

APMH INVEST VI A/S ANNUAL REPORT 2019

First accounting period
6 June-31 December 2019



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COMPANY INFORMATION

APMH Invest VI A/S
Esplanaden 50
1263 Copenhagen

AUDITOR
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Homepage: www.apmoller.com
Business Registration No.: 40 56 96 42
Founded: 6 June 2019

OWNER
APMH Invest VI A/S is 100% owned by
APMH Invest A/S

BOARD OF DIRECTORS
Jan Thorsgaard Nielsen (Chairman)
Maria Aagaard Pejter
Martin Nørkjær Larsen

EXECUTIVE BOARD
Samir Abboud



MANAGEMENT REVIEW

In June 2019, APMH Invest VI A/S was founded by APMH Invest A/S. This report covers the first accounting period is 6 June-31 December 2019.

The purpose of the company is to act as an investment company for APMH Invest A/S by investing in Danish and foreign assets. The company is established by group contribution.

PROFIT/LOSS FOR THE YEAR

Loss for the year after tax amounted to DKK 505,418.

The result for the year is proposed distributed to retained earnings. No dividend is proposed for 2019.

As of 31 December 2019, the equity amounted to DKK 46,851,909.

OUTLOOK FOR 2020

For 2020, a net loss is expected due to the continuing development of the geothermal energy project in our subsidiary, APMH Invest IV A/S.

The company's profit will essentially come from the share of profit of its future activities in the subsidiary APMH Invest IV A/S, which have not yet been decided.



INCOME STATEMENT FOR 6 JUNE TO 31 DECEMBER

Note	Amounts in DKK	2019
	Share of profit in subsidiaries	-455,356
1	Other external expenses	-16,250
	Loss before financial items	-471,606
	Other financial expenses	-33,812
	Loss before tax	-505,418
	Tax on loss for the year	0
	Net loss for the year	-505,418
	Retained earnings	-505,418
	Net loss for the year	-505,418



BALANCE SHEET AS OF 31 DECEMBER

Assets

Note	Amounts in DKK	2019
	Fixed assets	
2	Investments in subsidiaries	41,901,971
	Total fixed assets	41,901,971
	Current assets	
	Cash and bank balances	4,963,063
	Total current assets	4,963,063
	Total assets	46,865,034

Equity and Liabilities

Note	Amounts in DKK	2019
	Equity	
3	Share capital	15,000,000
	Retained earnings	31,851,909
	Total equity	46,851,909
	Other payables	13,125
	Total short-term debt	13,125
	Total liabilities	13,125
	Total equity and liabilities	46,865,034

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STATEMENT OF CHANGES IN EQUITY

Amounts in DKK	Share capital	Reserve for net re-valuation under the equity method	Retained earnings	Total
Contribution on formation 6 June 2019	15,000,000	0	32,357,327	47,357,327
Net loss for the year	0	0	-505,418	-505,418
Equity as of 31 December 2019	15,000,000	0	31,851,909	46,851,909

Note 1: Other external expenses

Apart from the Executive Board, APMH Invest VI A/S had no employees in 2019. No remuneration has been paid to the Executive Board and Board of Directors.

Note 2: Investment in subsidiaries

APMH Invest VI A/S owns 100% of the share capital in APMH Invest IV A/S. The ambition of APMH Invest IV A/S is to introduce geothermal energy on a large scale initially in Denmark, and hereby support the green transformation of heating sources to district heating solutions. The project is still under development. The development of the geothermal energy project will continue and negotiations of a heat delivery contract is expected to be finalised within 2020.

The profit will essentially come from the share of the profit of the company's future activities. The outcome is uncertain.

Note 3: Share capital

The share capital is nominal DKK 15,000,000, divided into shares of nominal DKK 1 each.

Note 4: Related parties

APMH Invest A/S holds 100% of the company's share capital and the controlling interest on the company.

The company has not entered into any transactions with related parties that were not on an arm's length basis.

