



Byggefelt H, Tegholmen ApS

Adelgade 15, 2.
1304 Copenhagen K
CVR No. 35866531

Annual report 2023

The Annual General Meeting adopted the annual report on 27.05.2024

Emil Skov

Chairman of the General Meeting

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Entity details

Entity

Byggefelt H, Tegholmen ApS

Adelgade 15, 2.

1304 Copenhagen K

Business Registration No.: 35866531

Registered office: Copenhagen

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Peter Matzen Drachmann, Chairman of the Board

Marco Geisler

Albert Cornelis Tol

Anders Skovgaard Klingbeil

Executive Board

Anders Skovgaard Klingbeil

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Byggefelt H, Teglholmen ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 27.05.2024

Executive Board

Anders Skovgaard Klingbeil

Board of Directors

Peter Matzen Drachmann
Chairman of the Board

Marco Geisler

Albert Cornelis Tol

Anders Skovgaard Klingbeil

Independent auditor's report

To the shareholders of Byggefelt H, Teglholmen ApS

Opinion

We have audited the financial statements of Byggefelt H, Teglholmen ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and

regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Frommelt Hertz

State Authorised Public Accountant
Identification No (MNE) mne31543

Management commentary

Primary activities

The objective of the Company is to acquire real estate properties for investment purposes.

Development in activities and finances

The Company's income statement for the year ended 31 December 2023 showed a profit of DKK 11,731 thousand and the Company's balance sheet at 31 December 2023 showed equity of DKK 340,684 thousand. The loss is caused by the fair value adjustment of investment property.

Uncertainty relating to recognition and measurement

As the company is engaged in development of investment properties, the Company is affected by changes in the property market, including the general level of interest rates and economic conditions. For a description of significant assumptions for the fair value recognition as 31 December 2023 please refer to note 4.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		20,504,122	19,960,347
Fair value adjustments of investment property		(3,900,000)	(57,625,000)
Operating profit/loss		16,604,122	(37,664,653)
Other financial income	1	2,211,283	1,169,583
Other financial expenses	2	(3,770,944)	(3,926,894)
Profit/loss before tax		15,044,461	(40,421,964)
Tax on profit/loss for the year	3	(3,313,491)	8,889,120
Profit/loss for the year		11,730,970	(31,532,844)
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		0	8,000,000
Retained earnings		11,730,970	(39,532,844)
Proposed distribution of profit and loss		11,730,970	(31,532,844)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Investment property		593,775,000	597,675,000
Property, plant and equipment	4	593,775,000	597,675,000
Investments in group enterprises		0	0
Financial assets	5	0	0
Fixed assets		593,775,000	597,675,000
Receivables from group enterprises		47,129,286	44,918,003
Other receivables		956,358	829,805
Receivables		48,085,644	45,747,808
Cash		30,332,618	24,227,546
Current assets		78,418,262	69,975,354
Assets		672,193,262	667,650,354

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		12,301,000	12,301,000
Retained earnings		328,383,179	316,652,209
Proposed dividend		0	8,000,000
Equity		340,684,179	336,953,209
Deferred tax		46,754,966	47,612,968
Provisions		46,754,966	47,612,968
Mortgage debt		249,022,272	254,992,373
Non-current liabilities other than provisions	6	249,022,272	254,992,373
Current portion of non-current liabilities other than provisions	6	5,986,968	0
Deposits		7,082,780	7,036,439
Prepayments received from customers		2,372,006	2,265,829
Trade payables		527,214	4,208,852
Payables to group enterprises		10,552,113	10,417,648
Joint taxation contribution payable		4,171,492	3,788,379
Other payables		5,039,272	374,657
Current liabilities other than provisions		35,731,845	28,091,804
Liabilities other than provisions		284,754,117	283,084,177
Equity and liabilities		672,193,262	667,650,354
Employees	7		
Contingent liabilities	8		
Assets charged and collateral	9		
Related parties with controlling interest	10		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	12,301,000	316,652,209	8,000,000	336,953,209
Ordinary dividend paid	0	0	(8,000,000)	(8,000,000)
Profit/loss for the year	0	11,730,970	0	11,730,970
Equity end of year	12,301,000	328,383,179	0	340,684,179

