

Strandgade 104 ApS

Kalvebod Brygge 39, 4., 1560 København V

CVR no. 37 52 96 99

Annual report 2021

Approved at the Company's annual general meeting on 23 March 2022

Chair of the meeting:

.....
Thomas Esben Khan

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Strandgade 104 ApS for the financial year 1 January - 31 December 2021.

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 of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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, 23 March 2022
Executive Board:

.....
Thomas Esben Khan

Board of Directors:

.....
Peter Kreiner

.....
Mads Pauli Ringkjøbing-
Christiansen

.....
John Sergio Blem

Independent auditor's report

To the shareholders of Strandgade 104 ApS

Opinion

We have audited the financial statements of Strandgade 104 ApS for the financial year 1 January - 31 December 2021, which comprise 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 financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 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 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 the 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 note 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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 23 March 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Schougaard Sørensen
State Authorised Public Accountant
mne32129

Management's review

Company details

Name	Strandgade 104 ApS
Address, Postal code, City	c/o SF-FORE ApS Kalvebod Brygge 39, 4., 1560 København V
CVR no.	37 52 96 99
Established	10 March 2016
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Peter Kreiner Mads Pauli Ringkjøbing-Christiansen John Sergio Blem
Executive Board	Thomas Esben Khan
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Business review

The company's purpose is to purchase and sell real estate.

Recognition and measurement uncertainties

The company's property is currently empty and under development. The property is valued based on the sales price in connection with the sale of the property in 2022.

Due to the fact that the property is a project property, valuation is subject to uncertainty.

Financial review

The income statement for 2021 shows a profit of DKK 2,423,286 against a loss of DKK 641,123 last year, and the balance sheet at 31 December 2021 shows equity of DKK 3,940,115.

Management considers the Company's financial performance in the year as expected.

The company is financed with loan from the parent company of DKK 28,640 thousand. The parent company has declared that it will not reclaim the loan in 2022 and that it will provide necessary funds for Strandgade 104 ApS to ensure that the company can continue its operation as a going concern in 2022.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Gross loss	-227,831	-134,942
	Fair value adjustment of investment property	4,023,489	0
	Profit/ loss before net financials	3,795,658	-134,942
4	Financial expenses	-688,881	-686,921
	Profit/ loss before tax	3,106,777	-821,863
5	Tax for the year	-683,491	180,740
	Profit/ loss for the year	2,423,286	-641,123
	Recommended appropriation of profit/ loss		
	Retained earnings/ accumulated loss	2,423,286	-641,123
		2,423,286	-641,123

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Investment property	45,000,000	40,976,511
		45,000,000	40,976,511
	Total fixed assets	45,000,000	40,976,511
	Non-fixed assets		
	Receivables		
	Joint taxation contribution receivable	0	81,118
	Other receivables	114	0
		114	81,118
	Cash	101,414	61,956
	Total non-fixed assets	101,528	143,074
	TOTAL ASSETS	45,101,528	41,119,585

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	50,000	50,000
	Retained earnings	3,890,115	1,466,829
	Total equity	<u>3,940,115</u>	<u>1,516,829</u>
	Provisions		
	Deferred tax	2,563,311	1,879,820
	Total provisions	<u>2,563,311</u>	<u>1,879,820</u>
	Liabilities other than provisions		
8	Non-current liabilities other than provisions		
	Mortgage debt	9,935,000	9,935,000
		<u>9,935,000</u>	<u>9,935,000</u>
	Current liabilities other than provisions		
	Trade payables	0	114
	Payables to group enterprises	28,640,101	27,761,980
	Other payables	23,001	25,842
		<u>28,663,102</u>	<u>27,787,936</u>
	Total liabilities other than provisions	<u>38,598,102</u>	<u>37,722,936</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>45,101,528</u></u>	<u><u>41,119,585</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Staff costs
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	50,000	2,107,952	2,157,952
Transfer through appropriation of loss	0	-641,123	-641,123
Equity at 1 January 2021	50,000	1,466,829	1,516,829
Transfer through appropriation of profit	0	2,423,286	2,423,286
Equity at 31 December 2021	50,000	3,890,115	3,940,115

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Strandgade 104 ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

Rental income is recognized on a straight-line basis during the rental period.

