

# DK Development 1 ApS

Amaliegade 10, 1256 København K

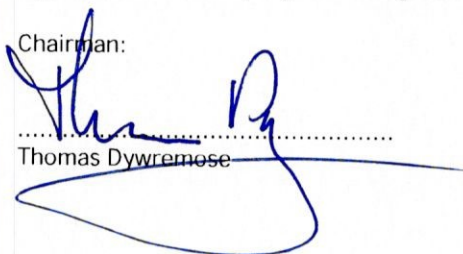
CVR no. 38 34 08 83

## Annual report 2017

(As of the establishment of the Company 10 January - 31 December 2017)

Approved at the Company's annual general meeting on 19 March 2018

Chairman:

  
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Thomas Dywremose



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

Today, the Executive Board has discussed and approved the annual report of DK Development 1 ApS for the financial year as of the establishment of the Company 10 January - 31 December 2017.

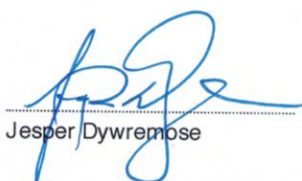
The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year as of the establishment of the Company 10 January - 31 December 2017.

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

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

Copenhagen, 19 March 2018  
Executive Board:

  
Jesper Dywremose

## Independent auditor's report

To the shareholders of DK Development 1 ApS

### Opinion

We have audited the financial statements of DK Development 1 ApS for the financial year as of the establishment of the Company 10 January - 31 December 2017, which comprise 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 the Company at 31 December 2017 and of the results of the Company's operations for the financial year as of the establishment of the company 10 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 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 Group 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.

### 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 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 the 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.

### 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 note 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 19 March 2018  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Peter Gath  
State Authorized Public Accountant  
MNE no. mne19718



## Management's review

### Company details

Name	DK Development 1 ApS
Address, Postal code, City	Amaliegade 10, 1256 København K

CVR no.	38 34 08 83
Established	10 January 2017
Registered office	Copenhagen
Financial year	10 January - 31 December 2017

Executive Board	Jesper Dywremose
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Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark
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## Management's review

### Business review

The company's activity is investment in group entities.

### Financial review

The income statement for 2017 shows a loss of DKK 483,328. The loss originates from investment in a group company which has been in a start-up phase during 2017.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



## Financial statements for the period 10 January - 31 December 2017

### Income statement

Note	DKK	2017
	External expenses	-15,000
	Gross margin	-15,000
	Income from investments in group enterprises	-516,357
3	Financial income	57,345
	Profit/loss before tax	-474,012
4	Tax for the year	-9,316
	Profit/loss for the year	-483,328
	Recommended appropriation of profit/loss	
	Retained earnings/accumulated loss	-483,328
		-483,328



## Financial statements for the period 10 January - 31 December 2017

### Balance sheet

Note	DKK	2017	Opening balance at 10 January 2017
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group enterprises	0	0
		0	0
	Total fixed assets	0	0
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	1,540,988	0
	Other receivables	0	2,000,000
		1,540,988	2,000,000
	Total non-fixed assets	1,540,988	2,000,000
	TOTAL ASSETS	1,540,988	2,000,000
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	100,000	100,000
	Share premium account	0	1,900,000
	Retained earnings	1,416,672	0
	Total equity	1,516,672	2,000,000
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Corporation tax payable	9,316	0
	Other payables	15,000	0
		24,316	0
	Total liabilities other than provisions	24,316	0
	TOTAL EQUITY AND LIABILITIES	1,540,988	2,000,000

- 1 Accounting policies
- 2 Staff costs
- 7 Contractual obligations and contingencies, etc.

## Financial statements for the period 10 January - 31 December 2017

### Statement of changes in equity

DKK	Share capital	Share premium account	Retained earnings	Total
Cash payments concerning formation of enterprise	100,000	1,900,000	0	2,000,000
Transfer through appropriation of loss	0	0	-483,328	-483,328
Transferred from share premium account	0	-1,900,000	1,900,000	0
Equity at 31 December 2017	100,000	0	1,416,672	1,516,672

## Financial statements for the period 10 January - 31 December 2017

### Notes to the financial statements

#### 1 Accounting policies

The annual report of DK Development 1 ApS for 2017 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.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those used in the opening balance.

#### Reporting currency

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

#### Income statement

##### External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration.

##### Income from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

##### Financial income

Financial income are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements for the period 10 January - 31 December 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

Negative value of investments in subsidiaries is transferred/set off against receivables from the subsidiaries.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognized if there is objective evidence that a receivable is impaired. An impairment loss is recognized on an individual basis.

##### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Liabilities are measured at net realisable value.

## Financial statements for the period 10 January - 31 December 2017

### Notes to the financial statements

#### 2 Staff costs

The Company has no employees.

DKK	2017
3 Financial income	
Interest receivable, group entities	57,345
	<u>57,345</u>
4 Tax for the year	
Estimated tax charge for the year	9,316
	<u>9,316</u>

#### 5 Investments

DKK	Investments in group enterprises
Cost at 10 January 2017	0
Additions	50,000
Cost at 31 December 2017	<u>50,000</u>
Profit/loss for the year	-516,357
Transferred/set off against receivables	<u>466,357</u>
Value adjustments at 31 December 2017	<u>-50,000</u>
Carrying amount at 31 December 2017	<u>0</u>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries					
Hornbæk Skovpark Resort 2017 ApS	ApS	Copenhagen	100.00%	-466,357	-516,357

## Financial statements for the period 10 January - 31 December 2017

### Notes to the financial statements

		Opening balance at 10 January 2017
	DKK	2017
6	Share capital	
	Analysis of the share capital:	
	50,000 A shares of DKK 1.00 nominal value each	50,000
	50,000 B shares of DKK 1.00 nominal value each	50,000
		100,000

The Company's share capital has remained DKK 100,000 since the establishment.

### 7 Contractual obligations and contingencies, etc.

#### Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes.