
Herlev - Big Shopping Park ApS

Sank Annæ Plads 13, 2. th., DK-1250 Copenhagen

Annual Report for 1 January - 31 December 2019

CVR No 37 56 17 03

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
1 /4 2020

Henrik Tilsted Knudsen
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Herlev - Big Shopping Park ApS for the financial year 1 January - 31 December 2019.

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 2019 of the Company and of the results of the Company operations for 2019.

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, 1 April 2020

Executive Board

Peter James Todd
Director

Christian Ulrich Brandt Birger-
Christensen
Director

Independent Auditor's Report

To the Shareholder of Herlev - Big Shopping Park ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Herlev - Big Shopping Park ApS for the financial year 1 January - 31 December 2019, 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 Financials 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.

Independent Auditor's Report

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 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.

Independent Auditor's Report

- 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.

Hellerup, 1 April 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
mne32198

Martin Enderberg Lassen
State Authorised Public Accountant
mne40044

Company Information

The Company

Herlev - Big Shopping Park ApS
Sank Annæ Plads 13, 2. th.
DK-1250 Copenhagen

CVR No: 37 56 17 03
Financial period: 1 January - 31 December
Incorporated: 23 March 2016
Financial year: 4th financial year
Municipality of reg. office: Copenhagen

Executive Board

Peter James Todd
Christian Ulrich Brandt Birger-Christensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The main activity of the Company is investments in subsidiaries in the property sector and other related activities.

Development in the year

The income statement of the Company for 2019 shows a profit of DKK 42,843,159, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 498,906,443.

Subsequent events

There is growing evidence that the Covid-19 virus may have a temporary impact on the economy and therefore potentially on the value and performance of the assets in the portfolio. However, at this stage and given the uncertainty surrounding the disease, the possible financial impact on the reported consolidated financial statements cannot be estimated and is therefore not included therein.

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

Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit/loss		-324.072	-799.620
Income from investments in subsidiaries	2	43.097.659	32.187.401
Financial expenses		-1.860	-2.365
Profit/loss before tax		42.771.727	31.385.416
Tax on profit/loss for the year	3	71.432	66.687
Net profit/loss for the year		42.843.159	31.452.103

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	115.000.000	18.000.000
Reserve for net revaluation under the equity method	43.097.659	32.187.401
Retained earnings	-115.254.500	-18.735.298
	42.843.159	31.452.103

Balance Sheet 31 December

	Note	2019 DKK	2018 DKK
Assets			
Investments in subsidiaries	4	493.509.579	565.411.920
Fixed asset investments		493.509.579	565.411.920
Fixed assets		493.509.579	565.411.920
Receivables from group enterprises		0	389.421
Other receivables		0	5.131
Corporation tax		39.274	0
Corporation tax receivable from group enterprises		5.460.158	5.053.182
Receivables		5.499.432	5.447.734
Cash at bank and in hand		392.726	392.490
Currents assets		5.892.158	5.840.224
Assets		499.401.737	571.252.144
Liabilities and equity			
Share capital		5.050.000	5.050.000
Reserve for net revaluation under the equity method		73.739.078	200.641.419
Retained earnings		420.117.365	365.371.865
Equity		498.906.443	571.063.284
Trade payables		0	107.050
Payables to group enterprises		344.271	0
Corporation tax		0	16.495
Other payables		151.023	65.315
Short-term debt		495.294	188.860
Debt		495.294	188.860
Liabilities and equity		499.401.737	571.252.144
Subsequent events	1		
Contingent assets, liabilities and other financial obligations	5		

Liabilities and equity

Note

Accounting Policies

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Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	5.050.000	200.641.419	365.371.865	571.063.284
Extraordinary dividend paid	0	0	-115.000.000	-115.000.000
Dividend from group enterprises	0	-170.000.000	170.000.000	0
Net profit/loss for the year	0	43.097.659	-254.500	42.843.159
Equity at 31 December	5.050.000	73.739.078	420.117.365	498.906.443

Notes to the Financial Statements

1 Subsequent events

In regards to the Covid-19 related Global Economic Disruption the management states the following:

There is growing evidence that the Covid-19 virus may have a temporary impact on the economy and therefore potentially on the value and performance of the assets in the portfolio. However, at this stage and given the uncertainty surrounding the disease, the possible financial impact on the reported consolidated financial statements cannot be estimated and is therefore not included therein

	<u>2019</u> DKK	<u>2018</u> DKK
2 Income from investments in subsidiaries		
Share of profits of subsidiaries	47.345.047	36.432.043
Amortisation of goodwill	<u>-4.247.388</u>	<u>-4.244.642</u>
	43.097.659	32.187.401
3 Tax on profit/loss for the year		
Current tax for the year	<u>-71.432</u>	<u>-66.687</u>
	-71.432	-66.687

Notes to the Financial Statements

	2019 DKK	2018 DKK
4 Investments in subsidiaries		
Cost at 1 January	419.770.501	419.902.115
Disposals for the year	0	-131.614
Cost at 31 December	<u>419.770.501</u>	<u>419.770.501</u>
Value adjustments at 1 January	145.641.419	147.454.018
Net profit/loss for the year	47.345.047	36.432.043
Dividend to the Parent Company	-115.000.000	-34.000.000
Amortisation of goodwill	-4.247.388	-4.244.642
Value adjustments at 31 December	<u>73.739.078</u>	<u>145.641.419</u>
Carrying amount at 31 December	<u>493.509.579</u>	<u>565.411.920</u>
Positive differences arising on initial measurement of subsidiaries at net asset value	<u>26.805.743</u>	<u>31.053.131</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Herlev - Big Shopping Propco ApS	Copenhagen	5.080.000	100%	466.703.836	47.345.047

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation and deferred taxes are disclosed in the Annual Report of Herlev - Big Shopping Park ApS, which is the management company of the joint taxation purposes. 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 un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Herlev - Big Shopping Park ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2019 are presented in DKK.

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.

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.

Income Statement

Revenue

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

Gross profit/loss after value adjustments

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year, amortisation of goodwill and other regulations.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

6 Accounting Policies (continued)

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 Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill)

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Other receivables

Other receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value.

Dividend

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

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Financial debts

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