

Greenspruce Valby Propco ApS

c/o DEAS A/S
Dirch Passers Allé 76
2000 Frederiksberg

CVR no. 37 87 05 01

Annual report for the period 1 January 2020 – 30 June 2021

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

3 December 2021

David Kevin Green
Chairman

David Green

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Greenspruce Valby Propco ApS for the financial period 1 January 2020 – 30 June 2021.

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 30 June 2021 and of the results of the Company's operations for the financial period 1 January 2020 – 30 June 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.

Frederiksberg, 3 December 2021
Executive Board:



Stephanie Jane Smith



John Francis German



David Kevin Green

Independent auditor's report

To the shareholder of Greenspruce Valby Propco ApS

Opinion

We have audited the financial statements of Greenspruce Valby Propco ApS for the financial period 1 January 2020 – 30 June 2021 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 30 June 2021 and of the results of the Company's operations for the financial period 1 January 2020 – 30 June 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 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.

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.

Independent auditor's report

- 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.

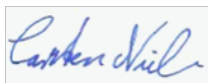
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 3 December 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Carsten Nielsen
State Authorised
Public Accountant
mne30212

Greenspruce Valby Propco ApS
Annual report 2020/21
CVR no. 37 87 05 01

Management's review

Company details

Greenspruce Valby Propco ApS
c/o DEAS A/S
Dirch Passers Allé 76
2000 Frederiksberg
Denmark

CVR no.:	37 87 05 01
Established:	12 July 2016
Registered office:	Frederiksberg
Financial period:	1 January 2020 – 30 June 2021

Executive Board

Stephanie Jane Smith
John Francis German
David Kevin Green

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The purpose of the Company is to conduct business within property development as well as related activities.

Development in activities and financial position

The Company's income statement for the period 1 January 2020 - 30 June 2021 shows a profit of DKK 27,678,607 as against DKK -9,036 in 2019. Equity in the Company's balance sheet at 30 June 2021 stood at DKK 62,431,399 as against DKK 1,005,248 at 31 December 2019.

The Company has changed the financial reporting period from 1 January - 31 December to 1 July - 30 June. The transition period covers 1 January 2020 - 30 June 2021.

Events after the balance sheet date

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

Financial statements 1 January – 30 June

Income statement

DKK	Note	1/1 2020- 30/6 2021	2019
Gross result		5,667,136	-11,768
Depreciation, amortisation and impairment losses		-850,000	0
Fair value adjustment of investment properties		36,231,710	0
Other financial income		0	1
Other financial expenses	3	-5,563,453	0
Profit/loss before tax		35,485,393	-11,767
Tax on profit/loss for the period	4	-7,806,786	2,731
Profit/Loss for the period		<u>27,678,607</u>	<u>-9,036</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		<u>27,678,607</u>	<u>-9,036</u>
		<u>27,678,607</u>	<u>-9,036</u>

Financial statements 1 January – 30 June

Balance sheet

DKK	Note	30/6 2021	2019
ASSETS			
Fixed assets			
Intangible assets	5		
Acquired patents		<u>5,100,000</u>	<u>0</u>
Property, plant and equipment	6		
Investment properties		235,900,000	0
Property, plant and equipment in progress		<u>0</u>	<u>20,677,127</u>
		<u>235,900,000</u>	<u>20,677,127</u>
Total fixed assets		<u>241,000,000</u>	<u>20,677,127</u>
Current assets			
Receivables			
Receivables from group entities		212,669	50,529,376
Other receivables		13,193	0
Corporation tax		0	316,431
Prepayments		<u>238,259</u>	<u>0</u>
		<u>464,121</u>	<u>50,845,807</u>
Cash at bank and in hand		<u>8,921,061</u>	<u>2,334,142</u>
Total current assets		<u>9,385,182</u>	<u>53,179,949</u>
TOTAL ASSETS		<u><u>250,385,182</u></u>	<u><u>73,857,076</u></u>

Financial statements 1 January – 30 June

Balance sheet

DKK	Note	30/6 2021	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital		51,000	51,000
Retained earnings		<u>62,380,399</u>	<u>954,248</u>
Total equity		<u>62,431,399</u>	<u>1,005,248</u>
Provisions			
Provisions for deferred tax		<u>8,793,237</u>	<u>744,886</u>
Total provisions		<u>8,793,237</u>	<u>744,886</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
	7		
Mortgage loans		82,473,871	0
Payables to shareholders and Management		82,281,590	0
Deposits		<u>2,648,398</u>	<u>0</u>
		<u>167,403,859</u>	<u>0</u>
Current liabilities other than provisions			
Prepayments received from customers		879,973	0
Trade payables		318,426	6,930
Payables to group entities		1,900,475	62,933,640
Corporation tax		8,188,651	0
Other payables		<u>469,162</u>	<u>9,166,372</u>
		<u>11,756,687</u>	<u>72,106,942</u>
Total liabilities other than provisions		<u>179,160,546</u>	<u>72,106,942</u>
TOTAL EQUITY AND LIABILITIES		<u>250,385,182</u>	<u>73,857,076</u>
Average number of full-time employees	2		
Contractual obligations, contingencies, etc.	8		
Mortgages and collateral	9		
Derivative financial instruments	10		
Related party disclosures	11		

Financial statements 1 January – 30 June

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2020	51,000	954,248	1,005,248
Transferred over the distribution of loss	0	27,678,607	27,678,607
Contribution from group	0	33,747,544	33,747,544
Equity at 30 June 2021	51,000	62,380,399	62,431,399

Financial statements 1 January – 30 June

Notes

1 Accounting policies

The annual report of Greenspruce Valby Propco ApS for 2020/21 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.

