
PATRIZIA UNICORN ApS

C/O PATRIZIA DENMARK A/S, Adelgade 15, 2.,
DK-1304 Copenhagen

Annual Report for 1 January - 31 December 2017

CVR No 34 90 01 32

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
03/05 2018

Olga Ciesla
Chairman



pwc

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of PATRIZIA UNICORN ApS for the financial year 1 January - 31 December 2017.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

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

Copenhagen, 3 May 2018

Executive Board

David Hilmar Herbert Girra

Board of Directors

Rikke Lykke
Chairman

David Hilmar Herbert Girra

Klaus Alois Schmitt

Independent Auditor's Report

To the Shareholders of PATRIZIA UNICORN ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of PATRIZIA UNICORN ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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 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 as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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

Independent Auditor's Report

audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company'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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent 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 internal control that we identify during our audit.

Hellerup, 3 May 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Erik Stener Jørgensen
State Authorised Public Accountant
mne9947

René Otto Poulsen
State Authorised Public Accountant
mne26718

Company Information

The Company

PATRIZIA UNICORN ApS
C/O PATRIZIA DENMARK A/S
Adelgade 15, 2.
DK-1304 Copenhagen

CVR No: 34 90 01 32
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Board of Directors

Rikke Lykke, Chairman
David Hilmar Herbert Girra
Klaus Alois Schmitt

Executive Board

David Hilmar Herbert Girra

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Revenue		30,071,904	32,664,601
Other operating income		66,999	68,309
Expenses concerning apartments		-11,344,221	-13,070,819
Other external expenses		-2,644,145	-2,804,176
Gross profit/loss before value adjustments		16,150,537	16,857,915
Profit on sales of apartments and parking spaces	2	58,819,190	19,101,820
Gross profit/loss after value adjustments		74,969,727	35,959,735
Depreciation of property, plant and equipment		-1,942,025	-2,123,980
Profit/loss before financial income and expenses		73,027,702	33,835,755
Financial income	3	5,940	157,792
Financial expenses	4	-12,304,445	-12,617,366
Profit/loss before tax		60,729,197	21,376,181
Tax on profit/loss for the year	5	-15,706,274	-4,844,888
Net profit/loss for the year		45,022,923	16,531,293

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	25,000,000	0
Proposed dividend for the year	30,000,000	0
Retained earnings	-9,977,077	16,531,293
	45,022,923	16,531,293

Balance Sheet 31 December

Assets

	Note	2017 DKK	2016 DKK
Land and buildings		399,238,813	515,017,957
Other fixtures and fittings, tools and equipment		24,325	145,884
Plant and equipment	6	399,263,138	515,163,841
Fixed assets		399,263,138	515,163,841
Trade receivables		18,605	14,635
Other receivables		5,559,337	3,954,835
Deferred tax asset		3,052,530	6,499,478
Corporation tax		0	5,034,723
Prepayments		9,742	4,177,132
Receivables		8,640,214	19,680,803
Cash at bank and in hand		125,623,720	42,185,072
Currents assets		134,263,934	61,865,875
Assets		533,527,072	577,029,716

Balance Sheet 31 December

Liabilities and equity

	Note	2017 DKK	2016 DKK
Share capital		1,000,000	1,000,000
Retained earnings		109,052,700	119,029,776
Proposed dividend for the year		30,000,000	0
Equity	7	<u>140,052,700</u>	<u>120,029,776</u>
Mortgage loans		288,418,691	334,926,108
Payables to group enterprises		76,499,613	82,499,613
Deposits		7,011,038	8,042,536
Long-term debt	8	<u>371,929,342</u>	<u>425,468,257</u>
Prepayments received from customers		420,462	866,605
Trade payables		1,660,210	2,889,148
Payables to group enterprises	8	10,068,082	19,116,582
Corporation tax		4,252,649	0
Other payables	8	0	2,930,321
Deferred income		5,143,627	5,729,027
Short-term debt		<u>21,545,030</u>	<u>31,531,683</u>
Debt		<u>393,474,372</u>	<u>456,999,940</u>
Liabilities and equity		<u>533,527,072</u>	<u>577,029,716</u>
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Notes to the Financial Statements

1 Main activity

The company's main activity is to own and sell investment properties.

	2017 DKK	2016 DKK
2 Profit on sales of apartments and parking spaces		
Sale of apartments and parking spaces	58,819,190	19,101,820
	58,819,190	19,101,820

The financial line consists of profit on sold apartments. The purchased properties consist of single apartments, which are sold as the tenants move out of the apartments.

