

## **Matr. nr. 2055 A/S**

**Vigerslev Allé 77**

**2500 Valby**

**CVR no. 38 88 18 76**

**Annual report for 2019**

Adopted at the annual general  
meeting on 30 April 2020

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Per Henrik Jensen  
chairman

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## Company details

Matr. nr. 2055 A/S  
Vigerslev Allé 77  
2500 Valby

CVR-no. 38 88 18 76

Financial year: 1 January - 31 December 2019

Domicile: Copenhagen

### Board of directors

Naja Eilers Barrisøe, chairman  
Morten Holle  
Sander Fynboe

### Executive Board

Per Henrik Jensen

### Auditors

ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
2000 Frederiksberg

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

The executive management and board of directors have today discussed and approved the annual report of Matr. nr. 2055 A/S 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 company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

In our 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.

Valby, 30 April 2020

### **Executive Management**

Per Henrik Jensen

### **Board of directors**

Naja Eilers Barrisøe  
chairman

Morten Holle

Sander Fynboe

## **Independent auditor's report**

### ***To the shareholder of Matr. nr. 2055 A/S***

#### **Opinion**

We have audited the financial statements of Matr. nr. 2055 A/S for the financial year 1 January - 31 December 2019, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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 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 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.

#### **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 the 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.

## Independent auditor's report

### 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 judgment and maintain professional skepticism 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

## **Independent auditor's report**

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 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 Financial Statements Act.

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.

Copenhagen, 30 April 2020

ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Kennet Hartmann  
State Authorised Public Accountant  
MNE no. mne40036

## **Management's review**

### **Business activities**

Matr. nr. 2025 A/S owns the property Vigerslev Allé 77, Valby. The purpose of the company is to rent out and develop the property.

### **Business review**

The company's income statement for the year ended 31 December shows a profit of TDKK 9,614, and the balance sheet at 31 December 2019 shows equity of TDKK 85,163.

### **Significant events occurring after end of reporting period**

In early 2020, the COVID-19 outbreak is escalating globally and impacting communities and businesses as well as financial markets negatively. The outbreak is considered a subsequent event, which has not impacted the financial position of the Company at 31 December 2019.

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



## Accounting policies

The annual report of Matr. nr. 2055 A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

### Basis of recognition and measurement

Income is recognised in the income statement in step with being earned, while costs are recognised at the amount related to the financial year.

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.

### 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 cashflow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

## Income statement

### Gross profit

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

Gross profit comprised revenue and other external expenses.

## Accounting policies

### Revenue

Revenue from rental services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

### Depreciation of tangible assets

Depreciation relating to tangible assets comprise depreciations for the financial year, calculated on the basis of the residual values and useful lives of the individual assets.

### Financial income and costs

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, exchange gains and losses on foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### Tax for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

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.

# Accounting policies

## Balance sheet

### Tangible assets

Items of land and buildings are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	25 years

The useful life and residual value of the company's property are reassessed annually.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### Income tax and deferred tax

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.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

## Accounting policies

### Liabilities

Payables to credit institutions, etc. are recognised at the amount of proceeds received at the date of borrowing, net of transaction costs paid. In subsequent periods the financial liabilities are measured at amortised costs using 'the effective interest method', the difference between the proceeds and the nominal value therefore being recognised in the Income statement under financial expenses over the term of the loan.

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

## Income statement 1 January - 31 December

	Note	2019 TDKK	2018 TDKK
<b>Gross profit</b>		<b>13,761</b>	<b>13,728</b>
Depreciation of tangible assets	1	<u>0</u>	<u>-10,313</u>
<b>Profit/loss before net financials</b>		<b>13,761</b>	<b>3,415</b>
Financial income	2	241	0
Financial costs	3	<u>-1,676</u>	<u>-1,906</u>
<b>Profit/loss before tax</b>		<b>12,326</b>	<b>1,509</b>
Tax for the year	4	<u>-2,712</u>	<u>-332</u>
<b>Profit/loss for the year</b>		<b><u>9,614</u></b>	<b><u>1,177</u></b>
Retained earnings		<u>9,614</u>	<u>1,177</u>
		<b><u>9,614</u></b>	<b><u>1,177</u></b>

## Balance sheet 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>Assets</b>			
Land and buildings		409,424	409,074
<b>Tangible assets</b>	5	<u>409,424</u>	<u>409,074</u>
<b>Total non-current assets</b>		<u>409,424</u>	<u>409,074</u>
Receivables from Group Companies		1,438	4,186
<b>Receivables</b>		<u>1,438</u>	<u>4,186</u>
<b>Total current assets</b>		<u>1,438</u>	<u>4,186</u>
<b>Total assets</b>		<u><u>410,862</u></u>	<u><u>413,260</u></u>

## Balance sheet 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>Equity and liabilities</b>			
Share capital		10,000	10,000
Retained earnings		<u>75,163</u>	<u>65,549</u>
<b>Equity</b>		<u><b>85,163</b></u>	<u><b>75,549</b></u>
Deferred tax	6	<u>46,748</u>	<u>46,748</u>
<b>Total provisions</b>		<u><b>46,748</b></u>	<u><b>46,748</b></u>
Mortgage loans		<u>257,650</u>	<u>272,842</u>
<b>Total non-current liabilities</b>	7	<u><b>257,650</b></u>	<u><b>272,842</b></u>
Mortgage loans	7	15,157	15,000
Payables to affiliated companies		2,182	0
Corporation tax		2,712	2,231
Other payables		<u>1,250</u>	<u>890</u>
<b>Total current liabilities</b>		<u><b>21,301</b></u>	<u><b>18,121</b></u>
<b>Total liabilities</b>		<u><b>278,951</b></u>	<u><b>290,963</b></u>
<b>Total equity and liabilities</b>		<u><u><b>410,862</b></u></u>	<u><u><b>413,260</b></u></u>
Contingent assets and liabilities	8		
Mortgages and collateral	9		
Related parties and ownership structure	10		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2019	10,000	65,549	75,549
Net profit/loss for the year	0	9,614	9,614
<b>Equity at 31 December 2019</b>	<b>10,000</b>	<b>75,163</b>	<b>85,163</b>

Share capital, TDKK 10,000, was paid at the establishment of the company 25th of August 2017.

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity 1. januar 2018	10,000	64,372	74,372
Net profit/loss for the year	0	1,177	1,177
<b>Equity 31. december 2018</b>	<b>10,000</b>	<b>65,549</b>	<b>75,549</b>



## Notes

### 1 Depreciation of tangible assets

Depreciation tangible assets	0	10,313
	<u>0</u>	<u>10,313</u>

### 2 Financial income

	2019 TDKK	2018 TDKK
Exchange adjustments	241	0
	<u>241</u>	<u>0</u>

### 3 Financial costs

	2019 TDKK	2018 TDKK
Interest on mortgage loan	1,330	1,496
Exchange adjustments costs	346	410
	<u>1,676</u>	<u>1,906</u>

### 4 Tax for the year

Current tax for the year	2,712	2,231
Adjustment of deferred tax	0	-1,899
	<u>2,712</u>	<u>332</u>

## Notes

### 5 Tangible assets

	Land and buildings
	<small>TDKK</small>
Cost at 1 January 2019	429,700
Additions for the year	350
Cost at 31 December 2019	430,050
Impairment losses and depreciation at 1 January 2019	20,626
Impairment losses and depreciation at 31 December 2019	20,626
<b>Carrying amount at 31 December 2019</b>	<b>409,424</b>

### 6 Deferred tax

Provision for deferred tax at 1 January 2019	46,748	48,647
Adjustment of deferred tax	0	-1,899
<b>Provision for deferred tax at 31 December 2019</b>	<b>46,748</b>	<b>46,748</b>
Property, plant and equipment	46,748	46,748
	<b>46,748</b>	<b>46,748</b>

## Notes

### 7 Mortgage loans

	2019 TDKK	2018 TDKK
<b>Mortgage loans</b>		
After 5 years	197,024	212,549
Between 1 and 5 years	60,626	60,293
Non-current portion	257,650	272,842
Within 1 year	15,157	15,000
	<b>272,807</b>	<b>287,842</b>

### 8 Contingent assets and liabilities

The company is part of a Danish joint taxation scheme for which FLSmidth & Co. A/S is the administrator. As part of the joint taxation, Matr. nr. 2055 A/S is liable with other companies in the joint taxation scheme for Danish corporate taxes on dividend, interest and royalties within the joint taxation group.

### 9 Mortgages and collateral

Land and building with a carrying amount of MDKK 409 have been put up as security for a mortgage debt amounting to MDKK 272.

### 10 Related parties and ownership structure

FLSmidth & Co. A/S, Denmark owns 100% of the shares of Matr. nr. 2055 A/S.

Matr. nr. 2055 A/S is a fully consolidated subsidiary in the consolidated financial statements (largest and smallest group), FLSmidth & Co. A/S, Valby Copenhagen, CVR no. 58180912.

The Group Annual Report 2019 is available on [www.flsmidth.com](http://www.flsmidth.com):  
<https://www.flsmidth.com/en-gb/company/investors/downloads/reports-and-presentations>