

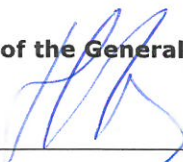
**ITP I GP ApS**  
Amalievej 20  
1875 Frederiksberg C  
Business Registration No  
35045783

## **Annual report 2017**

The Annual General Meeting adopted the annual report on

31/5-18

**Chairman of the General Meeting**



Name: Henrik Lundqvist

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## Entity details

### Entity

ITP I GP ApS  
Amalievej 20  
1875 Frederiksberg C

Central Business Registration No (CVR): 35045783

Founded: 19.02.2013

Registered in: Frederiksberg

Financial year: 01.01.2017 - 31.12.2017

### Management

Otto Frederik Juel Reventlow

Henrik Lundqvist

Magnus Weikert

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 Copenhagen C, Denmark

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ITP I GP ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Frederiksberg, 31.05.2018

### Management



Otto Frederik Juel Reventlow



Henrik Lundqvist

## Independent auditor's report

### To the shareholders of ITP I GP ApS

#### Opinion

We have audited the financial statements of ITP I GP ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 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 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 financial statements unless Management either intends to liquidate the Entity 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 audit. We also:

## Independent auditor's report

- 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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.

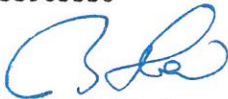
## Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the 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, 31.05.2018

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR)  
33963556



Bill Haudal Pedersen  
State Authorised Public Accountant  
Identification No (MNE) mne30131



Martin Jon Albæk Pedersen  
State Authorised Public Accountant  
Identification No (MNE) mne34149

## Management commentary

### Primary activities

The purpose of the company is to be the general partner of the IWC Timberland Partners I K/S and in this connection to exercise certain special rights in the limited partnership.

### Development in activities and finances

The company has been established on February 19, 2013, and the main activity of the company has been the management of IWC Timberland Partners I K/S ("ITP I").

The purpose and objective of IWC Timberland Partners I K/S is, by acting as a fund-of-funds, to make, manage, and dispose of sustainably managed forest investments and related assets. In accordance with the limited partnership agreement for IWC Timberland Partners I K/S, the investment manager is IWC Investment Partners A/S.

The investment period for ITP I ended on February 11, 2016 with allocation to eleven timberland investments. As of December 31, 2017, ITP I had investment commitments from partners of a total of USD 198.506.805 and the company had invested USD 164.458.012 in companies related to forests. The geographical investment allocations have been to Latin America, Asia, Oceania, and USA.

### Economic Development

The income statement for IWC Timberland Partners I K/S for 2017 shows a net profit of USD 7.174.196 and the balance sheet as of December 31, 2017 shows equity of USD 147.526.867. The economic development of the company has been as expected.

The income statement for the financial year 2017 for ITP I GP ApS shows a loss of DKK 13.565 which is caused by administrative costs, dividend, and currency translations on the fair value adjustments and the company's balance sheet as of 31 December, 2017 shows equity of DKK 165.592. The economic development of the company has been as expected.

### 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.



## Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Revenue		9.635	10.248
Fair value adjustments of investments in associates		<u>(5.636)</u>	<u>3.033</u>
<b>Gross profit/loss</b>		<b>3.999</b>	<b>13.281</b>
Administrative expenses		<u>(18.448)</u>	<u>(16.232)</u>
<b>Operating profit/loss</b>		<b>(14.449)</b>	<b>(2.951)</b>
Other financial income		(290)	361
Other financial expenses		<u>(628)</u>	<u>(282)</u>
<b>Profit/loss before tax</b>		<b>(15.367)</b>	<b>(2.872)</b>
Tax on profit/loss for the year		<u>1.802</u>	<u>(396)</u>
<b>Profit/loss for the year</b>		<b>(13.565)</b>	<b>(3.268)</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(13.565)</u>	<u>(3.268)</u>
		<b>(13.565)</b>	<b>(3.268)</b>

