
DHL Copenhagen Hub Denmark A/S

Kystvejen 24, DK-2770 Kastrup

Annual Report for 13 November 2018 - 31 December 2019

CVR No 40 02 82 93

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
14/9 2020

Steven Alexander Den
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	4
Financial Statements	
Income Statement 13 November 2018 - 31 December 2019	5
Balance Sheet 31 December 2019	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of DHL Copenhagen Hub Denmark A/S for the financial year 13 November 2018 - 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 financial position at 31 December 2019 of the Company and of the results of the Company operations for 2018/19.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kastrup, 14 September 2020

Executive Board

Steven Alexander Den
CEO

Shakeela Aslam

Per Stokholm Petersen

Board of Directors

Atli Freyr Einarsson
Chairman

Charlotte Schubart

Steven Alexander Den

Independent Auditor's Report

To the Shareholder of DHL Copenhagen Hub Denmark A/S

Opinion

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 13 November 2018 - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DHL Copenhagen Hub Denmark A/S for the financial year 13 November 2018 - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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.

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 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 judgement and maintain professional scepticism throughout the

Independent Auditor's Report

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.

Hellerup, 14 September 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant
mne28703

Anders Røjleskov
State Authorised Public Accountant
mne28699

Company Information

The Company

DHL Copenhagen Hub Denmark A/S
Kystvejen 24
DK-2770 Kastrup

CVR No: 40 02 82 93

Financial period: 13 November 2018 - 31 December 2019

Financial year: 1st financial year

Municipality of reg. office: Tårnby

Board of Directors

Atli Freyr Einarsson, Chairman
Charlotte Schubart
Steven Alexander Den

Executive Board

Steven Alexander Den
Shakeela Aslam
Per Stokholm Petersen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 13 November 2018 - 31 December 2019

	<u>Note</u>	<u>2018/19</u> DKK
Gross profit/loss		3,219,873
Depreciation of property, plant and equipment	4	<u>-903,854</u>
Profit/loss before financial income and expenses		2,316,019
Financial expenses	5	<u>-1,846,211</u>
Profit/loss before tax		469,808
Tax on profit/loss for the year	6	<u>-104,157</u>
Net profit/loss for the year		<u>365,651</u>

Distribution of profit

Proposed distribution of profit

Retained earnings	<u>365,651</u>
	<u>365,651</u>

Balance Sheet 31 December 2019

Assets

	<u>Note</u>	<u>2019</u> DKK
Land and buildings		26,211,777
Property, plant and equipment in progress		<u>121,737,760</u>
Property, plant and equipment	7	<u>147,949,537</u>
Fixed assets		<u>147,949,537</u>
Trade receivables		376,929
Other receivables		474,641
Prepayments		<u>409,217</u>
Receivables		<u>1,260,787</u>
Cash at bank and in hand		<u>1,513,404</u>
Currents assets		<u>2,774,191</u>
Assets		<u>150,723,728</u>

Balance Sheet 31 December 2019

Liabilities and equity

	<u>Note</u>	<u>2019</u> DKK
Share capital		500,000
Retained earnings		365,651
Equity		<u>865,651</u>
Provision for deferred tax		104,157
Provisions		<u>104,157</u>
Lease obligations		25,801,852
Long-term debt	8	<u>25,801,852</u>
Lease obligations	8	464,468
Trade payables		568,682
Payables to group enterprises		122,918,918
Short-term debt		<u>123,952,068</u>
Debt		<u>149,753,920</u>
Liabilities and equity		<u>150,723,728</u>
Subsequent events	1	
Key activities	2	
Contingent assets, liabilities and other financial obligations	9	
Related parties	10	
Accounting Policies	11	

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 13 November 2018	0	0	0
Cash payment concerning formation of entity	500,000	0	500,000
Net profit/loss for the year	0	365,651	365,651
Equity at 31 December 2019	500,000	365,651	865,651

Notes to the Financial Statements

1 Subsequent events

The outbreak of Covid-19 and the actions taken by governments across the world to mitigate the effects, will have a great impact on the global economy. Management considers the implications of Covid-19 as a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the company. Management has not subsequently identified any remeasurement of assets and liabilities.

Management assesses that Covid-19 will not have any material impact on the Company's revenue and earnings, and assesses that the capital resources of the Company are sufficient.

2 Key activities

The Company's activities are terminal based logistics solutions at Copenhagen Airport.

