



IETP III Redstone DK K/S

Scherfigsvej 10, st. th
2100 Copenhagen Ø
CVR No. 43527959

Annual report 21.09.2022 - 31.12.2023

The Annual General Meeting adopted the annual
report on 07.05.2024

Thomas Bentzen
Chairman of the General Meeting

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Entity details

Entity

IETP III Redstone DK K/S
Scherfigsvej 10, st. th
2100 Copenhagen Ø

Business Registration No.: 43527959
Registered office: Copenhagen
Financial year: 21.09.2022 - 31.12.2023

Executive Board in IWC Evergreen III GP ApS

Thomas Bentzen
Morten Stadil
Søren Damgaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of IETP III Redstone DK K/S for the financial year 21.09.2022 - 31.12.2023.

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 31.12.2023 and of the results of its operations for the financial year 21.09.2022 - 31.12.2023.

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, 07.05.2024

On behalf of IWC Evergreen III GP ApS

Thomas Bentzen

Morten Stadil

Søren Damgaard

Independent auditor's report

To the shareholders of IETP III Redstone DK K/S

Opinion

We have audited the financial statements of IETP III Redstone DK K/S for the financial year 21.09.2022 - 31.12.2023, 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 31.12.2023 and of the results of its operations for the financial year 21.09.2022 - 31.12.2023 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 07.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant
Identification No (MNE) mne30131

Rasmus Grynderup Kiær Steffensen

State Authorised Public Accountant
Identification No (MNE) mne44143

Management commentary

Primary activities

IETP III Redstone DK K/S was established in 2022. The purpose of the Company is to carry out long term sustainable forestry investments in established markets.

Description of material changes in activities and finances

Total profit for the year amounts to USD 1,329,768. The management consider the result satisfactory.

The economic development is primarily influenced by financial expenses and the adjustment of fair value in the underlying investments.

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.

Income statement for 2022/23

	Notes	2022/23 USD
Other external expenses		(16,564)
Gross profit/loss		(16,564)
Income from investments in group enterprises		3,207,555
Other financial expenses		(1,861,223)
Profit/loss for the year		1,329,768
Proposed distribution of profit and loss:		
Retained earnings		1,329,768
Proposed distribution of profit and loss		1,329,768

Balance sheet at 31.12.2023

Assets

	Notes	2022/23 USD
Investments in group enterprises		24,038,555
Financial assets	1	24,038,555
Fixed assets		24,038,555
Assets		24,038,555

Equity and liabilities

	Notes	2022/23 USD
Contributed capital		5,345,000
Retained earnings		1,329,768
Equity		6,674,768
Payables to group enterprises		16,035,000
Non-current liabilities other than provisions	2	16,035,000
Payables to group enterprises		1,319,820
Other payables		8,967
Current liabilities other than provisions		1,328,787
Liabilities other than provisions		17,363,787
Equity and liabilities		24,038,555
Employees	3	
Contingent liabilities	4	

Statement of changes in equity for 2022/23

	Contributed capital USD	Retained earnings USD	Total USD
Equity beginning of year	0	0	0
Contributed upon formation	5,345,000	0	5,345,000
Profit/loss for the year	0	1,329,768	1,329,768
Equity end of year	5,345,000	1,329,768	6,674,768

Notes

1 Financial assets

	Investments in group enterprises USD
Additions	21,380,000
Cost end of year	21,380,000
Fair value adjustments	3,207,555
Other adjustments	(549,000)
Revaluations end of year	2,658,555
Carrying amount end of year	24,038,555

Fixed asset investments comprise of investments in group enterprises.
The fair market value can be very volatile and is described in the management commentary.

2 Non-current liabilities other than provisions

	Due after more than 12 months 2022/23 USD
Payables to group enterprises	16,035,000
	16,035,000

3 Employees

The Entity has no employees other than the Executive Board. The Executive Board has not received any remuneration.

4 Contingent liabilities

There are no contingent liabilities of the Entity.

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 a few provisions for reporting class C.

The annual report is presented in USD, as this is the currency used for the majority of transactions for the Company.

Consolidated financial statements

Referring to section 110 (1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including audit fee, legal cost, and GP cost.

Income from investments in group enterprises

Income from investments in group enterprises comprises adjustments for the financial year of the Entity's investment assets measured as fair value at the balance sheet date.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method, which is consistent to fair value. The equity value is compiled at balance sheet date and is based on audited financial statements, since equity of the investments is the closest to fair value.

Group enterprises with negative equity value are measured at USD 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover liabilities of the relevant enterprise.

Investments in group enterprises consist of equity investments in equity funds allocated to these funds' internal holding companies.

Unrealised and realised fair values of financial assets are recognised in the income statement as income from group enterprises.

Recognition and measurement of investments are in compliance with the requirements of the IFRS and are presented in accordance with the ILPA guidelines, which has not made any impact in the income statement or balance sheet.

Other financial liabilities

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