

# **CC Properties I ApS**

**Strandvejen 58, 2.**

**CVR no. 34 07 40 03**

**Annual report 2015**

The annual report was presented and  
adopted at the annual general meeting of  
the Company on 11 March 2016



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Henrik Tilsted Knudsen  
Chairman

## Contents

	<b>Page</b>
Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
<b>Company details</b>	<b>5</b>
<b>Financial Statements</b>	
Accounting policies	6
Income statement	9
Balance sheet	10
Notes to the annual report	12

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of CC Properties I ApS for the financial year 1 January - 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the result of the Company's operations for the year 1 January - 31 December 2015.

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


Hellerup, 11 March 2016

### Executive Board




Christian Ulrich Brandt Birger-Christensen


### Board of Directors



Séverine Géraldine Marie Desnos  
Chairman



Valérie Jeanine Ingelbrecht



Christian Ulrich Brandt Birger-Christensen



**KPMG**  
**Statsautoriseret Revisionspartnerselskab**  
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## **Independent auditor's report**

### **To the shareholders of CC Properties I ApS**

We have audited the financial statements of CC Properties I ApS for the financial year 1 January - 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's responsibility for the financial statements**

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

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.



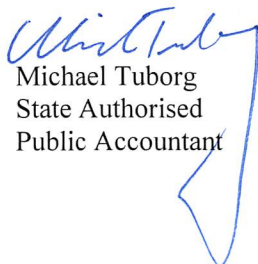
## Independent auditor's report

### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Copenhagen, 11 March 2016

**KPMG**  
Statsautoriseret Revisionspartnerselskab  
CVR-nr. 25 57 81 98

  
Michael Tuborg  
State Authorised  
Public Accountant

## Company details

### The Company

CC Properties I ApS  
Strandvejen 58, 2.  
2900 Hellerup

CVR no.: 34 07 40 03  
Financial Period: 1 January - 31 December  
Incorporated: 2 December 2011  
Registered office: Gentofte

### Board of Directors

S  verine G  raldine Marie Desnos, Chairman  
Valerie Jeanine Ingelbrecht  
Christian Ulrich Brandt Birger-Christensen

### Executive Board

Christian Ulrich Brandt Birger-Christensen

### Auditors

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampf  rgevej 28  
2100 K  benhavn   

## **Financial statements 1 January - 31 December**

### **Accounting policies**

The Annual Report of CC Properties I ApS for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

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

### **Income statement**

#### **Profit/loss from the lease of properties**

Income and expenses related to property operation - excluding fair value adjustments - are recognised as rental income and operating expenses, respectively.

#### **Administrative expenses**

Administrative expenses comprise expenses incurred during the year for management and administration of the Company.

#### **Financial income and expenses**

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies.

#### **Fair value adjustments of investment properties and related debt**

Fair value adjustments of investment properties and debt related to properties are recognised in the income statement.

#### **Gain on disposal of properties**

Gains or losses on sale of investment properties are recognised as the difference between the sales price minus sales costs and booked value (fair value) at the time of sale. Gains or losses are recognised separately in the income statement after fair value adjustments.

#### **Tax on profit/loss for the year**

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

## **Financial statements 1 January - 31 December**

### **Accounting policies**

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### **Balance sheet**

#### **Investment properties**

On initial recognition, investment properties are measured at cost comprising the purchase price and transaction costs directly attributable to the acquisition. Subsequently, investment properties are measured at fair value.

#### **Receivables**

Receivables are measured at amortised cost.

Write-down is made for bad debt losses when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

#### **Prepayments**

Prepayments comprise costs incurred in relation to subsequent financial years.

#### **Cash at bank and in hand**

Cash at bank and in hand comprise cash at bank.

#### **Equity - dividends**

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date).

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

#### **Corporation tax and deferred tax**

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



## **Financial statements 1 January - 31 December**

### **Accounting policies**

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

### **Other liabilities**

Mortgage loans are recognised at the date of borrowing at the net proceeds received less transaction costs paid. Subsequently, mortgage loans are measured at fair value.

