1.569.900**	**1.541.100**	**720.472**	**794.767**
	Current assets				
	Trade debtors	1.167	1.278	0	0
	Amounts owed by group enterprises	0	0	59.869	0
	Other debtors	12.599	8.022	293	39
	Debtors in total	13.766	9.300	60.162	39
	Available funds	25.738	37.545	16.836	26.869
	Current assets in total	**39.504**	**46.845**	**76.998**	**26.908**
	Assets in total	**1.609.404**	**1.587.945**	**797.470**	**821.675**

Statement of financial position at 30 September

EUR thousand.

Equity and liabilities

Note		Group 2019	Group 2018	Parent 2019	Parent 2018
	Equity				
	Contributed capital	50.038	50.038	50.038	50.038
	Reserves for net revaluation as per the equity method	0	0	494.738	569.033
	Results brought forward	746.900	743.136	252.162	174.103
	Equity in total	**796.938**	**793.174**	**796.938**	**793.174**
	Provisions				
	Provisions for deferred tax	244.621	236.864	0	0
	Provisions in total	**244.621**	**236.864**	**0**	**0**
	Liabilities				
	Mortgage debt	515.075	455.025	0	0
10	Long-term liabilities in total	515.075	455.025	0	0
10	Short-term part of long-term liabilities	8.373	67.241	0	0
	Bank debts	119	62	0	0
	Trade creditors	65	0	0	0
	Debt to group enterprises	32.685	23.525	0	27.989
	Corporate tax	0	7.010	0	0
	Other debts	11.528	5.044	532	512
	Short-term liabilities in total	52.770	102.882	532	28.501
	Liabilities in total	**567.845**	**557.907**	**532**	**28.501**
	Equity and liabilities in total	**1.609.404**	**1.587.945**	**797.470**	**821.675**

1 **Financial statement uncertainties**

3 **Fees, auditor**

11 **Mortgage and securities**

12 **Contingencies**

13 **Related parties**

Consolidated statement of changes in equity

EUR thousand.

	Contributed capital	Retained earnings	Total
Equity 1 October 2017	50.038	782.124	832.162
Profit or loss for the year brought forward	0	-38.988	-38.988
Equity 1 October 2018	50.038	743.136	793.174
Profit or loss for the year brought forward	0	1.140	1.140
Capital adjustment	0	2.624	2.624
	50.038	**746.900**	**796.938**

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 2017	50.038	607.624	174.500	832.162
Share of results	0	-38.591	-397	-38.988
Equity 1 October 2018	50.038	569.033	174.103	793.174
Share of results	0	-76.919	78.059	1.140
Capital adjustment	0	2.624	0	2.624
	50.038	**494.738**	**252.162**	**796.938**

Statement of cash flows 1 October - 30 September

EUR thousand.

Note		Group 2018/19	2017/18
	Results for the year	1.140	-38.988
14	Adjustments	-5.666	-48.995
15	Change in working capital	4.289	-59.457
	Cash flow from operating activities before net financials	-237	-147.440
	Interest received and similar amounts	650	2
	Interest paid and similar amounts	-19.844	-11.547
	Cash flow from ordinary activities	-19.431	-158.985
	Cash flow from operating activities	**-19.431**	**-158.985**
	Purchase of tangible fixed assets	0	-558.618
	Sale of tangible fixed assets	6.442	703.495
	Cash flow from investment activities	**6.442**	**144.877**
	Raising of long-term debts	1.182	88.172
	Repayments of long-term debt	0	-65.153
	Cash flow from financing activities	**1.182**	**23.019**
	Changes in available funds	**-11.807**	**8.911**
	Available funds 1 October 2018	37.545	28.634
	Available funds 30 September 2019	**25.738**	**37.545**
	Available funds		
	Available funds	25.738	37.545
	Available funds 30 September 2019	**25.738**	**37.545**

Notes

EUR thousand.

1. Financial statement uncertainties

It is management's expectation that a positive cash flow will be created through renting out and/or selling 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 September 30th, 2020, in which they declare to ensure that there will be sufficient funds in the group to cover its current operations.

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

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
2. Net turnover				
Rental income	7.215	8.496	0	0
	7.215	**8.496**	**0**	**0**
3. Fees, auditor				
Total fee for Grant Thornton, State Authorised Public Accountants	65	65	2	2
Fee concerning compulsory audit	65	65	2	2
	65	**65**	**2**	**2**

4. Staff costs

The group has employeed 2 employees in the year. None of the employees have been remunerated (17/18: 0).

