

# Teglbroen P/S

c/o Cobblestone A/S  
Gammel Køge Landevej 57, 3.  
2500 Valby  
Denmark

CVR no. 37 69 08 72

## **Annual report 2020**

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

27 May 2021

Louise Hertz  
chairman

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Teglbroen P/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 assets, liabilities and 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 27 May 2021  
Executive Board:

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Louise Hertz

Board of Directors:

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Nathalie Marion-Denise  
Winkelmann  
Chairman

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Kester Nehls

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Keld Jessen

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Louise Hertz



## **Independent auditor's report**

### **To the shareholder of Teglbroen P/S**

#### **Opinion**

We have audited the financial statements of Teglbroen P/S for the financial year 1 January – 31 December 2020 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 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.

#### **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.

## Independent auditor's report

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.
- 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.



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## Independent auditor's report

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, 27 May 2021

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Tuborg  
State Authorised  
Public Accountant  
mne24621

**Teglbroen P/S**  
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## Management's review

### Company details

Teglbroen P/S  
c/o Cobblestone A/S  
Gammel Køge Landevej 57, 3.  
2500 Valby  
Denmark

CVR no.:	37 69 08 72
Established:	13 May 2016
Registered office:	Copenhagen
Financial year:	1 January – 31 December

### Board of Directors

Nathalie Marion-Denise Winkelmann, Chairman  
Kester Nehls  
Keld Jessen  
Louise Hertz

### Executive Board

Louise Hertz

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 Copenhagen  
Denmark

## **Management's review**

### **Operating review**

#### **Principal activities**

The objective of the Company is to acquire real estate property for renting and a subsequent resale.

#### **Development in activities and financial position**

The Company's income statement for 2020 shows a profit of DKK 11,779 thousand against DKK 18,482 thousand in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 391,494 thousand as against DKK 395,715 thousand at 31 December 2019.

#### **Uncertainty regarding recognition and measurement**

The investment property is measured at fair value using a DCF-model with assumptions and estimates relating to yields, vacancy etc. The uncertainty related to these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the investment property. Please see note 3.

#### **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	2020	2019
<b>Gross profit</b>		19,860	22,454
Fair value adjustment of investment properties		-3,700	400
Financial expenses		<u>-4,381</u>	<u>-4,372</u>
<b>Profit for the year</b>		<u>11,779</u>	<u>18,482</u>
<b>Proposed profit appropriation</b>			
Extraordinary dividends distributed in the financial year		0	20,000
Proposed dividends for the year		15,500	16,000
Retained earnings		<u>-3,721</u>	<u>-17,518</u>
		<u>11,779</u>	<u>18,482</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2020	2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	3		
Investment properties		<u>631,700</u>	<u>635,400</u>
<b>Total fixed assets</b>		<u>631,700</u>	<u>635,400</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		22	20
Other receivables		481	979
Prepayments		<u>0</u>	<u>40</u>
		<u>503</u>	<u>1,039</u>
<b>Cash at bank and in hand</b>		<u>29,105</u>	<u>28,906</u>
<b>Total current assets</b>		<u>29,608</u>	<u>29,945</u>
<b>TOTAL ASSETS</b>		<u><u>661,308</u></u>	<u><u>665,345</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2020	2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		22,700	22,700
Retained earnings		353,294	357,015
Proposed dividends for the financial year		15,500	16,000
<b>Total equity</b>		<b>391,494</b>	<b>395,715</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Mortgage loans	4	253,498	253,369
<b>Current liabilities</b>			
Prepayments received from customers		10,581	10,525
Trade payables		762	781
Payables to group entities		865	865
Other payables		4,108	4,090
		16,316	16,261
<b>Total liabilities</b>		<b>269,814</b>	<b>269,630</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>661,308</b>	<b>665,345</b>
<b>Average number of full-time employees</b>	2		
<b>Mortgages and collateral</b>	5		
<b>Related party disclosures</b>	6		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2020	22,700	357,015	16,000	395,715
Ordinary dividends paid	0	0	-16,000	-16,000
Transferred over the profit appropriation	0	-3,721	15,500	11,779
<b>Equity at 31 December 2020</b>	<b>22,700</b>	<b>353,294</b>	<b>15,500</b>	<b>391,494</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Teglbroen P/S for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Income statement

#### Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company does not disclose its revenue.

