



Lifex ApS

Skelbækgade 2, 6.
1717 København V
CVR No. 38502824

Annual report 2019

The Annual General Meeting adopted the
annual report on 25.08.2020

Ritu Suresh Jain

Chairman of the General Meeting

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Entity details

Entity

Lifex ApS

Skelbækgade 2, 6.

1717 København V

CVR No.: 38502824

Registered office: Copenhagen

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Ritu Suresh Jain, Chairman

Stefano Zorzi

Sune Theodorsen

Hampus Jakobsson

Peter Frederik Suhm Heering

Matteo Vallone

Executive Board

Ritu Suresh Jain

Sune Theodorsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Lead Client Service Partner : Mads Fauerskov

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Lifex ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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, 25.08.2020

Executive Board

Ritu Suresh Jain

Sune Theodorsen

Board of Directors

Ritu Suresh Jain

Chairman

Stefano Zorzi

Sune Theodorsen

Hampus Jakobsson

Peter Frederik Suhm Heering

Matteo Vallone

Independent auditor's report

To the shareholders of Lifex ApS

Opinion

We have audited the financial statements of Lifex ApS for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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 of 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 requirements. 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 25.08.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Mads Juul Hansen

State Authorised Public Accountant
Identification No (MNE) mne44386

Management commentary

Primary activities

The company's primary activity is to run a business of renting out furnished and serviced residences and rooms, as well as related businesses.

Development in activities and finances

The results from ordinary activities after tax are DKK (15,314)k against DKK (5,693)k last year. The management consider the results is in line with their expectation.

Events after the balance sheet date

The Company has after year-end accomplished a capital increase, which will ensure both the capital structure of the Company and secure cash flow needs for the remainder of 2020.

The outbreak of coronavirus will lead to several precautions that will affect the planning and execution of daytoday operations, and the Company's suppliers, business partners and customers may be affected as well. Their financial impact cannot be determined at this stage.

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

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		(3,918,200)	(1,812,032)
Staff costs	1	(9,257,161)	(3,304,235)
Depreciation, amortisation and impairment losses	2	(1,335,840)	(404,149)
Operating profit/loss		(14,511,201)	(5,520,416)
Other financial income		0	104,999
Other financial expenses		(1,054,716)	(20,475)
Profit/loss before tax		(15,565,917)	(5,435,892)
Tax on profit/loss for the year	3	251,524	(257,457)
Profit/loss for the year		(15,314,393)	(5,693,349)
Proposed distribution of profit and loss			
Retained earnings		(15,314,393)	(5,693,349)
Proposed distribution of profit and loss		(15,314,393)	(5,693,349)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		10,097,383	5,794,472
Leasehold improvements		2,057,166	764,197
Property, plant and equipment	4	12,154,549	6,558,669
Investments in group enterprises		108,460	0
Deposits		5,425,523	3,240,162
Other financial assets	5	5,533,983	3,240,162
Fixed assets		17,688,532	9,798,831
Trade receivables		150,949	371,643
Receivables from group enterprises		11,183,713	0
Other receivables		0	13,146
Income tax receivable		251,524	0
Prepayments		1,203,445	179,560
Receivables		12,789,631	564,349
Cash		12,918,435	16,618,108
Current assets		25,708,066	17,182,457
Assets		43,396,598	26,981,288

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		78,322	77,880
Retained earnings		8,044,120	22,502,520
Equity		8,122,442	22,580,400
Finance lease liabilities		1,809,436	289,414
Convertible and dividend-yielding debt instruments		19,047,540	0
Deposits		1,849,414	1,019,500
Prepayments received from customers		868,325	0
Other payables		7,795,083	0
Non-current liabilities other than provisions	6	31,369,798	1,308,914
Current portion of non-current liabilities other than provisions	6	613,285	102,980
Bank loans		0	349
Prepayments received from customers		423,251	127,894
Trade payables		1,241,209	1,293,619
Payables to shareholders and management		79,324	79,324
Other payables		1,547,289	1,487,808
Current liabilities other than provisions		3,904,358	3,091,974
Liabilities other than provisions		35,274,156	4,400,888
Equity and liabilities		43,396,598	26,981,288
Unrecognised rental and lease commitments	7		
Assets charged and collateral	8		
Non-arm's length related party transactions	9		

Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	77,880	0	22,502,520	22,580,400
Increase of capital	442	855,993	0	856,435
Transferred from share premium	0	(855,993)	855,993	0
Profit/loss for the year	0	0	(15,314,393)	(15,314,393)
Equity end of year	78,322	0	8,044,120	8,122,442

Notes

1 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	9,185,737	3,288,335
Other social security costs	63,429	15,900
Other staff costs	7,995	0
	9,257,161	3,304,235
Number of employees at balance sheet date	20	4

2 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Depreciation of property, plant and equipment	1,335,840	404,149
	1,335,840	404,149

3 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	(251,524)	0
Adjustment concerning previous years	0	257,457
	(251,524)	257,457

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	5,702,491	786,074
Changes in accounting policies	474,259	0
Additions	6,605,289	1,446,381
Disposals	(1,135,712)	0
Cost end of year	11,646,327	2,232,455
Depreciation and impairment losses beginning of year	(300,413)	(21,877)
Changes in accounting policies	(81,865)	0
Depreciation for the year	(1,182,428)	(153,412)
Reversal regarding disposals	15,762	0
Depreciation and impairment losses end of year	(1,548,944)	(175,289)
Carrying amount end of year	10,097,383	2,057,166
Recognised assets not owned by entity	2,541,905	0

5 Financial assets

	Investments in group enterprises DKK
Additions	108,460
Cost end of year	108,460
Carrying amount end of year	108,460

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
LifeX Community GmbH	Germany	GmbH	100
LifeX France	France	SARL	100

6 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due within 12 months 2018 DKK	Due after more than 12 months 2019 DKK
Finance lease liabilities	613,285	102,980	1,809,436
Convertible and dividend-yielding debt instruments	0	0	19,047,540
Deposits	0	0	1,849,414
Prepayments received from customers	0	0	868,325
Other payables	0	0	7,795,083
	613,285	102,980	31,369,798

All non-current liabilities is due within 5 years.

Non-current convertible and dividend-yielding debt instrument DKK 19,048k has been converted into shares during a capital increase in 2020.

7 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	14,896,635	7,110

Rental agreements with tenants have a notice period of typically 3 month.

8 Assets charged and collateral

Non-current other payables are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 7,500k nominal.

The carrying amount of mortgaged plant is DKK 31,155k.

Certain items of plant and machinery, and other fixtures etc. have been financed by means of finance leases. The carrying amount of assets held under finance leases is DKK 2,542k.

9 Non-arm's length related party transactions

The Company have not invoiced management fee to related parties. All other transactions with related parties conducted in the financial year has been conducted on an arm's length basis.

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 certain provisions for reporting class C.

The accounting policies applied to these financial statements are presented below.

Changes in accounting policies

Applied accounting policies have been changed for the following items, which has resulted in a change of comparison figures:

- Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities.

As a consequence of above, the comparison figures for 2018 have been changed compared to the previously filed report as follows:

Assets in total	
2018 as previously filed	26,588,894 DKK
Change, new practice	392,394 DKK
2018 comparison figures, new practice	26,981,288 DKK
Equity and liabilities in total	
2018 as previously filed	26,588,894 DKK
Change, new practice	392,394 DKK
2018 comparison figures, new practice	26,981,288 DKK
Results for the year of 2018	
2018 as previously filed	(5,693,349) DKK
Change, new practice, leases expenses	85,820 DKK
Change, new practice, depreciations	(81.865) DKK
Change, new practice, financial costs	(3,955) DKK
2018 comparison figures, new practice	(5,693,349) DKK

Changes have no effect on the results for the year and the equity for 2018.

Changes have no taxable effect.

Apart from above, the applied accounting policies are unchanged compared to last year.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, property costs and external expenses.

Revenue

Revenue from rental is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

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.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme 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.

Balance sheet**Property, plant and equipment**

Plant and machinery, and other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	7 years
Leasehold improvements	10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

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.

Receivables

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

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Finance lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.