

Grundtvighus PropCo ApS

Bryghuspladsen 8, 4. 402
1473 København K
Denmark

CVR no. 39 30 79 28

Annual report 2022

The annual report was presented and approved at the
Company's annual general meeting on

17 May 2023

Jenny Marie Helbrink Gann
Chairman of the annual general meeting

Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 January – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

Grundtvighus PropCo ApS
Annual report 2022
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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Grundtvighus PropCo ApS for the financial year 1 January – 31 December 2022.

The annual report has been 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 assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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, 17 May 2023
Executive Board:

Johan Harald Gedda

Jenny Marie Helbrink Gann

Independent auditor's report

To the shareholder of Grundtvighus PropCo ApS

Opinion

We have audited the financial statements of Grundtvighus PropCo ApS for the financial year 1 January – 31 December 2022 comprising 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 Company's assets, liabilities and 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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

Independent auditor's report

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.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 17 May 2023

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Jesper Bo Pedersen
State Authorised
Public Accountant
mne42778

Grundtvighus PropCo ApS
Annual report 2022
CVR no. 39 30 79 28

Management's review

Company details

Grundtvighus PropCo ApS
Bryghuspladsen 8, 4. 402
1473 København K
Denmark

CVR no.:	39 30 79 28
Established:	5 February 2018
Registered office:	København
Financial year:	1 January – 31 December

Executive Board

Johan Harald Gedda
Jenny Marie Helbrink Gann

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's purpose is to invest in real estate and other related services.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK -17,315,159 as against DKK -1,224,333 in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK -16,326,225 as against DKK 988,934 at 31 December 2021.

The result of the year is in line with the expected since there has been no tenants in 2022 and the Company had costs related to development of the property, which is expected to be part of a large renovation in the coming years.

Based on future expectations by management, the deferred tax asset has been impaired to DKK 0. Management expects new tenants in 2026, however the property is still being rebuilt for the coming years. Management expects the property to be fully rebuilt in 2026.

Capital resources

The Parent Company has provided the Company with a Letter of Support confirming that the Parent Company will financially support the Company to the extent necessary until the annual general meeting in 2024 when the annual report for the year ended 2023 will be approved.

The share capital is lost and is expected to be re-established through capital increases or future profits. The property is in a development situation and there are no rental income before 2026/27.

On this basis the Management has presented the annual report on a basis of going concern.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2022.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2022	2021
Gross profit/loss		-8,652,427	3,036,352
Depreciation, amortisation and impairment losses		-3,757,593	-3,690,367
Loss before financial income and expenses		-12,410,020	-654,015
Other financial expenses	4	-2,116,219	-1,291,058
Loss before tax		-14,526,239	-1,945,073
Tax on loss for the year	5	-2,788,920	720,740
Loss for the year		-17,315,159	-1,224,333
Proposed distribution of loss			
Retained earnings		-17,315,159	-1,224,333
		-17,315,159	-1,224,333

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	<u>31/12 2022</u>	<u>31/12 2021</u>
ASSETS			
Fixed assets			
Property, plant and equipment			
Investment properties	6	<u>226,637,247</u>	<u>227,744,558</u>
Total fixed assets		<u>226,637,247</u>	<u>227,744,558</u>
Current assets			
Receivables			
Other receivables		706,508	66,483
Deferred tax asset	7	0	2,425,608
Prepayments		<u>285,209</u>	<u>50,887</u>
		<u>991,717</u>	<u>2,542,978</u>
Cash at bank and in hand		<u>91,004</u>	<u>2,057,666</u>
Total current assets		<u>1,082,721</u>	<u>4,600,644</u>
TOTAL ASSETS		<u><u>227,719,968</u></u>	<u><u>232,345,202</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,001	50,001
Retained earnings		<u>-16,376,226</u>	<u>938,933</u>
Total equity		<u>-16,326,225</u>	<u>988,934</u>
Liabilities			
Non-current liabilities			
Mortgage loans	8	<u>199,354,396</u>	<u>199,320,417</u>
Current liabilities			
Payables to group entities		40,469,782	30,668,835
Corporation tax		1,404,793	1,194,378
Other payables		<u>2,817,222</u>	<u>172,638</u>
		<u>44,691,797</u>	<u>32,035,851</u>
Total liabilities		<u>244,046,193</u>	<u>231,356,268</u>
TOTAL EQUITY AND LIABILITIES		<u><u>227,719,968</u></u>	<u><u>232,345,202</u></u>
Capital resources	2		
Contractual obligations, contingencies, etc.	9		
Mortgages and collateral	10		
Related party disclosures	11		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	50,001	2,163,266	2,213,267
Transferred over the distribution of loss	<u>0</u>	<u>1,224,333</u>	<u>1,224,333</u>
Equity at 1 January 2022	50,001	938,933	988,934
Transferred over the distribution of loss	<u>0</u>	<u>-17,315,159</u>	<u>-17,315,159</u>
Equity at 31 December 2022	<u>50,001</u>	<u>-16,376,226</u>	<u>-16,326,225</u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Grundtvighus PropCo ApS for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Other external costs

