

## **EURO ECONOMICS ApS**

Amaliegade 22, 1.  
1256 København K  
Central Business Registration  
No 32763138

## **Annual report 2018**

The Annual General Meeting adopted the annual report on 12.06.2019

### **Chairman**

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**Name:** Claus Molbech Bendtsen

# Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Consolidated income statement for 2018	8
Consolidated balance sheet at 31.12.2018	9
Consolidated statement of changes in equity for 2018	11
Consolidated cash flow statement for 2018	12
Notes to consolidated financial statements	13
Parent income statement for 2018	17
Parent balance sheet at 31.12.2018	18
Parent statement of changes in equity for 2018	20
Notes to parent financial statements	21
Accounting policies	25

## **Entity details**

### **Entity**

EURO ECONOMICS ApS

Amaliegade 22, 1.

1256 København K

Central Business Registration No (CVR): 32763138

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

### **Executive Board**

Fredéric Maria Etienne Coorevits

Claus Molbech Bendtsen

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of EURO ECONOMICS ApS for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations and cash flows for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 12.06.2019

### Executive Board

Fredéric Maria Etienne  
Coorevits

Claus Molbech Bendtsen

# Independent auditor's report

## To the shareholders of EURO ECONOMICS ApS

### Opinion

We have audited the consolidated financial statements and the parent financial statements of EURO ECONOMICS ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

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

### Management's responsibilities for the consolidated financial statements and the parent financial statements

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

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

### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

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

## Independent auditor's report

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 parent 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 consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or 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 internal control that we identify during our audit.

## Independent auditor's report

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, 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 conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 commentary.

Copenhagen, 12.06.2019

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Morten Gade Steinmetz  
State Authorised Public Accountant  
Identification No (MNE) mne34145

## Management commentary

	2018 DKK'000	2017 DKK'000	2016 DKK'000
<b>Financial highlights</b>			
<b>Key figures</b>			
Revenue	46.203	44.353	34.084
Gross profit/loss	190.117	47.403	36.708
Operating profit/loss	187.714	46.418	35.981
Net financials	(36.533)	(33.229)	(28.543)
Profit/loss for the year	116.737	7.462	4.676
Profit/loss for the year excl minority interests	116.737	7.462	4.676
Total assets	1.466.958	1.246.572	961.789
Investments in property, plant and equipment	96.760	224.211	378.494
Equity	116.004	(733)	(8.195)
Equity excl minority interests	116.004	(733)	(8.195)

### Ratios

Gross margin (%)	411,5	106,9	107,7
Net margin (%)	252,7	16,8	13,7
Return on equity (%)	202,5	-	-
Equity ratio (%)	7,9	(0,1)	(0,9)

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Gross margin (%)	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$	The entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The entity's operating profitability.
Return on equity (%)	$\frac{\text{Profit/loss for the year excl minority interests} \times 100}{\text{Average equity excl minority interests}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity excl minority interests} \times 100}{\text{Total assets}}$	The financial strength of the entity.



## Management commentary

### Primary activities

The group's primary activities consists in investing in properties and owning equity interests in other companies, exercising ownership rights and asset management in connection with this.

### Development in activities and finances

The group has realized a result of 117 mDKK. The result is assessed to be satisfactory. Results are significantly affected by results from subsidiaries corresponding to 130 mDKK.

### Uncertainty relating to recognition and measurement

The Company's investment properties are measured at fair value. The fair value of the investment properties are recognized at DKK 1,419,514. Revaluations and impairment losses of investment properties are based on accounting judgements based on market value calculations of the net rent.

The required rate of return is set so that it is considered to reflect the market's actual required rate of return on similar properties. There is uncertainty related to determining the required rate of return and an increase in this of 0.5 percentage points will reduce the fair value by approx. DKK 186m as per the mentioning in the annual report's notes for investment properties.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Consolidated income statement for 2018