Notes

1 Other financial income

	2023 DKK	2022 DKK
Financial income from group enterprises	2,211,283	1,169,583
	2,211,283	1,169,583

2 Other financial expenses

	2023 DKK	2022 DKK
Financial expenses from group enterprises	319,935	164,291
Other interest expenses	3,451,009	3,762,603
	3,770,944	3,926,894

3 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Current tax	4,171,492	3,788,379
Change in deferred tax	(858,001)	(12,677,499)
	3,313,491	(8,889,120)

4 Property, plant and equipment

	Investment property DKK
Cost beginning of year	391,948,570
Cost end of year	391,948,570
Fair value adjustments beginning of year	205,726,430
Fair value adjustments for the year	(3,900,000)
Fair value adjustments end of year	201,826,430
Carrying amount end of year	593,775,000

The company's investment property is a residential building with 140 residential units and a single commercial unit located in Copenhagen SV. The investment property, cf. the description of accounting policies, is measured at fair value based on a discounted cash flow valuation model.

Yield, which are the basis for the terminal value and discount rate is fixed for the individual property in consideration of location, condition, tenant mix, non-terminability profile, tenants' standing and on an estimate of how the general property market is developing.

Yield used for the valuation at 31 December 2023 is 3.50% (2022: 3.85%).

An increase in the required rate of return by 0.5% points will reduce the fair value by approx. 74,2 mio.DKK.

A decrease in the required rate of return by 0.5% will increase the fair value by approx. 99 mio.DKK.

An external appraiser has been used to determine the fair value.

5 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	100,000
Cost end of year	100,000
Impairment losses beginning of year	(100,000)
Impairment losses end of year	(100,000)
Carrying amount end of year	0

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK	Profit/loss DKK
Byggefelt H, Teglholmen Parkering ApS	Copenhagen	ApS	100	(28,551,231)	(2,236,978)

6 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Mortgage debt	5,986,968	249,022,272	215,260,777
	5,986,968	249,022,272	215,260,777

7 Employees

The Entity has no employees except for the CEO.

8 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Ejendomsselskabet PADK-2 ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

9 Assets charged and collateral

As collateral for its mortgage debt, DKK 255,400 thousand, the Company has provided collateral in land and buildings with a carrying amount of DKK 593,775 thousand at 31 December 2023.

10 Related parties with controlling interest

The financial statements of Byggefelt H, Tegholmen ApS is included in the consolidated financial statements of BIF II SCS SICAV-SIF, 2-4 Rue Beck L-1222 Luxembourg, where they can be obtained.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises rental income and external expenses.

Revenue

Revenue, comprising rental income, is recognised in the period which it relates.

Fair value adjustments of investment property

Fair value adjustments of investment property comprise adjustments for the financial year of the Entity's investment properties measured at fair value at the balance sheet date.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including administration costs etc.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Other financial income

Other financial income comprises interest income on receivables from group enterprises etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with Ejendomsselskabet PADK-2 ApS and all group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Investment property**

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by using the DCF model as the calculated value in use of expected cash flows from each property. To determine expected cash flows, the budgeted cash flows for each property is used, including increases in price and rent levels, and a calculated terminal value which reflects the amount of normalised cash flows expected to be generated by the property after the budget period. The cash flows so calculated are discounted to net present value by using a discount rate that is estimated to reflect current market required yield rates for similar properties inclusive of expected inflation.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

The accounting policies applied to material financial statement items of group enterprises are:

Investment property: Investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date. The financial year's adjustments of the properties' fair value are recognised in the income statement.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.