

# CMNRE II Goose HoldCo ApS

c/o Keystone Investment Management A/S  
Havnegade 39, 3., 1058 Copenhagen K

CVR no. 39 02 88 59

## Annual report 2017/18

(As of the establishment of the Company 11 October 2017 - 31 December 2018)

Approved at the Company's annual general meeting on 20 May 2019

Chairman:

  
.....  
Maja Hesselberg





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### 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 CMNRE II Goose HoldCo ApS for the financial year as of the establishment of the Company 11 October 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year as of the establishment of the Company 11 October 2017 - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

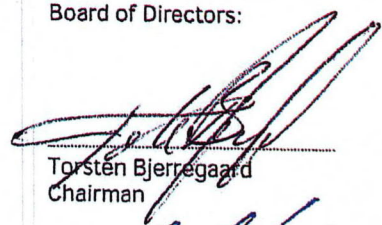
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 20 May 2019  
Executive Board:



Morten Sennecker Schultz  
CEO

Board of Directors:



Torsten Bjerregaard  
Chairman



Mikael Juhana Hjorth



Juha Matti Salokoski



Morten Sennecker Schultz

## Independent auditor's report

To the shareholders of CMNRE II Goose HoldCo ApS

### Opinion

We have audited the financial statements of CMNRE II Goose HoldCo ApS for the financial year as of the establishment of the Company 11 October 2017 - 31 December 2018, 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 2018 and of the results of the Company's operations for the financial year as of the establishment of the company 11 October 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 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.

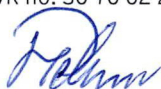
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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.

Copenhagen, 20 May 2019  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Henrik Reedtz  
State Authorised Public Accountant  
mne24830



Kaare K. Lendorf  
State Authorised Public Accountant  
mne33819



## Management's review

### Company details

Name	CMNRE II Goose HoldCo ApS
Address, Postal code, City	c/o Keystone Investment Management A/S Havnegade 39, 3., 1058 Copenhagen K
CVR no.	39 02 88 59
Established	11 October 2017
Registered office	Copenhagen
Financial year	11 October 2017 - 31 December 2018
Board of Directors	Torsten Bjerregaard, Chairman Mikael Juhana Hjorth Juha Matti Salokoski Morten Sennecker Schultz
Executive Board	Morten Sennecker Schultz, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark



## **Management's review**

### **Business review**

The purpose of the Company is to invest in subsidiaries, which acquire and run real estate properties.

### **Unusual matters having affected the financial statements**

The financial position at 31 December 2018 of the Company and the results of the activities of the Company for the financial year for 2018 have not been affected by any unusual events.

### **Financial review**

The income statement for 2017/18 shows a loss of DKK 8,352,398, and the balance sheet at 31 December 2018 shows equity of DKK 27,283,720.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



## Financial statements for the period 11 October 2017 - 31 December 2018

### Income statement

Note	DKK	2017/18 15 months
	<b>Gross margin</b>	-2,085,504
	Income from investments in group enterprises	-3,877,411
2	Financial income	6,664,259
3	Financial expenses	-9,762,791
	<b>Profit/loss before tax</b>	-9,061,447
4	Tax for the year	709,049
	<b>Profit/loss for the year</b>	<u>-8,352,398</u>
	 <b>Recommended appropriation of profit/loss</b>	
	Retained earnings/accumulated loss	-8,352,398
		<u>-8,352,398</u>



## Financial statements for the period 11 October 2017 - 31 December 2018

### Balance sheet

Note	DKK	2017/18
	<b>ASSETS</b>	
	<b>Fixed assets</b>	
5	<b>Investments</b>	
	Investments in subsidiaries	133,084,839
	Receivables from group enterprises	188,574,232
		<u>321,659,071</u>
	<b>Total fixed assets</b>	<u>321,659,071</u>
	<b>Non-fixed assets</b>	
	<b>Receivables</b>	
	Receivables from group enterprises	1,371,227
	Deferred tax assets	709,049
		<u>2,080,276</u>
	<b>Total non-fixed assets</b>	<u>2,080,276</u>
	<b>TOTAL ASSETS</b>	<u><u>323,739,347</u></u>
	<b>EQUITY AND LIABILITIES</b>	
	<b>Equity</b>	
	Share capital	50,040
	Share premium account	35,586,078
	Retained earnings	-8,352,398
	<b>Total equity</b>	<u>27,283,720</u>
	<b>Liabilities other than provisions</b>	
6	<b>Non-current liabilities other than provisions</b>	
	Mortgage debt	217,658,076
	Payables to group entities	71,158,850
	Payables to associates	819,715
		<u>289,636,641</u>
	<b>Current liabilities other than provisions</b>	
6	Short-term part of long-term liabilities other than provisions	1,389,456
	Payables to associates	1,948,270
	Other payables	3,481,260
		<u>6,818,986</u>
	<b>Total liabilities other than provisions</b>	<u>296,455,627</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>323,739,347</u></u>

