

Ib Schönbergs Allé ApS

c/o SF-M ApS
Kalvebod Brygge 39, 4.
1560 Copenhagen
Denmark

CVR no. 37 51 13 74

Annual report 2020

The annual report was presented and approved at the
Company's annual general meeting on

24 March 2021

Thomas Esben Khan
chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ib Schønbergs Allé ApS for the financial year 1 January – 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen 24 March 2021
Executive Board:

Thomas Esben Khan

Board of Directors:

Pavlos Nearchou

Richard John Gale

Henrik Skriver



Independent auditor's report

To the shareholder of Ib Schønbergs Allé ApS

Opinion

We have audited the financial statements of Ib Schønbergs Allé ApS for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

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' 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

Independent auditor's report

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 company 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 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'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 form of 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.



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Independent auditor's report

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.

Copenhagen, 24 March 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Tuborg
State Authorised
Public Accountant
mne24621

Ib Schønbergs Allé ApS
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Management's review

Company details

Ib Schønbergs Allé ApS
c/o SF-M ApS
Kalvebod Brygge 39, 4.
1560 Copenhagen
Denmark

CVR no.:	37 51 13 74
Established:	1 February 2016
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Pavlos Nearchou
Richard John Gale
Henrik Skriver

Executive Board

Thomas Esben Khan

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen
Denmark

Management's review

Operating review

Principal activities

The object of the Company is to acquire, operate and let out real estate.

Development in activities and financial position

The Company's income statement for 2020 shows a profit of DKK 15,602 thousand compared to DKK 17,161 thousand in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 110,057 thousand compared to DKK 100,455 thousand at 31 December 2019.

The results of the financial year are in accordance with expectations.

Events after the balance sheet date

No events have occurred after the balance sheet date that materially affect the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2020	2019
Gross profit		8,880	10,332
Fair value adjustment of investment properties		14,000	13,888
Other financial income		1	0
Other financial expenses	3	<u>-2,228</u>	<u>-2,231</u>
Profit before tax		20,653	21,989
Tax on profit for the year		<u>-5,051</u>	<u>-4,828</u>
Profit for the year		<u>15,602</u>	<u>17,161</u>
Proposed profit appropriation			
Proposed dividends for the year		0	6,000
Retained earnings		<u>15,602</u>	<u>11,161</u>
		<u>15,602</u>	<u>17,161</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2020	2019
ASSETS			
Fixed assets			
Property, plant and equipment	4		
Investment properties		<u>348,000</u>	<u>334,000</u>
Total fixed assets		<u>348,000</u>	<u>334,000</u>
Current assets			
Receivables			
Trade receivables		3	84
Receivables from group entities		4,168	5,618
Other receivables		60	88
Prepayments		<u>87</u>	<u>144</u>
		<u>4,318</u>	<u>5,934</u>
Cash at bank and in hand		<u>0</u>	<u>981</u>
Total current assets		<u>4,318</u>	<u>6,915</u>
TOTAL ASSETS		<u><u>352,318</u></u>	<u><u>340,915</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital		80	80
Retained earnings		109,977	94,375
Proposed dividends for the financial year		<u>0</u>	<u>6,000</u>
Total equity		<u>110,057</u>	<u>100,455</u>
Provisions			
Provisions for deferred tax		<u>44,867</u>	<u>41,126</u>
Total provisions		<u>44,867</u>	<u>41,126</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Mortgage loans	5	185,484	188,217
Deposits		<u>2,775</u>	<u>2,356</u>
		<u>188,259</u>	<u>190,573</u>
Current liabilities other than provisions			
Current portion of non-current liabilities		2,775	2,770
Banks, current liabilities		231	0
Prepayments received from customers		2,410	3,669
Trade payables		838	922
Corporation tax		1,310	0
Other payables		184	222
Deposits		<u>1,387</u>	<u>1,178</u>
		<u>9,135</u>	<u>8,761</u>
Total liabilities other than provisions		<u>197,394</u>	<u>199,334</u>
TOTAL EQUITY AND LIABILITIES		<u>352,318</u>	<u>340,915</u>
Average number of employees	2		
Contractual obligations, contingencies, etc.	6		
Mortgages and collateral	7		
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Proposed dividends</u>	<u>Total</u>
Equity at 1 January 2020	80	94,375	6,000	100,455
Ordinary dividends paid	0	0	-6,000	-6,000
Transferred over the profit appropriation	0	15,602	0	15,602
Equity at 31 December 2020	80	109,977	0	110,057

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Ib Schønbergs Allé ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit. Gross profit comprise of revenue and other external costs.

