



Prins Henriks Skoles Ejendomsfond

Rolighedsvej 39, st.
1858 København K
CVR No. 40175415

Annual report 01.04.2020 - 31.03.2021

The Annual General Meeting adopted the
annual report on 23.08.2021

Anders Torbøl

Chairman of the General Meeting

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Entity details

Entity

Prins Henriks Skoles Ejendomsfond
Rolighedsvej 39, st.
1858 København K

Business Registration No.: 40175415
Registered office: København
Financial year: 01.04.2020 - 31.03.2021

Board of Directors

Anders Torbøl, formand
Henrik Løvendahl Jørgensen
Sébastien Persson Delus
Sébastien Rea Bliaut
Pierre-Francois Riolacci
Peter Møller
Pierre Yves Jullien
Gitte Andersen

Executive Board

Per Anker Hansen, direktør

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Prins Henriks Skoles Ejendomsfond for the financial year 01.04.2020 - 31.03.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2021 and of the results of its operations for the financial year 01.04.2020 - 31.03.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 23.08.2021

Executive Board

Per Anker Hansen
direktør

Board of Directors

Anders Torbøl
formand

Henrik Løvendahl Jørgensen

Sébastien Persson Delus

Sébastien Rea Bliaut

Pierre-Francois Riolacci

Peter Møller

Pierre Yves Jullien

Gitte Andersen

Independent auditor's report

To the shareholders of Prins Henriks Skoles Ejendomsfond

Opinion

We have audited the financial statements of Prins Henriks Skoles Ejendomsfond for the financial year 01.04.2020 - 31.03.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.03.2021 and of the results of its operations for the financial year 01.04.2020 - 31.03.2021 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 23.08.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Sten Peters

State Authorised Public Accountant
Identification No (MNE) mne11675

Management commentary

Primary activities

The purpose of the foundation is to support education on a charitable, non-profit basis in accordance with the objectives of the French school legislation adapted to the Danish school legislation so that it can both form the basis for further education in Denmark and in France, as it happens at the independent institution Prince Henrik's School, hereafter referred to as Prince Henrik's School.

The purpose of the fund is primarily sought to be realized by constructing, maintaining, expanding, and appropriate buildings and teaching facilities for Prince Henrik's school.

Description of material changes in activities and finances

The result of the year was a profit of 116 t.kr. The balance of the company shows total assets of 226.099 t.DKK and an equity of 120.760 t.DKK.

The foundation has started a project which aims to build a new school in order to support the existing school. At the time of status there has been 28,8 mio. kr. of costs in connection to the project, as it is expected that the project will be completed in 2023.

Statutory report on foundation governance

Section 77a of the Financial Statements Act, which is covered by the Commercial Foundations Act (Lov om erhvervsdrivende fonde) states that foundations must include a report by the board of directors on foundation governance, cf. section 60 of the Commercial Foundations Act, in the management commentary or in the notes. According to section 60 of the Commercial Foundations Act the report contains information on how the commercial foundation has addressed the Recommendations.

1.1 It is recommended that the board of directors adopt guide-lines for external communication, including who can make public statements on behalf of the foundation and on what matters. The guidelines should address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information.

- The foundation is following the recommendation

2.1.1 It is recommended that, in order to secure the activities of the commercial foundation in accordance with the purposes and interests of the foundation, at least once a year the board of directors take a position on the overall strategy and distribution policy of the foundation on the basis of the articles of association.

- The foundation is following the recommendation

2.2.1 It is recommended that the chairman of the board of directors organise, convene and chair meetings of the board of directors in order to ensure effective board work and to establish the best conditions for the work of the board members individually and collectively.

- The foundation is following the recommendation

2.2.2 It is recommended that if, in addition to the position as chairman, in exceptional circumstances, the chairman of the board of directors is requested to perform specific operating functions for the commercial

foundation, a board resolution be passed which ensures that the board of directors retains its independent, overall management and control function. Appropriate allocation of responsibilities should be ensured between the chairman, the vice-chairman, the other members of the board of directors and the executive board, if any.

- The foundation is following the recommendation

2.3.1 It is recommended that the board of directors regularly assess and stipulate the competences that the board of directors is to possess in order to perform the tasks incumbent upon the board of directors as well as possible.

- The foundation is following the recommendation

2.3.2 It is recommended that, with due respect of any right in the articles of association to make appointments, the board of directors ensures a structured, thorough and transparent process for selection and nomination of candidates for the board of directors.

- The foundation is following the recommendation

2.3.3 It is recommended that members of the board of directors are appointed on the basis of their personal qualities and competences taking into account the collective competences of the board and when composing and nominating new members of the board the need for introducing new talent is weighed against the need for continuity and the need for diversity is considered in relation to commercial and grants experience, age and gender.

- The foundation is following the recommendation

2.3.4 It is recommended that in the management review in the annual report and on the commercial foundation's website, there is an account of the composition of the board of directors, including its diversity, and that the following information is provided on each board member:

- the name and position of the member,
- the age and gender of the member,
- date of original appointment to the board whether the member has been reelected, and expiry of the current election period,
- any special competences possessed by the member,
- other managerial positions held by the member, including positions on executive boards, boards of directors and supervisory boards and board committees in Danish and foreign foundations, enterprises and institutions, as well as other demanding organisation tasks,
- whether the member has been appointed by authorities/providers of grants etc., and
- whether the member is considered independent.

