

RækkehusCompagniet A/S  
Agerøvej 31A  
8381 Tilst  
CVR. 33160062



Co-creating the  
homes of tomorrow  
– today

# Annual report 2022



The annual report was presented and approved at the  
Company's annual general meeting on, 2 June 2023

## Company details

RækkehusCompagniet A/S  
Agerøvej 31A  
8381 Tilst  
Denmark

Telephone: 88 62 30 00  
Website: [www.huscompagniet.dk](http://www.huscompagniet.dk)

CVR no.: 33160062  
Fiscal year: 1. January - 31. December

### **Executive Board:**

Martin Ravn-Nielsen

### **Board of Directors:**

Lars Hansen  
Martin Ravn-Nielsen  
Anna Schønning

### **Auditor**

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
2000 Frederiksberg

## Operating review

### Business review

RækkehusCompagniet A/S is a subsidiary of HusCompagniet A/S to which we refer to the consolidated financial statements for more information.

### Financial review

Net revenue totaled DKK 255 million in 2022 which was mainly driven by an increase in the number of delivered semi detached houses compared to DKK 229 million in 2021. Profit before tax totaled DKK 18 million for 2022 compared to DKK 31 million in 2021.

In terms of the outlook published in the financial statements of 2021, The Company has achieved increase in revenue due to increase in the general activity of the Company

### Non-financial matters

RækkehusCompagniet is a Danish company that develop and sell B2B projects and land plots.

The B2B housing projects are tailored for the individual investor all the way from idea to finished project.

### Recognition & measurements uncertainties

At contract inception, management assesses that the contracts involve a high degree of individual customisation and satisfy the criteria for recognition over time.

The assessment is based on an analysis of, among other things, the contract provisions on:

- The degree of customisation, including the alternative use potential of buildings and civil works
- The time of transfer of legal title
- Payment terms, including early termination of contract
- Enforceable right to payment for performance completion to date.

For construction contracts, management considers that they constitute a single performance obligation and that the recognition of the selling price of contracts over time is best depicted by using an input method based on costs incurred relative to budgeted project costs.

Variable elements of consideration are not recognised in revenue until it is highly probable that a reversal of the amount of consideration will not occur in future periods.

Reference is made to note 2.7 for more details

### Statutory CSR report

The Company has not drawn up any separate CSR report, as the parent company has done so for the entire Group. The report is rendered in the parent company's annual report and may be downloaded from the site <http://investors.huscompagniet.com/Danish/overblik/default.aspx>

**Account of the gender composition of Management**

At RækkehusCompagniet, we strive towards a diverse and inclusive work environment. A diverse workforce can bring many advantages to an organisation. The starting point is providing equal opportunity for people of all ages, genders, nationalities, religions, political opinions, and abilities. The construction sector has traditionally been a male-dominated industry, which poses a challenge for the industry and for RækkehusCompagniet. The starting point for improving the gender diversity of our workforce is to monitor the demographics of our employees, with the aim to track and increase gender balance over time. As of 31 December 2022, the underrepresented gender is female and constituted 14% of our workforce, compared to 10% prior year.

People are encouraged to apply for HusCompagniet positions, irrespective of gender, age, nationality, sexual orientation, religion or ethnicity, and decisions regarding recruitment, promotion and dismissal are not influenced by these. Our employees have equal opportunities for career development and management ambitions, which are discussed as part of the yearly performance reviews.

In 2022, other levels of management are defined by the executive management and their direct reports with employee responsibility. HusCompagniet has set a target to increase the representation of women in management to 25% by 2025 and 30% by 2030.

**Unusual circumstances**

There have been no unusual circumstances which have influenced the results for the year.

**Events after the balance sheet data**

No material events have occurred between 31 December 2022 and the date of publication of this annual report that have not already been included in the annual report and that would have a material effect on the assessment of the company's financial position.

**Outlook**

The Company aims to increase the market share of the semi detached business in 2023.

In 2023 The Company expects revenue to be in the level of DKK 313-334 million and EBITDA to be in the level of DKK 27-28 million.

## Key Figures

DKK'm	2022	2021	2020	2019	2018
<b>Income statement</b>					
Revenue	255	229	0	0	2
Gross profit	42	50	0	0	1
Operating profit (EBIT)	18	31	-3	0	1
Financial income/expenses, net	0	0	1	1	1
Profit for the year	14	25	-1	1	1
<b>Balance sheet</b>					
Total assets	145	143	64	65	64
Equity	101	87	63	64	63
<b>Cash flow</b>					
Cash flow from operating activities	50	-35	-1	0	0
Cash flow from investing activities	0	0	0	0	-38
- Hereof from investment in property, plant and equipment	0	0	0	0	-44
Cash flow from financing activities	-50	35	1	0	-93
Free cash flow	50	-35	-1	0	137
<b>Key figures</b>					
Revenue growth	11%	1432931%	0%	-100%	-91%
Gross margin	17%	22%	-692%	100%	27%
Average number of employees	25	14	9	0	0

The key figures for the year 2018 have not been adjusted following the implementation of IFRS 16 at 1 January 2019.

