
STRANDLODSVEJ 3-5 ApS

Siljengade 1, DK-2300 København S

Annual Report for 2023

CVR No. 33 78 63 36

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 3/6 2024

Camilla Dalum
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of STRANDLODSVEJ 3-5 ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København S, 3 June 2024

Executive Board

Rasmus Juul-Nyholm
CEO

Jakob Elvekjær Hermann
Manager

Camilla Dalum
Manager

Independent Auditor's report

To the shareholder of STRANDLODSVEJ 3-5 ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of STRANDLODSVEJ 3-5 ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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. 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 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 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 Company'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 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 3 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jakob Thisted Binder

State Authorised Public Accountant

mne42816

Company information

The Company	STRANDLODSVEJ 3-5 ApS Siljanganede 1 2300 København S CVR No: 33 78 63 36 Financial period: 1 January - 31 December Incorporated: 12 July 2011 Financial year: 12th financial year Municipality of reg. office: Copenhagen
Executive Board	Rasmus Juul-Nyholm Jakob Elvekjær Hermann Camilla Dalum
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Bankers	Nykredit Bank A/S Kalvebod Brygge 47 1780 København V

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit before value adjustments		3,311,017	2,586,854
Value adjustments of assets held for investment		-17,246,369	15,058,969
Gross profit after value adjustments		-13,935,352	17,645,823
Depreciation and impairment losses of property, plant and equipment		-49,895	-499,347
Profit/loss before financial income and expenses		-13,985,247	17,146,476
Financial income		1,493,848	0
Financial expenses	3	-3,432,559	-1,947,563
Profit/loss before tax		-15,923,958	15,198,913
Tax on profit/loss for the year	4	-1,690,066	-1,683,579
Net profit/loss for the year		-17,614,024	13,515,334
Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-17,614,024	13,515,334
		-17,614,024	13,515,334

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Investment properties		96,200,000	113,270,000
Other fixtures and fittings, tools and equipment		51,064	100,960
Property, plant and equipment	5	96,251,064	113,370,960
Fixed assets		96,251,064	113,370,960
Trade receivables		1,061,225	504,303
Other receivables		5,388,327	8,288,803
Prepayments		431	3,511
Receivables		6,449,983	8,796,617
Cash at bank and in hand		1,838,044	1,016,584
Current assets		8,288,027	9,813,201
Assets		104,539,091	123,184,161

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		80,000	80,000
Reserve for hedging transactions		3,975,605	6,408,035
Retained earnings		-4,530,447	13,515,334
Equity		-474,842	20,003,369
Provision for deferred tax		2,237,439	1,519,368
Provisions		2,237,439	1,519,368
Mortgage loans		57,940,950	57,908,662
Long-term debt	6	57,940,950	57,908,662
Credit institutions		0	55,300
Prepayments received from customers		65,508	63,000
Trade payables		495,937	331,822
Payables to group enterprises		41,713,847	40,684,990
Payables to group enterprises relating to corporation tax		1,296,625	1,296,625
Deposits		1,060,011	1,208,928
Other payables		203,616	112,097
Short-term debt		44,835,544	43,752,762
Debt		102,776,494	101,661,424
Liabilities and equity		104,539,091	123,184,161
Going concern	1		
Key activities	2		
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of changes in equity

	Share capital	Reserve for hedging transactions	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	80,000	6,408,035	13,515,334	20,003,369
Exchange adjustments	0	0	-431,757	-431,757
Fair value adjustment of hedging instruments, end of year	0	-3,118,500	0	-3,118,500
Tax on adjustment of hedging instruments for the year	0	686,070	0	686,070
Net profit/loss for the year	0	0	-17,614,024	-17,614,024
Equity at 31 December	80,000	3,975,605	-4,530,447	-474,842

Notes to the Financial Statements

1. Going concern

The company has lost more than 50% of the company's capital and is thus covered by the Companies Act's rules regarding capital loss. The company has received a letter of support from owner Home.Earth Group Holding A/S, from which it appears that Home.Earth Group Holding A/S will support the company financially until at least 30 June 2025, so that the company can meet its obligations on time. Overall, the company's financial situation is assessed as satisfactory and the annual report has therefore been submitted according to the going concern assumption.

2. Key activities

Selskabets formål er at drive erhvervsvirksomhed med handel, produktion, konsulentbistand og investering i fast ejendom.

3. Financial expenses

	2023	2022
	DKK	DKK
Interest paid to group enterprises	1,028,857	1,182,735
Other financial expenses	2,403,702	764,828
	<u>3,432,559</u>	<u>1,947,563</u>

4. Income tax expense

	2023	2022
	DKK	DKK
Current tax for the year	717,681	-510,769
Deferred tax for the year	1,003,137	2,194,348
Adjustment of tax concerning previous years	-30,752	0
	<u>1,690,066</u>	<u>1,683,579</u>

Notes to the Financial Statements

5. Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January	98,211,031
Additions for the year	176,369
Cost at 31 December	<u>98,387,400</u>
Value adjustments at 1 January	15,058,969
Revaluations for the year	-17,246,369
Value adjustments at 31 December	<u>-2,187,400</u>
Carrying amount at 31 December	<u>96,200,000</u>

Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The determination of fair value of the investment property has been assessed by an independent assessor.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material.

The fair value of Investment property has been calculated based on the following assumptions:

	2023	2022
	DKK	DKK
The fair value of investment properties amounts to	96,200,000	113,270,000
Value adjustment, income statement	-17,246,369	15,058,969
Budget period		10
Expected idle rent in % of rental income	2% - 5%	2% - 10%
Discount rate	4,5% - 6%	3,75% - 5,25%

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Long-term debt		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Mortgage loans		
After 5 years	57,940,950	57,908,662
Long-term part	57,940,950	57,908,662
Within 1 year	0	0
	<u>57,940,950</u>	<u>57,908,662</u>

7. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Home.Earth Group Holding A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

8. Accounting policies

The Annual Report of STRANDLODSVEJ 3-5 ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Income statement

Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Other external expenses

Other external expenses comprise , sales and distribution as well as office expenses of investment properties.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Investment properties

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

Other property, plant and equipment

Other property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	4-7 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of the property are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Notes to the Financial Statements

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.