	Group 2018/19	Group 2017/18	Parent 2018/19	Parent 2017/18
5. Other financial costs				
Financial costs, group enterprises	6.974	0	6.974	0
Other financial costs	12.871	11.547	20	1
	19.845	**11.547**	**6.994**	**1**

Notes

EUR thousand.

		Group 2018/19	Group 2017/18	Parent 2018/19	Parent 2017/18
6.	**Tax on ordinary results**				
	Tax of the results for the year	0	7.493	0	88
	Adjustment for the year of deferred tax	8.195	-8.981	0	0
		8.195	**-1.488**	**0**	**88**

		Parent 2018/19	Parent 2017/18
7.	**Proposed distribution of the results**		
	Reserves for net revaluation as per the equity method	-76.919	-38.591
	Allocated to results brought forward	78.059	0
	Allocated from results brought forward	0	-397
	Distribution in total	**1.140**	**-38.988**

Notes

EUR thousand.

		Group		Parent	
		30/9 2019	30/9 2018	30/9 2019	30/9 2018
8.	**Investment property**				
	Cost 1 October 2018	964.502	628.029	0	0
	Additions during the year	0	552.991	0	0
	Disposals during the year	-3.853	-216.518	0	0
	Cost 30 September 2019	**960.649**	**964.502**	**0**	**0**
	Fair value adjustment 1 October 2018	576.598	1.006.253	0	0
	Adjust of the year to fair value	37.100	59.159	0	0
	Adjustment to fair value, assets disposed of	-4.447	-488.814	0	0
	Fair value adjustment 30 September 2019	**609.251**	**576.598**	**0**	**0**
	Book value 30 September 2019	**1.569.900**	**1.541.100**	**0**	**0**

The group's investment properties are combined, residantial, commercial and office properties, placed on 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.

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 for 2018-2019 a discount rate of between 2,50 % - 3,50 % have been used.

Indications of the price have been provided by a third party.

Notes

EUR thousand.

		Group		Parent	
		30/9 2019	30/9 2018	30/9 2019	30/9 2018
9.	**Equity investments in group enterprises**				
	Acquisition sum, opening balance 1 October 2018	0	0	225.734	225.734
	Cost 30 September 2019	**0**	**0**	**225.734**	**225.734**
	Revaluations, opening balance 1 October 2018	0	0	569.066	607.624
	Results for the year before goodwill amortisation	0	0	7.859	-38.591
	Dividend	0	0	-84.778	0
	Other movements in capital	0	0	2.591	0
	Revaluation 30 September 2019	**0**	**0**	**494.738**	**569.033**
	Book value 30 September 2019	**0**	**0**	**720.472**	**794.767**

Group enterprises:

	Domicile	Share of ownership
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 XI 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 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 %

Notes

EUR thousand.

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 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 %
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 %

10. Liabilities

	Debt in total 30 Sep 2019	Short-term part of long-term liabilities	Long-term debt 30 Sep 2019	Outstanding debt after 5 years
Group				
Mortgage debt	523.448	8.373	515.075	0
	523.448	**8.373**	**515.075**	**0**

11. Mortgage and securities

As security for mortgage debts, t.EUR 523.448, mortgage has been granted on land and buildings representing a book value of t.EUR 1.569.900 at 30 September 2019

12. Contingencies

Joint taxation

The company is the administration company of the group of companies subject to the French scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Notes

EUR thousand.

13. Related parties

Controlling interest

Paris Premier Properties S.à r.l.,128 Boulevard de la Petrusse, L-2330 Luxembourg	Majority shareholder
Cardif Life S.A., 23-25 avenue de la Porte-Neuve, L-2227 Luxembourg	Ultimate parent company

	Group	
	2018/19	2017/18
14. Adjustments		
Other financial income	-650	-2
Other financial costs	19.844	11.547
Value adjustments of assets held for investment	-33.057	-59.052
Tax on ordinary results	0	7.493
Deferred tax	8.197	-8.981
	-5.666	**-48.995**

15. Change in working capital		
Change in debtors	-4.466	9.761
Change in trade creditors and other liabilities	8.755	-69.218
	4.289	**-59.457**