BEIERHOLM
VI SKABER BALANCE

StandbyCo II ApS

Uggerhalnevej 80, 9310 Vodskov
CVR no. 39 69 07 99

Annual report
for the financial year 01.07.19 - 30.06.20

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 25.11.20

Morten Bradsted Nielsen
Dirigent

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Company information etc.

Company's

StandbyCo II ApS
Uggerhalnevej 80
9310 Vodskov
Registered office: Aalborg
CVR no.: 39 69 07 99
Financial year: 01.07 - 30.06

Executive Board

direktør Morten Bradsted Nielsen
adm. direktør Lars Andreas Helgstrand

Board of Directors

Kaspar Ronald Kristiansen
Niels Thomas Heering
Kasper Tams Kitaj

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.07.19 - 30.06.20 for StandbyCo II ApS.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of company's assets, liabilities and financial position as at 30.06.20 and of the results of company's activities for the financial year 01.07.19 - 30.06.20.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Vodskov, November 25, 2020

Executive Board

Morten Bradsted Nielsen direktør	Lars Andreas Helgstrand adm. direktør

Board of Directors

Kaspar Ronald Kristiansen Chairman	Niels Thomas Heering	Kasper Tams Kitaj

To the capital owner of StandbyCo II ApS

Opinion

We have audited the financial statements of StandbyCo II ApS for the financial year 01.07.19 - 30.06.20, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 30.06.20 and of the results of the company's operations for the financial year 01.07.19 - 30.06.20 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement regarding the 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 Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 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 International Standards on Auditing 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 International Standards on Auditing 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.

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.

Soeborg, Copenhagen, November 25, 2020

Beierholm
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Agner Hansen
State Authorized Public Accountant
MNE-no. mne28682

Primary activities

Company's activities comprise to own shares, directly or indirectly, in companies that trade, provide service and operate in the industy and other business related hereto.

Development in activities and financial affairs

The income statement for the period 01.07.19 - 30.06.20 shows a profit/loss of DKK -75,435,030 against DKK 2,027,381 for the period 02.07.18 - 30.06.19. The balance sheet shows equity of DKK 368,604,052.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2019/20 DKK	02.07.18 30.06.19 DKK
	Gross result	**4,093,755**	**-2,706,088**
1	Staff costs	-4,562,377	-1,954,784
	Loss before depreciation, amortisation, write-downs and impairment losses	**-468,622**	**-4,660,872**
2	Income from equity investments in group enterprises	-53,332,025	24,312,662
	Financial income	557,422	0
	Financial expenses	-26,532,135	-20,732,637
	Loss before tax	**-79,775,360**	**-1,080,847**
3	Tax on profit or loss for the year	4,340,330	3,108,228
	Profit/loss for the year	**-75,435,030**	**2,027,381**

Proposed appropriation account

Reserve for net revaluation according to the equity method	-36,024,364	24,312,662
Retained earnings	-39,410,666	-22,285,281
Total	**-75,435,030**	**2,027,381**

Balance sheet

ASSETS

Note		30.06.20 DKK	30.06.19 DKK
4	Equity investments in group enterprises	698,979,708	747,824,364
4	Other investments	2,000,050	0
	Total investments	**700,979,758**	**747,824,364**
	Total non-current assets	**700,979,758**	**747,824,364**
	Receivables from group enterprises	52,002,011	1,321,641
	Deferred tax asset	4,340,330	0
	Income tax receivable	0	3,108,228
	Other receivables	5,075,748	0
	Prepayments	311,030	0
	Total receivables	**61,729,119**	**4,429,869**
	Cash	**2,446,808**	**65,204**
	Total current assets	**64,175,927**	**4,495,073**
	Total assets	**765,155,685**	**752,319,437**

Balance sheet

EQUITY AND LIABILITIES

Note		30.06.20 DKK	30.06.19 DKK
	Share capital	1,000,000	1,000,000
	Reserve for net revaluation according to the equity method	0	36,024,364
	Retained earnings	367,604,052	407,014,719
	Total equity	**368,604,052**	**444,039,083**
5	Other payables	297,110,582	307,525,597
	Total long-term payables	**297,110,582**	**307,525,597**
	Trade payables	1,653	154,186
	Payables to group enterprises	98,542,713	110,690
	Other payables	885,685	489,881
	Deferred income	11,000	0
	Total short-term payables	**99,441,051**	**754,757**
	Total payables	**396,551,633**	**308,280,354**
	Total equity and liabilities	**765,155,685**	**752,319,437**