Other liabilities are measured at net realisable value.

### **Consolidated financial statements**

The Company is included in the consolidated financial statements prepared for CC Properties ApS and Resolution III Holding S.A.R.L.

## Financial statements 1 January - 31 December

### Income statement

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>Revenue</b>		<b>14,632</b>	<b>13,106</b>
External costs		<u>-5,973</u>	<u>-6,157</u>
<b>Profit from the lease of properties</b>		<b>8,659</b>	<b>6,949</b>
Administrative expenses		<u>-1,923</u>	<u>-1,998</u>
<b>Profit before fair value adjustments</b>		<b>6,736</b>	<b>4,951</b>
Fair value adjustment of investment properties and debt	2	<u>32,199</u>	<u>60,934</u>
<b>Profit before financial income and expenses</b>		<b>38,935</b>	<b>65,885</b>
Financial income	3	0	2
Financial expenses	4	<u>-4,037</u>	<u>-3,954</u>
<b>Profit before tax</b>		<b>34,898</b>	<b>61,933</b>
Tax on profit for the year	5	<u>-7,686</u>	<u>-13,630</u>
<b>Net profit for the year</b>		<u><b>27,212</b></u>	<u><b>48,303</b></u>
 <b>Proposed profit appropriation/distribution of profit/loss</b>			
Retained earnings		<u>27,212</u>	<u>48,303</u>
		<u><b>27,212</b></u>	<u><b>48,303</b></u>

## Financial statements 1 January - 31 December

### Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	6	<u>327,600</u>	<u>283,643</u>
<b>Total non-current assets</b>		<b><u>327,600</u></b>	<b><u>283,643</u></b>
<b>Current assets</b>			
Lease receivables		125	79
Amounts owed by group enterprises		5,667	7,662
Other receivables		1,849	2,691
Prepayments		<u>126</u>	<u>308</u>
		<b><u>7,767</u></b>	<b><u>10,740</u></b>
<b>Cash at bank and in hand</b>		<b><u>18</u></b>	<b><u>7,294</u></b>
<b>Total current assets</b>		<b><u>7,785</u></b>	<b><u>18,034</u></b>
<b>Total assets</b>		<b><u>335,385</u></b>	<b><u>301,677</u></b>

## Financial statements 1 January - 31 December

### Balance sheet

	Note	2015 <u>DKK'000</u>	2014 <u>DKK'000</u>
<b>Equity and liabilities</b>			
<b>Equity</b>	7		
Share capital		15,000	15,000
Retained earnings		<u>113,459</u>	<u>86,247</u>
<b>Total equity</b>		<u><b>128,459</b></u>	<u><b>101,247</b></u>
<b>Provisions</b>			
Provision for deferred tax		<u>20,129</u>	<u>12,570</u>
<b>Total provisions</b>		<u><b>20,129</b></u>	<u><b>12,570</b></u>
<b>Non-current liabilities</b>			
Credit institutions	8	173,757	176,409
Deposits and prepaid rent	8	<u>6,564</u>	<u>5,856</u>
<b>Non-current liabilities</b>		<u><b>180,321</b></u>	<u><b>182,265</b></u>
<b>Current liabilities</b>			
Current portion of non-current liabilities	8	499	0
Trade payables		873	619
Corporation tax		127	0
Other payables		<u>4,977</u>	<u>4,976</u>
<b>Total current liabilities</b>		<u><b>6,476</b></u>	<u><b>5,595</b></u>
<b>Total liabilities</b>		<u><b>186,797</b></u>	<u><b>187,860</b></u>
<b>Total equity and liabilities</b>		<u><u><b>335,385</b></u></u>	<u><u><b>301,677</b></u></u>
Main activity	1		
Contractual obligations and contingencies, etc.	9		

## Financial statements 1 January - 31 December

### Notes

#### 1 Main activity

The Company's objective is to invest in residential properties, office buildings and retail properties. Investments are made directly by acquiring properties and indirectly through property companies. The Company is primarily to invest in properties in Greater Copenhagen but may also, subject to the Board of Directors' discretion, invest in properties in other places in Denmark. The Company has not had any employees during the year.