	<b>Notes</b>	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
Revenue		46.203	44.353
Fair value adjustments of investment property		160.227	15.532
Other operating income		14	0
Other external expenses		(16.327)	(12.482)
<b>Gross profit/loss</b>		<b>190.117</b>	<b>47.403</b>
Staff costs	1	(820)	(800)
Depreciation, amortisation and impairment losses	2	(1.583)	(185)
<b>Operating profit/loss</b>		<b>187.714</b>	<b>46.418</b>
Other financial income		212	506
Financial expenses from group enterprises		(23.629)	(21.537)
Other financial expenses		(13.116)	(12.198)
<b>Profit/loss before tax</b>		<b>151.181</b>	<b>13.189</b>
Tax on profit/loss for the year	3	(34.444)	(5.727)
<b>Profit/loss for the year</b>		<b>116.737</b>	<b>7.462</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		116.737	7.462
		<b>116.737</b>	<b>7.462</b>

## Consolidated balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Goodwill		0	0
<b>Intangible assets</b>	4	<b>0</b>	<b>0</b>
Land and buildings		11.690	31.325
Investment property		1.419.514	1.143.103
Other fixtures and fittings, tools and equipment		54	32
<b>Property, plant and equipment</b>	5	<b>1.431.258</b>	<b>1.174.460</b>
Deposits		250	0
<b>Fixed asset investments</b>	6	<b>250</b>	<b>0</b>
<b>Fixed assets</b>		<b>1.431.508</b>	<b>1.174.460</b>
Trade receivables		601	902
Deferred tax		9.187	5.870
Other receivables		15.330	52.909
Prepayments		2.780	3.599
<b>Receivables</b>		<b>27.898</b>	<b>63.280</b>
<b>Cash</b>		<b>7.552</b>	<b>8.832</b>
<b>Current assets</b>		<b>35.450</b>	<b>72.112</b>
<b>Assets</b>		<b>1.466.958</b>	<b>1.246.572</b>

## Consolidated balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Contributed capital		125	125
Retained earnings		115.879	(858)
<b>Equity</b>		<b>116.004</b>	<b>(733)</b>
Deferred tax		76.247	39.564
Other provisions		200	200
<b>Provisions</b>		<b>76.447</b>	<b>39.764</b>
Mortgage debt		589.890	594.674
Deposits		5.372	5.406
Payables to group enterprises		619.477	573.415
<b>Non-current liabilities other than provisions</b>	7	<b>1.214.739</b>	<b>1.173.495</b>
Current portion of long-term liabilities other than provisions	7	15.595	14.117
Bank loans		12.592	1.672
Deposits		10.680	11.759
Prepayments received from customers		1.919	789
Trade payables		9.711	1.793
Income tax payable		6.938	1.393
Other payables		2.333	2.523
<b>Current liabilities other than provisions</b>		<b>59.768</b>	<b>34.046</b>
<b>Liabilities other than provisions</b>		<b>1.274.507</b>	<b>1.207.541</b>
<b>Equity and liabilities</b>		<b>1.466.958</b>	<b>1.246.572</b>
Assets charged and collateral	9		
Group relations	10		
Subsidiaries	11		

## Consolidated statement of changes in equity for 2018

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	125	(858)	(733)
Profit/loss for the year	0	116.737	116.737
<b>Equity end of year</b>	<b>125</b>	<b>115.879</b>	<b>116.004</b>

## Consolidated cash flow statement for 2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Operating profit/loss		187.714	46.418
Amortisation, depreciation and impairment losses		1.583	185
Working capital changes	8	90.052	72.606
<b>Cash flow from ordinary operating activities</b>		<b>279.349</b>	<b>119.209</b>
Financial income received		212	506
Financial expenses paid		(36.745)	(33.736)
Income taxes refunded/(paid)		7.784	7.825
Other cash flows from operating activities		(160.227)	(28.433)
<b>Cash flows from operating activities</b>		<b>90.373</b>	<b>65.371</b>
Acquisition etc of intangible assets		(1.394)	0
Acquisition etc of property, plant and equipment		(96.760)	(224.211)
Acquisition of fixed asset investments		0	(69.914)
Sale of fixed asset investments		0	38.101
<b>Cash flows from investing activities</b>		<b>(98.154)</b>	<b>(256.024)</b>
Loans raised		5.000	184.126
Repayments of loans etc		(9.418)	0
<b>Cash flows from financing activities</b>		<b>(4.418)</b>	<b>184.126</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>(12.199)</b>	<b>(6.527)</b>
Cash and cash equivalents beginning of year		7.159	13.686
<b>Cash and cash equivalents end of year</b>		<b>(5.040)</b>	<b>7.159</b>
Cash and cash equivalents at year-end are composed of:			
Cash		7.552	8.832
Short-term debt to banks		(12.592)	(1.673)
<b>Cash and cash equivalents end of year</b>		<b>(5.040)</b>	<b>7.159</b>

