

# Risskov Brynet III K/S

c/o Taurus Ejendomsadministration, Skovvejen 11 st , 8000 Aarhus C.

Limited Partnership reg. no. 38 88 12 05

## Annual report

1 January - 31 December 2019

The annual report have been submitted and approved by the general meeting:

Date: 20 April 2020

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Tatyana Boger  
Chairman of the meeting

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## Management's report

The management has today presented the annual report of Risskov Brynet III K/S for the financial year 1 January - 31 December 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the Limited Partnerships assets and liabilities and its financial position as on 31 December 2019 and of the Limited Partnerships results of its financial activities in the financial year 1 January - 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Aarhus, 20 April 2020

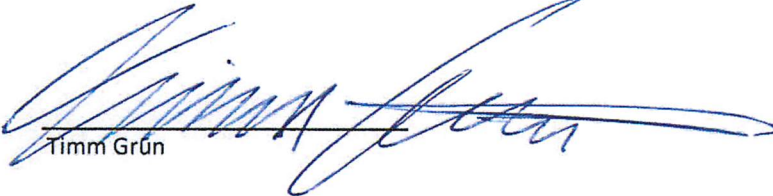
**Strandholmen Holdco GP acting in its capacity as manager of Risskov Brynet III K/S.**



Tatyana Boger



Jane Pascual



Timm Grün

# Independent auditor's report

To the shareholders of Risskov Brynet III K/S

## Opinion

We have audited the financial statements of Risskov Brynet III K/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet 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 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.

## 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 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.

## Independent auditor's report

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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 20 April 2020

## **ERNST & YOUNG**

Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Kaare K. Lendorf

State Authorised  
Public Accountant  
mne33819

## Company data

**The Limited Partnership**

RISSKOV BRYNET III K/S  
c/o Taurus Ejendomsadministration  
Skovvejen 11 st  
8000 Aarhus C

Limited Partnership reg. no. 38 88 12 05  
Financial year: 1 January - 31 December 2019

**Executive board**

Strandholmen Holdco GP S.a.r.l. represented by  
Jane Pascual  
Tatyana Boger  
Timm Grün

**Auditors**

Ernst & Young Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
Postboks 250  
2000 Frederiksberg

**Parent company**

Strandholmen HoldCo S.á.r.l.  
Luxembourg

## Management's review

### **Primary activities**

Like previous years, the purpose of the Limited Partnership is to buy and operate real estate.

### **Development in activities and financial matters**

The gross profit for the year is t.DKK 4.019 against t.DKK 2.987 last year. The results for the year are t.DKK -2.105 against t.DKK -2.047 last year. The management consider the results satisfactory.

### **Events after the balance sheet date**

In the beginning of 2020 the coronavirus outbreak (COVID-19) did have significant impact on the world economic. The COVID-19 outbreak can potentially impact future- cash-flows and property valuations for real estate companies. The company's realised the operations as planned in Q1 2020.

The lessee in the company's residential investment property could also impacted of the COVID-19 outbreak. However, it is expected that the lessee will continue to pay rent in accordance with the lease agreements.

No other events have occurred after the balance sheet date that materially affect the company's financial position.



## Accounting policies used

The annual report for Risskov Brynet III K/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the Limited Partnership has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### The profit and loss account

#### Gross profit

The gross profit comprises of rental income, operating costs and other external costs.

Rental income comprises income from the lease of property and from charged joint costs, and it is recognised in the profit and loss account for the period relating to the lease payment. Income from the heating account is recognised in the balance sheet as a balance among the lessees.

Operating costs include costs directly associated with the operation of the property, repair and maintenance, taxes and other costs that are not paid by the tenant .

Other external costs comprise costs for administration and loss on debtors.

#### Income from equity investments in group enterprises

The proportionate share of the individual group enterprises' profit/loss is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

#### Depreciation

Depreciation comprise depreciation related to tangible fixed assets.

#### Net financials

Net financials comprise interest, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### The balance sheet

#### Tangible fixed assets

Investment property is measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated. The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues. If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use. Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Buildings	30 years	20 %

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.



### **Impairment of non-current assets**

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is tested annually for evidence of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Impairment losses on goodwill are not reversed.

### **Financial fixed assets**

#### **Equity investments in group enterprises**

Equity investments in group enterprises and associates are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group enterprises with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

#### **Receivables**

Debtors and amounts owed by group enterprises are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

#### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### **Available funds**

Available funds comprise cash at bank and in hand.

#### **Equity**

##### **Share premium**

Share premium comprises amounts paid as premium in connection with the issue of shares. Costs in connection with a carried through issue are deducted in the premium. The premium reserve may be utilised as dividend, issue of bonus shares, and for payment of losses.

#### **Liabilities**

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost. Mortgage debt and bank debt are measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Liabilities relating to investment properties are measured at amortised cost.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

#### **Corporate tax and deferred tax**

The Limited Partnership is not subject to taxation.

## Profit and loss account

	Note	2019 DKK	2018 t.DKK
<b>Gross profit</b>		<b>4.018.789</b>	<b>2.987</b>
Depreciation relating to tangible fixed assets		-2.436.707	-1.421
<b>Operating profit</b>		<b>1.582.082</b>	<b>1.566</b>
Income from equity investments in group enterprises		-862.497	-709
Other financial costs	1	-2.824.335	-2.904
<b>Results for the year</b>		<b>-2.104.750</b>	<b>-2.047</b>
<b>Proposed distribution of the results:</b>			
Extraordinary dividend adopted during the financial year		5.847.075	0
Allocated from results brought forward		-7.951.825	-2.047
<b>Distribution in total</b>		<b>-2.104.750</b>	<b>-2.047</b>

## Balance sheet 31 December

Assets	Note	2019 DKK	2018 t.DKK
Investment properties	2	103.643.651	106.080
<b>Tangible fixed assets in total</b>		<b>103.643.651</b>	<b>106.080</b>
Equity investments in group enterprises	3	29.249.047	30.112
<b>Financial assets in total</b>		<b>29.249.047</b>	<b>30.112</b>
<b>Fixed assets in total</b>		<b>132.892.698</b>	<b>136.192</b>
<b>Current assets</b>			
Other debtors		222.266	0
Prepayments		291.355	174
<b>Receivables in total</b>		<b>513.621</b>	<b>174</b>
Available funds		567.705	5.435
<b>Current assets in total</b>		<b>1.081.326</b>	<b>5.609</b>
<b>Assets in total</b>		<b>133.974.024</b>	<b>141.801</b>

## Balance sheet 31 December

### Equity and liabilities

	Note	2019 DKK	2018 t.DKK
<b>Equity</b>			
Contributed capital		1.000.000	1.000
Share premium account		27.342.000	27.342
Results brought forward		-10.041.425	-2.090
<b>Equity in total</b>		<b>18.300.575</b>	<b>26.252</b>
<b>Liabilities</b>			
Mortgage debt	4	63.914.311	63.882
Debt to group enterprises	5	42.017.615	42.018
<b>Long-term liabilities in total</b>		<b>105.931.926</b>	<b>105.900</b>
Prepayments and deposits received from customers		2.149.610	2.287
Trade creditors		353.078	696
Accrued interest to group enterprises	5	572.599	0
Debt to group enterprises	5	6.666.235	6.666
<b>Short-term liabilities in total</b>		<b>9.741.522</b>	<b>9.649</b>
<b>Liabilities in total</b>		<b>115.673.448</b>	<b>115.549</b>
<b>Equity and liabilities in total</b>		<b>133.974.024</b>	<b>141.801</b>
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## Statement of changes in equity

In DKK

	Contributed capital	Share premium account	Results brought forward	In total
Equity at 1 January 2018	1.000.000	0	-41.909	958.091
Cash capital increase 2018	0	27.342.000		27.342.000
Profit or loss for the year brought forward 2018	0	0	-2.047.690	-2.047.690
<b>Equity 1 January 2019</b>	<b>1.000.000</b>	<b>27.342.000</b>	<b>-2.089.600</b>	<b>26.252.400</b>
Distributed extraordinary dividend adopted during the financial year 2019	0	0	-5.847.075	-5.847.075
Profit or loss for the year brought forward 2019	0	0	-2.104.750	-2.104.750
<b>Equity 31 December 2019</b>	<b>1.000.000</b>	<b>27.342.000</b>	<b>-10.041.425</b>	<b>18.300.575</b>

## Notes

	2019 DKK	2018 t.DKK
<b>1. Other financial costs</b>		
Financial costs, group enterprises	2.290.398	1.260
Other financial costs	533.937	1.644
	<b>2.824.335</b>	<b>2.904</b>
<b>2. Investment properties</b>		
Cost 1 January	107.501.770	87.527
Additions during the year	0	20.333
Disposals during the year	0	-359
<b>Cost 31 December</b>	<b>107.501.770</b>	<b>107.501</b>
Depreciation and writedown 1 January	-1.421.412	0
Depreciation for the year	-2.436.707	-1.421
<b>Depreciation and writedown 31 December</b>	<b>-3.858.119</b>	<b>-1.421</b>
<b>Book value 31 December</b>	<b>103.643.651</b>	<b>106.080</b>
<b>3. Equity investments in group enterprises</b>		
Cost 1 January	30.839.645	100
Additions during the year	0	30.740
<b>Costs 31 December</b>	<b>30.839.645</b>	<b>30.840</b>
Value adjustment 1 January	-728.101	-19
Loss for the year	-862.497	-709
<b>Value adjustment 31 December</b>	<b>-1.590.598</b>	<b>-728</b>
<b>Book value 31 December</b>	<b>29.249.047</b>	<b>30.112</b>

## Notes

	2019 DKK	2018 t.DKK
<b>4. Mortgage debt</b>		
Mortgage debt in total	63.914.311	63.882
Share of amount due within 1 year	<u>0</u>	<u>0</u>
	<b>63.914.311</b>	<b>63.882</b>
Share of liabilities due after 5 year	65.000.000	65.000
<b>5. Debt to group enterprises</b>		
Debt to group enterprises long-term	42.017.615	42.018
Debt to group enterprises short-term	<u>7.238.834</u>	<u>0</u>
Debt to group enterprises total	<b>49.256.449</b>	<b>42.018</b>
Share of liability due after 5 years	42.017.615	42.018

### **6. Mortgage and securities**

As security for mortgage debts, t.DKK 63.914, mortgage security of 65.000 t.kr has been granted on investment properties representing a book value of t.DKK 103.644 at 31 December 2019.

### **7. Related parties**

#### **Controlling interest**

Strandholmen HoldCo S. á. r. l.  
General Partner  
Luxembourg