3 Financial income

Other financial income	5,865	157,571
Exchange gains	75	221
	5,940	157,792

4 Financial expenses

Interest paid to group enterprises	4,327,333	4,556,016
Other financial expenses	7,641,462	8,019,486
Exchange adjustments, expenses	328,957	41,864
Exchange loss	6,693	0
	12,304,445	12,617,366

5 Tax on profit/loss for the year

Current tax for the year incl. adjustments previous years etc.	11,481,342	7,779,629
Deferred tax for the year	2,624,368	0
Adjustment of tax concerning previous years	777,984	-2,934,741
Adjustment of deferred tax concerning previous years	822,580	0
	15,706,274	4,844,888

Notes to the Financial Statements

6 Plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Total
	DKK	DKK	DKK
Cost at 1 January	521,101,311	206,183	521,307,494
Adjustment to cost price	-2,930,321	0	-2,930,321
Disposals for the year	-112,678,047	-86,978	-112,765,025
Cost at 31 December	<u>405,492,943</u>	<u>119,205</u>	<u>405,612,148</u>
Depreciation at 1 January	6,050,835	92,815	6,143,650
Depreciation for the year	1,913,475	28,727	1,942,202
Reversal of depreciation of sold assets	-1,710,180	-26,662	-1,736,842
Depreciation at 31 December	<u>6,254,130</u>	<u>94,880</u>	<u>6,349,010</u>
Carrying amount at 31 December	<u>399,238,813</u>	<u>24,325</u>	<u>399,263,138</u>

7 Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,000,000	119,029,777	0	120,029,777
Extraordinary dividend paid	0	-25,000,000	0	-25,000,000
Net profit/loss for the year	0	15,022,923	30,000,000	45,022,923
Equity at 31 December	<u>1,000,000</u>	<u>109,052,700</u>	<u>30,000,000</u>	<u>140,052,700</u>

The share capital consists of 1,000,000 shares of a nominal value of DKK 1. No shares carry any special rights.

Notes to the Financial Statements

8 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:

	<u>2017</u> DKK	<u>2016</u> DKK
Mortgage loans		
After 5 years	63,402,048	0
Between 1 and 5 years	<u>225,016,643</u>	<u>334,926,108</u>
Long-term part	288,418,691	334,926,108
Within 1 year	<u>0</u>	<u>0</u>
	<u>288,418,691</u>	<u>334,926,108</u>
Payables to group enterprises		
Between 1 and 5 years	<u>76,499,613</u>	<u>82,499,613</u>
Long-term part	76,499,613	82,499,613
Other short-term debt to group enterprises	<u>10,068,082</u>	<u>19,116,582</u>
	<u>86,567,695</u>	<u>101,616,195</u>
Deposits		
After 5 years	<u>7,011,038</u>	<u>8,042,536</u>
Long-term part	7,011,038	8,042,536
Other short-term payables	<u>0</u>	<u>2,930,321</u>
	<u>7,011,038</u>	<u>10,972,857</u>

Notes to the Financial Statements

9 Contingent assets, liabilities and other financial obligations

Contingent liabilities

As collateral for the company's mortgage debt of TDKK 288,419 has the company provided collateral in land and building with the carrying amount of TDKK 399,263 at 31 December 2017.

Jointly taxation

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax. The total payable corporation tax is disclosed in the Annual Report of PATRIZIA UNICORN ApS, which is the management company of the joint taxation.

10 Related parties

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

PATRIZIA Wohnmodul I Zwischenholding S.à r.l.
2-4 Rue Beck
1222 Luxembourg

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of PATRIZIA UNICORN ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 are presented in DKK.

Recognition and measurement

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.

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.

Translation policies

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

Income Statement

Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Notes to the Financial Statements

11 Accounting Policies (continued)

Expenses concerning apartments

Expenses concerning apartments primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Profit on sales of apartments and parking spaces

Profit on sales of apartments and parking spaces are recognized as the difference between the price, which the unit has been sold for, and the purchase price plus selling expenses.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and 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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

11 Accounting Policies (continued)

Balance Sheet

Plant and equipment

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:

Buildings	100 years
Other fixtures and fittings, tools and equipment	5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,200 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and 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.

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

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums and interest.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Notes to the Financial Statements

11 Accounting Policies (continued)

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

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.