## Management review

	Page
Company details	2
Operating review	3
Key figures	4

## FINANCIAL STATEMENTS

### PRIMARY STATEMENTS

Income statement	7
Balance sheet	8
Statement of cashflow	10
Statement of changes of equity	11

## Notes

### 1 BASIS OF PREPARATION

1.1 General accounting policies	12
1.2 Introduction to significant estimates and judgements	13
1.3 Application of materiality	13

### 2 EBITDA

2.1 Revenue	14
2.2 Costs including staff costs and remuneration	15
2.3 Share-based payments	15
2.4 Special items	16
2.5 Financial risk management	16
2.6 Accounting policy	17
2.7 Significant estimates and judgements	18

### 3 WORKING CAPITAL

3.1 Inventories	19
3.2 Contract assets	19
3.3 Trade and other receivables	19
3.4 Guarantee commitments and contingent liabilities	20

3.5 Net working capital	20
3.6 Financial risk management	21
3.7 Other liabilities	21
3.8 Accounting policy	21
3.9 Significant estimates and judgements	21

### 4 INVESTMENTS

4.1 Investments in subsidiaries	22
4.2 Accounting policy	22

### 5 FUNDING AND CAPITAL STRUCTURE

5.1 Equity	23
5.2 Financial income and expenses	23
5.3 Financial risk management	24
5.5 Accounting policy	25

### 6 OTHER DISCLOSURES

6.1 Tax	26
6.2 Other non-cash items	27
6.3 Related parties	27
6.4 Auditor's fee	27
6.5 Events after the balance sheet date	28
6.6 List of Group companies	28
6.7 Definitions	28
6.8 Accounting policy	28

Statement by the board of directors and executive board	29
Independent auditor's report	30

## INCOME STATEMENT

DKK'000	Note	2022	2021
Revenue	2.1	254.609	229.285
Cost of Sales		-212.112	-179.021
<b>Gross profit</b>		<b>42.498</b>	<b>50.264</b>
Staff cost	2.2, 2.3	-21.284	-16.727
Other external expenses		-3.097	-2.275
<b>Operating profit before depreciation and amortisation (EBITDA) before special items</b>		<b>18.116</b>	<b>31.262</b>
Special items	2.4	-384	0
<b>Operating profit before depreciation and amortisation (EBITDA) after special items</b>		<b>17.732</b>	<b>31.262</b>
Depreciation and amortisation		0	0
<b>Operating profit (EBIT)</b>		<b>17.732</b>	<b>31.262</b>
Financial income	5.2	16	244
Financial expenses	5.2	-14	-54
<b>Profit before tax</b>		<b>17.734</b>	<b>31.452</b>
Tax on profit	6.1	-4.049	-6.931
<b>Profit for the year</b>		<b>13.685</b>	<b>24.521</b>

### Profits attributable to:

DKK'000	2022	2021
Equity owners of the Company	13.685	24.521

## STATEMENT OF OTHER COMPREHENSIVE INCOME

DKK'000	Note	2022	2021
<b>Profit for the year</b>		<b>13.685</b>	<b>24.521</b>
<b>Other comprehensive income, net of tax</b>		<b>0</b>	<b>0</b>
<b>Total comprehensive income for the year</b>		<b>13.685</b>	<b>24.521</b>

### Total comprehensive income attributable to:

DKK'000	Note	2022	2021
Equity owners of the Company		13.685	24.521

## BALANCE SHEET

DKK'000	Note	2022	2021
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	4.1	40	0
<b>Total non-current assets</b>		<b>40</b>	<b>0</b>
<b>Current assets</b>			
Inventories	3.1	24	0
Contract assets	3.2	37.623	107.228
Trade and other receivables	3.3	28.072	7.011
Receivable from affiliated companies		79.139	29.106
<b>Total current assets</b>		<b>144.858</b>	<b>143.345</b>
<b>Total assets</b>		<b>144.898</b>	<b>143.345</b>



## BALANCE SHEET - continued

DKK'000	Note	2022	2021
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	5.1	500	500
Retained earnings and other reserves		100.311	86.626
<b>Total equity</b>		<b>100.811</b>	<b>87.126</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	3.4	282	210
Deferred tax liability	6.1	4.044	4.090
<b>Total non-current liabilities</b>		<b>4.326</b>	<b>4.300</b>
<b>Current liabilities</b>			
Trade and other payables	5.3	31.066	37.830
Prepayments from customers	3.2	0	1.303
Provisions	3.4	1.126	839
Income tax payable	6.1	4.094	2.841
Payables to affiliated companies		64	0
Other liabilities	3.7	3.410	9.105
<b>Total current liabilities</b>		<b>39.761</b>	<b>51.919</b>
<b>Total liabilities</b>		<b>44.086</b>	<b>56.219</b>
<b>Total equity and liabilities</b>		<b>144.898</b>	<b>143.345</b>

Reference to off-balance sheet notes: Related parties 6.3, and Contingent liabilities 3.3

## STATEMENT OF CASH FLOWS

DKK'000	Note	2022	2021
<b>Cash flow from operating activities</b>			
EBIT		17.732	31.262
<b>EBIT</b>		<b>17.732</b>	<b>31.262</b>
Adjustments for non-cash items	6.2	359	999
<b>Adjusted EBIT</b>		<b>18.091</b>	<b>32.261</b>
Changes in working capital	3.5	34.758	-67.463
<b>Cash flow from operating activities before financial items and taxes</b>		<b>52.849</b>	<b>-35.202</b>
Interest received	5.2	16	244
Interest paid	5.2	-14	-54
Taxes paid/received	6.1	-2.841	329
<b>Net cash generated from operating activities</b>		<b>50.010</b>	<b>-34.684</b>
<b>Cash flow from investing activities</b>			
Acquisition of subsidiaries		-40	0
Sale of subsidiary entity		0	49
<b>Net cash generated from investing activities</b>		<b>-40</b>	<b>49</b>
<b>Cash flow from financing activities</b>			
Change in intercompany balances		-49.970	34.635
<b>Net cash generated from financing activities</b>		<b>-49.970</b>	<b>34.635</b>
<b>Total cash flows</b>		<b>0</b>	<b>0</b>
Cash and cash equivalents at 1 January		0	0
Net foreign currency gains or losses		0	0
<b>Cash and cash equivalents at 31 December</b>		<b>0</b>	<b>0</b>
<b>Cash and cash equivalents</b>			
Cash at bank and on hand		0	0
<b>Cash and cash equivalents as at 31 December</b>		<b>0</b>	<b>0</b>
Bank overdrafts		0	0
<b>Net cash and cash equivalents as at 31 December</b>		<b>0</b>	<b>0</b>
<b>Free cash flow</b>		<b>49.970</b>	<b>-34.635</b>

