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# ***Bellakvarter Projektselskab A/S***

Center Boulevard 5, DK-2300 Copenhagen

## **Annual Report for 2020**

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CVR No 36 95 02 77

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
25/6 2021

Mette Kapsch  
Chairman of the General  
Meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Management's Review</b>	
Company Information	5
Financial Highlights	6
Management's Review	7
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

# **Management's Statement**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Bellakvarter Projektselskab A/S for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 25 June 2021

## **Executive Board**

Henrik Gram

Mette Kapsch

## **Board of Directors**

Rune Holmgaard-Poulsen  
Chairman

Søren Møller-Larsson

Martin Rauhe Pedersen

# Independent Auditor's Report

To the Shareholder of Bellakvarter Projektselskab A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Bellakvarter Projektselskab A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity 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.

## 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.

Based on the work we have performed, in our view, 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 in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, 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 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

# Independent Auditor's Report

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, 25 June 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Torben Jensen

State Authorised Public Accountant

mne18651

Claus Carlsson

State Authorised Public Accountant

mne29461

## Company Information

### **The Company**

Bellakvarter Projektselskab A/S  
Center Boulevard 5  
DK-2300 Copenhagen

CVR No: 36 95 02 77  
Financial period: 1 January - 31 December  
Financial year: 5th financial year  
Municipality of reg. office: Copenhagen

### **Board of Directors**

Rune Holmgaard-Poulsen, Chairman  
Søren Møller-Larsson  
Martin Rauhe Pedersen

### **Executive Board**

Henrik Gram  
Mette Kapsch

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2020 DKK '000	2019 DKK '000	2018 DKK '000	2017 DKK '000	2016 DKK '000
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	849,305	638,885	706,299	1,174,306	400,596
Operating profit/loss	3,079	4,202	5,040	4,531	677
Profit/loss before financial income and expenses	3,079	4,202	5,040	4,531	677
Net financials	-93	-157	-106	1,370	-17
Net profit/loss for the year	2,316	3,145	3,847	4,603	515
<b>Balance sheet</b>					
Balance sheet total	77,287	66,165	87,784	120,032	116,334
Equity	14,926	12,610	9,465	5,618	1,015
<b>Ratios</b>					
Solvency ratio	19.3 %	19.1 %	10.8 %	4.7 %	0.9 %

\* The financial year 2015/2016 was the first financial year for the company and covered the period 1 July 2015 to 31 December 2016.



# Management's Review

## Key activities

Bellakvarter is a new attractive urban district of Copenhagen. In cooperation with Copenhagen Municipality, the parent company of Bellakvarter Projektselskab A/S (the "Company") Bellakvarter A/S has developed a masterplan for the Bellakvarter land on which new residential and commercial property can be constructed.

The construction projects are carried out by the Company on behalf of Bellakvarter A/S in close cooperation with Solstra Development ApS, and other carefully selected business partners.

The Company and Bellakvarter A/S have entered into an agreement that provides the Company a fixed income margin on construction costs.

## Development in activities and financial performance

Profit after tax amount to DKK 2,316 thousands (2019: DKK 3,145 thousands). The decrease is due lower gross profit margin. Equity amounts to DKK 14,926 thousands (2019: DKK 12,610 thousands).

All construction costs and related operational cost during construction period are re-invoiced to Bellakvarter A/S on a monthly basis. Cash flow not financed by prepayments, deposits and working capital are provided by Bellakvarter A/S.

## The past year and follow-up on development expectations from last year

Last years expectations have been met in a satisfactory way.

The Corona Virus Disease ("Covid-19") does not have direct impact on business.

## Targets and expectations for the year ahead

Same level of construction is expected in 2021 and therefore a result at same level is expected.

## External environment

The Company's impact on the external environment has been described in the Annual Report for Bellakvarter A/S.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 1 January - 31 December

	Note	2020 DKK '000	2019 DKK '000
<b>Revenue</b>	1	<b>849,305</b>	<b>638,885</b>
Cost of goods sold		-846,135	-634,519
Other external expenses		-91	-164
<b>Gross profit/loss</b>		<b>3,079</b>	<b>4,202</b>
Financial expenses	2	-93	-157
<b>Profit/loss before tax</b>		<b>2,986</b>	<b>4,045</b>
Tax on profit/loss for the year	3	-670	-900
<b>Net profit/loss for the year</b>		<b>2,316</b>	<b>3,145</b>