## Notes to consolidated financial statements

	<b>2018</b> <b>DKK'000</b>	<b>2017</b> <b>DKK'000</b>
<b>1. Staff costs</b>		
Wages and salaries	787	755
Pension costs	23	37
Other social security costs	6	4
Other staff costs	4	4
	<b>820</b>	<b>800</b>
 Average number of employees	 <b>1</b>	 <b>1</b>
	<b>2018</b> <b>DKK'000</b>	<b>2017</b> <b>DKK'000</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Impairment losses on intangible assets	1.394	0
Depreciation of property, plant and equipment	189	185
	<b>1.583</b>	<b>185</b>
	<b>2018</b> <b>DKK'000</b>	<b>2017</b> <b>DKK'000</b>
<b>3. Tax on profit/loss for the year</b>		
Current tax	1.228	688
Change in deferred tax	33.216	5.077
Adjustment concerning previous years	0	(38)
	<b>34.444</b>	<b>5.727</b>
		<b>Goodwill</b> <b>DKK'000</b>
<b>4. Intangible assets</b>		
Additions		1.394
Disposals		(1.394)
<b>Cost end of year</b>		<b>0</b>
 Impairment losses for the year		(1.394)
Amortisation, depreciation and impairment losses on assets disposed of		1.394
<b>Amortisation and impairment losses end of year</b>		<b>0</b>
 <b>Carrying amount end of year</b>		<b>0</b>

## Notes to consolidated financial statements

	Land and buildings DKK'000	Investment property DKK'000	Other fixtures and fittings, tools and equipment DKK'000
<b>5. Property, plant and equipment</b>			
Cost beginning of year	32.152	979.829	37
Transfers	(19.454)	19.454	0
Additions	0	96.730	30
<b>Cost end of year</b>	<b>12.698</b>	<b>1.096.013</b>	<b>67</b>
Depreciation and impairment losses beginning of year	(827)	0	(5)
Depreciation for the year	(181)	0	(8)
<b>Depreciation and impairment losses end of year</b>	<b>(1.008)</b>	<b>0</b>	<b>(13)</b>
Fair value adjustments beginning of year	0	163.274	0
Fair value adjustments for the year	0	160.227	0
<b>Fair value adjustments end of year</b>	<b>0</b>	<b>323.501</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>11.690</b>	<b>1.419.514</b>	<b>54</b>
Carrying amount if asset had not been revalued	-	<b>1.096.013</b>	-

Revaluations and impairment of investment properties are made on the basis of accounting estimates of market value calculations based on the net rent.

As described in accounting policies, investment properties are measured at fair value by using the yield-based model. The average required yield for the Group's properties amounts to 4.0% at 31.12.2018. An increase of the required yield of 0.5 percentage points will reduce the total fair value by DKK 186m. A reduction of the required yield of 0.5 percentage points will increase the value by DKK 245m.

The actual rent per m<sup>2</sup> for the properties amounts to an average of DKK 2,075. The size of the properties amounts to DKK 36,215 m<sup>2</sup>. In the financial year, the Company has seen continued vacancy in the properties. At 31.12.2018, vacancy is not material. The Company has entered into rental contracts with tenants who can be terminated with a notice between 3 months and 10 years.

The following required yields are fixed for the individual types of property:

Residential and commercial properties situated in Copenhagen K 3.6%

Residential and commercial properties situated in Hvidovre 8.0%



## Notes to consolidated financial statements

	<b>Deposits DKK'000</b>
<b>6. Fixed asset investments</b>	
Additions	250
<b>Cost end of year</b>	<b>250</b>
<b>Carrying amount end of year</b>	<b>250</b>

	<b>Due within 12 months 2018 DKK'000</b>	<b>Due within 12 months 2017 DKK'000</b>	<b>Due after more than 12 months 2018 DKK'000</b>	<b>Outstanding after 5 years DKK'000</b>
<b>7. Liabilities other than provisions</b>				
Mortgage debt	15.595	14.117	589.890	472.975
Deposits	0	0	5.372	0
Payables to group enterprises	0	0	619.477	619.477
	<b>15.595</b>	<b>14.117</b>	<b>1.214.739</b>	<b>1.092.452</b>

	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
<b>8. Change in working capital</b>		
Increase/decrease in receivables	34.313	(6.370)
Increase/decrease in trade payables etc	53.980	77.651
Other changes	1.759	1.325
	<b>90.052</b>	<b>72.606</b>

### 9. Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

The carrying amount of mortgaged properties is DKK 1,330,664k

### 10. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Sara Marron Discretionary Trust, PO Box 575, Montagu Pavilion, 10 Queensway, Gibraltar.