Net sales are measured at the received remuneration and are recognized exclusive of VAT and less discounts in connection with the sale.

Gross loss

The items revenue, property expenses, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to property expenses, administration, etc.

Financial expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Management believes that there have been no difficulties with the classification of the property as investment property. Investment property is valued at fair value.

The fair value reflects the price the property can be traded to between well-informed and willing parties on an independent basis at the balance sheet date. Determination of fair value implies significant accounting estimates.

Management has estimated that for the current year it has been possible to calculate fair value through comparable transactions on the market, so valuation has been based on the commercial value.

Valuation is not based on the calculation of external valuers.

The estimates used are based on historical information as well as assumptions, which management considers reasonable, but which by nature is uncertain and unpredictable.

The value adjustment for the year is recognized in the income statement.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Going concern uncertainties

The company is financed with loan from the parent company of DKK 28,640 thousand. The parent company has declared that it will not reclaim the loan in 2022 and that it will provide necessary funds for Strandgade 104 ApS to ensure that the company can continue its operation as a going concern in 2022.

3 Staff costs

The Company has no employees.

DKK	2021	2020
4 Financial expenses		
Interest expenses, group entities	559,240	534,814
Other financial expenses	129,641	152,107
	<u>688,881</u>	<u>686,921</u>
5 Tax for the year		
Estimated tax charge for the year	0	-81,118
Deferred tax adjustments in the year	683,491	-99,622
	<u>683,491</u>	<u>-180,740</u>

6 Property, plant and equipment

DKK	Investment property
Cost at 1 January 2021	27,743,760
Cost at 31 December 2021	27,743,760
Revaluations at 1 January 2021	13,232,751
Value adjustments for the year	4,023,489
Revaluations at 31 December 2021	17,256,240
Carrying amount at 31 December 2021	<u>45,000,000</u>

The company's property is currently empty and under development. The property is valued based on the sales price in connection with the sale of the property in 2022.

7 Share capital

The Company's share capital has remained DKK 50,000 over the past 5 years.

8 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 9,935 thousand falls due for payment after more than 5 years after the balance sheet date.

Financial statements 1 January - 31 December

Notes to the financial statements

9 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

10 Collateral

As security for the Company's debt to banks, DKK 9,935,000, the Company has provided security in its assets for a total amount of DKK 45,000,000.

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"By my signature I confirm all dates and content in this document."

John Sergio Blem

Board of Directors

On behalf of: the company

Serial number: PID:9208-2002-2-976839422741

IP: 128.76.xxx.xxx

2022-03-23 14:20:59 UTC

NEM ID 

Thomas Esben Khan

Executive Board

On behalf of: the company

Serial number: PID:9208-2002-2-226044767924

IP: 62.242.xxx.xxx

2022-03-23 14:54:21 UTC

NEM ID 

Thomas Esben Khan

Chairman

On behalf of: the company

Serial number: PID:9208-2002-2-226044767924

IP: 62.242.xxx.xxx

2022-03-23 14:54:21 UTC

NEM ID 

Mads Pauli Ringkjøbing-Christiansen

Board of Directors

On behalf of: the company

Serial number: PID:9208-2002-2-776789291089

IP: 128.76.xxx.xxx

2022-03-23 14:57:39 UTC

NEM ID 

Peter Kreiner

Board of Directors

On behalf of: the company

Serial number: PID:9208-2002-2-740516036677

IP: 212.98.xxx.xxx

2022-03-28 09:22:52 UTC

NEM ID 

Morten Schougaard Soerensen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:40820229

IP: 85.27.xxx.xxx

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