The Company has changed the financial reporting period from 1 January - 31 December to 1 July - 30 June. The transition period covers 1 January 2020 - 30 June 2021.

Income statement

Gross result

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross result.

Revenue

Rental revenue from operating leases is recognised as income on a straight line basis over the lease period.

Other external costs

Other external costs comprise costs related to rental, administration, office premises, etc.

Value adjustment of investment properties

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

Financial statements 1 January – 30 June

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, amortisation of financial assets and liabilities, etc.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in fair value are recognised in the income statement on an ongoing basis.

Tax on loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Investment properties comprise properties that are held to earn rentals, held for capital appreciation or both.

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

After initial recognition, investment properties are stated at fair value. Gains and losses arising from changes in the fair values are included in the income statement in the year which they arise.

The fair value of completed investment properties are determined using a discounted cash flow (DCF). Under the DCF-method, a properties fair value is estimated using explicit assumptions about the risks and yields over the asset's life, including an exit or terminal value. This involves the projection of a series of cash flows and to do this, an appropriate, market-derived discount rate is applied to establish the present value of the income stream.

The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal, reletting, redevelopment, or refurbishment.

Financial statements 1 January – 30 June

Notes

1 Accounting policies (continued)

The valuations were performed by Nordicals, an accredited independent value with a recognized and relevant professional qualification and recent experience of the location and category of the investment properties 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

Property, plant and equipment in progress

Property, plant and equipment in progress is measured at cost or net realization value, if lower than cost. Costs include project development and construction costs directly attributable to the project.

Borrowing costs for financing the development projects are recognized at cost and recognized as investment property under construction if they relate to the construction period.

Costs such as property taxes that relate to the period preceding the commencement of project development are expensed as incurred under other external costs.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

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, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

Financial statements 1 January – 30 June

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and 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. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

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.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash comprises bank deposits.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Patents, licences and trademarks

Patents and licences comprise of parking rights that are measured at cost less accumulated amortisation and impairment losses. The parking rights are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 10 years.

Financial statements 1 January – 30 June

Notes

DKK	1/1 2020- 30/6 2021	2019
2 Average number of full-time employees		
Average number of full-time employees	0	0
3 Other financial expenses		
Interest expense to group entities	3,556,148	0
Other financial costs	485,541	0
Fair value adjustments of financial instruments	1,521,764	0
	<u>5,563,453</u>	<u>0</u>
4 Tax on loss for the year		
Current tax for the period	8,188,651	313,842
Deferred tax for the period	-381,865	-316,431
Adjustment of tax concerning previous years	0	-142
	<u>7,806,786</u>	<u>-2,731</u>
5 Intangible assets		
DKK		Acquired patents
Cost at 1 January 2020		<u>5,950,000</u>
Cost at 30 June 2021		<u>5,950,000</u>
Impairment losses for the year		-255,000
Amortisation for the year		<u>-595,000</u>
Amortisation and impairment losses at 30 June 2021		<u>-850,000</u>
Carrying amount at 30 June 2021		<u>5,100,000</u>

Financial statements 1 January – 30 June

Notes

6 Property, plant and equipment

DKK	Investment properties	Property, plant and equipment in progress	Total
Cost at 1 January 2020	0	20,677,127	20,677,127
Additions for the period	178,991,163	0	178,991,163
Transfers for the period	20,677,127	-20,677,127	0
Cost at 30 June 2021	199,668,290	0	199,668,290
Revaluations at 1 January 2020	0	0	0
Revaluations for the period	36,231,710	0	36,231,710
Revaluations at 30 June 2021	36,231,710	0	36,231,710
Carrying amount at 30 June 2021	235,900,000	0	235,900,000

Key assumptions:

The residential property located in Valby has a total area of 6,004 sqm. and 34 parking spaces. Additionally, a structural vacancy of 2% has been included in the estimated cash flow. The exit yield is estimated at 3,50%.

Sensitivity analysis:

An increase of the exit yield by 0.25 percentage points would reduce the property value by DKK 11.2 million. A decrease in the exit yield by 0.25 percentage points would increase the property value by DKK 24.1 million at the balance sheet date.

7 Non-current liabilities other than provisions

DKK	Total debt at 30/6 2021	Outstanding debt after five years
Mortgage loans	82,473,871	82,473,871
Payables to shareholders and Management	82,281,590	82,281,590
	164,755,461	164,755,461

8 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is the administration Company of the group of companies subject to the Danish scheme of joint taxation. Therefore, the Company is unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax, etc.

9 Mortgages and collateral

As collateral for its mortgage debt, DKK 82,290 thousand, the company has provided collateral in investment properties with a carrying amount of DKK 235,900 thousand at 30 June 2021.

Financial statements 1 January – 30 June

Notes

10 Derivative financial instruments

	30/6 2021			
DKK	Notional amount	Value adjustment	Fair value	Remaining years
Interest rate swaps	<u>82,290,000</u>	<u>1,521,764</u>	<u>83,811,764</u>	<u>9</u>

11 Related party disclosures

Greenspruce Valby Propco ApS related parties comprise the following:

Control

Greenspruce Valby Propco ApS is part of the consolidated financial statements of Greenspruce Holdco 3 S.à.r.l., 37A Avenue J.F. Kennedy, L-1855 Luxembourg, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Greenspruce Holdco 3 S.à.r.l. can be obtained by contacting the Company at the address above.