- The foundation is currently not following the recommendation in its whole. The foundation will relate to the recommendation in detail the next annual report.

The foundation explains:

The board of directors has not found the recommendation relevant, as a result of its limited societal influence.

2.3.5 It is recommended that the majority of the members of the board of directors of the commercial foundation are not also members of the board of directors or executive board of the foundation's subsidiary(ies), unless it is

a fully owned actual holding company.

- The foundation is following the recommendation

The foundation explains:

The board of directors believes that it is best to keep a joint management in the short period of time, that the foundation has had a subsidiary.

2.4.1 It is recommended that an appropriate proportion of the board of directors be independent.

If the board of directors (excluding employee representatives) is composed of up to four members, at least one member should be independent. If the board of directors is composed of between five and eight members, at least two members should be independent. If the board of directors is composed of nine to eleven members, at least three members should be independent, and so on.

To be considered independent, this person may not:

- be or within the past three years have been member of the executive board, or senior employee in the foundation, or a subsidiary or associated company to the foundation,
- within the past five years have received larger emoluments, including distributions or other benefits from the foundation/group or a subsidiary or associated company to the foundation in other capacity than as member of the board of directors or executive board of the foundation,
- within the past year have had a significant business relationship (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management of companies with corresponding connection) with the foundation/group or a subsidiary or associated company of the foundation,
- be or within the past three years have been employed or partner at the external auditor,
- have been a member of the board of directors or executive board of the foundation for more than 12 years,
- have close relatives with persons who are not considered as independent,
- is the founder or a significant donor if the purpose of the foundation is to grant support to this person's family or others who are especially close to this person, or
- a member of the management of an organisation, another foundation or similar, which receives or repeatedly within the past five years have received significant donations from the foundation.

- The foundation is following the recommendation

2.5.1 It is recommended that members of the board of directors be appointed for a minimum period of two years and a maximum period of four years.

- The foundation is following the recommendation

2.5.2 It is recommended that an age limit for members of the board of directors be set, which is published in the management review or on the foundation's website.

- The foundation is following the recommendation

2.6.1 It is recommended that the board of directors establish an evaluation procedure in which the board of directors, the chairman and the contributions and performance of individual members are evaluated annually and the result is discussed by the board of directors.

- The foundation is following the recommendation

2.6.2 It is recommended that once a year the board of directors evaluate the work and performance of the executive board and/or the administrator (where relevant) in accordance with predefined clear criteria.

- The foundation is following the recommendation

3.1. It is recommended that the members of the board of directors of commercial foundations be remunerated with a fixed remuneration and that members of a possible executive board be remunerated with a fixed remuneration, possibly combined with a bonus which should not be dependent upon accounting results. The remuneration should reflect the work and responsibilities consequential to the position.

- The foundation is following the recommendation in regards to the direction. The board of directors is not receiving remuneration.

3.2 It is recommended that the annual financial statements provide information about the full remuneration received by each member of the board of directors and executive board (if relevant) from the commercial foundation and from other enterprises in the group. Furthermore there should be information on any other remuneration which members of the board of directors, except for employee representatives, have received for performing tasks for the foundation, subsidiaries of the foundation or enterprises in the same group as the foundation.

- The foundation is following the recommendation.

Statutory report on distribution policy

Up to and including the financial year, the fund has not had the funds to make distributions in accordance with the articles of association, why no distributions have been made in 2020/21.

Events after the balance sheet date

After the balance sheet date the foundation has concluded a sales agreement regarding the sale of the school buildings at Værnedamsvej. The sales proceeds from this sale has together with the donations and the loan financing agreed to by Danske Bank enabled the foundation to enter into a purchase agreement for the purchase of the land at Rolighedsvej, and adopt the project for the construction of the new school described in the Local Plan 223 for Rolighedsvej Bycampus.

The demolition of the existing buildings has started, and the construction will start in October 2021. The new school will be build according to the newest standards for indoor climate, light etc. It will contain 11.200 sqm, and should be able to house up to 1.200 pupils. It is planned to be completed in the last half of 2023. The school will be able to use the new sports center, also described in the Local Plan 223, which Frederiksberg Kommune will establish as neighbour to the school.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Gross profit/loss		2,964,658	2,466,540
Staff costs	1	(280,625)	(232,703)
Operating profit/loss		2,684,033	2,233,837
Other financial expenses		(1,226,984)	(1,017,011)
Profit/loss before tax		1,457,049	1,216,826
Tax on profit/loss for the year	2	(322,169)	(520,750)
Profit/loss for the year		1,134,880	696,076
Proposed distribution of profit and loss			
Retained earnings		1,134,880	696,076
Proposed distribution of profit and loss		1,134,880	696,076