	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>2 Fair value adjustment of investment properties and debt</b>		
Value adjustments of investment properties	<u>30,046</u>	<u>60,504</u>
<b>Value adjustments of investment properties</b>	<b><u>30,046</u></b>	<b><u>60,504</u></b>
Value adjustments of financial obligations	<u>2,153</u>	<u>430</u>
<b>Value adjustments of financial obligations</b>	<b><u>2,153</u></b>	<b><u>430</u></b>
	<b><u><u>32,199</u></u></b>	<b><u><u>60,934</u></u></b>
<b>3 Financial income</b>		
Financial income, bank	<u>0</u>	<u>2</u>
	<b><u><u>0</u></u></b>	<b><u><u>2</u></u></b>
<b>4 Financial expenses</b>		
Financial expenses, credit institutions	4,032	3,950
Other financial expenses	<u>5</u>	<u>4</u>
	<b><u><u>4,037</u></u></b>	<b><u><u>3,954</u></u></b>

## Financial statements 1 January - 31 December

### Notes

	<u>2015</u> DKK'000	<u>2014</u> DKK'000
<b>5 Tax on profit for the year</b>		
Tax payable	127	37
Change in deferred tax	<u>7,559</u>	<u>13,593</u>
	<b><u>7,686</u></b>	<b><u>13,630</u></b>
<b>6 Investment properties</b>		<u>Investment properties</u> DKK'000
Cost at 1 January 2015		219,921
Additions for the year		<u>13,911</u>
Cost at 31 December 2015		<u>233,832</u>
Revaluations at 1 January 2015		63,722
Fair value adjustment for the year		<u>30,046</u>
Revaluations at 31 December 2015		<u>93,768</u>
<b>Carrying amount at 31 December 2015</b>		<b><u>327,600</u></b>

Based on external valuations, the properties are valued at fair value using a DCF model on forecasts of the future cash flows that the individual properties are expected to generate. The basis of the valuation is the net operating profit of the individual properties.

The discount rate (yield) is determined based on the long-term risk-free nominal interest rate plus a risk adjustment. The risk adjustment is made based on an assesment of the solvency of tenants and duration of leases.

Exit yield for the valuation has been determined at 4.5% to 6.5%. Initial yield on the carrying amount is 2.8% to 4.0% based on the present net operating income.

## Financial statements 1 January - 31 December

### Notes

#### 7 Equity

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 January 2015	15,000	86,247	101,247
Net profit for the year	0	27,212	27,212
<b>Equity at 31 December 2015</b>	<b>15,000</b>	<b>113,459</b>	<b>128,459</b>

The Company was founded with a share capital of DKK 80 thousand, which was increased to DKK 15,000,000 in 2012. There has been no capital increase since 2012.

The Company's share capital is DKK 15,000,000 divided into shares of DKK 1.

#### 8 Non-current liabilities

	Debt at 1 January 2015	Debt at 31 December 2015	Debt after 5 years
	DKK'000	DKK'000	DKK'000
Subordinate loan capital	0	0	0
Credit institutions	176,409	173,757	168,765
Deposits and prepaid rent	5,856	6,564	0
	<b>182,265</b>	<b>180,321</b>	<b>168,765</b>

## Financial statements 1 January - 31 December

### Notes

#### 9 Contractual obligations and contingencies, etc.

##### **Mortgages and collateral**

Investment properties with a book value of DKK 327,600 thousand at 31 December 2015 have been provided as collateral for mortgage loans of DKK 174,256 thousand.

##### **Contingencies**

The Company has no contingent liabilities other than what is normal for property companies.

##### **Joint taxation**

The Company is jointly taxed with the CC Properties ApS Group (CC Properties ApS is appointed as administrative company).

Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the company's liability will increase.

The Group as a whole is not liable to others.