

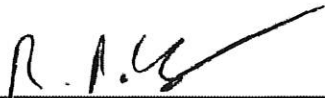
BR IDA Denmark ApS

c/o Harbour House, Sundkrogsgade 21,
DK-2100 Copenhagen

CVR no. 38 92 64 03

Annual report for 2017/18

Adopted at the annual general meeting
on 10 July 2019



Ronny Pifko
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of BR IDA Denmark ApS for the financial year 11 September 2017 - 31 December 2018.

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 2018 and of the results of the company's operations for the financial year 11 September 2017 - 31 December 2018.

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

Management recommends to the company in general meeting that the financial statements for 2019 are not to be audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 10 July 2019

Executive board

Vibeke Rohde

Niels Christian Wedell-We-
dellsborg

Independent auditor's report

To the shareholder of BR IDA Denmark ApS

Opinion

We have audited the financial statements of BR IDA Denmark ApS for the financial year 11 September 2017 - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. 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 2018 and of the results of the company's operations for the financial year 11 September 2017 - 31 December 2018 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. 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 judgment and maintain professional skepticism 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.

Hellerup, 10 July 2019

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
MNE no. mne32198

Martin Enderberg Lassen
State Authorised Public Accountant
MNE no. mne40044

Company details

The company

BR IDA Denmark ApS
c/o Harbour House
Sundkrogsgade 21
DK-2100 Copenhagen

CVR no.: 38 92 64 03

Reporting period: 11 September 2017 - 31 December 2018

Domicile: Copenhagen

Executive board

Vibeke Rohde
Niels Christian Wedell-Wedellsborg

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Consolidated financial statements

The company is reflected in the group report as the parent company

The group annual report of Bluerock IDA LP. may be obtained at the following address:
Suite 50 Churchill House
137-139 Brent Street
NW4 4DJ London
UK

Management's review

Business activities

The company's purpose is to own, develop and resell property holding companies.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31 December 2018 and the results of its operations for the financial year ended 31 December 2018 are not affected by any unusual matters.

Business review

The company's income statement for the year ended 31 December shows a loss of euro 240.521, and the balance sheet at 31 December 2018 shows equity of euro 12.649.038.

This is the first financial year for the company. The financial year has been extended from 11 September 2017 to 31 December 2018.

Significant events occurring after end of reporting period

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

Income statement 11 September 2017 - 31 December 2018

	Note	2017/18 EUR
Gross profit		-240.082
Financial expenses		-439
Profit/loss before tax		-240.521
Tax on profit/loss for the year		0
Profit/loss for the year		-240.521
Distribution of profit		
Retained earnings		-240.521
		-240.521

Balance sheet at 31 December 2018

	Note	2017/18 EUR
Assets		
Other fixed asset investments		12.616.485
Fixed asset investments		12.616.485
Total non-current assets		12.616.485
Other receivables		63.087
Prepayments		8.878
Receivables		71.965
Cash at bank and in hand		1.807
Total current assets		73.772
Total assets		12.690.257

Balance sheet at 31 December 2018

	<u>Note</u>	<u>2017/18</u> EUR
Equity and liabilities		
Share capital		7.000
Retained earnings		<u>12.642.038</u>
Equity		<u>12.649.038</u>
Trade payables		<u>41.219</u>
Total current liabilities		<u>41.219</u>
Total liabilities		<u>41.219</u>
Total equity and liabilities		<u><u>12.690.257</u></u>
Contingencies liabilities	2	
Related parties	3	

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 11 September 2017	7.000	0	7.000
Net profit/loss for the year	0	-240.521	-240.521
Contribution from group	0	12.882.559	12.882.559
Equity at 31 December 2018	7.000	12.642.038	12.649.038

Notes

	<u>2017/18</u>
1 Staff expenses	
Average number of employees	<u>0</u>

2 Contingencies liabilities

The company has not assumed any liabilities, in excess of the liabilities resulting from its ordinary business.

3 Related parties

Consolidated financial statements

The company is reflected in the group report as the parent company

The group annual report of Bluerock IDA LP. may be obtained at the following address:
Suite 50 Churchill House
137-139 Brent Street
NW4 4DJ London
UK

Accounting policies

The annual report of BR IDA Denmark ApS for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The annual report for 2017/18 is presented in EUR.

As 2017/18 is the company's first reporting period, no comparatives have been presented.

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 instalments 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.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Other external expenses

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

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

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.

Balance sheet

Other fixed asset investments

Investments are measured at cost.

Impairment of fixed assets

The carrying amount of other fixed asset investments is tested for impairment.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price and the value in use. The value in use 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.

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.

Prepayments

Prepayments recognised under 'current assets' comprises expenses incurred concerning subsequent financial years.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities are measured at amortised cost equal to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

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Niels Christian Wedell-Wedellsborg

Direktør

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Vibeke Rohde

Direktør

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Maj-Britt Nørskov Nannestad

Statsautoriseret revisor

På vegne af: PricewaterhouseCoopers Statsautoriseret

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