

Pineapple Commercial 2 Propco K/S

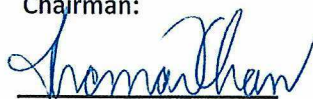
Kalvebod Brygge 39, 4. sal, 1560 København V

Annual report

For the year ended 31 December 2020

Approved at the annual general meeting, on 7/6 2021

Chairman:


Thomas Thomsen

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Statement by the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Pineapple Commercial 2 Propco K/S for the financial year 1 January - 31 December 2020.

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 financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

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, 7/6 2021

General partner:
Pineapple Commercial 2 Komplementarselskab ApS

Executive Board:



Kevin Jeremiah Cahill



Daniel Liem



Thomas Esben Khan

Independent auditors' report

To the shareholders of Pineapple Commercial 2 Propco K/S

Opinion

We have audited the financial statements of Pineapple Commercial 2 Propco K/S for the financial year 1 January – 31 December 2020, which comprise an 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 financial position of company at 31 December 2020, and of the results of the company operations for the financial year 1 January – 31 December 2020 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 note disclosures, and whether the financial statements represent the underlying transactions and events in a

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 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.

Odense, 7/6 2021
EY Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28

Morten Schougaard Sørensen
State Authorised
Public Accountant
mne32129

Management's review

Company details

Name Pineapple Commercial 2 Propco K/S
Address, Postal code, City Kalvebod Brygge 39, 4. sal, 1560 København V

CVR No. 37 15 48 81
Established 14 October 2015
Registered office Copenhagen
Financial year 1 January – 31 December

General partner: Pineapple Commercial 2 Komplementarselskab ApS

Executive Board in Pineapple Commercial 2 Komplementar- selskab ApS:

Kevin Jeremiah Cahill, chairman
Daniel Liem
Thomas Esben Khan

Auditors EY Godkendt Revisionspartnerselskab
Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

Management's review

The company's primary activities and company details

The company is primarily engaged in investment in real estate and related activities.

Significant changes in business and economic conditions

The property was sold in 2020.

Post balance sheet events

None

Financial statements for the period 1 January - 31 December 2020

Income statement

Notes	DKK	2020	2019
	Gross profit/loss	2.076.993	2.571.594
4	Fair value adjustment of investment property	-	-1.048.325
	Profit/loss on divestments	-25.709.000	-127.070
	Operating profit	-23.632.007	1.396.199
3	Financial income	130.656	0
	Financial expenses	-390.553	-306.235
	Profit/loss for the year	-23.891.904	1.089.963
	Recommended appropriation of the profit/loss for the year		
	Retained earnings	-23.891.904	1.089.963
		-23.891.904	1.089.963

Financial statements for the period 1 January - 31 December 2020

Balance sheet

Notes DKK	<u>2020</u>	<u>2019</u>
Assets		
Fixed assets		
Investment property	-	68.000.000
4 Property, plant and equipment	<u>-</u>	<u>68.000.000</u>
Total fixed assets	<u>-</u>	<u>68.000.000</u>
Current assets		
Receivables from group entities	11.248.070	12.462.561
Trade receivables	393.863	213.537
Other receivables	462.130	1.164.424
Receivables	<u>12.104.063</u>	<u>13.840.521</u>
Cash	<u>13.093.740</u>	<u>3.767.174</u>
Total current assets	<u>25.197.803</u>	<u>17.607.695</u>
Total assets	<u><u>25.197.803</u></u>	<u><u>85.607.695</u></u>

Financial statements for the period 1 January - 31 December 2020

Balance sheet

Notes DKK	2020	2019
Equity and liabilities		
Equity		
Paid-in capital	19.997.447	19.997.447
Retained earnings	3.918.222	27.810.126
Total equity	23.915.669	47.807.573
Liabilities		
Mortgage debt	0	32.527.641
Other payables	0	1.941.661
5 Long-term liabilities	0	34.469.302
5 Current portion of long-term liabilities	0	2.861.756
Trade payables	87.993	96.413
Other payables	1.194.141	372.652
Short-term liabilities	1.282.134	3.330.821
Total liabilities	1.282.134	37.800.122
Total equity and liabilities	25.197.803	85.607.695

2 Staff costs

6 Contractual obligations and contingencies, etc.

7 Related parties

Financial statements for the period 1 January - 31 December 2020

Statement of changes in equity

(DKK)	<u>Paid-in capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1/1 2020	19.997.447	27.810.126	47.807.573
Profit/loss for the year	<u>0</u>	<u>-23.891.904</u>	<u>-23.891.904</u>
Equity at 31/12 2020	<u>19.997.447</u>	<u>3.918.222</u>	<u>23.915.669</u>

Financial statements for the period 1 January - 31 December 2020

Notes

1. Accounting policies

The annual report of Pineapple Commercial 2 Propco K/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income Statement

Revenue

Revenue comprises rental income from the leases of properties. Revenue is recognized on an accrued basis.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross margin'.

Financial

Financial income and expenses are recognized in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, etc.

Tax

The company is not taxable. Therefore no tax cost or liabilities are included in the accounts.

Financial statements for the period 1 January - 31 December 2020

Notes

1. Accounting policies

Balance sheet

Investment property

Investment properties are measured at cost at first recognition. After the first recognition investment properties are measured at fair value. Fair value is measured based on yield for comparable properties. Annual changes in fair value is recognized in the income statement.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realizable value and the carrying amount.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Liabilities

Financial liabilities related to investment properties are measured at amortized cost.
Other liabilities are measured at net realizable value.

Financial statements for the period 1 January - 31 December 2020

Notes

2. Staff costs

The company has no employees.

DKK

3. Financial income

Interest income, affiliated companies

120.091

0

Interest income, bank and others

10.564

0

130.656

0

4. Property, plant and equipment

**Investment
property**

Cost at 1/1 2020

72.503.922

Additions

0

Disposals

-72.503.922

Cost at 31/12 2020

-

Value adjustments at 1/1 2020

-4.503.922

Value adjustments for the year

0

Reversal of accumulated revaluation of disposals

4.503.922

Value adjustments at 31/12 2020

0

Carrying amount at 31/12 2020

-

5. Long-term liabilities

None.

6. Contractual obligations and contingencies, etc.

Guarantee commitments: None

Rent and lease liabilities: None

Cautionary commitments: None

7. Related parties

The company is included in the consolidated financial statements of Ares Management, L.P., Los Angeles, California. The consolidated financial statements can be obtained upon request from the parent company.