Balance sheet at 31.03.2021

Assets

	Notes	2020/21 DKK	2019/20 DKK
Investment property		223,755,982	211,251,011
Property, plant and equipment	3	223,755,982	211,251,011
Deposits		102,788	69,188
Financial assets		102,788	69,188
Fixed assets		223,858,770	211,320,199
Other receivables		1,085,730	160,590
Prepayments		368,272	279,376
Receivables		1,454,002	439,966
Cash		786,214	0
Current assets		2,240,216	439,966
Assets		226,098,986	211,760,165

Equity and liabilities

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital		300,000	300,000
Retained earnings		120,171,940	119,037,060
Equity		120,471,940	119,337,060
Deferred tax		35,969,000	35,646,831
Provisions		35,969,000	35,646,831
Mortgage debt		64,717,480	31,975,826
Non-current liabilities other than provisions	4	64,717,480	31,975,826
Current portion of non-current liabilities other than provisions	4	1,977,475	2,021,494
Bank loans		0	21,287,623
Deposits		1,149,999	1,149,999
Trade payables		1,723,850	233,050
Other payables		77,664	97,415
Deferred income		11,578	10,867
Current liabilities other than provisions		4,940,566	24,800,448
Liabilities other than provisions		69,658,046	56,776,274
Equity and liabilities		226,098,986	211,760,165
Contingent liabilities	5		
Assets charged and collateral	6		

Statement of changes in equity for 2020/21

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	300,000	2,568,229	2,868,229
Changes in accounting policies	0	116,468,831	116,468,831
Adjusted equity, beginning of year	300,000	119,037,060	119,337,060
Profit/loss for the year	0	1,134,880	1,134,880
Equity end of year	300,000	120,171,940	120,471,940

Notes

1 Staff costs

	2020/21 DKK	2019/20 DKK
Wages and salaries	960,000	800,000
Pension costs	140,000	116,667
Other social security costs	4,372	3,536
Other staff costs	1,253	0
	1,105,625	920,203
Staff costs classified as assets	(825,000)	(687,500)
	280,625	232,703
Average number of full-time employees	1	1

In regards to the process of building the new property, 75% of the total staff costs has been capitalized as a part of the cost for the property in progress.

No fees or remuneration have been paid to the Board of Directors for 2020/21 and 2019/20. The Executive Board's remuneration is not disclosed, as there is only one Executive Board member.

2 Tax on profit/loss for the year

	2020/21 DKK	2019/20 DKK
Change in deferred tax	322,169	520,750
	322,169	520,750

3 Property, plant and equipment

	Investment property DKK
Cost beginning of year	74,341,827
Additions	12,504,971
Cost end of year	86,846,798
Fair value adjustments beginning of year	(13,716,291)
Effect on changes in accounting policies	150,625,475
Fair value adjustments end of year	136,909,184
Carrying amount end of year	223,755,982

The company owns an investment property on Værnedamsvej 13, which is rented to the self-owned institution Prins Henriks Skole. The property is valued at fair value at the balance sheet date on the basis of a sale agreement with the transfer of the property in 2023. The property has a book value of 195.000 T.DKK. at the

balance sheet date.

Furthermore the foundation has started a project which aims to build a new school in order to support the existing school. It assesment that the fair value of the investment property under construction is not reliably measurable but expects the fair value of the property to be reliably measurable when construction is complete. For this reason the investment property is measured at cost until the construction is completed and it possible to measure the fair value reliably. The property under construction has a book value of 28.756 T.DKK at the balance sheet date.

4 Non-current liabilities other than provisions

	Due within 12 months 2020/21 DKK	Due within 12 months 2019/20 DKK	Due after more than 12 months 2020/21 DKK	Outstanding after 5 years 2020/21 DKK
Mortgage debt	1,977,475	2,021,494	64,717,480	60,247,177
	1,977,475	2,021,494	64,717,480	60,247,177

5 Contingent liabilities

	2020/21 DKK
Recourse and non-recourse guarantee commitments	100,553,328
Contingent liabilities	100,553,328

Contingent liabilities consist of work guarantees for suppliers.

6 Assets charged and collateral

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 70.530.000 nominal.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

This annual report has been presented in accordance with the provisions of the Greenlandic Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

Changes in accounting policies

The Entity has changed its accounting policies with regard to the recognition and measurement of land and buildings, so that these are now recognized and measured as investment properties at fair value.

Land and buildings has previously been measured at cost less accumulated depreciation and impairment losses. The accounting policies has been changed as management considers this to give a more true and fair view.

The comparative figures have been restated following the change in accounting policies., which had the following effect:

- The profit and loss statement before the correction composed of a profit before tax of 17 T.DKK, which now consists of a profit before tax of 1.217 T.DKK. Furthermore the change had a tax effect of 264 T.DKK.
- The assets before the correction amounted to a total of 62.441 T.DKK., which has been changed to 211.760. Furthermore the change had a tax effect of 32.850 T.DKK.
- The Equity before the correction amounted to a total of 2.868 T.DKK, which has now been changed to 119.337 T.DKK.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made and the risk has been passed 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 Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Other financial expenses

Other financial expenses comprise interest expenses, including amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investment property

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by applying a signed sales contract.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.