

Kereby ApS

**La Cours Vej 7, 2. and 3. floor
2000 Frederiksberg**

CVR no. 38 78 63 26

Annual report for 2022

Adopted at the annual general
meeting on 22 June 2023

Cecilie Rust
chairman

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Statement by management on the annual report

The Board of directors and Executive management have today discussed and approved the annual report of Kereby ApS 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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Frederiksberg, 22 June 2023

Executive management

Kenneth Ohlendorff

Ole Markussen

Lars Pærregaard

Board of directors

Solveig Diana Hoffmann

Lars Pærregaard

Fernando Bautista

Independent auditor's report

To the shareholder of Kereby ApS

Opinion

We have audited the financial statements of Kereby ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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.

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 requirements and 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 the 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.

Independent auditor's report

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.
- 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.

Independent auditor's report

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 management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 22 June 2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Lars Andersen
State Authorised Public Accountant
MNE no. mne34506

Chris Middelhede
State Authorised Public Accountant
MNE no. mne45823

Company details

Kereby ApS
La Cours Vej 7, 2. and 3. floor
2000 Frederiksberg

Telephone: +45 3945 6200

Website: www.kereby.dk

CVR-no. 38 78 63 26

Financial year: 1 January - 31 December 2022

Domicile: Frederiksberg

Board of directors

Solveig Diana Hoffmann
Lars Pærregaard
Fernando Bautista

Executive Board

Kenneth Ohlendorff
Ole Markussen
Lars Pærregaard

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company DK Resi Topco 2 K/S.

The group report of DK Resi Topco 2 K/S. can be obtained at the following address:

La Cours Vej 7, 2. and 3. floor
2000 Frederiksberg

Management's review

Business review

The principal activities comprise purchase and sale of real estate and associated activities including management of property assets owned by properties and companies.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 5,654,266, and the balance sheet at 31 December 2022 shows negative equity of DKK 32,209,816.

The company shows a surplus in the financial year due to a change in agreements with its clients.

It is management's assessment that the company and the group has sufficient capital resources, including liquidity for the continued operations in the coming financial year.

Futhermore, it is management's assessment that operations for the coming financial years will be able to generate profits, or contribution of additional capital can be obtained from the group, which will reestablish the share capital.

Significant events occurring after the end of the financial year

The company has after the closing date received a capital contribution from its owners of DKK 33,494,684.

Accounting policies

The annual report of Kereby ApS has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to class B entities as well as selected provisions for class C entities.

The accounting policies applied are consistent with those of last year.

The annual report is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Revenue

Income from services, comprising contract based fees for a variety of management services is recognised on a straight-line basis as the services are provided.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of other fixture and fittings, tools and equipment and items of leasehold improvements.

Other external expenses

Other external expenses include expenses related to sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

Licences and software are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 5 years.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other plant, fixtures and equipment	5 years	0 %
Leasehold improvements	5 years	0 %

Fixed financial assets

Other investments

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Accounting policies

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 is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash comprise bank deposits.

Provisions

Provisions comprise expected expenses relating to repair obligation. Provisions are measured at net asset value.

Income tax and deferred tax

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Gross profit		90,678,487	45,194,197
Staff costs	1	-81,305,411	-80,667,072
Depreciation		-1,175,691	-800,286
Other operating costs		-325,927	0
Profit/loss before net financials		7,871,458	-36,273,161
Financial income	2	11,367	34,450
Financial costs	3	-2,228,559	-1,241,183
Profit/loss before tax		5,654,266	-37,479,894
Tax on profit/loss for the year	4	0	3,960,000
Profit/loss for the year		<u>5,654,266</u>	<u>-33,519,894</u>
Retained earnings		5,654,266	-33,519,894
		<u>5,654,266</u>	<u>-33,519,894</u>

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Assets			
Intangible assets		2,659,046	2,715,369
Intangible assets	5	<u>2,659,046</u>	<u>2,715,369</u>
Other fixtures and fittings, tools and equipment	6	107,726	279,025
Leasehold improvements	6	2,418,234	351,802
Tangible assets		<u>2,525,960</u>	<u>630,827</u>
Deposits		2,995,845	2,193,115
Deferred tax assets		3,960,000	3,960,000
Fixed asset investments		<u>6,955,845</u>	<u>6,153,115</u>
Total non-current assets		<u>12,140,851</u>	<u>9,499,311</u>
Trade receivables		0	30,646
Receivables from group enterprises		5,359,455	9,144,153
Other receivables		755,458	27,152
Prepayments		2,272,512	1,573,516
Receivables		<u>8,387,425</u>	<u>10,775,467</u>
Cash at bank and in hand		<u>4,771,231</u>	<u>1,970,020</u>
Total current assets		<u>13,158,656</u>	<u>12,745,487</u>
Total assets		<u>25,299,507</u>	<u>22,244,798</u>

