

AC Meyers Vænge, København ApS

c/o PATRIZIA Denmark A/S, Adelgade 15, 2.
1304 København K

CVR no. 35 86 57 72

Annual report 2017

The annual report was presented and approved at the
Company's annual general meeting on

24 May 2018

chairman



AC Meyers Vænge, København ApS
Annual report 2017
CVR no. 35 86 57 72

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Statement by the Board of Directors

The Board of Directors have today discussed and approved the annual report of AC Meyers Vænge, København ApS for the financial year 1 January – 31 December 2017.


The annual report has been 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 assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 24 May 2018
Executive Board:



Rikke Lykke


Board of Directors:



Peret Bergmann
Chairman




Sven Olaf Eggers



Gabriele-Christine Marek



Rikke Lykke



Louise Hertz



Independent auditor's report

To the shareholders of AC Meyers Vænge, København ApS

Opinion

We have audited the financial statements of AC Meyers Vænge, København ApS for the financial year 1 January – 31 December 2017 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position 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.

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

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.

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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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

- identify and assess the risks of material misstatement of the company 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.



Independent auditor's report

- 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 24 May 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Tuborg
State Authorised
Public Accountant
MNE no. 24621

AC Meyers Vænge, København ApS
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Management's review

Company details

AC Meyers Vænge, København ApS
c/o PATRIZIA Denmark A/S, Adelgade 15, 2.
1304 København K

CVR no.:	35 86 57 72
Established:	4 June 2014
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Peret Bergmann, Chairman
Sven Olaf Eggers
Gabriele-Christine Marek
Rikke Lykke
Louise Hertz

Executive Board

Rikke Lykke

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Annual general meeting

The annual general meeting will be held on 24 May 2018.

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Management's review

Operating review

Principal activities

The Company's objective is to engage in project development including execution of building projects, and to hold and sell real estate, and other associated business activities.

Development in activities and financial position

The Company's income statement for the year shows a loss of DKK 94 thousand, and the balance sheet at 31 December 2017 shows equity of DKK 75,149 thousand.

Events after the balance sheet date

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

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2017	2016
Gross profit/loss		<u>1,917</u>	<u>-1,335</u>
Loss before financial income and expenses		<u>1,917</u>	<u>-1,335</u>
Financial expenses	2	<u>-2,037</u>	<u>-821</u>
Loss before tax		<u>-120</u>	<u>-2,156</u>
Tax on loss for the year		<u>26</u>	<u>476</u>
Loss for the year		<u><u>-94</u></u>	<u><u>-1,680</u></u>
Proposed distribution of loss			
Retained earnings		<u><u>-94</u></u>	<u><u>-1,680</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2017	2016
ASSETS			
Fixed assets			
Property, plant and equipment	3		
Investment properties under construction		<u>176,437</u>	<u>41,093</u>
		<u>176,437</u>	<u>41,093</u>
Total fixed assets		<u>176,437</u>	<u>41,093</u>
Current assets			
Receivables			
Other receivables		556	0
Deferred tax asset		<u>643</u>	<u>1,098</u>
		<u>1,199</u>	<u>1,098</u>
Cash at bank and in hand		<u>40,648</u>	<u>0</u>
Total current assets		<u>41,847</u>	<u>1,098</u>
TOTAL ASSETS		<u>218,284</u>	<u>42,191</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2017	2016
EQUITY AND LIABILITIES			
Equity			
Contributed capital		61	60
Share premium		78,955	4,990
Retained earnings		<u>-3,867</u>	<u>-3,773</u>
Total equity		<u>75,149</u>	<u>1,277</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Mortgage loans	4	37,000	0
Payables to group entities		<u>94,398</u>	<u>40,903</u>
		<u>131,398</u>	<u>40,903</u>
Current liabilities other than provisions			
Trade payables		11,405	0
Other payables		<u>332</u>	<u>11</u>
		<u>11,737</u>	<u>11</u>
Total liabilities other than provisions		<u>143,135</u>	<u>40,914</u>
TOTAL EQUITY AND LIABILITIES		<u>218,284</u>	<u>42,191</u>
Contractual obligations, contingencies, etc.	5		

Financial statements 1 January – 31 December

Statement of changes in equity

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	60	4,990	-3,773	1,277
Cash capital increase	1	73,965	0	73,966
Transferred over the profit appropriation	<u>0</u>	<u>0</u>	<u>-94</u>	<u>-94</u>
Equity at 31 December 2017	<u><u>61</u></u>	<u><u>78,955</u></u>	<u><u>-3,867</u></u>	<u><u>75,149</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of AC Meyers Vænge, København ApS for 2017 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

A few reclassifications and adjustments have been made in the comparative figures. Besides, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Income statement

Gross Profit

Gross profit comprises other operating income and other external costs.

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of property, plant and equipment.

Other external cost

Other external costs comprise costs relating to the period preceding the commencement of project development and 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.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

Balance sheet

Investment properties under construction

Investment properties under construction is measured at cost or net realization value, if lower than cost. Costs include project development and construction costs directly attributable to the project.

Borrowing costs for financing the development projects are recognised at cost and recognised if they relate to the construction period.

Costs such as property taxes that relate to the period preceding the commencement of project development are expensed as incurred under other external costs.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Liabilities other than provisions

Mortgage loans are measured at amortised costs.

Other liabilities are measured at net realisable value.

2 Financial expenses

DKK'000	2017	2016
Interest expense to group entities	1,398	769
Other financial expenses	639	52
	<u>2,037</u>	<u>821</u>

3 Property, plant and equipment

DKK'000	Investment properties under construction
Cost at 1 January 2017	41,093
Additions for the year	141,879
Disposals for the year	<u>-6,535</u>
Cost at 31 December 2017	<u>176,437</u>
Carrying amount at 31 December 2017	<u>176,437</u>

Investment properties under construction relates to the property located at Copenhagen, title no. 286a and 297 Kongens Enghave. The property is expected to be finalised by December 2019.

Financial statements 1 January – 31 December

Notes

4 Liabilities other than provisions

DKK'000	Debt at 31 December 2017	Debt after 5 years
Mortgage loans	37,000	37,000
Payables to group entities	94,398	94,398
	<u>131,398</u>	<u>131,398</u>

5 Contractual obligations, contingencies, etc.

Mortgages and collateral

The property is pledged as security for mortgages. Book value of pledged property amounts to DKK 176,437 thousand.

Contingent liabilities

The Company has no contingent liabilities.