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral
- 9 Currency and interest rate risks
- 10 Related parties

## Financial statements for the period 11 October 2017 - 31 December 2018

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Share premium account</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50,000	0	0	50,000
Capital increase	40	35,586,078	0	35,586,118
Transfer through appropriation of loss	0	0	-8,352,398	-8,352,398
<b>Equity at 31 December 2018</b>	<u>50,040</u>	<u>35,586,078</u>	<u>-8,352,398</u>	<u>27,283,720</u>

## Financial statements for the period 11 October 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies

The annual report of CMNRE II Goose HoldCo ApS for 2017/18 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.

#### Basis of 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.

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.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

#### Income statement

##### Gross margin

The items revenue and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

##### Other external expenses

Other external expenses comprise of management, counselling and auditing, etc.

## Financial statements for the period 11 October 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Profit from investments in subsidiaries

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 are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

##### 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.

##### Balance sheet

##### Investments in subsidiaries

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

On initial recognition, equity investments in subsidiaries 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.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

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 subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.



## Financial statements for the period 11 October 2017 - 31 December 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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.

Other liabilities are measured at net realisable value.



## Financial statements for the period 11 October 2017 - 31 December 2018

### Notes to the financial statements

DKK		2017/18 15 months
<b>2</b>	<b>Financial income</b>	
	Interest receivable, group entities	6,664,259
		<u>6,664,259</u>
<b>3</b>	<b>Financial expenses</b>	
	Interest expenses, group entities	3,900,410
	Other financial expenses	5,862,381
		<u>9,762,791</u>
<b>4</b>	<b>Tax for the year</b>	
	Deferred tax adjustments in the year	-709,049
		<u>-709,049</u>

### 5 Investments

DKK	Investments in subsidiaries	Receivables from group enterprises	Total
Cost at 11 October 2017	0	0	0
Additions	136,962,250	188,574,232	325,536,482
Cost at 31 December 2018	136,962,250	188,574,232	325,536,482
Profit/loss for the year	-3,877,411	0	-3,877,411
Value adjustments at 31 December 2018	-3,877,411	0	-3,877,411
<b>Carrying amount at 31 December 2018</b>	<u>133,084,839</u>	<u>188,574,232</u>	<u>321,659,071</u>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
<b>Subsidiaries</b>					
CMNRE II Goose PropCo	ApS	Copenhagen	100.00%	27,508,190	3,066,326
CMNRE II LLC 1	ApS	Copenhagen	100.00%	4,074,122	615,393
CMNRE II LLC 2	ApS	Copenhagen	100.00%	4,074,122	615,393
CMNRE II LLC 3	ApS	Copenhagen	100.00%	4,074,122	615,393
CMNRE II LLC 4	ApS	Copenhagen	100.00%	4,074,122	615,393
CMNRE II KG3 PropCo	ApS	Copenhagen	100.00%	29,293,942	8,419,716
CMNRE II FRBG52 PropCo	ApS	Copenhagen	100.00%	31,525,169	20,539,293
CMNRE II SG90 PropCo	A/S	Copenhagen	100.00%	28,461,050	13,483,829

## Financial statements for the period 11 October 2017 - 31 December 2018

### Notes to the financial statements

#### 6 Non-current liabilities other than provisions

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:

DKK	Total debt at 31/12 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	219,047,532	1,389,456	217,658,076	211,897,570
Payables to group entities	71,158,850	0	71,158,850	71,158,850
Payables to associates	819,715	0	819,715	819,715
	<u>291,026,097</u>	<u>1,389,456</u>	<u>289,636,641</u>	<u>283,876,135</u>

#### 7 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed income of the Group. 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.

#### 8 Collateral

Land and buildings in subsidiaries at a carrying amount of DKK 337.600.000 at 31 December 2018 have been put up as security for debt to mortgage credit institutes, totalling DKK 219.047.532.

#### 9 Currency and interest rate risks

##### Interest rate risks

Interest rate swaps have been entered into to hedge future interest payments on floating-rate loan. The swaps have a term of 55 - 60 months. Under the contracts, an interest rate of CIBOR 6 months is exchanged for a fixed rate of interest of 0.449% - 0.601% on a loan with a principal amount of 219,533,989. The interest swaps have been entered into for the total term to maturity of the loan, which is 4 years. The fair value of interest rate swaps at the balance sheet date amounts to - 2,497,474, which has been recognised in other receivables/other payables.

#### 10 Related parties

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
CapMan Nordic Real Estate II FCP-RAIF	Luxembourg	1, Rue Hildegard von Bingen, L-1282 Luxembourg