

## **Real Estate Denmark ApS**

Måløv Byvej 229  
2760 Måløv

CVR no. 34 04 91 49

### **Annual report for 2022**

(11st Financial year)

Adopted at the annual general meeting  
on 7 August 2023

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Allan Brix Kronborg  
chairman

## Table of contents

	Page
<b>Statements</b>	
Statement by management on the annual report	1
Independent auditor's report on extended review	2
<b>Management's review</b>	
Company details	4
Management's review	5
<b>Financial statements</b>	
Accounting policies	6
Income Statement	9
Balance Sheet	10
Statement of changes in equity	12
Notes	13

## **Statement by management on the annual report**

The executive board has today discussed and approved the annual report of Real Estate Denmark ApS for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Måløv, 10 July 2023

### **Executive board**

Allan Brix Kronborg

# **Independent auditor's report on extended review**

## **To the shareholder of Real Estate Denmark ApS**

### **Adverse Opinion**

We have performed extended review of the financial statements of Real Estate Denmark ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on our procedures, we believe, because of the significance of the matter described in the “Basis for Adverse Opinion” paragraph, that the financial statements do not give a true and fair view of the company's financial position at 31 December 2022 or of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

### **Basis for Adverse Opinion**

The company has guaranteed a number of the subsidiaries' loans. These loans have been terminated and this has created uncertainty about the company's ability to continue operations. The management has laid out a plan for how they will ensure the company's survival, but the uncertainty surrounding for this is very great. Based on the significant uncertainty for the going concern, we qualify our opinion for the presentation of the financial statements.

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the “Auditor's responsibilities for the extended review of the financial statements” section of our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 and IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our adverse 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.

## **Independent auditor's report on extended review**

### **Auditor's responsibility for the extended review of the financial statements**

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

### **Statement on management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Hellerup, 10 July 2023

CVR no. 33 25 68 76



Søren Jonassen  
Statsautoriseret revisor  
MNE no. mne18488

## Company details

### The company

Real Estate Denmark ApS  
Måløv Byvej 229  
2760 Måløv

CVR no.: 34 04 91 49

Reporting period: 1 January - 31 December 2022

Incorporated: 11 November 2011

Domicile: Ballerup

### Executive board

Allan Brix Kronborg

### Auditors

Crowe  
Statsautoriseret Revisionsinteressentskab v.m.b.a.  
Rygårds Allé 104  
2900 Hellerup

## **Management's review**

### **Business review**

The purpose of the company is to functioning as a holding company for the underling companies.

### **Financial review**

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 3.726.774, and the balance sheet at 31 December 2022 shows equity of DKK 74.646.337.

The company has guaranteed a number of the subsidiaries' loans. These loans have been terminated and this has created uncertainty about the company's ability to continue operations. The management has laid out a plan for how they will ensure the company's survival, but the uncertainty surrounding for this is very great.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## **Accounting policies**

The annual report of Real Estate Denmark ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The annual report for 2022 is presented in DKK

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

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

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

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Gross profit**

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.



## **Accounting policies**

### **Income from investments in subsidiaries, associates and participating interests**

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the company's income statement after full elimination of intra-group profits/losses.

### **Tax on profit/loss for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Balance sheet**

### **Investments in subsidiaries, associates and participating interests**

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries and associates are measured in the parent company financial statements using the equity method.

Investments in subsidiaries, associates and participating interests with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries, associates and participating interests are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Real Estate Denmark ApS is adopted are not taken to the net revaluation reserve.

Acquirees are accounted for using the purchase method, see the above description of consolidated financial statements and calculation of goodwill.

### **Receivables**

Receivables are measured at amortised cost.

