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# ***Kinnerton Properties ApS***

Hammerensgade 6, DK-1267 København K

## **Annual Report for 1 July 2021 - 30 June 2022**

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CVR No 35 66 90 00

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
14/9 2022

Camilla Sofie Halsted  
Chairman of the General  
Meeting



**pwc**

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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Kinnerton Properties ApS for the financial year 1 July 2021 - 30 June 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 financial position at 30 June 2022 of the Company and of the results of the Company operations for 2021/22.

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

Copenhagen, 14 September 2022

### **Executive Board**

Jens Bisgaard-Frantzen  
Executive Officer

# Independent Auditor's Report

To the Shareholder of Kinnerton Properties ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Kinnerton Properties ApS for the financial year 1 July 2021 - 30 June 2022, 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.

## 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 audit 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 audit, 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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in 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 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 misstate-

# Independent Auditor's Report

ment, 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.
- 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

# Independent Auditor's Report

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, 14 September 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Søren Alexander

statsautoriseret revisor

mne42824

## **Company Information**

### **The Company**

Kinnerton Properties ApS  
Hammerensgade 6  
DK-1267 København K

CVR No: 35 66 90 00  
Financial period: 1 July - 30 June  
Municipality of reg. office: København

### **Executive Board**

Jens Bisgaard-Frantzen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# **Management's Review**

## **Key activities**

The company's main activity is to invest in real estate property as well as other related activities.

## **Development in the year**

The income statement of the Company for 2021/22 shows a profit of DKK 2,409,605, and at 30 June 2022 the balance sheet of the Company shows equity of DKK 7,294,488.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 July - 30 June

	Note	2021/22 DKK	2020/21 DKK
<b>Gross profit/loss before value adjustments</b>		<b>310.813</b>	<b>188.888</b>
Value adjustments of assets held for investment		2.190.000	0
<b>Gross profit/loss</b>		<b>2.500.813</b>	<b>188.888</b>
Financial expenses	1	-91.208	-97.555
<b>Profit/loss before tax</b>		<b>2.409.605</b>	<b>91.333</b>
Tax on profit/loss for the year		0	0
<b>Net profit/loss for the year</b>		<b>2.409.605</b>	<b>91.333</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		2.409.605	91.333
		<b>2.409.605</b>	<b>91.333</b>

## Balance Sheet 30 June

### Assets

	<u>Note</u>	<u>2021/22</u> DKK	<u>2020/21</u> DKK
Investment properties		11.500.000	9.310.000
<b>Property, plant and equipment</b>	2	<b>11.500.000</b>	<b>9.310.000</b>
<b>Fixed assets</b>		<b>11.500.000</b>	<b>9.310.000</b>
<b>Cash at bank and in hand</b>		<b>532.840</b>	<b>965.108</b>
<b>Currents assets</b>		<b>532.840</b>	<b>965.108</b>
<b>Assets</b>		<b>12.032.840</b>	<b>10.275.108</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2021/22 DKK	2020/21 DKK
Share capital		3.000.000	3.000.000
Retained earnings		4.294.488	1.884.883
Proposed dividend for the year		0	500.000
<b>Equity</b>		<b>7.294.488</b>	<b>5.384.883</b>
Credit institutions		4.286.500	4.460.500
<b>Long-term debt</b>	3	<b>4.286.500</b>	<b>4.460.500</b>
Credit institutions	3	174.000	174.000
Trade payables		32.470	34.070
Deposits		245.382	221.655
<b>Short-term debt</b>		<b>451.852</b>	<b>429.725</b>
<b>Debt</b>		<b>4.738.352</b>	<b>4.890.225</b>
<b>Liabilities and equity</b>		<b>12.032.840</b>	<b>10.275.108</b>
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## Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 July	3.000.000	1.884.883	500.000	5.384.883
Ordinary dividend paid	0	0	-500.000	-500.000
Net profit/loss for the year	0	2.409.605	0	2.409.605
<b>Equity at 30 June</b>	<b>3.000.000</b>	<b>4.294.488</b>	<b>0</b>	<b>7.294.488</b>

## Notes to the Financial Statements

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
<b>1 Financial expenses</b>		
Other financial expenses	91.208	97.555
	<b>91.208</b>	<b>97.555</b>

### 2 Assets measured at fair value

	<u>Investment pro- perties</u> DKK
Cost at 1 July	6.596.492
Cost at 30 June	6.596.492
Value adjustments at 1 July	2.713.508
Revaluations for the year	2.190.000
Value adjustments at 30 June	4.903.508
<b>Carrying amount at 30 June</b>	<b>11.500.000</b>

#### Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The determination of fair value is based a gross income multiple model, and Management uses accounting estimates when determining the fair value. The use of accounting estimates implies that the statement of fair value is subject to some uncertainty. The fair value is stated based on assumptions that Management considers probable and realistic. Management reassesses assumptions on a current basis, and any changes to the assumptions are reflected in the fair value. The key assumptions applied when determining the fair value are stated below:

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
The fair value of investment properties amounts to	11.500.000	9.310.000
Value adjustment, income statement	2.190.000	0

## Notes to the Financial Statements

### 2 Assets measured at fair value (continued)

#### Sensitivity in determination of fair value of investment properties

An in the range of 4,75% - 5,25% has been applied in the market value assessment at 30 June 2022. The

Changes in estimated required rate of return for investment properties will affect the value of investment properties recognised in the balance sheet as well as value adjustments carried in the income statement.

Changes in	0,25 % DKK	Base DKK	-0,25 % DKK
Rate of return	0,25	0,00	-0,25
Fair value	12.000.000	11.500.000	11.000.000
Change in fair value	500.000	0	-500.000

### 3 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:

	2021/22 DKK	2020/21 DKK
<b>Credit institutions</b>		
After 5 years	3.416.500	3.590.500
Between 1 and 5 years	870.000	870.000
Long-term part	<u>4.286.500</u>	<u>4.460.500</u>
Other short-term debt to credit institutions	174.000	174.000
	<b><u>4.460.500</u></b>	<b><u>4.634.500</u></b>

## Notes to the Financial Statements

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
<b>4 Contingent assets, liabilities and other financial obligations</b>		
<b>Charges and security</b>		
The following assets have been placed as security with mortgage credit institutes:		
Investment properties with a carrying amount DKK	11.500.000	9.310.000

# Notes to the Financial Statements

## 5 Accounting Policies

The Annual Report of Kinnerton Properties ApS for 2021/22 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 2021/22 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.

## Income Statement

### Revenue

Revenue from rental income is recognised in the income statement at amounts relating to the financial year when revenue can be measured reliably and it is probable that the economic benefits will flow to the Company. Revenue is recognised exclusive of VAT and net of discounts.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.



# Notes to the Financial Statements

## 5 Accounting Policies (continued)

### Gross profit/loss

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.

### Financial income and expenses

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

### 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.

## Balance Sheet

### 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.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed investment properties comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and suppliers up until the time when the asset is ready for use.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

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.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

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.

# Notes to the Financial Statements

## 5 Accounting Policies (continued)

### Equity

#### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Financial debts**

Loans, such as 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.