Revenue

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

Other external costs

Other external expenses comprise of administration expenses and costs in relation to rental of the Company's property.

Fair value adjustment of investment properties

Value adjustment comprises the year's changes in the fair value of investment properties.

Financial expenses

Financial costs comprise interest expenses and other financial costs.

Tax on profit for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit for the year is recognised in the income statement at the amount attributable to the profit/loss for the year, and directly in equity at the amount attributable to entries directly in equity.

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1 Accounting policies (continued)

Balance sheet

Investment properties

Investment properties comprises properties that is held to earn rentals, held for capital appreciation or both.

Initially, investment properties is measured at cost including purchase price and directly related costs. The carrying amount also includes costs for improvements if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the year in which they arise.

The property is valued using the income capitalisation method where a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate. The calculated value is adjusted with expected future change in rental value, voids, capital expenses and other special circumstances.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made.

Prepayments

Prepayments comprise of prepaid rent.

Cash at bank and in hand

Cash at bank and in hand comprise cash at bank.

Equity

Dividends

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years 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 based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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 value.

Deferred tax is measured in accordance with 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 as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provision

Mortgage loans to credit institutions are recognised at cost at the date of borrowing, equivalent to proceeds received less transaction costs paid.

Subsequently, these financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Deferred income

Prepaid rent comprise of rental income relating to the subsequent financial year.

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DKK'000	<u>2020</u>	<u>2019</u>
2 Average number of employees		
Average number of full-time employees	<u>0</u>	<u>0</u>
3 Other financial expenses		
Other financial costs	<u>2,228</u>	<u>2,231</u>
	<u>2,228</u>	<u>2,231</u>
4 Property, plant and equipment		
DKK'000		<u>Investment properties</u>
Cost at 1 January 2020		<u>172,084</u>
Cost at 31 December 2020		<u>172,084</u>
Revaluations at 1 January 2020		161,916
Revaluations for the year		<u>14,000</u>
Revaluations at 31 December 2020		<u>175,916</u>
Carrying amount at 31 December 2020		<u>348,000</u>

Key assumptions:

The property is located in Valby and is used for student housing. The property amounts to 7,563 sqm, including common area of 456 sqm. In the valuation of the property an exit yield of 4.25% (2019: 4.38%) has been applied for the residential units.

The student housing units are assumed to be immediately re-let at market rent.

Sensitivity analysis:

An increase of the exit yield by 0.25 percentage points would reduce the property value by DKK 19 millions. A decrease in the exit yield by 0.25 percentage points would increase the property value by DKK 21 millions at the balance sheet date.

The valuations were performed by Colliers International Danmark A/S, an accredited independent value with a recognised and relevant professional qualification and recent experience of the location and category of the investment property being valued. The valuation model applied is in accordance with that recommended by the International Valuation Standards Committee. These valuation models are consistent with the principles in IFRS 13.

5 Non-current liabilities other than provisions

DKK'000	<u>Total debt at 31/12 2020</u>	<u>Outstanding debt after five years</u>
Mortgage loans	188,259	160,844
Deposits	<u>4,162</u>	<u>2,775</u>
	<u>192,421</u>	<u>163,619</u>

Financial statements 1 January – 31 December

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6 Contractual obligations, contingencies, etc.

The company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax, therefore the Company is jointly taxed with other entities in the group with Thor Property Holding ApS as the administrative company.

7 Mortgages and collateral

Investment properties with a carrying amount of DKK 348 million at 31 December 2020 have been provided as collateral for mortgages of DKK 188 million.

8 Related party disclosures

Ib Schønbergs Allé ApS' related parties comprise the following:

Control

Ib Schønbergs Allé ApS is part of the consolidated financial statements of Blaekhus Luxembourg Holdings SCSp, Ave de la Gare 42-44, 1610 Luxembourg, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Blaekhus Luxembourg Holdings SCSp can be obtained by contacting the Company at the address above.