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

## **Accounting policies**

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

#### **Income tax and deferred tax**

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

#### **Liabilities**

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

#### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

**Income statement**  
**1 January 2022 - 31 December 2022**

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
<b>Gross profit</b>		<b>1.069.363</b>	<b>-106</b>
Income from investments in subsidiaries		-4.751.242	1.470
Financial costs	2	<u>-50.901</u>	<u>0</u>
<b>Profit/loss before tax</b>		<b>-3.732.780</b>	<b>1.364</b>
Tax on profit/loss for the year	3	<u>6.006</u>	<u>0</u>
<b>Profit/loss for the year</b>		<b><u>-3.726.774</u></b>	<b><u>1.364</u></b>
 <b>Recommended appropriation of profit/loss</b>			
Reserve for net revaluation under the equity method		-4.751.242	1.470
Retained earnings		<u>1.024.468</u>	<u>-106</u>
		<b><u>-3.726.774</u></b>	<b><u>1.364</u></b>

## Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
<b>Assets</b>			
Investments in subsidiaries	4	78.061.032	82.290
Participating interests		0	5.990
Other fixed asset investments		146.108	0
<b>Fixed asset investments</b>		<b><u>78.207.140</u></b>	<b><u>88.280</u></b>
<b>Total non-current assets</b>		<b><u>78.207.140</u></b>	<b><u>88.280</u></b>
Receivables from subsidiaries		7.680.239	977
Other receivables		120.000	3.552
<b>Receivables</b>		<b><u>7.800.239</u></b>	<b><u>4.529</u></b>
<b>Cash at bank and in hand</b>		<b><u>27.462</u></b>	<b><u>13</u></b>
<b>Total current assets</b>		<b><u>7.827.701</u></b>	<b><u>4.542</u></b>
<b>Total assets</b>		<b><u><u>86.034.841</u></u></b>	<b><u><u>92.822</u></u></b>

## Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> TDKK
<b>Equity and liabilities</b>			
Share capital		80.000	80
Reserve for net revaluation under the equity method		71.689.149	76.440
Retained earnings		<u>2.877.188</u>	<u>1.853</u>
<b>Equity</b>		<b><u>74.646.337</u></b>	<b><u>78.373</u></b>
Payables to subsidiaries		10.596.342	6.379
Corporation tax		0	6
Other payables		<u>792.162</u>	<u>8.064</u>
<b>Total current liabilities</b>		<b><u>11.388.504</u></b>	<b><u>14.449</u></b>
<b>Total liabilities</b>		<b><u>11.388.504</u></b>	<b><u>14.449</u></b>
<b>Total equity and liabilities</b>		<b><u>86.034.841</u></b>	<b><u>92.822</u></b>
Contingent liabilities	6		
Mortgages and collateral	7		

## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2022	80.000	76.440.391	1.852.720	78.373.111
Net profit/loss for the year	0	-4.751.242	1.024.468	-3.726.774
<b>Equity at 31 December 2022</b>	<b>80.000</b>	<b>71.689.149</b>	<b>2.877.188</b>	<b>74.646.337</b>

## Notes

	<u>2022</u> DKK	<u>2021</u> TDKK
<b>1 Staff costs</b>		
Average number of employees	<u>1</u>	<u>1</u>
<b>2 Financial costs</b>		
Other financial costs	<u>50.901</u>	<u>0</u>
	<b><u>50.901</u></b>	<b><u>0</u></b>
<b>3 Tax on profit/loss for the year</b>		
Adjustment of tax concerning previous years	<u>-6.006</u>	<u>0</u>
	<b><u>-6.006</u></b>	<b><u>0</u></b>
<b>4 Investments in subsidiaries</b>		
Cost at 1 January 2022	5.851.883	5.778
Additions for the year	<u>520.000</u>	<u>72</u>
Cost at 31 December 2022	<u>6.371.883</u>	<u>5.850</u>
Revaluations at 1 January 2022	76.440.391	74.970
Revaluations for the year, net	<u>-4.751.242</u>	<u>1.470</u>
Revaluations at 31 December 2022	<u>71.689.149</u>	<u>76.440</u>
<b>Carrying amount at 31 December 2022</b>	<b><u>78.061.032</u></b>	<b><u>82.290</u></b>
<b>5 Uncertainty about the continued operation (going concern)</b>		
<p>The company has guaranteed a number of the subsidiaries' loans. These loans have been terminated and this has created uncertainty about the company's ability to continue operations. The management has laid out a plan for how they will ensure the company's survival, but the uncertainty surrounding for this is very great.</p>		

## **Notes**

### **6 Contingent liabilities**

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2020 onwards as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment.

### **7 Mortgages and collateral**

The Company has bailed for debt in Subsidiaries and therefor responsible for payment obligations in these subsidiaries.