CONSOLIDATED FINANCIAL STATEMENTS

APMH Invest VI A/S is included in the consolidated financial statements for A.P. Møller Holding A/S, Copenhagen, Denmark, Business Registration No 25 67 92 88. The consolidated financial statements of A.P Møller Holding A/S can be required at www.cvr.dk.

Note 5: Contingent liabilities

The company is included in national joint taxation with Danish companies in the A.P. Møller Holding group. The company is jointly and severally liable for the payment of taxes and withholding tax.

Note 6: Guarantees

As required by the Danish Energy Agency according to the Danish Subsoil Act, the company has issued unlimited parent company guarantees on behalf of its wholly-owned subsidiary APMH Invest IV A/S in connection with the subsidiary's receipt of subsurface licenses related to exploration and production of geothermal energy for district heating in Aalborg and Aarhus.

Note 6: Events after the balance sheet date

No events of importance to the Annual Report have occurred during the period from the balance sheet date until the presentation of the financial statements.

Note 7: Accounting policies

The Financial Statements for 2019 for APMH Invest VI A/S have been prepared on a going concern basis and in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with a selection of certain rules from reporting class C.

With reference to section 110 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

It is the company's first financial year.

The financial statements are presented in DKK.

Note 6: Accounting policies - continued

INCOME STATEMENT

Share of profit/loss in subsidiaries

Share of profit/loss in subsidiaries is recognised net of tax and corrected for the share of unrealised intra-group gains and losses.

Expenses

Other external expenses comprise expenses for administration, office supplies, etc.

Tax

Tax comprises an estimate of current and deferred income tax, as well as adjustments to previous years of those.

Tax is recognised in the income statement to the extent it arises from items recognised in the income statement.

BALANCE SHEET

Investment in subsidiaries

Investment in subsidiaries and associates are accounted for under the equity method. The investments are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses of the investee, and the company's share of movements in equity of the investee. Dividends received or receivable from subsidiaries and associates are recognised as a reduction in the carrying amount of the investment.

When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the company and its subsidiaries are eliminated in full. Unrealised gains on transactions between the company and its associates are eliminated to the extent of the group's interest in these entities.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

Unrealised gains on transactions between the company and its subsidiaries are eliminated in full. Unrealised gains on transactions between the company are eliminated to the extent of the group's interest in these entities.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

Cash

Cash comprises cash in bank deposits.

Liabilities

Other financial liabilities are measured at amortised cost, substantially corresponding to nominal value.

OTHER AREAS

Business combinations under common control

Business combinations under common control are accounted for at carrying values using predecessor accounting i.e. pooling of interest when the entity acquired has been under control of another member of the same group company before the acquisition. A difference between the carrying value and the consideration paid are recognised directly in equity. Comparative information is restated as if the acquired entity has always been owned by the company.



MANAGEMENT'S STATEMENT

Copenhagen, 15 April 2020

Executive Board

Samir Abboud

Board of Directors

Jan Thorsgaard Nielsen
Chairman

Maria Aagaard Pejter

Martin Nørkjær Larsen

The Executive Board and Board of Directors have today considered and adopted the Annual Report of APMH Invest VI A/S for the financial year 6 June–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's operations for 2019.

In our opinion, Management Review includes a true and fair account of the development in the operations and financial circumstances of the company, of the results for the year and of the financial position of the company as well as a description of the most significant risks and elements of uncertainty facing the company.

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

INDEPENDENT AUDITOR'S REPORT

To the shareholder of APMH Invest VI 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 6 June-31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of APMH Invest VI A/S for the financial year 6 June-31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

STATEMENT ON MANAGEMENT REVIEW

Management is responsible for Management Review.

Our opinion on the financial statements does not cover Management 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 Review and, in doing so, consider whether Management 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 Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management Review 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 in Management Review.

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 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.

Copenhagen, 15 April 2020

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Thomas Wraae Holm
State Authorised Public Accountant
MNE-number 30141