

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 2020

Approved at the Company's annual general meeting on 31 March 2021

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 1 January - 31 December 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

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, 31 March 2021
Executive Board:




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Morten Sennecker Schultz
CEO

Board of Directors:



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Torsten Bjerregaard
Chairman



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Mikael Juhaná Hjorth



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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 1 January - 31 December 2020, 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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, 31 March 2021
EY 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 25, 2., 1058 Copenhagen K
CVR no.	39 02 88 59
Established	11 October 2017
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Torsten Bjerregaard, Chairman Mikael Juhana Hjorth Juha Matti Salokoski Morten Sennecker Schultz
Executive Board	Morten Sennecker Schultz, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, 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.

Recognition and measurement uncertainties

As the company's purpose is to invest in companies which owns properties, the Company's business processes and the valuation of investment properties in the Company's subsidiaries is affected by changes in the property market, including the general level of interest rates and economic conditions.

As the COVID-19 pandemic is ongoing, uncertainties remain over its extent, duration and consequential economic and business impacts, and governments continue to assess and implement measures in response to the pandemic.

Within Denmark, we can see a high number of transactions in the market that demonstrate there is not a significant impact on interest in or allocation of capital to investment properties due to COVID-19. From these transactions and our assessment of the key judgements and estimates used in the property valuations, we do not note any significant valuation uncertainty relating to the investments in group entities.

Financial review

The income statement for 2020 shows a loss of DKK 13,160,365 against a profit of DKK 25,108,618 last year, and the balance sheet at 31 December 2020 shows equity of DKK 105,961,069.

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 1 January - 31 December

Income statement

Note	DKK	2020	2019
	Gross loss	-34,873	-97,250
	Income from investments in group enterprises	-20,380,328	25,001,227
2	Financial income	24,372,156	19,356,835
3	Financial expenses	-15,201,433	-19,121,904
	Profit/loss before tax	-11,244,478	25,138,908
4	Tax for the year	-1,915,887	-30,290
	Profit/loss for the year	<u>-13,160,365</u>	<u>25,108,618</u>
	Recommended appropriation of profit/loss		
	Net revaluation reserve according to the equity method	-20,480,328	21,223,816
	Retained earnings	7,319,963	3,884,802
		<u>-13,160,365</u>	<u>25,108,618</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in subsidiaries	300,326,821	320,839,324
	Receivables from group enterprises	423,630,410	401,015,552
		<u>723,957,231</u>	<u>721,854,876</u>
	Total fixed assets	<u>723,957,231</u>	<u>721,854,876</u>
	Non-fixed assets		
	Deferred tax assets	1,136,487	788,416
		<u>1,136,487</u>	<u>788,416</u>
	Total non-fixed assets	<u>1,136,487</u>	<u>788,416</u>
	TOTAL ASSETS	<u>725,093,718</u>	<u>722,643,292</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50,090	50,090
	Share premium account	0	0
	Net revaluation reserve according to the equity method	743,488	21,223,816
	Retained earnings	105,167,491	97,847,528
	Total equity	<u>105,961,069</u>	<u>119,121,434</u>
	Liabilities other than provisions		
6	Non-current liabilities other than provisions		
	Mortgage debt	454,248,619	448,058,627
	Payables to group entities	150,915,737	142,881,310
	Payables to associates	1,525,503	1,444,385
	Other payables	4,286,273	5,148,733
		<u>610,976,132</u>	<u>597,533,055</u>
	Current liabilities other than provisions		
6	Short-term part of long-term liabilities other than provisions	5,654,401	5,751,271
	Trade payables	34,501	33,875
	Joint taxation contribution payable	2,467,615	203,657
		<u>8,156,517</u>	<u>5,988,803</u>
		<u>619,132,649</u>	<u>603,521,858</u>
	TOTAL EQUITY AND LIABILITIES	<u>725,093,718</u>	<u>722,643,292</u>

- 1 Accounting policies
- 8 Contractual obligations and contingencies, etc.
- 9 Collateral
- 10 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Share premium account	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 January 2019	50,040	35,586,078	0	-8,352,398	27,283,720
Capital increase	50	66,729,046	0	0	66,729,096
Transfer through appropriation of profit	0	0	21,223,816	3,884,802	25,108,618
Transferred from share premium account	0	-102,315,124	0	102,315,124	0
Equity at 1 January 2020	50,090	0	21,223,816	97,847,528	119,121,434
Transfer through appropriation of loss	0	0	-20,480,328	7,319,963	-13,160,365
Equity at 31 December 2020	50,090	0	743,488	105,167,491	105,961,069

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of CMNRE II Goose HoldCo ApS for 2020 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.

