

DK Resi Holdco II B ApS

**c/o Kereby ApS, Göteborg Plads 1, 9.
2150 Nordhavn**

CVR no. 39 63 56 15

Annual report for 2020

Adopted at the annual general
meeting on 10 May 2021

Cecilie Rust
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of DK Resi Holdco II B 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 consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2020 and of the results of the group and the company operations for the financial year 1 January - 31 December 2020.

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

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

Copenhagen, 10 May 2021

Board of Executives

Donatella Fanti

Solveig Diana Hoffmann

Lars Pærregaard

Independent auditor's report

To the shareholder of DK Resi Holdco II B ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of DK Resi Holdco II B ApS for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2020 and of the results of the group and the parent 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 consolidated financial statements and parent company" section of our report. We are independent of the group 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 consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements.

Independent auditor's report

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 consolidated financial statements and parent 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 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 group's and the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are responsible for our audit opinion.

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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Independent auditor's report

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 consolidated financial statements and parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 10 May 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Lars Andersen
State Authorised Public Accountant
MNE no. mne34506

Chris Middelhede
State Authorised Public Accountant
MNE no. mne45823

Company details

The company

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CVR no.: 39 63 56 15

Reporting period: 1 January - 31 December 2020

Domicile: Copenhagen

Board of Executives

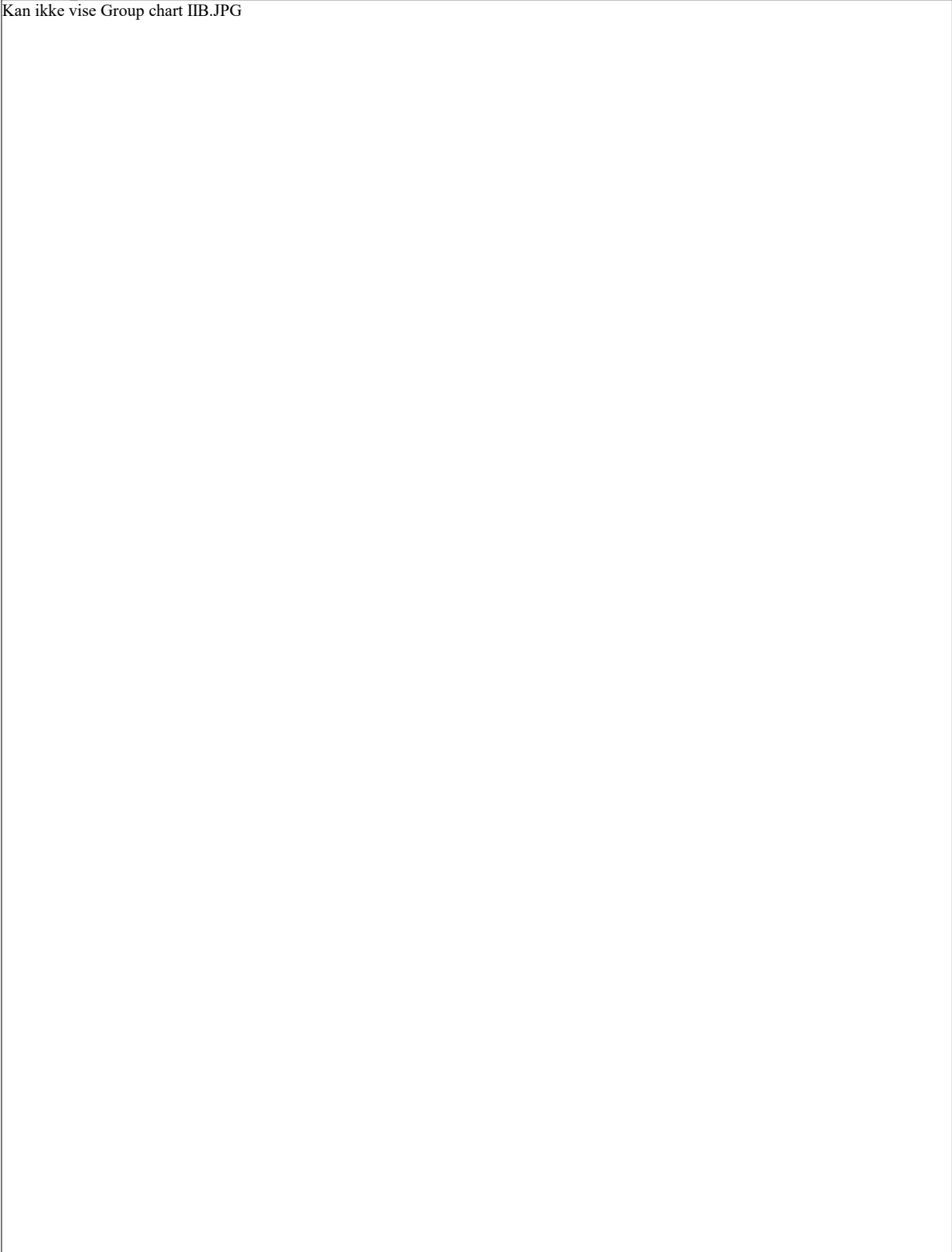
Donatella Fanti
Solveig Diana Hoffmann
Lars Pærregaard