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Equity and liabilities			
Share capital		50,000	50,000
Retained earnings		<u>-32,259,816</u>	<u>-37,914,082</u>
Equity		<u>-32,209,816</u>	<u>-37,864,082</u>
Other provisions		<u>0</u>	<u>2,073,600</u>
Total provisions		<u>0</u>	<u>2,073,600</u>
Other payables		<u>5,021,404</u>	<u>4,913,375</u>
Total non-current liabilities	7	<u>5,021,404</u>	<u>4,913,375</u>
Banks		0	66,561
Trade payables		3,560,101	3,297,496
Payables to group enterprises		41,820,455	41,612,076
Other payables		7,076,215	8,145,772
Deferred income		<u>31,148</u>	<u>0</u>
Total current liabilities		<u>52,487,919</u>	<u>53,121,905</u>
Total liabilities		<u>57,509,323</u>	<u>58,035,280</u>
Total equity and liabilities		<u>25,299,507</u>	<u>22,244,798</u>
Contingent liabilities	8		
Mortgages and collateral	9		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	50,000	-37,914,082	-37,864,082
Net profit/loss for the year	0	5,654,266	5,654,266
Equity at 31 December 2022	<u>50,000</u>	<u>-32,259,816</u>	<u>-32,209,816</u>

Notes

	<u>2022</u> DKK	<u>2021</u> DKK
1 Staff costs		
Wages and salaries	69,451,193	66,991,209
Pensions	9,860,364	12,070,271
Other social security costs	1,029,833	1,014,142
Other staff costs	964,021	591,450
	<u>81,305,411</u>	<u>80,667,072</u>
Average number of employees	<u>110</u>	<u>115</u>
2 Financial income		
Interest received from group enterprises	<u>11,367</u>	<u>34,450</u>
	<u>11,367</u>	<u>34,450</u>
3 Financial costs		
Financial expenses to group enterprises	2,196,040	1,189,863
Other financial costs	<u>32,519</u>	<u>51,320</u>
	<u>2,228,559</u>	<u>1,241,183</u>
4 Tax on profit/loss for the year		
Deferred tax for the year	<u>0</u>	<u>-3,960,000</u>
	<u>0</u>	<u>-3,960,000</u>

Notes

5 Intangible assets

	<u>Intangible assets</u>
Cost at 1 January 2022	3,539,800
Additions for the year	<u>714,390</u>
Cost at 31 December 2022	<u>4,254,190</u>
Impairment losses and amortisation at 1 January 2022	824,432
Amortisation for the year	<u>770,712</u>
Impairment losses and amortisation at 31 December 2022	<u>1,595,144</u>
Carrying amount at 31 December 2022	<u><u>2,659,046</u></u>

6 Tangible assets

	<u>Other fixtures and fittings, tools and equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost at 1 January 2022	455,039	792,579	1,247,618
Additions for the year	0	2,626,040	2,626,040
Disposals for the year	<u>-200,728</u>	<u>-792,579</u>	<u>-993,307</u>
Cost at 31 December 2022	<u>254,311</u>	<u>2,626,040</u>	<u>2,880,351</u>
Impairment losses and depreciation at 1 January 2022	176,014	440,777	616,791
Depreciation for the year	50,862	207,806	258,668
Impairment and depreciation of sold assets for the year	30,109	116,202	146,311
Reversal of impairment and depreciation of sold assets	<u>-110,400</u>	<u>-556,979</u>	<u>-667,379</u>
Impairment losses and depreciation at 31 December 2022	<u>146,585</u>	<u>207,806</u>	<u>354,391</u>
Carrying amount at 31 December 2022	<u><u>107,726</u></u>	<u><u>2,418,234</u></u>	<u><u>2,525,960</u></u>

Notes

7 Long term debt

	Debt at 1 January 2022	Debt at 31 December 2022	Instalment next year	Debt outstanding after 5 years
Other payables	4,913,375	5,021,404	0	0
	<u>4,913,375</u>	<u>5,021,404</u>	<u>0</u>	<u>0</u>

8 Contingent liabilities

The company is jointly taxed with its Danish group entities. The entities are jointly and severally liable for Danish VAT and income taxes as well as withholding taxes on dividends, interests and royalties payable by the group of jointly taxed and VAT registered entities.

Tax payable of the group's joint taxable income is stated in the annual report of DK Resi Holdco I ApS, which serves as management company for the joint taxation.

As per year end, the joint VAT registration has a VAT receivable of TDKK 628. Kereby ApS serves as the administration company for the group's joint VAT registration.

Other contingent liabilities not recognised in balance sheet

As of the balance sheet date, the company has entered into binding contracts that entail contingent liabilities amounting to TDKK 15,032.

9 Mortgages and collateral

The company has provided a payment guarantee amounting to TDKK 600 at the balance sheet date. The guarantee is recognized under Cash at bank and in hand.