**Balance sheet at 31.12.2017**

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Investments in associates		59.699	67.160
<b>Fixed asset investments</b>	2	<b>59.699</b>	<b>67.160</b>
<b>Fixed assets</b>		<b>59.699</b>	<b>67.160</b>
Receivables from associates		9.635	1.065
Deferred tax		1.796	0
<b>Receivables</b>		<b>11.431</b>	<b>1.065</b>
<b>Cash</b>		<b>110.712</b>	<b>126.693</b>
<b>Current assets</b>		<b>122.143</b>	<b>127.758</b>
<b>Assets</b>		<b>181.842</b>	<b>194.918</b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		100.000	100.000
Share premium		100.000	100.000
Retained earnings		(34.408)	(20.843)
<b>Equity</b>		<u><b>165.592</b></u>	<u><b>179.157</b></u>
Income tax payable		0	136
Other payables		16.250	15.625
<b>Current liabilities other than provisions</b>		<u><b>16.250</b></u>	<u><b>15.761</b></u>
<b>Liabilities other than provisions</b>		<u><b>16.250</b></u>	<u><b>15.761</b></u>
<b>Equity and liabilities</b>		<u><b>181.842</b></u>	<u><b>194.918</b></u>
Contingent liabilities	3		

## Statement of changes in equity for 2017

	<b>Contributed capital DKK</b>	<b>Share premium DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	100.000	100.000	(20.843)	179.157
Profit/loss for the year	0	0	(13.565)	(13.565)
<b>Equity end of year</b>	<b>100.000</b>	<b>100.000</b>	<b>(34.408)</b>	<b>165.592</b>

## Notes

	<u>2017</u>	<u>2016</u>
<b>1. Staff costs</b>		
Average number of employees	<u>0</u>	
		<b>Investment s in associates DKK</b>
<b>2. Fixed asset investments</b>		
Cost beginning of year		61.966
Additions		<u>6.160</u>
<b>Cost end of year</b>		<b><u>68.126</u></b>
Revaluations beginning of year		5.194
Dividend		(7.985)
Fair value adjustments		<u>(5.636)</u>
<b>Revaluations end of year</b>		<b><u>(8.427)</u></b>
<b>Carrying amount end of year</b>		<b><u>59.699</u></b>

Equity is translated from the annual report for IWC Timberland Partners I K/S from USD 147.526.867 to DKK with an exchange rate of 6,2077. Similarly is the profit translated from USD 7.174.196 to DKK with and exchange rate of 6,2077.

### 3. Contingent liabilities

The Company is a general partner in a limited partnership, which paid USD 11.171 with irrevocable obligation to pay up to a total of USD 12.940 in the coming years.

The Company participates in a Danish joint taxation arrangement in which International Woodland Company Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 1 July 2012 obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

## Accounting policies

### Reporting class

These financial statements for ITP I GP ApS are presented in accordance with the provisions of the Danish Financial Statements Act governing reports for class B enterprises. These financial statements are also in compliance with the recognition and measurement requirement of the IFRS.

The annual report for the company is presented in its functional currency, DKK.

The accounting policies applied for the financial statements are consistent with those applied last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Income statement

#### Revenue

Revenue from management fee comprises of management fee received in the financial year.

## Accounting policies

### **Fair value adjustments of investments in associates**

Fair value adjustments of investments in associates and related financial liabilities comprises adjustment for the financial year of the Entity's investment.

### **Administrative costs**

Administrative expenses comprise expenses incurred for the Entity's administrative functions.

### **Other financial income**

Other financial income comprises transactions in foreign currencies.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital 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.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

### **Balance sheet**

#### **Investments in associates**

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised pro rata internal profits and losses.

#### **Receivables**

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

#### **Deferred tax**

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

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.

## Accounting policies

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Other financial liabilities**

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

### **Income tax receivable or payable**

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