

PADKPP ApS

c/o Cobblestone A/S
Gammel Køge Landevej 57, 3., 2500 Valby

CVR no. 40 08 68 11

Annual report 2018/19

(As of the establishment of the Company 12 December 2018 - 31 December 2019)

Approved at the Company's annual general meeting on 23 June 2020

Chairman:


.....
Louise Hertz





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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of PADKPP ApS for the financial year as of the establishment of the Company 12 December 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 of the Company at 31 December 2019 and of the results of the Company's operations for the financial year as of the establishment of the Company 12 December 2018 - 31 December 2019.


Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 23 June 2020
Executive Board:


Louise Hertz

Board of Directors:


Keld Jessen
Chairman
Nathalie Marion-Denise
Winkelmann
Vjaceslav Wilhelm
Louise Hertz

Independent auditor's report

To the shareholders of PADKPP ApS

Opinion

We have audited the financial statements of PADKPP ApS for the financial year as of the establishment of the Company 12 December 2018 - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity 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 as of the establishment of the company 12 December 2018 - 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 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 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 the 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 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.

Independent auditor's report

- ▶ 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 23 June 2020
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Kaare K. Lendorf
State Authorised Public Accountant
mne33819

Management's review

Company details

Name	PADKPP ApS
Address, Postal code, City	c/o Cobblestone A/S Gammel Køge Landevej 57, 3., 2500 Valby
CVR no.	40 08 68 11
Established	12 December 2018
Financial year	12 December 2018 - 31 December 2019
Board of Directors	Keld Jessen, Chairman Nathalie Marion-Denise Winkelmann Vjaceslav Wilhelm Louise Hertz
Executive Board	Louise Hertz
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The company's purpose is to operate as holding company by owning investments in enterprises that buy and possess real estate both directly and through a company.

Financial review

The income statement for 2018/19 shows a loss of DKK 3,165 thousand, and the balance sheet at 31 December 2019 shows equity of DKK 46,608 thousand. The financial performance is as expected for the financial year.

Events after the balance sheet date

The coronavirus outbreak (COVID-19) has had a significant impact on the world economy in the beginning of 2020.

The COVID-19 outbreak might have a potential effect on the Company's business processes and the valuation of investments in group enterprises.

The Company's realized results are generally in line with the expectations for Q1 2020.

Furthermore, no other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements for the period 12 December 2018 - 31 December 2019

Income statement

Note	2018/19 13 months DKK'000
Gross loss	-85
Income from investments in group enterprises	-3,080
Profit/loss for the year	<u>-3,165</u>
Recommended appropriation of profit/loss	
Retained earnings/accumulated loss	<u>-3,165</u>



Financial statements for the period 12 December 2018 - 31 December 2019

Balance sheet

Note	2018/19 DKK'000
ASSETS	
Fixed assets	
3 Investments	
Investments in group enterprises	42,152
	<u>42,152</u>
Total fixed assets	<u>42,152</u>
Non-fixed assets	
Receivables	
Receivables from group enterprises	17
Other receivables	10,000
	<u>10,017</u>
Cash	<u>4,465</u>
Total non-fixed assets	<u>14,482</u>
TOTAL ASSETS	<u><u>56,634</u></u>

Financial statements for the period 12 December 2018 - 31 December 2019

Balance sheet

Note	2018/19 DKK'000
EQUITY AND LIABILITIES	
Equity	
Share capital	50
Share premium account	49,723
Retained earnings	-3,165
Total equity	46,608
Liabilities other than provisions	
Current liabilities other than provisions	
Other payables	10,026
	10,026
Total liabilities other than provisions	10,026
TOTAL EQUITY AND LIABILITIES	56,634

- 1 Accounting policies
- 2 Staff costs
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral

Financial statements for the period 12 December 2018 - 31 December 2019

Statement of changes in equity

DKK'000	<u>Share capital</u>	<u>Share premium account</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50	0	0	50
Capital increase	0	49,723	0	49,723
Transfer through appropriation of loss	0	0	-3,165	-3,165
Equity at 31 December 2019	50	49,723	-3,165	46,608

Financial statements for the period 12 December 2018 - 31 December 2019

Notes to the financial statements

1 Accounting policies

The annual report of PADKPP ApS for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Income statement

Gross loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross loss in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Profit/loss from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements for the period 12 December 2018 - 31 December 2019

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Financial statements for the period 12 December 2018 - 31 December 2019

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements for the period 12 December 2018 - 31 December 2019

Notes to the financial statements

2 Staff costs

The Company has no employees.

3 Investments

DKK'000	Investments in group enterprises
Cost at 12 December 2018	0
Additions	45,232
Cost at 31 December 2019	45,232
Impairment losses	-3,080
Value adjustments at 31 December 2019	-3,080
Carrying amount at 31 December 2019	42,152

Name	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries			
Tegholmen, Byggefelt B Holding ApS	100.00%	421	-27

4 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities.

5 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2019.