## STATEMENT OF CHANGES IN EQUITY

2022				
DKK'000	Share capital	Revaluations reserve under the equity method	Retained earnings	Total
Equity at 1 January	500	0	86.626	87.126
Profit for the year	0	0	13.685	13.685
Reserve for Net Revaluation according to Equity Method	0	0	0	0
Equity on 31 December	500	0	100.311	100.811
2021				
DKK'000	Share capital	Revaluations reserve under the equity method	Retained earnings	Total
Equity at 1 January	500	-31	62.135	62.604
Profit for the year	0	0	24.521	24.521
Reserve for Net Revaluation according to Equity Method	0	31	-31	0
Total comprehensive income	0	31	24.491	24.522
Equity on 31 December	500	0	86.626	87.126

### Capital structure

The primary objective of RækkehusCompagniet's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business. The Company manages its capital structure and adjusts in response to changes in economic conditions.

## SECTION 1: BASIS OF PREPARATION

### Introduction

RækkehusCompagniet A/S is a company incorporated and domiciled in Denmark. The Company is principally engaged in construction and sale of larger B2B projects.

The following is a summary of the significant accounting policies adopted by RækkehusCompagniet A/S referred to in these financial statements as the "Company".

General accounting policies applied to the financial statements as a whole are described below. Significant accounting policies covering specific accounts are placed in each section to which they relate.

These financial statements for the Company are for the year ended 31 December 2022.

The financial statements were approved by the shareholders at the general meeting on 2 June 2023, signed by chairman Lars Hansen.

The accounting policies described below have been applied consistently to the financial year and the comparative figures. For standards implemented prospectively, comparative figures are not restated.

### The following notes are presented in Section 1:

- 1.1 General accounting policies
- 1.2 Introduction to significant estimates and judgements
- 1.3 Application of materiality

### Note 1.1 General accounting policies

#### Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards as endorsed by the EU ("IFRS") and additional requirements of the Danish Financial Statements Act, applying to class C medium sized entities.

The financial statements have been prepared on a historical cost basis, except as noted in the various accounting policies.

These financial statements are expressed in DKK, as this is the Company's functional and presentation currency. All values are rounded to the nearest thousand DKK '000.

#### Consolidated Financial Statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of RækkehusCompagniet are included in the Consolidated Financial Statements of HusCompagniet A/S, Virum, CVR-nr. 36972963.

#### Implementation of new or amended standards and interpretations

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Company's consolidated annual financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### Standards issued but not yet effective

The Company has adopted relevant new or amended standards (IFRS) and interpretation (IFRIC) as adopted by the EU and which are effective for the financial year 1 January – 31 December 2022. The Company has assessed that the new or amended standards and interpretations have not had any material impact on the Company's Annual Report in 2022.

The Company expects to implement the new standards when they become effective. It has been assessed that the implementation of the new standards will not have any significant effect on the recognition and measurement of the balance sheet at 1 January 2023.

**Note 1.2 Introduction to significant estimates and judgement**

In preparing the financial statements, management made various judgements, estimates and assumptions concerning future events that affected the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis and have been prepared taking the financial market situation into consideration, but still ensuring that one-off effects which are not expected to exist in the long term do not affect estimation and determination of these key factors.

The most significant risks are assessed to be restrictions on building activities and construction sites related to a lower demand on houses due to a declining economy.

Based on the above assumptions the estimates are assessed to be unchanged from previous years.

Significant estimates and judgements covering specific accounts are placed in each section to which they relate.

<b>Significant estimates</b>	<b>Note</b>
Percentage-of-completion profit recognition	2.6
<b>Significant estimates</b>	
Guarantee provisions	3.3

**Note 1.3 Application of materiality**

The financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. When aggregated, the transactions are presented in classes of similar items in the financial statements.

If a line item is not individually material, it is aggregated with other items of a similar nature in the financial statements or in the notes.

The disclosure requirements are substantial in IFRS and the Company provides these specific required disclosures unless the information is considered immaterial to the economic decision-making of the readers of the financial statements or not applicable.

## SECTION 2: EBITA

### Introduction

This section provides information regarding the Company's performance in 2022.

The development of primary costs, staff costs and remuneration, and information about the Group's low exposure towards currency risk on transaction level is also contained in this section.

### The following notes are presented in Section 2:

- 2.1 Revenue
- 2.2 Costs including staff costs and remuneration
- 2.3 Share-based payments
- 2.4 Special items
- 2.5 Financial risk management
- 2.6 Accounting policy
- 2.7 Significant estimates and judgements

## 2.1 Revenue

### Revenue - Contracted sales 2022

DKK'000	Semi-detached houses
Sales value, houses sold on customers' building sites	211.558
Sales value, houses sold on own building sites	42.399
Other revenue	652
<b>Total Contracted sales</b>	<b>254.609</b>
<b>Total Revenue</b>	<b>254.609</b>

The Company is engaged in construction activities in Denmark.

Contracted sales are recognised over time. Payment is typically due at the time of final delivery of the construction, however a small deposit is paid upon contract negotiation. The Company receives a bank guarantee in connection with the start-up of each contract, and is entitled to payment for work performed, including profit, during the project. Construction contracts with professional investors may also include payments on account.

Contracted sales comprise the sales of houses constructed on the customers land, or houses sold on own land that are covered by a customer contract before construction is started.

