



**WPC DF III Denmark ApS**

Holbergsgade 14  
1057 København K  
CVR No. 40223037

**Annual report 28.01.2019 -  
31.12.2019**

The Annual General Meeting adopted the  
annual report on 29.07.2020

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**Gregory Mark Butchart**  
Chairman of the General Meeting

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# Entity details

## Entity

WPC DF III Denmark ApS

Holbergsgade 14

1057 København K

CVR No.: 40223037

Registered office: København

Financial year: 28.01.2019 - 31.12.2019

## Executive Board

Martin Vestergaard, Manager

Gregory Mark Butchart, Manager

Ole Meier Sørensen, direktør

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

# Statement by Management

The Management have today considered and approved the annual report of WPC DF III Denmark ApS for the financial year 28.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 28.01.2019 - 31.12.2019.

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

We recommend to the Annual General Meeting that the financial statements for the next financial year not be audited.

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

Copenhagen, 29.07.2020

## Executive Board

**Martin Vestergaard**  
Manager

**Gregory Mark Butchart**  
Manager

**Ole Meier Sørensen**  
direktør

# Independent auditor's report

## To the shareholders of WPC DF III Denmark ApS

### Opinion

We have audited the financial statements of WPC DF III Denmark ApS for the financial year 28.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 28.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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, 29.07.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Torben Skov**

State Authorised Public Accountant  
Identification No (MNE) mne19689

# Management commentary

## Primary activities

The Company's primary activities is investment, ownership, administration and development of properties and any business related hereto.

## Development in activities and finances

The company has earned a profit of 10,765 t.DKK.

## Uncertainty relating to recognition and measurement

Investment property are measured at fair value. The fair value is calculated for the properties based on a number of assumptions, including budgeted net income of the property as well stipulated return requirements thereof in the description of accounting policies.

The return requirement is set so it considers to reflect the market current return requirements on similar properties. There are significant uncertainties in the determination of the return requirements, cf. discussion of this in the financial statements note.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. The outbreak and the spreading of the COVID-19 disease in early 2020 has not and is not expected to have any material impact on the Entity's financial position and development.



# Income statement for 2019

	Notes	2019 DKK
Revenue		365,569
Other external expenses		(118,627)
<b>Gross profit/loss</b>		<b>246,942</b>
Financial expenses from group enterprises		(430,126)
Other financial expenses	2	(739,168)
<b>Profit/loss before fair value adjustments and tax</b>		<b>(922,352)</b>
Fair value adjustment of investment properties		14,724,027
<b>Profit/loss before tax</b>		<b>13,801,675</b>
Tax on profit/loss for the year	3	(3,036,387)
<b>Profit/loss for the year</b>		<b>10,765,288</b>
<b>Proposed distribution of profit and loss:</b>		
Retained earnings		10,765,288
<b>Proposed distribution of profit and loss</b>		<b>10,765,288</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK
Investment property		74,700,000
<b>Property, plant and equipment</b>	4	<b>74,700,000</b>
<b>Fixed assets</b>		<b>74,700,000</b>
Trade receivables		91,392
Other receivables		3,290,779
Prepayments		53,922
<b>Receivables</b>		<b>3,436,093</b>
<b>Current assets</b>		<b>3,436,093</b>
<b>Assets</b>		<b>78,136,093</b>

**Equity and liabilities**

	Notes	2019 DKK
Contributed capital		50,000
Retained earnings		10,769,288
<b>Equity</b>		<b>10,819,288</b>
Deferred tax		3,036,387
<b>Provisions</b>		<b>3,036,387</b>
Bank loans		55,000,706
Trade payables		1,499,586
Payables to group enterprises		7,780,126
<b>Current liabilities other than provisions</b>		<b>64,280,418</b>
<b>Liabilities other than provisions</b>		<b>64,280,418</b>
<b>Equity and liabilities</b>		<b>78,136,093</b>

Uncertainty relating to recognition and measurement

1

# Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Contributed upon formation	50,000	4,000	0	54,000
Transferred from share premium	0	(4,000)	4,000	0
Profit/loss for the year	0	0	10,765,288	10,765,288
<b>Equity end of year</b>	<b>50,000</b>	<b>0</b>	<b>10,769,288</b>	<b>10,819,288</b>

# Notes

## 1 Uncertainty relating to recognition and measurement

Investment property has a net value of t.DKK 74,700 in the annual report. Investment property is measured at fair value. The fair value is calculated for the property based on a number of assumptions, including budgeted net income of the property as well stipulated return requirements thereof in the description of accounting policies. The return requirements are set so that they are considered to reflect the market's current return requirements on similar properties. There are significant uncertainties in the determination of the return requirements.

## 2 Other financial expenses

	2019 DKK
Other interest expenses	514,168
Other financial expenses	225,000
	<b>739,168</b>

## 3 Tax on profit/loss for the year

	2019 DKK
Change in deferred tax	3,036,387
	<b>3,036,387</b>

## 4 Property, plant and equipment

	Investment property DKK
Additions	59,975,973
<b>Cost end of year</b>	<b>59,975,973</b>
Fair value adjustments for the year	14,724,027
<b>Fair value adjustments end of year</b>	<b>14,724,027</b>
<b>Carrying amount end of year</b>	<b>74,700,000</b>

The company's investment properties consist of one mixed property, which is located in Vojens. The property is rented out for business and is per 31.12.2019 fully rented. Investment properties are, according to the description of accounting policies measured at fair value. The property is traded in 2020 and is per 31.12.2019 measured to the trade value. Based on the current valuation the property generates a return of 5.6%. Increasing the required rate of return by 0.5% will result in a reduction in the property value of 5.987 t.DKK.

# 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.

The accounting policies applied to these financial statements are described below.

## Non-comparability

It is the company's first financial year, why there is not comparative numbers incorporated.

## 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

### Revenue

Revenue consists of rental income. Rental income is recognized in the income statement when delivery to the buyer has taken place. Net sales are recognized exclusive of VAT, taxes and discounts in connection with the rent and is measured at the fair value of the stipulated consideration.

### 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.

### Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies,

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 the yield-based model as the calculated value in use of expected cash flows from each property. The calculation is based on budgeted net earnings for the next year that has been adjusted to normal earnings, and using a required yield rate that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

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.

### **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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

### **Other financial liabilities**

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