6 Contingent liabilities
7 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Share premium	Reserve for net revaluation according to the equity method	Retained earnings	Total equity
Statement of changes in equity for 02.07.18 - 30.06.19					
Net effect of changed accounting policies	0	0	11,711,702	0	11,711,702
Adjusted balance as at 02.07.18	0	0	11,711,702	0	11,711,702
Capital contributed on establishment	50,000	0	0	0	50,000
Capital increase	950,000	429,300,000	0	0	430,250,000
Transfers to/from other reserves	0	-429,300,000	0	429,300,000	0
Net profit/loss for the year	0	0	24,312,662	-22,285,281	2,027,381
Balance as at 30.06.19	1,000,000	0	36,024,364	407,014,719	444,039,083
Statement of changes in equity for 01.07.19 - 30.06.20					
Balance as at 01.07.19	1,000,000	0	29,722,084	407,014,718	437,736,802
Net effect of changed accounting policies	0	0	6,302,280	0	6,302,280
Adjusted balance as at 01.07.19	1,000,000	0	36,024,364	407,014,718	444,039,082
Net profit/loss for the year	0	0	-36,024,364	-39,410,666	-75,435,030
Balance as at 30.06.20	1,000,000	0	0	367,604,052	368,604,052

	2019/20 DKK	02.07.18 30.06.19 DKK

1. Staff costs

Wages and salaries	3,693,823	1,945,292
Other social security costs	9,940	4,260
Other staff costs	858,614	5,232
Total	4,562,377	1,954,784
Average number of employees during the year	3	3

2. Income from equity investments in group enterprises

Share of profit or loss of group enterprises	10,585,412	80,240,420
Amortisation of goodwill	-63,917,437	-55,927,758
Total	-53,332,025	24,312,662

3. Tax on profit or loss for the year

Tax on profit or loss for the year	0	-3,108,228
Adjustment of deferred tax for the year	-4,340,330	0
Total	-4,340,330	-3,108,228

4. Investments

Figures in DKK	Equity investments in group enterprises	Other investments
Cost as at 01.07.19	711,800,000	0
Additions during the year	80,000	2,000,050
Cost as at 30.06.20	711,880,000	2,000,050
Revaluations as at 01.07.19	36,024,364	0
Amortisation of goodwill	-63,917,437	0
Net profit/loss from equity investments	10,585,411	0
Revaluations as at 30.06.20	-17,307,662	0
Negative equity value impaired in receivables	4,407,370	0
Depreciation and impairment losses as at 30.06.20	4,407,370	0
Carrying amount as at 30.06.20	698,979,708	2,000,050
The item comprises goodwill as at 30.06.20 of	519,544,562	0

Name and registered office:	Ownership interest
Subsidiaries:	
Ejendomsselskabet Helgstrand ApS, Danmark	100%
Helgstrand Dressage ApS, Danmark	100%
Helgstrand Denmark ApS, Danmark	100%
Helgstrand Global Properties ApS, Danmark	100%
Equestrian Ventures ApS, Danmark	100%

5. Long-term payables

Figures in DKK	Outstanding debt after 5 years	Total payables at 30.06.20	Total payables at 30.06.19
Other payables	297,110,582	297,110,582	307,525,597
Total	297,110,582	297,110,582	307,525,597

6. Contingent liabilities

Recourse guarantee commitments

The company has provided a guarantee whereby the guarantor assumes primary liability for group enterprises' debt to credit institutions. The guarantee is maximised at DKK 203,500k. The group enterprises' debt to the credit institutions concerned amounts to DKK 134,110k at the balance sheet date.

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

7. Related parties

Company's is included in the consolidated financial statements of the parent StandbyCo I ApS, Danmark.

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 112 of the Danish Financial Statements Act, company's has not prepared consolidated financial statements. Company's is a subsidiary of StandbyCo I ApS, Danmark, CVR no. 39 69 07 48, which prepares consolidated financial statements.

Change in accounting policies

Company's has changed its accounting policies in the following areas:

Change in the accounting policies of a subsidiary

The subsidiary Helgstrand Dressage ApS has changed its accounting policies regarding measurement of inventory.

As at 30.06.20, equity investments in subsidiaries are positively impacted by the change by DKK 27,722k. The change in accounting policy has a positive impact of DKK 9,708k on the net profit for the financial year 01.07.19 - 30.06.20. The change has a positive impact of DKK 6,302k on the net profit for the financial year 01.07.18 - 30.06.19. As at 30.06.20, equity is increased by DKK 27,722k and the balance sheet total is increased by DKK 27,722k.

Except for the areas mentioned above, the accounting policies have been applied consistently with the previous year.

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 depreciation, amortisation, impairment losses and write-downs, 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 company's, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from company's, and the value of such liabilities can be measured reliably. On initial

8. Accounting policies - continued -

recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

INCOME STATEMENT

Gross result

Gross result comprises other operating income and other external expenses.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Income from equity investments in group entreprises

For equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

8. Accounting policies - continued -

Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

Company's is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Equity investments in group entreprises

Equity investments in subsidiaries are recognised and measured according to the equity method, meaning that these equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of positive or negative goodwill and gains and losses on transactions with the enterprises in question.

Gains or losses on the divestment of subsidiaries are determined as the difference between the divestment consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

8. Accounting policies - continued -

If company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Other investments

Equity investments that are not classified as group enterprises or associates and which are not traded in an active market are measured in the balance sheet at cost.

Cash

Cash includes deposits in bank accounts as well as operating cash.

8. Accounting policies - continued -

Equity

The net revaluation of equity investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

8. Accounting policies - continued -

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.