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen

Group chart

Kan ikke vise Group chart IIB.JPG



Management's review

Business review

The Parent company's principal activities are to carry on investment business and associated activities. The principal activities of the Group companies are acquisition, sale and letting out of properties.

Financial review

The group's income statement for the year ended 31 December 2020 shows a loss of TDKK 45,837, and the balance sheet at 31 December 2020 shows negative equity of TDKK 120,403.

It is Management's assessment that the Company and the Group has sufficient capital resources, including liquidity, for its continued operations in the financial year 2021.

Accounting policies

The annual report of DK Resi Holdco V 2019 ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to class B entities and certain provisions applying to class C entities.

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

The annual report for 2020 is presented in TDKK

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 group's and the parent company's 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 group's and the parent company's and the value of the liability can be measured reliably.

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

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

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

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 and other external expenses.

Revenue

Rental income has been accrued to cover the period up to the end of the financial year. Rental income is recognized excluding VAT and net of sales discounts. Payments charged to cover heating are not included in rental income.

Accounting policies

Other external expenses

Other external expenses include expenses related to advertising, administration, premises, bad debts etc.

Amortisation, depreciation and impairment losses

Depreciation comprise the year's depreciation on property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Balance sheet

Tangible assets

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

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

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

	Useful life	Residual value
Buildings	50 years	25 %

Investments in subsidiaries, associates and participating interests

Investment in subsidiaries, associates and participating interests are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured at amortised cost.

Accounting policies

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.

Accounting policies

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.

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

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 is measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt.

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

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2020 TDKK	2019 TDKK	2020 TDKK	2019 TDKK
Gross profit		-2,514	-13,612	-1,377	-8,418
Depreciation		-17,443	-15,934	0	0
Profit/loss before net financials		-19,957	-29,546	-1,377	-8,418
Financial income	1	3,249	6,614	5,523	9,779
Financial costs	2	-43,884	-55,350	-21,138	-30,641
Profit/loss before tax		-60,592	-78,282	-16,992	-29,280
Tax on profit/loss for the year	3	14,755	9,815	-1,096	812
Profit/loss for the year		-45,837	-68,467	-18,088	-28,468
Retained earnings		-45,837	-68,467	-18,088	-28,468
		-45,837	-68,467	-18,088	-28,468

Balance sheet 31 December

	Note	Group		Parent company	
		2020	2019	2020	2019
		TDKK	TDKK	TDKK	TDKK
Assets					
Land and buildings		1,316,057	1,327,994	0	0
Property, plant and equipment in progress		15,768	9,408	0	0
Tangible assets	4	1,331,825	1,337,402	0	0
Investments in subsidiaries		0	0	362,491	362,496
Fixed asset investments		0	0	362,491	362,496
Total non-current assets		1,331,825	1,337,402	362,491	362,496
Trade receivables		0	1,061	0	0
Receivables from group enterprises		70,251	74,192	129,718	145,336
Other receivables		189	4,168	0	0
Prepayments		896	0	0	0
Receivables		71,336	79,421	129,718	145,336
Cash at bank and in hand		24,489	17,279	24,489	1,655
Total current assets		95,825	96,700	154,207	146,991
Total assets		1,427,650	1,434,102	516,698	509,487