The gross profit reflects an aggregation of revenue and other external expenses.

#### Revenue

Revenue comprises rental income which is recognised in the period to which it relates.

#### Other external costs

Other external costs comprise costs incurred during the period as a result of the rental of the Company's property and administration.

#### Fair value adjustment of investment properties

Fair value adjustment of investment properties comprise value adjustment of the property for the financial period.

#### Financial expenses

Financial expenses comprise interest expenses, exchange rate adjustments and other financial costs.

### Balance sheet

#### Investment properties

Investment properties comprise properties that are held to earn rentals, held for capital appreciation or both.

Initially, investment properties are measured at cost including purchase price and directly related costs. The carrying amount also includes costs for improvements if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the year in which they arise.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

The fair value of completed investment properties are determined using a discounted cash flow (DCF). Under the DCF-method, a properties fair value are estimated using explicit assumptions about the risks and yields over the asset's life, including an exit or terminal value. This involves the projection of a series of cash flows and to do this, an appropriate, market-derived discount rate is applied to establish the present value of the income stream.

The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal, reletting, redevelopment, or refurbishment.

The valuations were performed by Cashman & Wanefield, an accredited independent value with a recognised and relevant professional qualification and recent experience of the location and category of the investment properties being valued. The valuation model applied is in accordance with that recommended by the International Valuation Standards Committee. These valuation models are consistent with the principles in IFRS 13.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made.

#### Prepayments

Prepayments comprise prepayments of costs incurred relating to subsequent financial years.

#### Cash at bank and in hand

Cash and cash equivalents comprise cash at bank.

#### Equity

##### *Dividends*

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected payment for the year is disclosed as a separate item under equity.

#### Prepayments

Prepayments comprise prepaid rent from the tenants.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Liabilities

Mortgage loans to credit institutions are recognised at cost at the date of borrowing, equivalent to proceeds received less transaction costs paid.

Subsequently, these financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

##### Corporation tax and deferred tax

The Company is not subject to taxation.

## Financial statements 1 January – 31 December

### Notes

DKK'000	<u>2020</u>	<u>2019</u>
<b>2 Average number of employees</b>		
Average number of full-time employees	<u>0</u>	<u>0</u>

### 3 Investment properties

DKK'000	<u>Investment properties</u>
Cost at 1 January 2020	<u>440,753</u>
Cost at 31 December 2020	<u>440,753</u>
Revaluations at 1 January 2020	194,647
Revaluations for the year	<u>-3,700</u>
Revaluations at 31 December 2020	<u>190,947</u>
<b>Carrying amount at 31 December 2020</b>	<u><u>631,700</u></u>

#### Key assumptions:

The residential property located in Copenhagen has a total area of 16,891 sqm. and 90 parking spaces. Additionally, a structural vacancy of 2% has been included in the estimated cash flow. The exit yield is estimated at 4.0% (2019: 4.04%).

#### Sensitivity analysis:

An increase of the exit yield by 0.25 percentage points would reduce the property value by DKK 37.9 million. A decrease in the exit yield by 0.25 percentage points would increase the property value by DKK 43 million at the balance sheet date.

### 4 Non-current liabilities

DKK'000	<u>Total debt at 31/12 2020</u>	<u>Outstanding debt after five years</u>
Mortgage loans	<u>253,498</u>	<u>257,000</u>
	<u>253,498</u>	<u>257,000</u>

### 5 Mortgages and collateral

Investment property with a carrying amount of DKK 631.7 million at 31 December 2020 have been provided as collateral for mortgages of DKK 257 million.



## **Financial statements 1 January – 31 December**

### **Notes**

#### **6 Related party disclosures**

##### **Control**

Teglbroen P/S is part of the consolidated financial statements of PATRIZIA Augsburg Kapitalverwaltungsgesellschaft mbH, Fuggerstrasse 26, 86150 Augsburg, Germany, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of PATRIZIA Augsburg Kapitalverwaltungsgesellschaft mbH can be obtained by contacting the company at the address above.