Other external costs comprise costs related to renting out the Company's investment property and expenses relating to distribution, administration, premises, payments under operating leases, etc.

Financial expenses

Financial expenses comprise interest expense as well as surcharges under the on-account tax scheme, etc.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Investment properties	50 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.s

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

2 Capital resources

The Parent Company has provided the Company with a Letter of Support confirming that the Parent Company will financially support the Company to the extent necessary until the annual general meeting in 2024 when the annual report for the year ended 2023 will be approved.

On this basis the Management has presented the annual report on a basis of going concern..

DKK	<u>2022</u>	<u>2021</u>
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3 Average number of employees

Average number of employees	<u>0</u>	<u>0</u>
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4 Financial expenses

Interest expense to group entities	1,098,050	601,350
Other financial costs	<u>1,018,169</u>	<u>689,708</u>
	<u>2,116,219</u>	<u>1,291,058</u>

5 Tax on profit for the year

Current tax for the year	0	152,878
Deferred tax for the year	2,425,608	-932,479
Adjustment of tax concerning previous years	<u>363,312</u>	<u>58,861</u>
	<u>2,788,920</u>	<u>-720,740</u>

6 Property, plant and equipment

DKK	<u>Investment properties</u>
Cost at 1 January 2022	242,149,901
Additions for the year	<u>2,650,282</u>
Cost at 31 December 2022	<u>244,800,183</u>
Depreciation and impairment losses at 1 January 2022	-14,405,343
Depreciation for the year	<u>-3,757,593</u>
Depreciation and impairment losses at 31 December 2022	<u>-18,162,936</u>
Carrying amount at 31 December 2022	<u><u>226,637,247</u></u>

Financial statements 1 January – 31 December

Notes

7 Deferred tax assets

DKK	<u>31/12 2022</u>	<u>31/12 2021</u>
Deferred tax at 1 January	2,425,608	1,493,129
Adjustment of the year	<u>-2,425,608</u>	<u>932,479</u>
	<u>0</u>	<u>2,425,608</u>

The company has not recognized any deferred tax asset at the probability of utilizing the deferred tax asset in the next 3 years is very low as the property is in a development situation and there are no rental income.

8 Non-current liabilities

DKK	<u>31/12 2022</u>	<u>31/12 2021</u>
Mortgage loans		
1-5 years	37,033,788	35,119,288
>5 years	<u>162,320,608</u>	<u>164,201,129</u>
	<u>199,354,396</u>	<u>199,320,417</u>

9 Contractual obligations, contingencies, etc.

Joint taxation

The Company participates in a Danish joint taxation arrangement with Kapitalen ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes, etc. for the jointly taxed companies.

10 Mortgages and collateral

As security for the Company's debt to other suppliers, the Company has provided security in its assets for a total amount of DKK 200.000.000. The total carrying amount of these assets is DKK 226.637.247.

Financial statements 1 January – 31 December

Notes

11 Related party disclosures

Grundtvighus PropCo ApS' related parties comprise the following:

Control

Kapitalen ApS
Bryghuspladsen 8, 4. 402.
1473 København K.
Denmark

Kapitalen ApS holds the majority of the contributed capital in the Company.

Grundtvighus PropCo ApS is part of the consolidated financial statements of Kapitalen ApS, Bryghuspladsen 8, 4. 402, 1473 København K, Denmark, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Kapitalen ApS can be obtained by contacting the Company at the address above.