

# **Genesta Property Nordic Denmark A/S**


**Gammeltorv 6, 1. sal, 1457 København**

**Company reg. no. 34 22 31 73**

## **Annual report**

**1 January - 31 December 2019**

The annual report was submitted and approved by the general meeting on the 31 March 2020.

DocuSigned by:  
  
BED60DAE30404FD...  
**David Christopher Neil**  
Chairman of the meeting

## Contents

---

	<u>Page</u>
<b>Reports</b>	
Management's report	1
Independent auditor's report	2
<b>Management commentary</b>	
Company information	5
Management commentary	6
<b>Financial statements 1 January - 31 December 2019</b>	
Accounting policies	7
Income statement	10
Statement of financial position	11
Statement of changes in equity	13
Notes	14

Notes:

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

## Management's report

---

The board of directors and the managing director have today presented the annual report of Genesta Property Nordic Denmark A/S for the financial year 1 January to 31 December 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 annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 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.

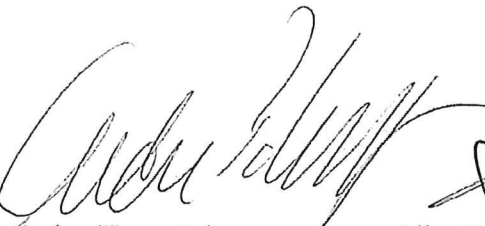
Copenhagen, 31 March 2020

### Managing Director

Anders Yngve Palmgren

### Board of directors

  
David Christopher Neil  
Chairman

  
Anders Yngve Palmgren

  
Allan Strand Olesen

## **Independent auditor's report**

---

### **To the shareholders of Genesta Property Nordic Denmark A/S**

#### **Opinion**

We have audited the annual accounts of Genesta Property Nordic Denmark A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

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 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 opinion.

#### **The management's responsibilities for the annual accounts**

The management is responsible for the preparation of 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 annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating 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 annual accounts, unless the management either intends to liquidate 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 annual accounts**

Our objectives are to obtain reasonable assurance about whether 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 annual accounts.

## **Independent auditor's report**

---

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 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 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 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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

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

## **Independent auditor's report**

---

In connection with our audit of 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 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 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, 31 March 2020

### **Grant Thornton**

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



**Michael Beuchert**

State Authorised Public Accountant  
mne32794

## **Company information**

---

### **The company**

Genesta Property Nordic Denmark A/S  
Gammeltorv 6, 1. sal  
1457 København

Company reg. no. 34 22 31 73  
Established: 6 February 2012  
Domicile: Copenhagen  
Financial year: 1 January - 31 December

### **Board of directors**

David Christopher Neil, Chairman  
Anders Yngve Palmgren  
Allan Strand Olesen

### **Managing Director**

Anders Yngve Palmgren

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

## **Management commentary**

---

### **The principal activities of the company**

The company's primary activity is to provide directly and indirectly management services and to implement investment activities in the Danish real estate market.

### **Unusual matters**

No unusual circumstances have affected the company's activities during the year.

### **Uncertainties as to recognition or measurement**

The company has no uncertainty relating to recognition and measurement.

### **Development in activities and financial matters**

The gross profit for the year is DKK 1.877.751 against DKK 1.462.045 last year. The results from ordinary activities after tax are DKK 374.220 against DKK 803.779 last year. The management consider the results satisfactory.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



## Accounting policies

---

The annual report for Genesta Property Nordic Denmark A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### 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 company 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 company 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 profit and loss account

### Gross profit

The gross profit comprises the net turnover, other operating income and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

## **Accounting policies**

---

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Other external costs comprise costs for sales, administration, premises, and operational leasing costs.

### **Staff costs**

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

### **Net financials**

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### **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 balance sheet**

### **Leases**

Leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

### **Financial fixed assets**

#### **Deposits**

Deposits are measured at amortised cost and represent rent deposits, etc.

#### **Debtors**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Available funds**

Available funds comprise cash at bank.