## Notes to consolidated financial statements

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity inte- rest %</b>
<b>11. Subsidiaries</b>			
Euro Economics I ApS	Copenhagen	ApS	100,0
Euro Economics II ApS	Copenhagen	ApS	100,0
Euro Economics III ApS	Copenhagen	ApS	100,0
Euro Economics III Holding ApS	Copenhagen	ApS	100,0
Euro Economics IV ApS	Copenhagen	ApS	100,0
Euro Economics V ApS	Copenhagen	ApS	100,0
Euro Economics VI ApS	Copenhagen	ApS	100,0
Euro Economics VII ApS	Copenhagen	ApS	100,0
Euro Economics VII Holding ApS	Copenhagen	ApS	100,0
Euro Economics VIII ApS	Copenhagen	ApS	100,0
Euro Economics IX ApS	Copenhagen	ApS	100,0
Euro Economics X ApS	Copenhagen	ApS	100,0
Euro Economics X Holding ApS	Copenhagen	ApS	100,0
EE ApS	Copenhagen	ApS	100,0

## Parent income statement for 2018

	<b>Notes</b>	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
Revenue		2.238	2.500
Other external expenses		(4.348)	(4.343)
<b>Gross profit/loss</b>		<b>(2.110)</b>	<b>(1.843)</b>
Staff costs	1	(820)	(800)
Depreciation, amortisation and impairment losses	2	(188)	(185)
<b>Operating profit/loss</b>		<b>(3.118)</b>	<b>(2.828)</b>
Income from investments in group enterprises		130.178	18.512
Other financial income from group enterprises		10.588	10.341
Other financial income	3	212	0
Financial expenses from group enterprises		(23.629)	(21.537)
Other financial expenses		(303)	(121)
<b>Profit/loss before tax</b>		<b>113.928</b>	<b>4.367</b>
Tax on profit/loss for the year	4	2.809	3.095
<b>Profit/loss for the year</b>		<b>116.737</b>	<b>7.462</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		116.737	7.462
		<b>116.737</b>	<b>7.462</b>

## Parent balance sheet at 31.12.2018

	<b>Notes</b>	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
Land and buildings		11.690	31.324
Other fixtures and fittings, tools and equipment		54	32
<b>Property, plant and equipment</b>	<b>5</b>	<b>11.744</b>	<b>31.356</b>
Investments in group enterprises		392.040	257.960
Deposits		250	0
<b>Fixed asset investments</b>	<b>6</b>	<b>392.290</b>	<b>257.960</b>
<b>Fixed assets</b>		<b>404.034</b>	<b>289.316</b>
Receivables from group enterprises		321.266	260.924
Deferred tax		8.467	5.658
Other receivables		11.049	19.268
<b>Receivables</b>		<b>340.782</b>	<b>285.850</b>
<b>Cash</b>		<b>328</b>	<b>5.434</b>
<b>Current assets</b>		<b>341.110</b>	<b>291.284</b>
<b>Assets</b>		<b>745.144</b>	<b>580.600</b>

## Parent balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Contributed capital		125	125
Reserve for net revaluation according to the equity method		145.825	11.745
Retained earnings		(29.946)	(12.603)
<b>Equity</b>		<b>116.004</b>	<b>(733)</b>
Mortgage debt		2.995	6.361
Payables to group enterprises		619.477	573.415
<b>Non-current liabilities other than provisions</b>	<b>7</b>	<b>622.472</b>	<b>579.776</b>
Current portion of long-term liabilities other than provisions	7	179	286
Trade payables		368	220
Income tax payable		5.681	707
Other payables		440	344
<b>Current liabilities other than provisions</b>		<b>6.668</b>	<b>1.557</b>
<b>Liabilities other than provisions</b>		<b>629.140</b>	<b>581.333</b>
<b>Equity and liabilities</b>		<b>745.144</b>	<b>580.600</b>
Contingent liabilities	8		
Assets charged and collateral	9		

