

DK RESI PROPCO TREPKASGADE 15 APS
C/O KEREBY APS, GÖTEBORG PLADS 1, 9., 2150 NORDHAVN
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 30 August 2020**

Cecilie Rust

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COMPANY DETAILS**Company**

DK Resi Propco Trepkasgade 15 ApS
c/o Kereby ApS, Göteborg Plads 1, 9.
2150 Nordhavn

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E-mail: info@kereby.dk

CVR No.: 26 88 07 85

Established: 7 November 2002

Registered Office: Copenhagen

Financial Year: 1 January - 31 December

Board of Executives

Solveig Diana Hoffmann
Lars Pærregaard
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 January - 31 December 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 Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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

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

Copenhagen, 30 August 2020

Board of Executives

Solveig Diana Hoffmann

Lars Pærregaard

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 January - 31 December 2019, which comprise the income statement, balance sheet 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 01.01.2019 - 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.

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, 30 August 2020

Deloitte Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Lars Andersen
State Authorised Public Accountant
MNE no. mne34506

Chris Middelhede
State Authorised Public Accountant
MNE no. mne45823

MANAGEMENT'S REVIEW

Principal activities

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

Exceptional matters

The accounting estimate at recognition and measurement of deferred tax assets is changed, so that the value of the tax assets is measured at DKK 0. The change of the accounting estimate is related to the uncertainty regarding the time of utilization of the tax asset. The change of the accounting estimate is recognised in the income statement for the year.

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 2020.

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.

Events after the balance sheet date

No events have occurred after the balance sheet date which would influence the evaluation of the annual report. The outbreak and the spreading of the COVID-19 disease in early 2020 have not had and are not expected to have any material impact on the Entity's financial position and developments as the Entity's rental income is received from lessees who have a high credit rating and have paid a deposit as security for rent payments.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	2018 DKK
GROSS LOSS		-19,645	-904,213
Depreciation, amortisation and impairment.....		-122,601	-80,325
OPERATING LOSS		-142,246	-984,538
Other financial income.....	1	145,280	23,369
Other financial expenses.....	2	-407,658	-160,314
LOSS BEFORE TAX		-404,624	-1,121,483
Tax on profit/loss for the year.....	3	-466,945	99,613
LOSS FOR THE YEAR		-871,569	-1,021,870
PROPOSED DISTRIBUTION OF LOSS			
Retained earnings.....		-871,569	-1,021,870
TOTAL		-871,569	-1,021,870

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Land and buildings.....		6,723,039	6,756,645
Tangible fixed assets.....	4	6,723,039	6,756,645
FIXED ASSETS.....		6,723,039	6,756,645
Trade receivables.....		8,499	0
Receivables from group enterprises.....		4,978,552	3,142,872
Deferred tax assets.....		0	466,945
Other receivables.....		106,798	273,375
Prepayments and accrued income.....		17,511	0
Receivables.....		5,111,360	3,883,192
Cash and cash equivalents.....		608,976	774,141
CURRENT ASSETS.....		5,720,336	4,657,333
ASSETS.....		12,443,375	11,413,978
EQUITY AND LIABILITIES			
Share capital.....		125,000	125,000
Retained earnings.....		-2,475,087	-1,603,519
EQUITY.....	5	-2,350,087	-1,478,519
Bank loan.....		14,455,207	12,450,097
Long-term liabilities.....	6	14,455,207	12,450,097
Trade payables.....		106,220	217,033
Other liabilities.....		45,047	33,067
Prepayments received from costumers.....		185,859	192,300
Accruals and deferred income.....		1,129	0
Current liabilities.....		338,255	442,400
LIABILITIES.....		14,793,462	12,892,497
EQUITY AND LIABILITIES.....		12,443,375	11,413,978
 Contingencies etc.	 7		
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	2019 DKK	2018 DKK	Note
Other financial income			1
Group enterprises.....	145,280	14,538	
Other interest income.....	0	8,831	
	145,280	23,369	
Other financial expenses			2
Group enterprises.....	51,629	0	
Other interest expenses.....	356,029	160,314	
	407,658	160,314	
Tax on profit/loss for the year			3
Adjustment of deferred tax.....	466,945	-99,613	
	466,945	-99,613	
Tangible fixed assets			4
		Land and buildings	
Cost at 1 January 2019.....		8,647,048	
Additions.....		88,995	
Cost at 31 December 2019.....		8,736,043	
Depreciation and impairment losses at 1 January 2019.....		1,890,403	
Depreciation for the year.....		122,601	
Depreciation and impairment losses at 31 December 2019.....		2,013,004	
Carrying amount at 31 December 2019.....		6,723,039	
Equity			5
	Share capital	Retained earnings	Total
Equity at 1 January 2019.....	125,000	-1,603,518	-1,478,518
Proposed distribution of loss.....		-871,569	-871,569
Equity at 31 December 2019.....	125,000	-2,475,087	-2,350,087
Long-term liabilities			6
	31/12 2019 total liabilities	Repayment next year	Debt outstanding after 5 years
			31/12 2018 total liabilities
			Current portion at the beginning of the year
Bank loan.....	14,455,207	0	0 12,450,097
	14,455,207	0	0 12,450,097

NOTES

	Note
Contingencies etc.	7
Joint liabilities	
The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.	
Tax payable on the Group's joint taxable 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 DKK 6,723,039.	
The carrying amount of mortgage debt is DKK 14,455,207.	
Consolidated financial statements	9
The company is included in the consolidated financial statements of DK Resi Holdco II ApS,c/o Kereby ApS, Göteborg Plads 1, 9., 2150 Nordhavn.	

ACCOUNTING POLICIES

The Annual Report of DK Resi Propco Trepkasgade 15 ApS for 2019 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.

Comparative figures

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

Change of accounting estimate

The accounting estimate at recognition and measurement of deferred tax assets is changed, so that the value of the tax assets is measured at DKK 0. The change of the accounting estimate is related to the uncertainty regarding the time of utilization of the tax asset. The change of the accounting estimate is recognised in the income statement for the year.

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.

ACCOUNTING POLICIES

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 %

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.

ACCOUNTING POLICIES

Liabilities

Amortised cost of current liabilities usually corresponds to nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.