

## **Rosenlund Ejendomme ApS**

Vedbæk Strandvej 328  
2950 Vedbæk

CVR no. 38 66 25 97

### **Annual report for 2018/19**

(2nd Financial year)

Adopted at the annual general meeting  
on 28 February 2020

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Scott Campbell Macaw  
chairman

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## **Statement by management on the annual report**

The executive board has today discussed and approved the annual report of Rosenlund Ejendomme ApS for the financial year 1 October 2018 - 30 September 2019.

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 company's financial position at 30 September 2019 and of the results of the company's operations for the financial year 1 October 2018 - 30 September 2019.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Vedbæk, 28 February 2020

### **Executive board**

Scott Campbell Macaw

# **Independent auditor's report on extended review**

## **To the shareholder of Rosenlund Ejendomme ApS**

### **Opinion**

We have performed extended review of the financial statements of Rosenlund Ejendomme ApS for the financial year 1 October 2018 - 30 September 2019, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 30 September 2019 and of the results of the company's operations for the financial year 1 October 2018 - 30 September 2019 in accordance with the Danish Financial Statements Act.

### **Basis for Opinion**

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty related to going concern**

We wish to note that the Company's ability to continue as a going concern is associated with material uncertainty. We refer to note 1 in the financial statements, which reflects uncertainty as to whether the company will be supported financially by the parent company. The parent company has issued a declaration of support and will stand down from third party payables, why the financial statements have been prepared on a going concern basis. We have not modified our opinion in respect of this matter.

### **Emphasis of matter**

We refer to note 2 in the financial statements, which reflects that the value of the Company's property is associated with material uncertainty. We have not modified our opinion in respect of this matter.

### **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.

## **Independent auditor's report on extended review**

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 responsibility for the extended review of the financial statements**

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

### **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 extended review 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 extended review, 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.

## **Independent auditor's report on extended review**

Based on the work we have performed, we conclude that 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 management's review.

Hellerup, 28 February 2020

CVR no. 33 25 68 76



Søren Jonassen  
Statsautoriseret revisor  
MNE no. mne18488

## **Company details**

### **The company**

Rosenlund Ejendomme ApS  
Vedbæk Strandvej 328  
2950 Vedbæk

CVR no.: 38 66 25 97

Reporting period: 1 October 2018 - 30 September 2019

Incorporated: 23. May 2017

Domicile: Rudersdal

### **Executive board**

Scott Campbell Macaw

### **Auditors**

Crowe  
Statsautoriseret Revisionsinteressentskab v.m.b.a.  
Rygårds Allé 104  
2900 Hellerup

## **Management's review**

### **Business review**

The company's principal activities is to acquire, develop, construct and trade in real estate and other associated business.

### **Recognition and measurement uncertainties**

The company's investment property is measured at fair value, as at 30 September 65 mio. kr. The fair value is calculated on the basis of a number of assumptions of which there may be some uncertainties.

The estimates used are based on information and assumptions which management considers reasonable, but which are, inherently, uncertain and unpredictable. Actual events and circumstances are likely to be different from those assumed in the calculations, since anticipated events frequently do not occur as expected. These variations may be material.

### **Financial review**

The company's income statement for the year ended 30 September 2019 shows a loss of DKK 3.808.343, and the balance sheet at 30 September 2019 shows equity of DKK 17.761.798.

It is a prerequisite for going concern that the company is financially supported by its parent company. In addition it may be necessary for the parent company step in and finance certain payables to third parties. The parent company has issued a declaration of support for this.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## **Accounting policies**

The annual report of Rosenlund Ejendomme ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2018/19 is presented in DKK

As 2018/19 is the company's first reporting period, no comparatives have been presented.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other external expenses.

#### **Revenue**

Revenue consists of rent income and is recognized in the income statement for the period to which the rent relates.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

## **Accounting policies**

### **Other external costs**

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **Value adjustments of investment properties**

Value adjustments of investment property comprise the year's changes in the fair value of investment property and relating payables.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### **Tax on profit/loss for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Balance sheet**

### **Tangible assets**

Investment properties comprises investments in land and buildings for purposes of gaining a return on the invested capital in the form of regular operating income and/or capital gains on resale.

On acquisition, investment properties is measured at cost, comprising the purchase price, including purchase costs.

