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# ***NREP Income+ Fund ScSp Residential Enghave Brygge A/S***

Southamptongade 4, DK-2150 Nordhavn

## Annual Report for 2022

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CVR No. 38 44 86 68

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 9/6 2023

Kasper Juulsgaard  
Sørensen  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of NREP Income+ Fund ScSp Residential Enghave Brygge A/S for the financial year 1 January - 31 December 2022.

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 at 31 December 2022 of the Company and of the results of the Company operations for 2022.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 9 June 2023

## Executive Board

Stine Seneberg

## Board of Directors

Rune Højby Kock  
Chairman

Henrik Skak Bender

Stine Seneberg

Thomas Ebbe Riise-Jakobsen

# Independent Auditor's report

To the shareholder of NREP Income+ Fund ScSp Residential Enghave Brygge A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of NREP Income+ Fund ScSp Residential Enghave Brygge A/S for the financial year 1 January - 31 December 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.

## 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 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.

# 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 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.

Esbjerg, 9 June 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jannick Kjersgaard

State Authorised Public Accountant

mne29440

Hans Baunsgaard Eskildsen

State Authorised Public Accountant

mne45827

## Company information

<b>The Company</b>	NREP Income+ Fund ScSp Residential Enghave Brygge A/S Southamptongade 4 DK-2150 Nordhavn  CVR No: 38 44 86 68 Financial period: 1 January - 31 December Incorporated: 20 February 2017 Financial year: 6th financial year Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	Rune Højby Kock, chairman Henrik Skak Bender Stine Seneberg Thomas Ebbe Riise-Jakobsen
<b>Executive board</b>	Stine Seneberg
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Esbjerg Brygge 28, 2. 6700 Esbjerg

## Income statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
<b>Gross loss</b>		<b>-69,728</b>	<b>-77,894</b>
Income from investments in subsidiaries	3	-42,478,286	131,195,858
Financial income	4	2,969,909	3,815,689
Financial expenses	5	-5,366,635	-6,089,652
<b>Profit/loss before tax</b>		<b>-44,944,740</b>	<b>128,844,001</b>
Tax on profit/loss for the year	6	-412,673	517,407
<b>Net profit/loss for the year</b>		<b>-45,357,413</b>	<b>129,361,408</b>

## Distribution of profit

	2022	2021
	DKK	DKK
<b>Proposed distribution of profit</b>		
Proposed dividend for the year	0	11,000,000
Reserve for net revaluation under the equity method	-53,478,448	131,195,858
Retained earnings	8,121,035	-12,834,450
	<b>-45,357,413</b>	<b>129,361,408</b>

## Balance sheet 31 December

### Assets

	Note	2022 DKK	2021 DKK
Investments in subsidiaries	7	224,974,512	278,452,798
<b>Fixed asset investments</b>		<b>224,974,512</b>	<b>278,452,798</b>
<b>Fixed assets</b>		<b>224,974,512</b>	<b>278,452,798</b>
Receivables from group enterprises	8	79,740,479	126,748,600
Other receivables	8	21,863	0
Deferred tax asset		3,259,367	3,978,559
Corporation tax receivable from group enterprises		306,519	0
<b>Receivables</b>		<b>83,328,228</b>	<b>130,727,159</b>
<b>Cash at bank and in hand</b>		<b>28,316</b>	<b>642</b>
<b>Current assets</b>		<b>83,356,544</b>	<b>130,727,801</b>
<b>Assets</b>		<b>308,331,056</b>	<b>409,180,599</b>



## Balance sheet 31 December

### Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		10,000,000	10,000,000
Reserve for net revaluation under the equity method		137,219,512	190,697,960
Retained earnings		20,015,229	11,894,194
Proposed dividend for the year		0	11,000,000
<b>Equity</b>		<b><u>167,234,741</u></b>	<b><u>223,592,154</u></b>
Payables to group enterprises		129,949,033	185,423,444
<b>Long-term debt</b>	9	<b><u>129,949,033</u></b>	<b><u>185,423,444</u></b>
Trade payables		147,282	113,981
Payables to group enterprises		11,000,000	51,020
<b>Short-term debt</b>		<b><u>11,147,282</u></b>	<b><u>165,001</u></b>
<b>Debt</b>		<b><u>141,096,315</u></b>	<b><u>185,588,445</u></b>
<b>Liabilities and equity</b>		<b><u>308,331,056</u></b>	<b><u>409,180,599</u></b>
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## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	10,000,000	190,697,960	11,894,194	11,000,000	223,592,154
Ordinary dividend paid	0	0	0	-11,000,000	-11,000,000
Net profit/loss for the year	0	-53,478,448	8,121,035	0	-45,357,413
<b>Equity at 31 December</b>	<b>10,000,000</b>	<b>137,219,512</b>	<b>20,015,229</b>	<b>0</b>	<b>167,234,741</b>

