

Residence de Monbrison A/S

Lyngbyvej 20, 2100 København Ø

CVR no. 12 89 43 92

Annual report 2021/22

Approved at the Company's annual general meeting on 14 October 2022

Chairman:



Thomas Akselsen

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Statement by Management

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Residence de Monbrison A/S for the financial year 1 April 2021– 31 March 2022.

The annual report has been 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 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Copenhagen, 14 October 2022

Executive Board:



Thomas Akselsen

Board of Directors:



Kim Stengaard Holmsted
Chairman

Finn Trunk Black



Nikolaj Venstrup

Statement by Management

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Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.


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


Copenhagen, 14 October 2022


Executive Board:


Thomas Alxelson

Board of Directors:


Kim Storgaard Holmslæd
Chairman


Finn Trunk Bæk


Nikolaj Venstrup

Independent auditor's report

To the shareholder of Residence de Monbrison A/S

Opinion

We have audited the financial statements of Residence de Monbrison A/S for the financial year 1 April 2021 – 31 March 2022 which comprise an income statement, balance sheet, statement of changes in equity, 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 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022 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 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' 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.

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. Management is also responsible for such internal control that 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 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 14 October 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Kim Thomsen
State Authorised
Public Accountant
mne26736

Management's review

Company details

Residence de Monbrison A/S
Lyngbyvej 20
2100 København Ø
CVR no.: 12 89 43 92
Established: 20 March 1989
Registered office: Copenhagen
Financial period: 1 April – 31 March

Board of Directors

Kim Stengaard Holmsted, Chairman
Finn Trunk Black
Nikolaj Venstrup

Executive Board

Thomas Akselsen

Auditor

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
P.O.Box 250
2000 Frederikberg
Denmark
CVR no. 30 70 02 28

Management's review

Operating review

Principal activities

The Company's principal activity is to own and administer three commonhold units in the property Residence de Monbrison, Route de Saint Michel, F-82340 Auvillar, Tarn et Garonne in France.

Development in activities and financial position

The profit for the year after tax amount to DKK -897 thousand compared to DKK -101 thousand in 2020/21. The profit for the year is negatively impacted by a write down on land and buildings in the amount of DKK 991 thousand. The sales price of the apartments has been negatively affected by the fact that the sale process has been ongoing throughout the covid-19 period and the apartments given location and condition only attract a very narrow circle of potential investors.

Thus, the Company's operating profit and financial development are considered unsatisfactory.

Selling of the apartments is currently being approved by the notary in France and when completed a voluntary liquidation of the Company will be initialized.

Events after the balance sheet date

No events have occurred after the balance sheet date that may significantly affect the Company's financial position.

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Financial statements 1 April 2021– 31 March 2022

Income statement

Notes	DKK	1/4 2021 – 31/03 2022	1/4 2020 – 31/03 2021
	Gross profit	100,090	-101,041
4	Depreciation, amortisation and impairment	-1,013,958	-23,000
	Loss before net financials	-913,868	-124,041
5	Financial income	5,017	6,828
	Loss before tax	-908,851	-117,213
6	Tax for the year	11,767	15,782
	Loss for the year	-897,084	-101,431
	Recommended appropriation of profit		
	Retained earnings	-897,084	-101,431
		-897,084	-101,431

Financial statements 1 April 2021– 31 March 2022

Balance sheet

Notes	DKK	31 March 2022	31 March 2021
	ASSETS		
	Non-current assets		
7	Property, plant and equipment		
	Land and buildings	819,500	1,833,458
	Total non-current assets	819,500	1,833,458
	Current assets		
	Receivables		
	Receivables from group entities	429,397	403,045
	Other receivables	13,875	5,102
	Income tax receivable	11,767	15,783
		455,039	423,930
	Total current assets	455,039	423,930
	TOTAL ASSETS	1,274,539	2,257,388
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,116,000	1,116,000
	Retailed earnings	127,289	1,024,373
	Total equity	1,243,289	2,140,373
	Current liabilities		
	Trade payables	31,250	38,265
	Other payables	0	78,750
	Total liabilities	31,250	117,015
	TOTAL EQUITY AND LIABILITIES	1,274,539	2,257,388