# Balance Sheet 31 December

## Assets

	Note	2020 DKK '000	2019 DKK '000
Receivables from group enterprises		71,820	62,089
Deferred tax asset	5	1,371	1,410
<b>Receivables</b>		<b>73,191</b>	<b>63,499</b>
<b>Cash at bank and in hand</b>		<b>4,096</b>	<b>2,666</b>
<b>Currents assets</b>		<b>77,287</b>	<b>66,165</b>
<b>Assets</b>		<b>77,287</b>	<b>66,165</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK '000	2019 DKK '000
Share capital	6	500	500
Retained earnings		14,426	12,110
<b>Equity</b>		<b>14,926</b>	<b>12,610</b>
Provision for deferred tax	5	0	0
Other provisions		6,233	6,411
<b>Provisions</b>		<b>6,233</b>	<b>6,411</b>
Trade payables		55,510	46,151
Payables to group enterprises		0	993
Payables to owners		568	0
Other payables		50	0
<b>Short-term debt</b>		<b>56,128</b>	<b>47,144</b>
<b>Debt</b>		<b>56,128</b>	<b>47,144</b>
<b>Liabilities and equity</b>		<b>77,287</b>	<b>66,165</b>
Distribution of profit	4		
Contingent assets, liabilities and other financial obligations	7		
Related parties	8		
Accounting Policies	9		

## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Equity at 1 January	500	12,110	12,610
Net profit/loss for the year	0	2,316	2,316
<b>Equity at 31 December</b>	<b>500</b>	<b>14,426</b>	<b>14,926</b>

# Notes to the Financial Statements

	2020 DKK '000	2019 DKK '000
<b>1 Revenue</b>		
<b>Geographical segments</b>		
Revenue, Denmark	849,305	638,885
	<b>849,305</b>	<b>638,885</b>
<b>Business segments</b>		
Contractual work for Bellakvarter A/S	849,305	591,458
Work in progress	0	47,427
	<b>849,305</b>	<b>638,885</b>
<b>2 Financial expenses</b>		
Other financial expenses	93	157
	<b>93</b>	<b>157</b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	618	948
Deferred tax for the year	39	-48
Adjustment of tax concerning previous years	13	0
	<b>670</b>	<b>900</b>
<b>4 Distribution of profit</b>		
Retained earnings	2,316	3,145
	<b>2,316</b>	<b>3,145</b>

# Notes to the Financial Statements

	2020 DKK '000	2019 DKK '000
<b>5 Deferred tax asset</b>		
Deferred tax asset at 1 January	1,410	1,362
Amounts recognised in the income statement for the year	(39)	48
<b>Deferred tax asset at 31 December</b>	<b>1,371</b>	<b>1,410</b>

Deferred tax has been provided at 22% corresponding to the current tax rate.

## Deferred tax asset

The Company, as well as the Group, has generally generated a net income. The Company has not identified any indications that the deferred tax asset might be impaired.

## 6 Equity

The share capital consists of 500,000 shares of a nominal value of DKK '000 1. No shares carry any special rights.

# Notes to the Financial Statements

## 7 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

For the income year up to 31 January 2020, the Company is jointly and severally liable for tax on the jointly taxed incomes etc. of the Solstra Investment Group and for the period 1 January to 31 December 2020 the Company is jointly and severally liable for tax on the jointly taxed incomes etc. of the Bellakvarter Group. The total amount of corporation tax payable is disclosed in the Annual Report of respectively Solstra Investments A/S and Bellakvarter A/S, which is the management company for the 2 joint taxations groups. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.



# Notes to the Financial Statements

## 8 Related parties

Related parties during the year are considered to be the Board of Directors, Key Management and Bellakvarter A/S (Parent), as well as other companies in the 2019.12.17 Holding P/S group.

### Controlling interest

2019.12.17 Holding P/S, Copenhagen	Ultimate parent company
2019.12.17 BidCo A/S	Immediate parent company
Bellakvarter A/S, Copenhagen	Immediate parent company

Bellakvarter A/S is holding 100% of the votes in the Company.

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

# Notes to the Financial Statements

## 8 Related parties (continued)

### Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements of 2019.12.17 Holding P/S.

<u>Name</u>	<u>Place of registered office</u>
2019.12.17 Holding P/S	Copenhagen

The Consolidated Financial Statements of 2019.12.17 Holding P/S may be obtained at the following address:

2019.12.17 Holding P/S  
Amaliegade 24, st.  
1256 København K

# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of Bellakvarter Projektselskab A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK '000.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of 2019.12.17 Holding P/S, the Company has not prepared a cash flow statement.

### 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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

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.

### Revenue

Information on business segments based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Cost of goods sold

Cost of goods sold comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise of audit and other expenses.

### 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 Solstra Investments A/S for the period up to 31 January 2020, as well as its wholly owned Danish subsidiaries. For the period after 31 January 2020, the Company is jointly taxed with Bellakvarter A/S.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Balance Sheet

#### 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.

#### Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

#### Equity

##### *Dividend*

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

#### Provisions

Other provisions include warranty obligations in respect of repair work within the warranty period. Provisions are measured and recognised based on experience with guarantee work.

#### 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

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

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

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Solvency ratio

$$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$$