On subsequent recognition, investment property is measured at cost less the year's depreciation and impairment losses. investment properties are measured at fair value. Value adjustments of investment properties on subsequent recognition, investment property is measured at cost less the year's depreciation and impairment losses.

In management's opinion, the classification of the property as investment properties has not given rise to any difficulty.

The fair value reflects the price for which the property should exchange on the balance sheet date between well-informed and willing parties in an arm's length transaction. The determination of fair value involves significant accounting estimates.

In management's assessment, fair values for the current year could be determined based on comparable market transactions. Accordingly, values have been determined based on the sales value, corresponding to the expected selling price of investment properties.

## **Accounting policies**

The fair value of investment properties of investment property at 30 September 2019 as assessed by independent real estate appraisers.

The estimates used are based on information and assumptions which management considers reasonable, but which are, inherently, uncertain and unpredictable. Actual events and circumstances are likely to be different from those assumed in the calculations, since anticipated events frequently do not occur as expected. These variations may be material.

### **Receivables**

Receivables are measured at amortised cost.

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

**Income statement**  
**1 October 2018 - 30 September 2019**

|   | <u>Note</u> | <u>2018/19</u><br>DKK    | <u>2017/18</u><br>TDKK |
|---|-------------|--------------------------|------------------------|
| <b>Gross profit</b>                                 |             | <b>54.632</b>            | <b>-1.160</b>          |
| Fair value adjustments of investment properties     |             | <u>-3.231.558</u>        | <u>30.439</u>          |
| <b>Profit/loss before net financials</b>            |             | <b>-3.176.926</b>        | <b>29.279</b>          |
| Financial income                                    |             | 550                      | 0                      |
| Financial costs                                     | 4           | <u>-1.671.097</u>        | <u>-1.689</u>          |
| <b>Profit/loss before tax</b>                       |             | <b>-4.847.473</b>        | <b>27.590</b>          |
| Tax on profit/loss for the year                     | 5           | <u>1.039.130</u>         | <u>-6.070</u>          |
| <b>Profit/loss for the year</b>                     |             | <b><u>-3.808.343</u></b> | <b><u>21.520</u></b>   |
| <br><b>Recommended appropriation of profit/loss</b> |             |                          |                        |
| Retained earnings                                   |             | <u>-3.808.343</u>        | <u>21.520</u>          |
|   |             | <b><u>-3.808.343</u></b> | <b><u>21.520</u></b>   |

## Balance sheet at 30 September 2019

|                                 | <u>Note</u> | <u>2018/19</u><br>DKK           | <u>2017/18</u><br>TDKK      |
|---------------------------------|-------------|---------------------------------|-----------------------------|
| <b>Assets</b>                   |             |                                 |                             |
| Investment properties           | 6           | <u>65.000.000</u>               | <u>65.000</u>               |
| <b>Tangible assets</b>          |             | <u><b>65.000.000</b></u>        | <u><b>65.000</b></u>        |
| <b>Total non-current assets</b> |             | <u><b>65.000.000</b></u>        | <u><b>65.000</b></u>        |
| Trade receivables               |             | 12.500                          | 13                          |
| Prepayments                     |             | <u>146.222</u>                  | <u>146</u>                  |
| <b>Receivables</b>              |             | <u><b>158.722</b></u>           | <u><b>159</b></u>           |
| <b>Cash at bank and in hand</b> |             | <u><b>67.277</b></u>            | <u><b>8</b></u>             |
| <b>Total current assets</b>     |             | <u><b>225.999</b></u>           | <u><b>167</b></u>           |
| <b>Total assets</b>             |             | <u><u><b>65.225.999</b></u></u> | <u><u><b>65.167</b></u></u> |