- 1 Accounting policies
- 2 Special items
- 3 Staff cost
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements 1 April 2021– 31 March 2022

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 April 2020	1,116,000	1,125,802	2,241,802
Transfer through appropriation of profit	0	-101,431	-101,431
Equity at 1 April 2021	1,116,000	1,024,373	2,140,373
Transfer through appropriation of profit	0	-897,084	-897,084
Equity at 31 March 2022	<u>1,116,000</u>	<u>127,289</u>	<u>1,243,289</u>

Financial statements 1 April 2021– 31 March 2022

Notes

1 Accounting policies

The annual report of Residence de Monbrison A/S for 1 April 2021 – 31 March 2022 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

The financial statements have been prepared in accordance with the same accounting policies as last year.

Measurement and recognition

Income is recognised in the income statement as earned, including adjustments of financial assets and liabilities. Moreover, all costs, including amortisation, depreciation and impairment losses, are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic resources will flow from the Company and the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual accounting item below.

Certain financial assets and liabilities are measured at amortised cost, and thus, constant effective interest is recognised over the term. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Reporting currency

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at closing rates. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross Profit.

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Financial statements 1 April 2021– 31 March 2022

Notes

1 Accounting policies (continues)

Other external costs

Other external costs comprise sales, administration, office premises, operating leases, etc.

Depreciation/amortisation and impairment

The item comprises amortisation/depreciation and impairment of property, plant and equipment

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the advance-payment-of-tax scheme, etc.

Tax for the year

The Company is liable to pay tax in Denmark on income and expenses relating to activities in Denmark. Income and expenses relating to rental of the properties in France are taxable in France.

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish companies. Oravel Vacation Homes Denmark ApS is the administrative company of the joint taxation and thus settles all payments of corporation tax in the Group with the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately. The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

The depreciable amount, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings 45 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Financial statements 1 April 2021– 31 March 2022

Notes

1 Accounting policies (continues)

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of land and buildings is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

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 tax

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

Liabilities

Other liabilities are measured at net realisable value.

2 Special items

Write down of lands and buildings has been taken in order to reflect actual selling price of which the apartments are to be sold for when the notary in France later in 2022 has accepted the sale of property. Total write down FY 2021/22, amounts to DKK 991 thousand.

3 Staff costs

The Company has no employees.

Financial statements 1 April 2021– 31 March 2022

Notes

DKK	<u>1/4 2021 – 31/03 2022</u>	<u>1/4 2020 – 31/03 2021</u>
4 Depreciation, amortisation and impairment		
Lands and buildings	23,000	23,000
Lands and buildings write down	990,958	0
	<u>1,013,958</u>	<u>23,000</u>
5 Financial income		
Interest from group entities	<u>5,017</u>	<u>6,833</u>
6 Tax for the year		
Current tax for the year	<u>11,767</u>	<u>15,782</u>
7 Property, plant and equipment		
DKK		Land and buildings
Cost at 1 April 2021		<u>4,567,541</u>
Cost at 31 March 2022		<u>4,567,541</u>
Depreciation and impairment losses at 1 April 2021		-2,734,083
Depreciation		-23,000
Land and buildings write down		-990,958
Depreciation and impairment losses at 31 March 2022		<u>-3,748,041</u>
Carrying amount at 31 March 2022		<u>819,500</u>
8 Contractual obligations and contingencies, etc.		

Contingent liabilities

The Company is jointly taxed with its parent, Oravel Vacation Homes Denmark ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

9 Related parties

Control

DanCenter A/S holds the majority of the share capital in the Company.

The Company's financial figures are included in the consolidated financial statement.

OYO Hospitality Netherlands B.V.
Barbara Strozzilaan 101
1083 HN Amsterdam