Balance sheet 31 December

	Note	Group		Parent company	
		2020	2019	2020	2019
		TDKK	TDKK	TDKK	TDKK
Equity and liabilities					
Share capital		50	50	50	50
Retained earnings		-120,453	-74,320	-35,524	-17,436
Equity		-120,403	-74,270	-35,474	-17,386
Provision for deferred tax		15,951	31,326	0	0
Other provisions		0	1,000	0	0
Total provisions		15,951	32,326	0	0
Banks		940,472	930,499	0	0
Payables to group enterprises		518,271	498,337	518,271	498,337
Total non-current liabilities	5	1,458,743	1,428,836	518,271	498,337
Prepayments received from customers		16,987	17,462	0	0
Trade payables		5,754	12,293	1,214	591
Payables to group enterprises		40,628	10,175	32,673	27,815
Joint taxation contributions payable		253	20	0	0
Other payables		9,737	7,032	14	130
Deferred income		0	228	0	0
Total current liabilities		73,359	47,210	33,901	28,536
Total liabilities		1,532,102	1,476,046	552,172	526,873
Total equity and liabilities		1,427,650	1,434,102	516,698	509,487
Contingent liabilities	6				
Mortgages and collateral	7				

Statement of changes in equity

Group

	Share capital	Retained earnings	Total
Equity at 1 January 2020	50	-74,320	-74,270
Adjustment prior years	0	-296	-296
Net profit/loss for the year	0	-45,837	-45,837
Equity at 31 December 2020	50	-120,453	-120,403

Parent company

Equity at 1 January 2020	50	-17,436	-17,386
Net profit/loss for the year	0	-18,088	-18,088
Equity at 31 December 2020	50	-35,524	-35,474

Notes

	Group		Parent company	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	TDKK	TDKK	TDKK	TDKK
1 Financial income				
Interest received from group enterprises	2,694	6,232	5,520	9,779
Other financial income	555	382	3	0
	<u>3,249</u>	<u>6,614</u>	<u>5,523</u>	<u>9,779</u>
2 Financial costs				
Financial expenses, group enterprises	20,879	35,199	21,088	30,615
Other financial costs	23,005	20,151	50	26
	<u>43,884</u>	<u>55,350</u>	<u>21,138</u>	<u>30,641</u>
3 Tax on profit/loss for the year				
Current tax for the year	0	64	0	0
Deferred tax for the year	-15,375	-9,067	0	0
Adjustment of tax concerning previous years	620	-812	1,096	-812
	<u>-14,755</u>	<u>-9,815</u>	<u>1,096</u>	<u>-812</u>

Notes

4 Tangible assets

Group

	Land and buildings	Property, plant and equipment in progress	Total
Cost at 1 January 2020	1,349,375	9,408	1,358,783
Additions for the year	5,396	19,723	25,119
Disposals for the year	0	-13,363	-13,363
Cost at 31 December 2020	1,354,771	15,768	1,370,539
Impairment losses and depreciation at 1 January 2020	21,381	0	21,381
Depreciation for the year	17,443	0	17,443
Reversal of depreciation	-110	0	-110
Impairment losses and depreciation at 31 December 2020	38,714	0	38,714
Carrying amount at 31 December 2020	1,316,057	15,768	1,331,825

5 Long term debt

Group	Debt at 1 January 2020	Debt at 31 December 2020	Instalment next year	Debt outstanding after 5 years
Banks	930,499	940,472	0	0
Payables to group enterprises	0	518,271	0	0
	930,499	1,458,743	0	0

Parent Company	Debt at 1 January 2020	Debt at 31 December 2020	Instalment next year	Debt outstanding after 5 years
Payables to group enterprises	498,337	518,271	0	0
	498,337	518,271	0	0

6 Contingent liabilities

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

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

Notes

6 Contingent liabilities (continued)

7 Mortgages and collateral

Bank debt secured by mortgages in properties is amounting to DKK ('000) 940,472.

The carrying ammount of mortgaged properties is DKK ('000) 1,331,825.

Bank debt in group enterprises is secured by equity investments in group enterprises.