	<u>2018/19</u> DKK
3 Staff expenses	
Average number of employees	<u>0</u>
4 Depreciation of property, plant and equipment	
Depreciation of property, plant and equipment	<u>903,854</u>
	<u>903,854</u>
5 Financial expenses	
Interest paid to group enterprises	671,302
Other financial expenses	<u>1,174,909</u>
	<u>1,846,211</u>
6 Tax on profit/loss for the year	
Current tax for the year	0
Deferred tax for the year	<u>104,157</u>
	<u>104,157</u>

Notes to the Financial Statements

7 Property, plant and equipment

	Land and buildings <u>DKK</u>	Property, plant and equipment in progress <u>DKK</u>
Cost at 13 November 2018	0	0
Additions for the year	<u>27,115,631</u>	<u>121,737,760</u>
Cost at 31 December 2019	<u>27,115,631</u>	<u>121,737,760</u>
Impairment losses and depreciation at 13 November 2018	0	0
Depreciation for the year	<u>903,854</u>	<u>0</u>
Impairment losses and depreciation at 31 December 2019	<u>903,854</u>	<u>0</u>
Carrying amount at 31 December 2019	<u>26,211,777</u>	<u>121,737,760</u>
Including right-of-use assets amounting to	<u>26,211,777</u>	<u>0</u>

8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2019</u> DKK
Lease obligations	
After 5 years	23,725,350
Between 1 and 5 years	<u>2,076,502</u>
Long-term part	25,801,852
Within 1 year	<u>464,468</u>
	<u>26,266,320</u>

Notes to the Financial Statements

9 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DHL Express (Denmark) A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

No other liabilities have been identified.

10 Related parties

Basis

Consolidated Financial Statements

The Company's direct parent, DHL Express (Denmark) A/S, does not prepare consolidated financial statements pursuant to section 112(1) of the Danish Financial Statements Act.

<u>Name</u>	<u>Place of registered office</u>
DHL Express (Denmark) A/S, direct parent	Jydekrogen 14, DK-2625 Vallensbæk

The Company's ultimate parent, which prepares consolidated financial statements into which the Company is incorporated as a subsidiary, is Deutsche Post AG.

The Group Annual Report may be obtained at the following address:

Deutsche Post AG
Charles-de-Gaulle-Strasse 20
DE 53105 Bonn
Germany

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of DHL Copenhagen Hub Denmark A/S 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 Financial Statements for 2018/19 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

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

Leases

The Company uses IFRS 16 when measuring and recognizing leases.

Leases are recognised at present value of the right of use received and liabilities for the payment obligations entered into for all leases in the balance sheet.

Lease payments are discounted at the implicit interest rate underlying the lease to the extent that this can be determined. Otherwise, discounting is at the incremental borrowing rate.

Right-of-use assets are measured at cost, which comprises the following:

- lease liability;
- lease payments made at or prior to delivery, less lease incentives received;
- initial direct costs and
- restoration obligations.

Right-of-use assets are depreciated over the term of the lease using the straightline method, normally a depreciation period of 30 years.

The Company has used the relief options provided for leases of low-value assets and short-term leases (shorter than twelve months) and expense the payments in the income statement according to the

Notes to the Financial Statements

11 Accounting Policies (continued)

straight-line method.

Extension and termination options exist for a number of leases, particularly for real estate. Such contract terms offer the Company the greatest possible flexibility in doing business. In determining lease terms, all facts and circumstances offering economic incentives for exercising extension options or not exercising termination options are taken into account. Changes due to the exercise or non-exercise of such options are considered in determining the lease term only if they are sufficiently probable.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

The Company uses IFRS 15 when measuring and recognizing revenue.

Revenue is recognised when control over the services transfers to the customer, i.e. when the customer has the ability to control the use of services provided. The revenue corresponds to the transaction price to which the Company is expected to be entitled.

Revenue for provision of logistic services is recognised in the reporting period in which the service was rendered.

For each performance obligation, revenue is either recognised at a certain time or over a certain period of time.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

11 Accounting Policies (continued)

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

Depreciation and impairment losses

Depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

DHL Express (Denmark) A/S acts as the management Company in the Tax Group. Provision for and payment of the aggregate Danish tax of the taxable income of the Danish subsidiaries are made by DHL Express (Denmark) A/S.

Notes to the Financial Statements

11 Accounting Policies (continued)

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	30 years
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Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

11 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.