### Revenue - Contracted sales 2021

DKK'000	Semi-detached houses
Sales value, houses sold on customers' building sites	61.539
Sales value, houses sold on own building sites	167.746
<b>Total Contracted sales</b>	<b>229.285</b>
<b>Total Revenue</b>	<b>229.285</b>

Other revenue consists of compensation received in the event of projects are being canceled by clients

## Note 2.2 Costs including staff costs and remuneration

### Staff costs

DKK'000	2022	2021
Wages and salaries	19.246	15.344
Defined contribution plans	1.209	684
Other social security costs	179	87
Share-based remuneration	651	612
<b>Total</b>	<b>21.284</b>	<b>16.727</b>
Average number of full-time employees	25	14

### Remuneration to Management and Board of Directors

The Management and Board of Directors are not remunerated directly by the Company, but through the ultimate parent company HusCompagniet A/S to which we refer. The Company is charged management fees from the ultimate parent company to reflect remuneration to The Management and Board of Directors for their work performed for the Company during 2022 as specified in the tables below

### Remuneration of Management

DKK'000	2022
Base salary and non-monetary benefits	1.759
Bonus	733
Share-based remuneration	292
<b>Total</b>	<b>2.784</b>

### Remuneration of Board of Directors

DKK'000	2022
Base salary and non-monetary benefits	279
<b>Total</b>	<b>279</b>

The long-term incentive programme is described in note 2.3

## Note 2.3 Share-based payments

### Share-based payments

In accordance with the Group's Remuneration Policy, individual members of the Executive Management and other employees participate in a long-term incentive programme consisting of restricted share units ("RSUs"), which was implemented on 23 November 2020. Participants of the RSU programme are granted RSUs which entitle the participant to receive for free a number of shares in HusCompagniet A/S equivalent to the number of vested RSUs upon vesting as described below.

The RSUs will vest over a three-year vesting period. Vesting is not conditional upon achieving any financial or non-financial targets, but is, however, conditional upon (i) the participant remaining employed with the Group for a period of three years from the date of grant, or the participant becoming a good leaver during the vesting period in which case only a proportionate portion of RSUs shall vest, and (ii) the participant having complied in all respects with the general terms and conditions as determined by the Board of Directors.

Participation in the RSU programme is offered to members of the Executive Management and other employees as an element of remuneration as incentive for the Executive Management and other employees to remain focused on value creation and achievement of the Company's long-term objectives. As determined by the Board of Directors, a selected number of employees of the Company in key positions may also be eligible to participate in long-term incentive programmes on terms similar to those of the Executive Management.

Executive Management do participate in the RSU programme, but only through their executive role in the parent company HusCompagniet A/S.

### Fair value measurement

The Group measures share-based payments at fair value at the grant date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

DKK'000	Executive management	Other employees	Total shares
<b>Number of shares January 2021</b>	<b>0</b>	<b>15.696</b>	<b>15.696</b>
Granted during the year	0	0	0
Exercised during the year	0	0	0
Forfeited during the year	0	0	0
<b>Outstanding at 31 December 2021</b>	<b>0</b>	<b>15.696</b>	<b>15.696</b>
<b>Outstanding at 1 January 2022</b>	<b>0</b>	<b>15.696</b>	<b>15.696</b>
Granted during the year	0	4.670	4.670
Exercised during the year	0	0	0
Forfeited during the year	0	-418	-418
<b>Outstanding at 31 December 2022</b>	<b>0</b>	<b>19.948</b>	<b>19.948</b>

The average remaining term to vesting for outstanding restricted shares at 31 December 2022 was approx. 0.9 years. The fair value of the RSU grant at the grant date totalled DKK 1.8 million. In 2022, an expense of DKK 0.7 million was recognised in the income statement in respect of the incentive program (2021: 0.6). The fair value of the RSU at the grant date was calculated based on the share price at grant date. An amount equal to the RSU expense is invoiced to HusCompagniet A/S for granting the shares.

#### Note 2.4 Special Items

DKK'000	2022	2021
<b>Special items</b>		
-Strategic organisational changes	384	0
<b>Total special items</b>	<b>384</b>	<b>0</b>

Strategic organisational changes include severance payments to former employees.

#### Reconciliation of EBITDA

DKK'000	2022	2021
<b>Operating profit before depreciation and amortisation</b>	<b>18.116</b>	<b>31.262</b>
Special items	-384	0
<b>Operating profit before depreciation and amortisation (EBITDA) after special items</b>	<b>17.732</b>	<b>31.262</b>

The Company presents certain financial measures in the financial statements that are not defined under IFRS. It is Management's belief that these measures provide valuable supplemental information to investors and the Company's management, as they allow for evaluation of trends and the Company's performance.

Since such financial measures are not calculated by all companies in the same way, they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. The definition section 6.7 provides information in greater detail regarding definitions of financial performance measures. Information regarding special items is included in note 2.4

#### Note 2.5 Financial risk management

##### Currency Risk

The Company is not exposed to currency fluctuations from its activities.



**Revenue**

Revenue comprises completed construction contracts and construction contracts in progress (contracted sales).

It is considered appropriate to recognize the sale of properties through divestment of companies in accordance with IFRS 15 and not as divested companies under IFRS 10 as it is an asset that is being divested, not a company with a business.

**Contracted sales**

Contracted sales are recognized over time according to percentage-of-completion in relation to costs recognized, as all performance obligations are fulfilled on an ongoing basis throughout the construction. The contracted sales contracts are considered to comprise of only one performance obligation, as all components are considered interrelated, and any changes to a contract will therefore be recognized as changes to the original contract and not as a separate performance obligation. The Company acts as primarily responsible for the delivery of the performance obligation and carries the risks related to the construction and is therefore considered as the principal.

The contracts are not assessed to have a significant financing component. The time value of the transaction price for contracts with a duration that exceeds 12 months is assessed insignificant, as the Company does not consume the main part of the costs before the end of the contract phase. Therefore, an adjustment of the transaction price with regards to a financing component in the contracts with customers is not required. Payment is typically due at the time of final delivery of the construction, however a small deposit is paid upon contract negotiation. The Company receives a bank guarantee in connection with the start-up of each contract, and is entitled to payment for work performed, including profit during the project.

Contract modifications are recognised when they have been approved by all parties to the contract. Modifications and the associated revenue are accounted for based on an assessment of the stand-alone price of the modifications and an actual assessment of the elements of the contract with the other performance obligations under the sales contract.

