

Rævegade-Strandgade Invest ApS

Amaliegade 15, 2., 1256 København K

CVR no. 38 69 94 74

Annual report 2019

Approved at the Company's annual general meeting on 28 May 2020

Chairman:



Thomas Esben Khan





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Ledelseserklæring

Vi har dags dato behandlet og godkendt bilag til selvangivelsen for indkomståret 2019 inkl. specifikationer til årsregnskabet for Rævegade-Strandgade Invest ApS. Opgørelsen viser en skattepligtig indkomst på 415.678 kr.

Det er vores opfattelse, at bilag til selvangivelsen for indkomståret 2019 inkl. specifikationer til årsregnskabet er udarbejdet i overensstemmelse med gældende skattelovgivning.

København, den 28. maj 2020
Direktion:

Thomas Esben Khan

Bestyrelse:

Mads Pauli Ringkjøbing-
Christiansen

Hans Magnus Kolby Hansen

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Mads Christian Michelsen



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 Rævegade-Strandgade Invest ApS for the financial year 1 January - 31 December 2019.

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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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, 28 May 2020
Executive Board:

Thomas Esben Khan

Board of Directors:

Mads Pauli Ringkjøbing-Christiansen

Hans Magnus Kolby Hansen

Mads Christian Michelsen

Independent auditor's report

To the shareholders of Rævegade-Strandgade Invest ApS

Opinion

We have audited the financial statements of Rævegade-Strandgade Invest ApS for the financial year 1 January - 31 December 2019, 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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 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 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 requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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.

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 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, 28 May 2020

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant
mne32129



Management's review

Company details

Name	Rævegade-Strandgade Invest ApS
Address, Postal code, City	Amaliegade 15, 2., 1256 København K
CVR no.	38 69 94 74
Established	8 June 2017
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Mads Pauli Ringkjøbing-Christiansen Hans Magnus Kolby Hansen Mads Christian Michelsen
Executive Board	Thomas Esben Khan
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark



Management's review

Business review

The Company's purpose is to undertake any form of investment in real estate, including purchase or exchange or indirectly by subscription or acquisition of ownership interests of property companies, as well as administration, control, development and sale of real estate.

Financial review

The income statement for 2019 shows a profit of DKK 571,432 against a profit of DKK 110,338 last year, and the balance sheet at 31 December 2019 shows equity of DKK 14,995,619.

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

Events after the balance sheet date

In 2020 Denmark and the rest of the world is affected by the COVID-19 virus. Management does not expect that the virus will have material impact on the valuation of the properties in the associate or the financial position of the company.



Financial statements 1 January - 31 December

Income statement

Note	DKK	2019	2018
	Gross loss	-5,550	-2,500
	Income from investments in group enterprises	247,203	-329,226
	Other financial income from group enterprises	422,663	566,575
	Financial expenses	-1,435	-532
	Profit before tax	662,881	234,317
4	Tax for the year	-91,449	-123,979
	Profit for the year	571,432	110,338
	Recommended appropriation of profit	571,432	110,338
	Retained earnings	571,432	110,338



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2019	2018
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in associates	14,193,823	3,946,620
		<u>14,193,823</u>	<u>3,946,620</u>
	Total fixed assets	<u>14,193,823</u>	<u>3,946,620</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	889,238	10,566,575
		<u>889,238</u>	<u>10,566,575</u>
	Cash	54,655	82,305
	Total non-fixed assets	<u>943,893</u>	<u>10,648,880</u>
	TOTAL ASSETS	<u>15,137,716</u>	<u>14,595,500</u>



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2019	2018
	EQUITY AND LIABILITIES		
	Equity		
6	Share capital	54,000	54,000
	Retained earnings	14,941,619	14,370,187
	Total equity	14,995,619	14,424,187
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Corporation tax payable	88,098	120,313
	Payables to shareholders and management	48,999	48,999
	Other payables	5,000	2,001
		142,097	171,313
	Total liabilities other than provisions	142,097	171,313
	TOTAL EQUITY AND LIABILITIES	15,137,716	14,595,500

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Staff costs
- 7 Collateral



Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2019	54,000	14,370,187	14,424,187
Transfer through appropriation of profit	0	571,432	571,432
Equity at 31 December 2019	54,000	14,941,619	14,995,619

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Rævegade-Strandgade Invest ApS for 2019 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

Gross loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross loss 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 administration, etc.

Profit/loss from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The item includes dividend received from subsidiaries and associates.

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 Company and its Danish group entities are jointly taxed. 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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in associates

Equity investments in associates are measured according to the equity method.

On initial recognition, equity investments in associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Receivables

Receivables are measured at amortised cost.

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.

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.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other liabilities are measured at net realisable value.

2 Events after the balance sheet date

In 2020 Denmark and the rest of the world is affected by the COVID-19 virus. Management does not expect that the virus will have material impact on the valuation of the properties in the associate or the financial position of the company.

3 Staff costs

The Company has no employees.

DKK	2019	2018
4 Tax for the year		
Estimated tax charge for the year	87,815	120,313
Deferred tax adjustments in the year	0	3,666
Tax adjustments, prior years	3,634	0
	<u>91,449</u>	<u>123,979</u>

5 Investments

DKK	Investments in associates
Cost at 1 January 2019	5,000,000
Additions	10,000,000
Cost at 31 December 2019	<u>15,000,000</u>
Value adjustments at 1 January 2019	-1,053,380
Profit/loss for the year	<u>247,203</u>
Value adjustments at 31 December 2019	<u>-806,177</u>
Carrying amount at 31 December 2019	<u>14,193,823</u>

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries				
Rævegade-Strandgade Holding ApS	København	33.33%	42,581,543	741,684



Financial statements 1 January - 31 December

Notes to the financial statements

6 Share capital

Analysis of changes in the share capital over the past 2 years:

DKK	2019	2018
Opening balance	54,000	51,000
Capital increase	0	3,000
	<u>54,000</u>	<u>54,000</u>

7 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2019.