## **Accounting policies**

---

### **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.

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

### **Liabilities**

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

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross profit</b>	<b>1.877.751</b>	<b>1.462.045</b>
2 Staff costs	<u>-1.719.816</u>	<u>-1.233.667</u>
<b>Operating profit</b>	<b>157.935</b>	<b>228.378</b>
Other financial income	224.076	577.698
3 Other financial costs	<u>-7.791</u>	<u>-2.297</u>
<b>Results before tax</b>	<b>374.220</b>	<b>803.779</b>
<b>Results for the year</b>	<u><b>374.220</b></u>	<u><b>803.779</b></u>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	<u>374.220</u>	<u>803.779</u>
<b>Total allocations and transfers</b>	<u><b>374.220</b></u>	<u><b>803.779</b></u>

## Statement of financial position 31 December

---

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Fixed assets</b>		
Deposits	124.260	124.260
Financial fixed assets in total	<u>124.260</u>	<u>124.260</u>
<b>Fixed assets in total</b>	<b><u>124.260</u></b>	<b><u>124.260</u></b>
<b>Current assets</b>		
Trade debtors	0	135.089
Accrued income and deferred expenses	18.183	2.083
Debtors in total	<u>18.183</u>	<u>137.172</u>
Available funds	216.086	248.087
<b>Current assets in total</b>	<b><u>234.269</u></b>	<b><u>385.259</u></b>
<b>Assets in total</b>	<b><u>358.529</u></b>	<b><u>509.519</u></b>

## Statement of financial position 31 December

All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Equity</b>		
Contributed capital	3.170.500	3.170.500
Results brought forward	-9.725.071	-10.099.292
<b>Equity in total</b>	<b>-6.554.571</b>	<b>-6.928.792</b>
<b>Liabilities</b>		
Other debts	90.336	0
Long-term liabilities in total	90.336	0
Trade creditors	146.224	130.091
Debt to group enterprises	6.440.225	6.913.039
Other debts	236.315	395.181
Short-term liabilities in total	6.822.764	7.438.311
<b>Liabilities in total</b>	<b>6.913.100</b>	<b>7.438.311</b>
<b>Equity and liabilities in total</b>	<b>358.529</b>	<b>509.519</b>

- 1** Uncertainties concerning the enterprise's ability to continue as a going concern
- 5** Mortgage and securities
- 6** Contingencies

## Statement of changes in equity

---

All amounts in DKK.

	<u>Contributed capital</u>	<u>Results brought forward</u>	<u>In total</u>
Equity 1 January 2019	3.170.500	-10.099.291	-6.928.791
Profit or loss for the year brought forward	<u>0</u>	<u>374.220</u>	<u>374.220</u>
	<b><u>3.170.500</u></b>	<b><u>-9.725.071</u></b>	<b><u>-6.554.571</u></b>

## Notes

---

All amounts in DKK.

### 1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company is in a net liability situation as of 31st December 2019. The company entered a management agreement, in January 2018, which will lead the company, in the long term, to be able to bear its own costs, and further restore its equity, and therefore is depended on continued financial support from the parent company. It is management's belief that the current financial support will be upheld.

	<u>2019</u>	<u>2018</u>
<b>2. Staff costs</b>		
Salaries and wages	1.715.477	1.229.659
Other costs for social security	<u>4.339</u>	<u>4.008</u>
	<b><u>1.719.816</u></b>	<b><u>1.233.667</u></b>
Average number of employees	<u>1</u>	<u>1</u>
<b>3. Other financial costs</b>		
Other financial costs	<u>7.791</u>	<u>2.297</u>
	<b><u>7.791</u></b>	<b><u>2.297</u></b>
<b>4. Tax on ordinary results</b>		
Tax of the results for the year, parent company	0	0
Adjustment for the year of deferred tax	<u>0</u>	<u>0</u>
	<b><u>0</u></b>	<b><u>0</u></b>

The Company has a not recognized tax asset t.DKK 2.650.



## Notes

---

All amounts in DKK.

### 5. Mortgage and securities

The company has no mortgage and securities which is not included in the annual report as of 31st December 2019.

### 6. Contingencies

The company has operating leasing agreements on cars with a total lease commitment of 8 t.DKK.

The company has a liability regarding rented office premises for 6 months as of 31st December 2019 with a total rental commitment of 124 t.DKK.