The transfer of control and recognition of revenue are determined using input methods based on construction days incurred relative to total estimated construction time for the contracts, as these methods are considered to best depict the continuous transfer of control.

The selling price is measured by reference to the total expected income from each contract and the stage of completion at the reporting date. The stage of completion is determined on the basis of the costs incurred and the total expected construction time.

If the outcome of a construction contract cannot be estimated reliably, revenue is only recognised corresponding to costs incurred and indirect production costs, insofar as it is probable that these will be recovered.

The company expenses incremental costs of obtaining a contract, as the amortisation period of the asset that the entity otherwise would have recognized is less than one year.

Costs in connection with sales work to secure contracts are recognized as costs in the income statement in the financial year in which they are incurred.

**Cost of sales**

Cost of sales include costs of raw materials and consumables incurred in generating the revenue for the year.

**Other external expenses**

Other external expenses include the period's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, low-value and short-term leases, etc.

**Staff costs**

Staff costs include wages and salaries, including compensated absence, share-based payments and pensions, as well as other social security contributions, etc. made to the Company's employees.

The item is net of refunds made by public authorities.

The Group has established a long-term bonus-based share programme (LTI) in accordance with the current remuneration policy.

Share-based payments are recognised over the period in which the participant renders the service entitling the participant to the payment.

This is, in principle, from the date of grant until the date on which the vesting conditions may have been met.

The LTI programme is classified as an equity-settled plan. The value of services received as consideration for the granted right to restricted shares is measured at the fair value of the shares at the date of grant. The fair value of the granted right to restricted shares is not subsequently adjusted. The component of the fair value that can be attributed to employees that do not meet the vesting conditions is adjusted and recognised over the vesting period. In the consolidated financial statements, the cost is recognised as staff costs and a set-off to the recognised cost is recognised in equity over the vesting period.

In the parent company, costs associated with the LTI programme related to participants employed by subsidiaries are recognised in investments in subsidiaries, and a set-off to the recognised cost is recognised in equity over the vesting period. The LTI programme is classified as an equity-settled plan.

#### Note 2.7 Significant estimates and judgements

##### Construction contracts, including estimated recognition and measurement of revenue and contribution margin

At contract inception, management assesses that the contracts involve a high degree of individual customisation and satisfy the criteria for recognition over time. The assessment is based on an analysis of, among other things, the contract provisions on:

- The degree of customisation, including the potential alternative use of buildings
- The time of transfer of legal title
- Payment terms, including options of early termination of contract
- Enforceable right to payment for performance completion to date

For construction contracts, management considers if they constitute a single performance obligation and if the recognition of the selling price of contracts over time is best depicted by using an input method based on costs incurred relative to budgeted project costs.

Variable elements of consideration are not recognised in revenue until it is highly probable that a reversal of the amount of consideration will not occur in future periods.

##### Percentage-of-completion profit recognition

A fundamental condition for being able to estimate percentage-of-completion profit recognition is that project revenues and project costs can be established reliably. This reliability is based on such factors as compliance with the Company's systems for project control and that project management.

The assessment of project revenues and project costs is based on a number of estimates and assessments that depend on the experience and knowledge of project management in respect of project control, training and the prior management of project. There is a risk that the final result will differ from the profit accrued based on percentage-of-completion. At year-end, recognised revenues from contract assets amounted to DKK 38 million (2021: DKK 107 million); refer to note 3.2 Contract assets.

### SECTION 3: Working capital

#### Introduction

This section provides information regarding the development in the Company's working capital. This includes notes to understand the development in construction contracts and related guarantee commitments.

Information to understand the Company's low exposure towards credit risk is also contained in this section

#### The following notes are presented in Section 3:

- 3.1 Inventories
- 3.2 Contract assets
- 3.3 Trade and other receivables
- 3.4 Guarantee commitments and contingent liabilities
- 3.5 Net working capital
- 3.6 Financial risk management
- 3.7 Other liabilities
- 3.8 Accounting policy
- 3.9 Significant estimates and judgements

#### Note 3.1 Inventories

DKK'000	2022	2021
Raw materials	0	0
Show-houses and semi-detached houses (non-contracted)	0	0
Land	24	0
Write-down inventories	0	0
<b>Total inventories</b>	<b>24</b>	<b>0</b>

#### Note 3.2 Contract assets

DKK'000	2022	2021
Selling price of contract assets	37.623	107.228
Invoicing on account	0	0
	<b>37.623</b>	<b>107.228</b>

Calculated as follows:

Contract assets	37.623	107.228
Contract liabilities	0	0
	<b>37.623</b>	<b>107.228</b>
Prepayments from customers regarding construction contracts not yet started	0	1.303

Delivery obligations	2022	2021
Within one year	462.171	316.845
After one year	42.225	15.633

There are no detained payments related to contract assets

#### Construction contracts (assets/liabilities)

Contract assets comprise the selling price of work performed where the Company does not yet have an unconditional right to payment, as the work performed has not yet been approved by the customer.

Contract liabilities comprise agreed, unconditional payments received on account for work yet to be performed.

Payment is typically due at the time of final delivery of the construction, however a small deposit is paid upon contract negotiation. The Company receives a bank guarantee in connection with the start-up of each contract, and is entitled to payment for work performed, including profit during the project.