## Parent statement of changes in equity for 2018

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	125	11.745	(12.603)	(733)
Profit/loss for the year	0	134.080	(17.343)	116.737
<b>Equity end of year</b>	<b>125</b>	<b>145.825</b>	<b>(29.946)</b>	<b>116.004</b>

## Notes to parent financial statements

	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
<b>1. Staff costs</b>		
Wages and salaries	787	755
Pension costs	23	37
Other social security costs	6	4
Other staff costs	4	4
	<b>820</b>	<b>800</b>
 Average number of employees	 <b>1</b>	 <b>1</b>
	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Depreciation of property, plant and equipment	188	185
	<b>188</b>	<b>185</b>
	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
<b>3. Other financial income</b>		
Other interest income	212	0
	<b>212</b>	<b>0</b>
	<b>2018 DKK'000</b>	<b>2017 DKK'000</b>
<b>4. Tax on profit/loss for the year</b>		
Change in deferred tax	(2.809)	(3.095)
	<b>(2.809)</b>	<b>(3.095)</b>

## Notes to parent financial statements

	<b>Land and buildings DKK'000</b>	<b>Other fixtures and fittings, tools and equipment DKK'000</b>
<b>5. Property, plant and equipment</b>		
Cost beginning of year	32.152	37
Additions	0	30
Disposals	(19.454)	0
<b>Cost end of year</b>	<b>12.698</b>	<b>67</b>
Depreciation and impairment losses beginning of year	(828)	(5)
Depreciation for the year	(180)	(8)
<b>Depreciation and impairment losses end of year</b>	<b>(1.008)</b>	<b>(13)</b>
<b>Carrying amount end of year</b>	<b>11.690</b>	<b>54</b>
	<b>Invest- ments in group enterprises DKK'000</b>	<b>Deposits DKK'000</b>
<b>6. Fixed asset investments</b>		
Cost beginning of year	246.215	0
Additions	0	250
<b>Cost end of year</b>	<b>246.215</b>	<b>250</b>
Revaluations beginning of year	11.745	0
Share of profit/loss for the year	131.000	0
Investments with negative equity value depreciated over receivables	3.080	0
<b>Revaluations end of year</b>	<b>145.825</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>392.040</b>	<b>250</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.



## Notes to parent financial statements

	Due within 12 months 2018 DKK'000	Due within 12 months 2017 DKK'000	Due after more than 12 months 2018 DKK'000	Outstanding after 5 years DKK'000
<b>7. Liabilities other than provisions</b>				
Mortgage debt	179	286	2.995	5.212
Payables to group enterprises	0	0	619.477	573.415
	<b>179</b>	<b>286</b>	<b>622.472</b>	<b>578.627</b>

### 8. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

### 9. Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

The carrying amount of mortgaged properties is DKK 11.690k.

The company guarantees for all mortgage debt of the group enterprises below:

Euro Economics I ApS – Central Business Registration No 36730862

Euro Economics II ApS - Central Business Registration No 36074698

Euro Economics III ApS - Central Business Registration No 32788823

Euro Economics IV ApS - Central Business Registration No 37362670

Euro Economics V ApS - Central Business Registration No 37546208

Euro Economics VI ApS - Central Business Registration No 38133365

Euro Economics VII ApS - Central Business Registration No 38428276

Euro Economics VIII ApS - Central Business Registration No 38472739

Euro Economics IX ApS - Central Business Registration No 38667629

Euro Economics X ApS - Central Business Registration No 20805285

EE ApS - Central Business Registration No 38414623

## Notes to parent financial statements

The Company has issued a declaration of support of the companies below:

EE ApS - Central Business Registration No 38414623

Selskabet af 06.01.2017 ApS – Central Business Registration No 38313789

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C (mellem).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year, but with some reclassifications.

### Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

### Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

### Income statement

#### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

#### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

## Accounting policies

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets.

### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

### Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

### Balance sheet

#### Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile, and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 3-5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

#### Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

## Accounting policies

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	25 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### Cash

Cash comprises cash in hand and bank deposits.

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

## Accounting policies

### Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments,

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

### Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

### Other financial liabilities

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

### Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

### Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.