

DK RESI PROPCO TREPKASGADE 15 APS
C/O 360 NORTH PROPERTY MANAGEMENT APS, GÖTEBORG PLADS 1, 9., 2150 NORDHAVN
ANNUAL REPORT
1 MAY - 31 DECEMBER 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 20 May 2019**

Birgitte Gurli Aaslyng

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COMPANY DETAILS

Company	DK Resi Propco Trepkasgade 15 ApS c/o 360 North Property Management ApS Göteborg Plads 1, 9. 2150 Nordhavn CVR no.: 26 88 07 85 Established: 7 November 2002 Registered Office: Copenhagen Financial Year: 1 May - 31 December
Board of Executives	Solveig Diana Hoffmann Birgitte Gurli Aaslyng Donatella Fanti
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 Copenhagen

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of DK Resi Propco Trepkasgade 15 ApS for the financial year 1 May - 31 December 2018.

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 Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 May - 31 December 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the general meeting to opt out of audit for the annual report for 1 May - 31 December 2019. The board of executives consider the conditions for opting out of audit to be fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 20 May 2019

Board of Executives

Solveig Diana Hoffmann

Birgitte Gurli Aaslyng

Donatella Fanti

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DK Resi Propco Trepkasgade 15 ApS

Opinion

We have audited the Financial Statements of DK Resi Propco Trepkasgade 15 ApS for the financial year 1 May - 31 December 2018, which comprise income statement, balance sheet, 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 31.12.2018 and of the results of its operations for the financial year 01.05.2018 - 31.12.2018 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.

INDEPENDENT AUDITOR'S REPORT

- 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, 20 May 2019

Deloitte Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Lars Andersen
State Authorised Public Accountant
MNE no. mne34506

MANAGEMENT'S COMMENTARY

Principal activities

The objects of the company are acquisition, sale and letting out of real property.

Development in activities and financial position

It is Management's assessment that the Company has sufficient capital resources, including liquidity, for its continued operations in the financial year 2019.

Furthermore, it is Management's assessment that operations for the coming financial years will be able to generate profits/or contribution of additional capital can be obtained, which will reestablish the share capital.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 MAY - 31 DECEMBER

	Note	2018 DKK	2017 DKK
GROSS LOSS		-904,213	435,285
Depreciation, amortisation and impairment.....		-80,325	-118,706
OPERATING LOSS		-984,538	316,579
Other financial income.....	1	23,369	0
Other financial expenses.....	2	-160,314	-132,255
PROFIT BEFORE TAX		-1,121,483	184,324
Tax on profit/loss for the year.....	3	99,613	-70,751
PROFIT FOR THE YEAR		-1,021,870	113,573
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-1,021,870	113,573
TOTAL		-1,021,870	113,573

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2018 DKK	2017 DKK
Land and buildings.....		6,756,645	6,718,250
Tangible fixed assets.....	4	6,756,645	6,718,250
FIXED ASSETS.....		6,756,645	6,718,250
Receivables from group enterprises.....		3,142,872	0
Deferred tax assets.....		466,945	309,451
Other receivables.....		273,375	518,736
Prepayments and accrued income.....		0	19,838
Receivables.....		3,883,192	848,025
Cash and cash equivalents.....		774,141	0
CURRENT ASSETS.....		4,657,333	848,025
ASSETS.....		11,413,978	7,566,275
EQUITY AND LIABILITIES			
Share capital.....		125,000	125,000
Retained earnings.....		-1,603,519	-581,649
EQUITY.....	5	-1,478,519	-456,649
Mortgage debt.....		0	6,279,684
Bank loan.....		12,450,097	0
Long-term liabilities.....	6	12,450,097	6,279,684
Short-term portion of long-term liabilities.....	6	0	271,869
Bank debt.....		0	177,414
Prepayments received from customers.....		192,300	191,724
Trade payables.....		217,033	18,742
Payables to group enterprises.....		0	1,062,743
Corporation tax.....		0	12,870
Other liabilities.....		33,067	7,878
Current liabilities.....		442,400	1,743,240
LIABILITIES.....		12,892,497	8,022,924
EQUITY AND LIABILITIES.....		11,413,978	7,566,275
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	2018 DKK	2017 DKK	Note	
Other financial income			1	
Group enterprises.....	14,538	0		
Other interest income.....	8,831	0		
	23,369	0		
Other financial expenses			2	
Group enterprises.....	0	30,000		
Other interest expenses.....	160,314	102,255		
	160,314	132,255		
Tax on profit/loss for the year			3	
Calculated tax on taxable income of the year.....	0	12,870		
Adjustment of deferred tax.....	-99,613	57,881		
	-99,613	70,751		
Tangible fixed assets			4	
		Land and buildings		
Cost at 1 May 2018.....		8,528,328		
Additions.....		118,720		
Cost at 31 December 2018.....		8,647,048		
Depreciation and impairment losses at 1 May 2018.....		1,810,078		
Depreciation for the year.....		80,325		
Depreciation and impairment losses at 31 December 2018.....		1,890,403		
Carrying amount at 31 December 2018.....		6,756,645		
Equity			5	
	Share capital	Retained earnings	Total	
Equity at 1 May 2018.....	125,000	-581,649	-456,649	
Proposed distribution of profit.....		-1,021,870	-1,021,870	
Equity at 31 December 2018.....	125,000	-1,603,519	-1,478,519	
Long-term liabilities			6	
	1/5 2018 total liabilities	31/12 2018 total liabilities	Repayment next year	Debt outstanding after 5 years
Mortgage debt.....	6,551,553	0	0	0
Bank loan.....	0	12,450,097	0	0
	6,551,553	12,450,097	0	0

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Joint liabilities	
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax.	
Tax payable of the group's jointly taxed income is stated in the annual report of DK Resi Holdco I ApS, which serves as management company for the joint taxation.	
Charges and securities	8
Bank loan is secured by mortgages in properties, amounting to 13,290,433 DKK	
The carrying amount of mortgaged properties is 6,756,645 DKK	
Consolidated financial statements	9
The company is included in the consolidated financial statements of DK Resi Holdco II ApS, c/o 360 North Property Management ApS, Göteborg Plads 1, 9., 2150 Nordhavn.	

ACCOUNTING POLICIES

The Annual Report of DK Resi Propco Trepkasgade 15 ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

The comparative figures are changed in the following areas

The comparative figures in the income statement are not comparable with the current year because current year is a transition period which covers 8 month, whereas last year covers 12 months.

INCOME STATEMENT

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Net revenue

Rental income and expenses have been accrued to cover the period up to the end of the financial year. Payments charged to cover heating are not included in rental income.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Financial income and expenses

Financial income and expenses include interest income and expenses, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Buildings.....	50 years	25 %

ACCOUNTING POLICIES

Estimated useful lives and residual values are reassessed annually.

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents

Cash comprises bank deposits.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Amortised cost of current liabilities usually corresponds to nominal value.