#### Note 3.3 Trade and other receivables

DKK'000	2022	2021
Trade receivables	20.238	0
Provision for expected credit losses	0	0
Other receivables	7.834	7.011
<b>As at 31 December</b>	<b>28.072</b>	<b>7.011</b>
DKK'000	2022	2021
Provision for expected credit losses at 1 January	0	0
Provision for expected credit losses at 31 December	0	0

The Company receives security in the form of a bank guarantee or deposit in connection with the start-up of construction contracts and there is therefore limited risk of loss on trade receivables in connection with the Company's receivable from sales activities. The Company's trade receivables consist of invoices issued shortly before delivering the house, and no key is delivered until payment is received. The increase in other receivables is due to an increase in bonus

**Note 3.4 Guarantee commitments and contingent liabilities**

DKK'000	2022	2021
<b>Guarantee provision at 1 January</b>	1.048	50
Arising during the year	1.198	1.008
Utilised	-839	-10
<b>Guarantee provision at 31 December</b>	<b>1.408</b>	<b>1.048</b>

Distributed in the balance as follows:

Non-current liabilities	282	210
Current liabilities	1.126	839

At year-end, the guarantee provision amounted to DKK 1.408 thousands (2021: DKK 1.048 thousand). Provisions for future costs of guarantee commitments at one and five year reviews of houses delivered are recognized at the amounts expected at the balance sheet date to be required to settle the commitment.

This estimate is based on calculations, assessments by company management and experiences gained from past transactions.

This estimate is based on calculations, assessments by company management and experiences gained from past transactions.

**Contingent liabilities**

The Company is regularly involved in minor dispute, but was not a party to any major dispute at 31 December 2022.

The Company is jointly taxed with its parent, HusCompagniet A/S, which acts as Management Company for the other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income years 2013 and forward and withholding taxes falling due for payment on or after 1 July 2012 in the group of jointly taxed entities.

**Note 3.5 Net working capital**

DKK'000	2022	2021
Inventories	24	0
Contract assets	37.623	107.228
Trade and other receivables	28.072	7.011
Prepayments	0	0
Trade and other payables	-31.066	-37.830
Prepayments from customers	0	-1.303
Other liabilities	-3.410	-9.105
<b>Total</b>	<b>31.243</b>	<b>66.000</b>

**Change in working capital**

DKK'000	2022	2021
Inventories	24	0
Contract assets	-69.605	107.228
Trade and other receivables	21.061	6.991
Trade and other payables	6.764	-37.154
Prepayments from customers	1.303	-1.303
Other liabilities	5.695	-8.298
<b>Cash flow effect</b>	<b>-34.758</b>	<b>67.463</b>

### Note 3.6 Financial risk management

#### Credit risk

The Company is exposed to customers' inability to meet their financial obligations. To address this risk, the Group obtains a bank guarantee on the agreed selling price from all customers before construction starts and the customers pay on delivery. In contracts where the scope and price is subsequently changed, the bank guarantee is updated if Management considers the change to be significant. This eliminates the risk of debtor loss, as all payment rights are secured before the houses are delivered.

It is the Company's assessment that the exposure towards credit risk is not significant.

Impairment of other receivables amounted to nil in 2022 and 2021.

### Note 3.7 Other liabilities

DKK'000	2022	2021
Wages and salaries, payroll taxes, social security costs, etc.	1.361	2.387
Holiday obligation	633	373
VAT and duties	1.417	6.345
<b>Total other payable</b>	<b>3.410</b>	<b>9.105</b>

### Note 3.8 Accounting policy

#### Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost price of raw materials includes costs of bringing each product to its present location and condition. Cost of raw materials are measured on a first-in/first-out basis.

#### Work in progress and finished houses (non-contracted construction)

The cost of work in progress and finished houses (non-contracted), includes costs of direct materials and labour.

The cost price of land plots includes indirect costs such as development costs etc. bringing the land to its present condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Work in progress is described further in Note 3.2 Contract assets.

#### Provisions

Provisions differ from other liabilities because there is a degree of uncertainty concerning when payment will occur or concerning the size of the amount required to settle the provision.

Provisions are recognized in the balance sheet when a legal or informal commitment exists due to an event that has occurred, it is probable that an outflow of resources will be required to settle the commitment and the amount can be estimated reliably.

#### Trade and other receivables

Receivables are measured at amortized cost. Write-down to counter losses is made according to the simplified expected credit loss model, after which the total loss is recognised immediately in the the profit and loss account at the same time as the receivable is recognised in the balance sheet on the basis of expected loss in the total lifetime of the receivable.

The effective interest rate used at the time of initial recognition is used as the discount rate for the individual receivable or portfolio.

Other receivables. Are on initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR) less impairment. The EIR amortisation is included in financial income in the income statement. The losses arising from impairment are recognised in the income statement in financial expenses.

#### Other liabilities

Other liabilities which include debt to public authorities, employee related costs payable and accruals etc. are measured at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and demand deposits.

For the purpose of the financial statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, net of outstanding overdrafts.

### Note 3.9 Significant estimates and judgements

#### Guarantee commitments

Provisions for future costs due to guarantee commitments are recognized at the amount expected to be required to settle the commitment on the balance-sheet date. This estimate is based on calculations, assessments by company management and experiences gained from past transactions.

At year-end, the guarantee provision amounted to DKK 1.408 thousands (2021: DKK 1.048 thousands, refer to note 3.4 Provisions and contingent liabilities).

## SECTION 4: INVESTMENTS

### Introduction

In this section the Company's investments are explained. This includes investments in intangible and intangible assets, and how these are tested for impairment.

### The following notes are presented in Section 4:

- 4.1 Investments in subsidiaries
- 4.2 Accounting policy

#### Note 4.1 Investments in subsidiaries

##### Investments in subsidiaries

DKK'000	2022	2021
Cost at Januar 1	0	80
Additions	40	0
Disposals	0	-80
<b>Cost at 31 December</b>	<b>40</b>	<b>0</b>
Share of result at 1 January	0	-31
Share of results	0	0
Other comprehensive income	0	31
<b>Share of results at 31 December</b>	<b>0</b>	<b>0</b>
<b>Net book Value</b>	<b>40</b>	<b>0</b>

Reference is made to note 6.6 for overview of subsidiaries

#### Note 4.2 Accounting policy

##### Income from investments in subsidiaries

Income from investments in subsidiaries comprises the pro rata share of the individual profit/loss after full elimination of internal profits or losses.