# Notes to the Financial Statements

## 1. Key activities

The Company's key activity is to invest in other companies and other business related hereto

## 2. Staff

Average number of employees

	2022	2021
	0	0

## 3. Income from investments in subsidiaries

Share of profits of subsidiaries

Regulation in previous years

	2022	2021
	DKK	DKK
	-42,478,286	130,350,400
	0	845,458
	<u>-42,478,286</u>	<u>131,195,858</u>

## 4. Financial income

Interest received from group enterprises

Other financial income

Exchange adjustments

	2022	2021
	DKK	DKK
	2,969,902	3,556,265
	0	259,424
	7	0
	<u>2,969,909</u>	<u>3,815,689</u>

## 5. Financial expenses

Interest paid to group enterprises

Other financial expenses

Exchange adjustments, expenses

	2022	2021
	DKK	DKK
	5,359,660	5,088,730
	6,812	1,000,922
	163	0
	<u>5,366,635</u>	<u>6,089,652</u>

## Notes to the Financial Statements

	2022	2021
	DKK	DKK
<b>6. Income tax expense</b>		
Current tax for the year	-296,852	0
Deferred tax for the year	719,192	-517,407
Adjustment of tax concerning previous years	-9,667	0
	<u>412,673</u>	<u>-517,407</u>

	2022	2021
	DKK	DKK
<b>7. Investments in subsidiaries</b>		
Cost at 1 January	87,754,838	87,754,838
Cost at 31 December	<u>87,754,838</u>	<u>87,754,838</u>
Value adjustments at 1 January	190,697,960	59,502,102
Net profit/loss for the year	-42,478,286	130,350,400
Dividend to the Parent Company	-11,000,000	0
Other adjustments	0	845,458
Value adjustments at 31 December	<u>137,219,674</u>	<u>190,697,960</u>
<b>Carrying amount at 31 December</b>	<u>224,974,512</u>	<u>278,452,798</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
NREP Income+ Fund ScSp Residential Elværksvej 11 ApS	Copenhagen	100%

	2022	2021
	DKK	DKK

## 8. Receivables

The following receivables fall due for payment more than 1 year after year end:

Receivables from group enterprises	68,740,479	126,748,600
	<u>68,740,479</u>	<u>126,748,600</u>

# Notes to the Financial Statements

## 9. 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:

	<u>2022</u>	<u>2021</u>
	DKK	DKK
<b>Payables to group enterprises</b>		
After 5 years	129,949,033	185,423,444
Long-term part	<u>129,949,033</u>	<u>185,423,444</u>
Within 1 year	0	0
Other short-term debt to group enterprises	11,000,000	51,020
Short-term part	<u>11,000,000</u>	<u>51,020</u>
	<u><b>140,949,033</b></u>	<u><b>185,474,464</b></u>

## 10. Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of NIP Denmark Advisory ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 11. Related parties and disclosure of consolidated financial statements

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the Parent Company :

<u>Name</u>	<u>Place of registered office</u>
TRC HoldCo ApS	Denmark

# Notes to the Financial Statements

## 12. Accounting policies

The Annual Report of NREP Income+ Fund ScSp Residential Enghave Brygge A/S for 2022 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 2022 are presented in DKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2022 of TRC HoldCo ApS, the Company has not prepared consolidated financial statements.

### 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.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

## Income statement

### Other external expenses

Other external expenses comprise expenses for office expenses, etc.

### Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

### Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

# Notes to the Financial Statements

## 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 deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance sheet

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Equity

#### Dividend

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

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

# Notes to the Financial Statements

## **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the onaccount taxation scheme are recognised in the income statement in financial income and expenses.

## **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.