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 presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

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

Profit/loss 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 1 January - 31 December

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 1 January - 31 December

Notes to the financial statements

DKK	2020	2019
2 Financial income		
Interest receivable, group entities	23,509,696	19,356,741
Other financial income	862,460	94
	<u>24,372,156</u>	<u>19,356,835</u>
3 Financial expenses		
Interest expenses, group entities	8,032,751	7,347,566
Other financial expenses	7,168,682	11,774,338
	<u>15,201,433</u>	<u>19,121,904</u>
4 Tax for the year		
Current tax for the year	2,357,958	109,657
Deferred tax adjustments in the year	-348,071	-79,367
Tax adjustments, prior years	-94,000	0
	<u>1,915,887</u>	<u>30,290</u>

5 Investments

DKK	Investments in subsidiaries	Receivables from group enterprises	Total
Cost at 1 January 2020	299,715,508	401,015,552	700,731,060
Additions	0	22,614,858	22,614,858
Disposals	-132,175	0	-132,175
Cost at 31 December 2020	<u>299,583,333</u>	<u>423,630,410</u>	<u>723,213,743</u>
Value adjustments at 1 January 2020	21,123,816	0	21,123,816
Profit/loss for the year	-20,380,328	0	-20,380,328
Value adjustments at 31 December 2020	<u>743,488</u>	<u>0</u>	<u>743,488</u>
Carrying amount at 31 December 2020	<u><u>300,326,821</u></u>	<u><u>423,630,410</u></u>	<u><u>723,957,231</u></u>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries					
CMNRE II Goose PropCo	ApS	Copenhagen	100.00%	33,660,112	-4,787,950
CMNRE II LLC 1	ApS	Copenhagen	100.00%	3,947,692	-92,239
CMNRE II LLC 2	ApS	Copenhagen	100.00%	3,947,487	-92,444
CMNRE II LLC 3	ApS	Copenhagen	100.00%	3,947,692	-92,239
CMNRE II LLC 4	ApS	Copenhagen	100.00%	3,947,692	-92,239
CMNRE II KG3 PropCo	ApS	Copenhagen	100.00%	27,484,006	-765,950
CMNRE II FRBG52 PropCo	ApS	Copenhagen	100.00%	31,006,383	-246,077
CMNRE II SG90 PropCo	A/S	Copenhagen	100.00%	25,187,600	-3,200,955
CMNRE II Goose PropCo II	A/S	Copenhagen	100.00%	138,593,311	-8,291,360
CMNRE II FV181 HoldCo	ApS	Copenhagen	100.00%	28,604,847	-2,851,050

Financial statements 1 January - 31 December

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 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	459,903,020	5,654,401	454,248,619	491,099,585
Payables to group entities	150,915,737	0	150,915,737	150,915,737
Payables to associates	1,525,503	0	1,525,503	1,525,503
Other payables	4,286,273	0	4,286,273	4,286,273
	<u>616,630,533</u>	<u>5,654,401</u>	<u>610,976,132</u>	<u>647,827,098</u>

7 Derivative financial instruments

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 48 - 60 months. Under the contracts, an interest rate of CIBOR 6 months is exchanged for a fixed rate of interest of 0.023% - 0.601% on a loan with a principal amount of 438.028.037. The interest swaps have been entered into for the total term to maturity of the loan, which is 2 years. The fair value of interest rate swaps at the balance sheet date amounts to - 4,286,273 which has been recognised in other receivables/other payables.

8 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.

9 Collateral

Land and buildings in subsidiaries at a carrying amount of DKK 780.100.000 at 31 December 2020 have been put up as security for debt to mortgage credit institutes, totalling DKK 459.903.020.

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	1B Heienhaff, L-1736 Senningerberg, Luxembourg