##### Investments in subsidiaries

The Company's investments in subsidiaries are accounted for using the equity-method. Under the equity method, the investments in subsidiaries are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the subsidiary since the acquisition date. Goodwill relating to the subsidiary is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit or loss reflects the Company's share of the results of operations of the subsidiary. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the subsidiary, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the subsidiaries are eliminated in the subsidiary

The aggregate of the Company's share of profit or loss of an subsidiary is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests of the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiary is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and its carrying value, and then recognises the loss as 'Share of profit of a subsidiary' in the income statement.

SECTION 5: FUNDING AND CAPITAL STRUCTURE

**Introduction**

This sections includes information regarding the Company's capital structure, and information on how the activities and investments of the Company is funded.

Information regarding the Company's exposure towards liquidity and interest rate risk is also contained in this section.

**The following notes are presented in Section 5:**

- 5.1 Equity
- 5.2 Financial income and expenses
- 5.3 Financial risk management
- 5.4 Accounting policy

**Note 5.1 Equity**

**Share capital**

	2022		2021	
	Nominal value (DKK'000)	Number of shares	Nominal value (DKK'000)	Number of shares
Share capital at 1 January (issued and fully paid)	500	500	500	500
<b>Share capital at 31 December</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>

The Company's share capital is nominally DKK 500,000 divided into 500,000 shares of DKK 1 each or multiples herof.

**Note 5.2 Financial income and expenses**

**Financial income and financial expenses**

DKK'000	2022	2021
<b>Financial income</b>		
Interests received from banks	7	0
Interests from Group Entities	9	244
<b>Total financial income</b>	<b>16</b>	<b>244</b>
<b>Financial expenses</b>		
Other financial cost	14	54
<b>Total financial expenses</b>	<b>14</b>	<b>54</b>
<b>Net financials</b>	<b>2</b>	<b>190</b>

### Note 5.3 Financial risk management

The Company's activities and capital structure is exposed to a variety of financial risks: Market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's management oversees the management of these risks in accordance with the Company's risk management policies.

This section includes description of the risks related to liquidity risk and interest rate risk. Please refer to section 2 for description of currency risk, and section 3 for description of credit risk.

#### Liquidity risk

The Company does not receive payment until construction is finished and the house is handed over to the client.

Accordingly, the Group needs sufficient credit facilities to fund constructions in progress.

The Group continues monitoring the need of liquidity. At 31 December 2022, the Group has an undrawn credit facility of DKK 400 million to ensure that the Group is able to meet its obligations (2021: DKK 400 million). Management considers the credit availability to be sufficient for the next 12 months.

The below presented cash flows are non-discounted amounts, on the earliest possible date at which the Group can be required to settle the financial liability. Floating interest payments on bank borrowings have been determined applying a forward curve on the underlying interest rate at the reporting date.

#### Contractual maturity analysis of financial liabilities

2022	Due within 1 year	Due between 1 and 3 years	Due between 3 and 5 years	Due after 5 years	Total contractual cash flows	Carrying amount
DKK'000						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	31.066	0	0	0	31.066	31.066
Other Liabilities	3.410	0	0	0	3.410	3.410
<b>Total non-derivative financial liabilities</b>	<b>34.476</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34.476</b>	<b>34.476</b>
<b>Total financial liabilities</b>	<b>34.476</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34.476</b>	<b>34.476</b>
<b>2021</b>						
DKK'000						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	37.830	0	0	0	37.830	37.830
Other Liabilities	9.105	0	0	0	9.105	9.105
<b>Total non-derivative financial liabilities</b>	<b>46.935</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46.935</b>	<b>46.935</b>
<b>Total non-derivative financial liabilities</b>	<b>46.935</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46.935</b>	<b>46.935</b>

The presented cash flows are non-discounted amounts, on the earliest possible date at which the Group can be required to settle the financial liability. Floating interest payments on bank borrowings have been determined applying a forward curve on the underlying interest rate at the reporting date.

#### Interest rate risk

RækkehusCompagniet is not exposed to fluctuations in market interest rates as the Company has no loans with third party.

#### Categories of financial assets and financial liabilities

DKK'000	2022	2021
Trade and other receivables (financial assets at amortised cost)	28.072	7.011
Receivable from affiliated companies (financial assets at amortised cost)	79.139	29.106
Trade and other payables (financial liabilities at amortised cost)	31.066	37.830
Other liabilities (financial liabilities at amortised cost)	3.410	9.105
Payables to affiliated companies (financial liabilities at amortised cost)	64	0

It is estimated that the fair value of financial assets and liabilities corresponds to carrying amount in balance sheet.



#### Note 5.4 Accounting policy

##### Equity

##### Dividends

The expected dividend payment for the year is disclosed as a separate item in equity. Proposed dividends are recognized as a liability at the date they are adopted by the annual general meeting (declaration date).

##### Financial income and expenses

Financial income and expenses comprise interest income and expenses including interest on leases, cost of permanent loan facilities, gains and losses on securities, receivables, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities, etc.

##### Financial assets

Financial assets are measured at amortised cost. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

##### Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

The Company's financial liabilities comprise trade payables, borrowings and other payables (primarily staff-related costs not due for payment).

SECTION 6: OTHER DISCLOSURES

**Introduction**

This section includes other disclosures required by IFRS or additional disclosures required by the Danish Companies Act.

