

# **KG 47 GP ApS**

c/o Aberdeen Asset Management A/S  
Strandvejen 58, 2  
2900 Hellerup  
CVR no. 35 14 36 88

## **Annual report for 2018**

Adopted at the annual general meeting on 7  
June 2019

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Niels Christian Wedell-Wedellsborg

chairman

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## Statement by management on the annual report

The executive board has today discussed and approved the annual report of KG 47 GP ApS for the financial year 1 January - 31 December 2018.

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 company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Hellerup, 7 June 2019

### Executive board

Pernille Ohlsen

Michael John Fitzgerald

Niels Christian Wedell-Wedellsborg

# Independent auditor's report

## To the shareholder of KG 47 GP ApS

### Opinion

We have audited the financial statements of KG 47 GP ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

### 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 the 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 judgment and maintain professional skepticism 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 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.

### **Statement on management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, 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 management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

## Independent auditor's report

Based on the work we have performed, we conclude that management's review 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 management's review.

Copenhagen, 7 June 2019

Deloitte  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 96 35 56

Lars Andersen  
State Authorised Public Accountant  
MNE no. mne27762

## Company details

### The company

KG 47 GP ApS  
c/o Aberdeen Asset Management A/S  
Strandvejen 58, 2  
2900 Hellerup  
CVR no.: 35 14 36 88  
Reporting period: 1 January - 31 December 2018  
Incorporated: 30. May 2014  
Domicile: Gentofte

### Executive board

Pernille Ohlsen  
Michael John Fitzgerald  
Niels Christian Wedell-Wedellsborg

### Auditors

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
0900 København C

## Management's review

### **Business activities**

The object of the Company is to hold properties, both under own auspices and through subsidiaries, and other related activities.

### **Business review**

The company's income statement for the year ended 31 December shows a loss of TDKK 69, and the balance sheet at 31 December 2018 shows equity of TDKK 761.

Profit for the year is impacted by income from investments in associates TDKK 45.

Management regards results as satisfactory.

Assets total TDKK 1,376, out of which TDKK 314 comprise the 1% ownership interest in KG 47 P/S.

As of 31 December 2018 the equity consists of share capital TDKK 180 following capital increases and retained earnings of TDKK 580.

### **Investments**

Investment in associates is measured according to the equity method at TDKK 314.

The equity value in KG 47 P/S is based on the fair value of properties and debt. Change in the valuation of the investment properties in KG 47 P/S comprises the principal financial risk for the Company and, as such, has a significant impact on the income statement. The calculation of the value of the investment properties is subject to changes in net operating income and changes in market evaluation of the exit yield.

### **Significant events occurring after end of reporting period**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## Income statement

### 1 January 2018 - 31 December 2018

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
Other external expenses		-35	-76
<b>Gross profit</b>		<b>-35</b>	<b>-76</b>
Income from investments in associates	1	-45	561
<b>Profit/loss before tax</b>		<b>-80</b>	<b>485</b>
Tax on profit/loss for the year	2	11	-153
<b>Profit/loss for the year</b>		<b>-69</b>	<b>332</b>
Reserve for net revaluation under the equity method		-49	-270
Retained earnings		-20	602
		<b>-69</b>	<b>332</b>

## Balance sheet at 31 December 2018

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>Assets</b>			
Investments in associates	3	<u>314</u>	<u>409</u>
<b>Fixed asset investments</b>		<u><b>314</b></u>	<u><b>409</b></u>
<b>Total non-current assets</b>		<u><b>314</b></u>	<u><b>409</b></u>
Receivables from subsidiaries		1.050	1.000
Corporation tax		<u>11</u>	<u>0</u>
<b>Receivables</b>		<u><b>1.061</b></u>	<u><b>1.000</b></u>
<b>Cash at bank and in hand</b>		<u><b>1</b></u>	<u><b>1</b></u>
<b>Total current assets</b>		<u><b>1.062</b></u>	<u><b>1.001</b></u>
<b>Total assets</b>		<u><u><b>1.376</b></u></u>	<u><u><b>1.410</b></u></u>

## Balance sheet at 31 December 2018

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>Equity and liabilities</b>			
Share capital		180	180
Reserve for net revaluation under the equity method		0	48
Retained earnings		<u>581</u>	<u>602</u>
<b>Equity</b>		<u><b>761</b></u>	<u><b>830</b></u>
Payables to associates		605	355
Corporation tax		0	197
Other payables		<u>10</u>	<u>28</u>
<b>Total current liabilities</b>		<u><b>615</b></u>	<u><b>580</b></u>
<b>Total liabilities</b>		<u><b>615</b></u>	<u><b>580</b></u>
<b>Total equity and liabilities</b>		<u><u><b>1.376</b></u></u>	<u><u><b>1.410</b></u></u>
Contingencies, etc.	4		
Related parties with controlling interest, and group relations	5		

## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2018	180	49	601	830
Net profit/loss for the year	0	-49	-20	-69
<b>Equity at 31 December 2018</b>	<b>180</b>	<b>0</b>	<b>581</b>	<b>761</b>

## Notes

	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>1 Income from investments in associates</b>		
Share of profits of associates	0	561
Share of losses of associates	-45	0
	<u>-45</u>	<u>561</u>
<b>2 Tax on profit/loss for the year</b>		
Current tax for the year	-11	197
Deferred tax for the year	0	-44
	<u>-11</u>	<u>153</u>
<b>3 Investments in associates</b>		
Cost at 1 January 2018	<u>360</u>	<u>360</u>
Cost at 31 December 2018	<u>360</u>	<u>360</u>
Revaluations at 1 January 2018	49	488
Net profit/loss for the year	-45	561
Received dividend	-50	-1.000
Revaluations at 31 December 2018	<u>-46</u>	<u>49</u>
<b>Carrying amount at 31 December 2018</b>	<u><u>314</u></u>	<u><u>409</u></u>

Investments in associates are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
KG 47 P/S	Gentofte	1%	31.388.922	-4.463.427

## Notes

### **4 Contingencies, etc.**

The Company participates in a Danish joint taxation arrangement in which FB 40 ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

The Company acts as general partner for KG 47 P/S and is fully liable with all its equity for all claims and liabilities that exceed the share capital in KG 47 P/S.

### **5 Related parties with controlling interest, and group relations**

FB 40 ApS, Denmark wholly owns the shares of the Company and thus has control over the Company.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
FREP Holdings Canada 1 LP, Canada.

## Accounting policies

The annual report of KG 47 GP ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act for class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in TDKK

### 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 from the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting 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.

### Income statement

#### Other external expenses

Other external expenses include expenses related to sale, advertising, administration, premises, bad debts etc.

#### Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

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

The Entity is jointly taxed with all Danish group enterprises. 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).

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Accounting policies

### 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.

Associates with negative equity are measured at DKK 0, and any receivables from these associates are written down by the share of such negative equity if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if there is a legal or constructive obligation to cover the liabilities of the relevant associate.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

#### Cash and cash equivalents

Cash comprises bank deposits.

#### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

#### Liabilities

Liabilities are measured at amortised cost, which is usually equivalent to nominal value.