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# ***Beato Danmark ApS***

Thorsvej 19, Frøslev, DK-6330 Padborg

## **Annual Report for 1 January - 31 December 2018**

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CVR No 33 38 15 22

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
21/5 2019

Tobias Nagel  
Chairman of the General  
Meeting



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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Beato Danmark ApS for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Padborg, 21 May 2019

### **Executive Board**

Tobias Nagel

André Siegel

# Practitioner's Statement on Compilation of Financial Statements

To the Management of Beato Danmark ApS

We have compiled the Financial Statements of Beato Danmark ApS for the financial year 1 January - 31 December 2018 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Trekantområdet, 21 May 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jan Bunk Harbo Larsen  
State Authorised Public Accountant  
mne30224

Henrik Forthoft Lind  
State Authorised Public Accountant  
mne34169

## **Company Information**

### **The Company**

Beato Danmark ApS  
Thorsvej 19  
Frøslev  
DK-6330 Padborg

CVR No: 33 38 15 22

Financial period: 1 January - 31 December

Incorporated: 29 December 2010

Financial year: 8th financial year

Municipality of reg. office: Aabenraa

### **Executive Board**

Tobias Nagel  
André Siegel

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
DK-7100 Vejle

## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>Gross profit/loss</b>		<b>1.848</b>	<b>2.039</b>
Depreciation and impairment of property, plant and equipment		-674	-675
<b>Profit/loss before financial income and expenses</b>		<b>1.174</b>	<b>1.364</b>
Financial income		2	2
Financial expenses		-663	-752
<b>Profit/loss before tax</b>		<b>513</b>	<b>614</b>
Tax on profit/loss for the year	2	-114	-136
<b>Net profit/loss for the year</b>		<b>399</b>	<b>478</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		399	478
		<b>399</b>	<b>478</b>

# Balance Sheet 31 December

## Assets

	Note	2018 TDKK	2017 TDKK
Land and buildings		16.826	17.500
<b>Property, plant and equipment</b>	3	<b>16.826</b>	<b>17.500</b>
Investments in subsidiaries	4	0	0
<b>Fixed assets</b>		<b>16.826</b>	<b>17.500</b>
Trade receivables		0	220
Other receivables		0	300
<b>Receivables</b>		<b>0</b>	<b>520</b>
<b>Cash at bank and in hand</b>		<b>51</b>	<b>1.429</b>
<b>Currents assets</b>		<b>51</b>	<b>1.949</b>
<b>Assets</b>		<b>16.877</b>	<b>19.449</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2018 TDKK	2017 TDKK
Share capital		81	81
Retained earnings		3.371	2.810
<b>Equity</b>	5	<b>3.452</b>	<b>2.891</b>
Provision for deferred tax		194	208
<b>Provisions</b>		<b>194</b>	<b>208</b>
Mortgage loans		0	5.710
<b>Long-term debt</b>	6	<b>0</b>	<b>5.710</b>
Mortgage loans	6	0	454
Trade payables		5.595	407
Payables to group enterprises		4	3
Corporation tax		116	134
Other payables		7.516	9.642
<b>Short-term debt</b>		<b>13.231</b>	<b>10.640</b>
<b>Debt</b>		<b>13.231</b>	<b>16.350</b>
<b>Liabilities and equity</b>		<b>16.877</b>	<b>19.449</b>
Main activity	1		
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Accounting Policies	8		



# Notes to the Financial Statements

## 1 Main activity

The object of the Company is to carry on investment activities, including purchase and sale as well as investment in real property.

	2018 TDKK	2017 TDKK
<b>2 Tax on profit/loss for the year</b>		
Current tax for the year	174	170
Deferred tax for the year	-14	30
	<b>160</b>	<b>200</b>
which breaks down as follows:		
Tax on profit/loss for the year	114	136
Tax on changes in equity	46	64
	<b>160</b>	<b>200</b>

## 3 Property, plant and equipment

	Land and buildings TDKK
Cost at 1 January	22.222
Cost at 31 December	22.222
Impairment losses and depreciation at 1 January	4.722
Depreciation for the year	674
Impairment losses and depreciation at 31 December	5.396
<b>Carrying amount at 31 December</b>	<b>16.826</b>
Depreciated over	30 years

## Notes to the Financial Statements

	2018 <u>TDKK</u>	2017 <u>TDKK</u>
<b>4 Investments in subsidiaries</b>		
Cost at 1 January	0	50
Disposals for the year	0	-50
<b>Carrying amount at 31 December</b>	<b>0</b>	<b>0</b>

### 5 Equity

	Share capital <u>TDKK</u>	Retained earnings <u>TDKK</u>	Total <u>TDKK</u>
Equity at 1 January	81	2.810	2.891
Fair value adjustment of hedging instruments, beginning of year	0	761	761
Fair value adjustment of hedging instruments, end of year	0	-553	-553
Tax on adjustment of hedging instruments for the year	0	-46	-46
Net profit/loss for the year	0	399	399
<b>Equity at 31 December</b>	<b>81</b>	<b>3.371</b>	<b>3.452</b>

### 6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2018 <u>TDKK</u>	2017 <u>TDKK</u>
<b>Mortgage loans</b>		
After 5 years	0	3.874
Between 1 and 5 years	0	1.836
Long-term part	0	5.710
Within 1 year	0	454
	<b>0</b>	<b>6.164</b>

## Notes to the Financial Statements

	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>7 Contingent assets, liabilities and other financial obligations</b>		
<b>Charges and security</b>		
The following assets have been placed as security with mortgage credit institutes:		
Land and buildings with a carrying amount of	16.826	17.500
The following assets have been placed as security with bankers:		
Mortgage registered to the mortgagor totalling TEUR 1.229 on land and buildings with a carrying amount of	16.826	17.500

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of Beato Danmark ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in TDKK.

### Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation and impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

## Income Statement

### Revenue

Revenue is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

### Other external expenses

Other external expenses comprise office expenses etc.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## Balance Sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other buildings	30 years
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Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

If so, the asset is written down to its lower recoverable amount.

### Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.