**The following notes are presented in Section 6:**

- 6.1 Tax
- 6.2 Other non-cash items
- 6.3 Related parties
- 6.4 Auditor's fee
- 6.5 Events after the balance sheet date
- 6.6 Definitions
- 6.7 Accounting policy

**Note 6.1 Tax**

**Current tax**

DKK'000	2022	2021
Income tax	4.094	2.841
Movement in deferred tax	-46	4.090
<b>Income taxes in the income statement</b>	<b>4.049</b>	<b>6.931</b>
<b>Profit before tax</b>	<b>17.734</b>	<b>31.452</b>
Tax rate, Denmark	22,00%	22,00%
Calculated Tax at the applicable rate for continued operations	3.901	6.919
Expenses not deductible for tax purposes	147	0
Other	0	12
<b>Tax expense for the year</b>	<b>4.049</b>	<b>6.931</b>
<b>Effective tax rate, %</b>	<b>22,83%</b>	<b>22,04%</b>

**Deferred tax**

DKK'000	2022	2021
Deferred tax at 1 January	4.090	0
Recognised in profit or loss	-46	4.090
<b>Deferred tax at 31 December</b>	<b>4.044</b>	<b>4.090</b>

**Income tax payable**

DKK'000	2022	2021
<b>Income tax payable at 1 January</b>	<b>2.841</b>	<b>-329</b>
Current tax including jointly taxed subsidiaries	4.094	2.841
Corporation tax paid during the year	-2.841	329
<b>Income tax payable at 31 December</b>	<b>4.094</b>	<b>2.841</b>

**Note 6.2 Other non-cash items**

DKK'000	2022	2021
Non-cash financial items	359	999
<b>Other non-cash items</b>	<b>359</b>	<b>999</b>

**Note 6.3 Related parties****Transactions with Executive Management & Board of Directors**

Transactions with key management personnel include transactions with companies controlled by the key management personnel.

**The ultimate Parent**

The ultimate Parent of the Company is HusCompagniet A/S. There were no transactions between the Company and the ultimate company.

The direct Parent of the Company is HusCompagniet Holding A/S.

**Significant transactions between the Group and related parties with a significant influence**

Management fee transactions between the Company and Group amounts to 2.0 million DKK (2021: 3.3). There are no other transactions between Group and related parties with significant influence in 2022.

**Note 6.4 Auditor's fee****Fees to auditors**

DKK'000	2022	2021
Audit Service	270	250
Tax advice services	0	0
Other non-audit services	34	5
<b>Total</b>	<b>304</b>	<b>255</b>

#### Note 6.5 Events after the balance sheet date

No material events have occurred between 31 December 2022 and the date of publication of this annual report that have not already been included in the annual report and that would have a material effect on the assessment of the Company's financial position.

#### Note 6.6 List of Group companies

Investment in group companies comprise the following at 31 December 2022.

Name	Country of incorporation	% equity interest
PFA Boliger Svenstrup ApS	Denmark	100%

#### Note 6.7 Definitions

The financial ratios under consolidated key figures have been calculated as follows:

Gross margin  $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$

#### Key figures and ratios

The ratios have been calculated in accordance with [www.keyratios.org/](http://www.keyratios.org/) issued by CFA Society Denmark. The ratios mentioned in the five-year summary are calculated as described in the definitions above. ESG key figures have been calculated in accordance with FSR - Danish Auditors, CFA Society Denmark and Nasdaq's 15 suggestions on standardised ESG key figures for the annual report.

#### Note 6.8 Accounting policy

##### Current income tax

The company is jointly taxed with all Danish subsidiaries. The current Danish corporation tax is allocated between the jointly-taxed companies in proportion to their taxable income. The jointly-taxed companies are taxed under the on-account tax scheme.

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit (loss) for the year is recognised in the income statement, and the tax expense relating to amounts recognised in other comprehensive income is recognised in other comprehensive income.

Current tax payable is recognized in current liabilities and deferred tax is recognized in non-current liabilities. Tax receivable is recognized in current assets and deferred tax assets are recognized in non-current assets.

##### Deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the period, adjusted for tax on the taxable income of prior periods and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable values.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

## Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of RækkehusCompagniet A/S for 2022.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 December 2022 and of the results of their operations and cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's activities and financial matters, results for the year, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

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

Virum, 2 June 2023  
Executive Board:

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Martin Ravn-Nielsen  
CEO

Board of Directors:

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Lars Hansen  
Chairman

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Martin Ravn-Nielsen

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Anna Schøning

## Independent auditor's report

To the shareholders of RækkehusCompagniet A/S

### Opinion

We have audited the financial statements of RækkehusCompagniet A/S for the financial year 1 January – 31 December 2022, which comprise income statement, statement of other comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 December 2022 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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.

### 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 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.

### 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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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.

## Independent auditor's report

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.
- ▶ 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.



## **Independent auditor's report**

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, 2 June 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Torben Bender  
State Authorised  
Public Accountant  
mne21332

Morten Weinreich Larsen  
State Authorised  
Public Accountant  
mne42791



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## Martin Ravn-Nielsen

### Executive Board

On behalf of: RækkehusCompagniet A/S

Serial number: 587a03fd-3b4f-4428-98ae-43776fbdcd10

IP: 217.74.xxx.xxx

2023-06-02 08:10:29 UTC



## Martin Ravn-Nielsen

### Board of Directors

On behalf of: RækkehusCompagniet A/S

Serial number: 587a03fd-3b4f-4428-98ae-43776fbdcd10

IP: 217.74.xxx.xxx

2023-06-02 08:43:12 UTC



## Anna Schøning

### Board of Directors

On behalf of: RækkehusCompagniet A/S

Serial number: b2205601-5691-4f86-b12f-86baaaee2416

IP: 217.74.xxx.xxx

2023-06-02 08:57:25 UTC



## Lars Hansen

### Chair of the meeting

On behalf of: RækkehusCompagniet A/S

Serial number: a2586cf9-736e-409b-b9d0-441df1c72aa5

IP: 217.74.xxx.xxx

2023-06-02 15:40:02 UTC



## Lars Hansen

### Chairman

On behalf of: RækkehusCompagniet A/S

Serial number: a2586cf9-736e-409b-b9d0-441df1c72aa5

IP: 217.74.xxx.xxx

2023-06-02 15:40:02 UTC



## Torben Poul Bender

### State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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## Morten Weinreich Larsen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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