## Balance sheet at 30 September 2019

|   | <u>Note</u> | <u>2018/19</u><br>DKK           | <u>2017/18</u><br>TDKK      |
|---|-------------|---------------------------------|-----------------------------|
| <b>Equity and liabilities</b>                             |             |                                 |                             |
| Share capital   |             | 50.000                          | 50                          |
| Retained earnings   |             | 17.711.798                      | 21.520                      |
| <b>Equity</b>   | <b>7</b>    | <b><u>17.761.798</u></b>        | <b><u>21.570</u></b>        |
| Provision for deferred tax                                |             | 5.030.654                       | 6.070                       |
| <b>Total provisions</b>                                   |             | <b><u>5.030.654</u></b>         | <b><u>6.070</u></b>         |
| Payables to parent company                                |             | 24.761.986                      | 22.119                      |
| Other loans   |             | 16.800.595                      | 14.000                      |
| <b>Total non-current liabilities</b>                      |             | <b><u>41.562.581</u></b>        | <b><u>36.119</u></b>        |
| Banks   |             | 0                               | 18                          |
| Trade payables  |             | 454.663                         | 514                         |
| Other payables  |             | 416.303                         | 876                         |
| <b>Total current liabilities</b>                          |             | <b><u>870.966</u></b>           | <b><u>1.408</u></b>         |
| <b>Total liabilities</b>                                  |             | <b><u>42.433.547</u></b>        | <b><u>37.527</u></b>        |
| <b>Total equity and liabilities</b>                       |             | <b><u><u>65.225.999</u></u></b> | <b><u><u>65.167</u></u></b> |
| Uncertainty about the continued operation (going concern) | 1           |                                 |                             |
| Uncertainty in the recognition and measurement            | 2           |                                 |                             |
| Contingent liabilities                                    | 8           |                                 |                             |
| Mortgages and collateral                                  | 9           |                                 |                             |

## Notes

### 1 Uncertainty about the continued operation (going concern)

It is a prerequisite for going concern that the company is financially supported by the parent company. In addition it may be necessary for the parent company to stand down from third party payables. The parent company has issued a declaration of support for this.

### 2 Uncertainty in the recognition and measurement

The company's investment property is measured at fair value, as at 30 September 65 mio. kr. The fair value is calculated on the basis of a number of assumptions of which there may be some uncertainties.

|  | <u>2018/19</u><br>DKK    | <u>2017/18</u><br>TDKK |
|--|--------------------------|------------------------|
| <b>3 Staff costs</b>                     |                          |                        |
| Average number of employees              | <u>0</u>                 | <u>0</u>               |
| <b>4 Financial costs</b>                 |                          |                        |
| Interest paid to subsidiaries            | 571.931                  | 0                      |
| Other financial costs                    | <u>1.099.166</u>         | <u>1.689</u>           |
|  | <u><b>1.671.097</b></u>  | <u><b>1.689</b></u>    |
| <b>5 Tax on profit/loss for the year</b> |                          |                        |
| Deferred tax for the year                | <u>-1.039.130</u>        | <u>6.070</u>           |
|  | <u><b>-1.039.130</b></u> | <u><b>6.070</b></u>    |

## Notes

### 6 Assets measured at fair value

|   | <u>Investment pro-<br/>perties</u> |
|---|------------------------------------|
| Cost at 1 October 2018                      | <u>28.916.195</u>                  |
| Cost at 30 September 2019                   | <u>28.916.195</u>                  |
| Revaluations at 1 October 2018              | 39.315.364                         |
| Revaluations for the year                   | <u>-3.231.559</u>                  |
| Revaluations at 30 September 2019           | <u>36.083.805</u>                  |
| <b>Carrying amount at 30 September 2019</b> | <b><u><u>65.000.000</u></u></b>    |

#### **Disclosure of the assumptions underlying fair value calculations of assets and liabilities**

The property is assessed by external validator at DKK 65.000.000 based on the selling price of comparable trades.

The valuation is based on a square meter price of DKK 69.188.

The valuation is sensitive to the general price development of high end properties.



## Notes

### 7 Equity

|                                    | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u>             |
|------------------------------------|----------------------|--------------------------|--------------------------|
| Equity at 1 October 2018           | 50.000               | 21.520.141               | 21.570.141               |
| Net profit/loss for the year       | 0                    | -3.808.343               | -3.808.343               |
| <b>Equity at 30 September 2019</b> | <b><u>50.000</u></b> | <b><u>17.711.798</u></b> | <b><u>17.761.798</u></b> |

### 8 Contingent liabilities

The company is jointly taxed with its parent company, Wacam Investments ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

### 9 Mortgages and collateral

The Company has issued mortgage deeds registered to the mortgagor of a total of DKK 45.000.000, which is charged to the above property. Of this, mortgage deeds registered to the mortgagor of a total of DKK 17.000.000 are deposited as security for debt