

BCAP DF 1 ApS

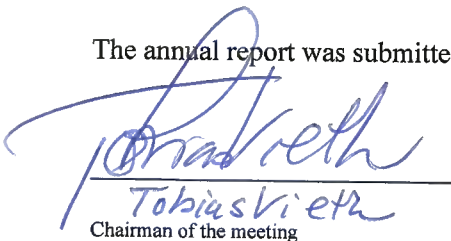
c/o CBRE A/S, Rued Langgaards Vej 8, 2300 Copenhagen S

Company reg. no. 40 23 33 50

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the *16 July 2021*


Tobias Vieth
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the executive board has presented the annual report of BCAP DF 1 ApS for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

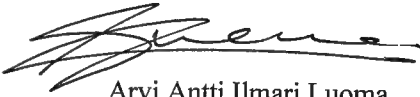
We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 16 July 2021

Executive board



Arvi Antti Ilmari Luoma



Taranpal Lall

Independent auditor's report

To the shareholders of BCAP DF 1 ApS

Opinion

We have audited the financial statements of BCAP DF 1 ApS for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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.
- Obtain an understanding of the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 16 July 2021

EY

Company reg. no. 30 70 02 28



Henrik Reedt

State Authorised Public Accountant
mne24830

Company information

The company

BCAP DF 1 ApS
c/o CBRE A/S
Rued Langgaards Vej 8
2300 Copenhagen S

Company reg. no. 40 23 33 50
Established: 1 February 2019
Domicile: Copenhagen
Financial year: 1 January - 31 December

Executive board

Arvi Antti Ilmari Luoma
Taranpal Lall

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passer Allé 36
2000 Frederiksberg

Parent company

BCAP DF 1 Holding ApS

Management commentary

The principal activities of the company

Like previous years, the principal activities of the company are investment in and rental of properties.

Unusual circumstances

The company has not been affected by the Covid-19 pandemic in the same way as a large number of other companies. The financial position and the result in the financial year 2020 are not significantly affected by the consequences of the Covid-19 pandemic.

Uncertainties about recognition or measurement

Investment properties are measured at fair value. Investment properties are accounted for DKK 73.030.000 as of 31 December 2020. Fair values are measured individually for each property based on a number of assumptions including the budgeted cash flows and discount rate, according to accounting policies used. The discount rate is determined to reflect the current market required rate of return. In particular, determination of the discount rate is subject to uncertainty.

Development in activities and financial matters

The gross profit for the year totals DKK 3.933.000 against DKK 470.000 last year. Income from ordinary activities after tax totals DKK 9.292.000 against DKK 10.576.000 last year. The result for 2020 is significantly affected by the value adjustment of investment property DKK 9.946.000. The value adjustment of investment property is mainly caused by a reduction in the capitalization rate. Management considers the net profit for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	3.933.101	470.387
1 Value adjustment of investment property	<u>9.946.072</u>	<u>14.257.241</u>
Operating profit	13.879.173	14.727.628
2 Other financial costs	<u>-2.119.988</u>	<u>-1.015.372</u>
Pre-tax net profit or loss	11.759.185	13.712.256
Tax on net profit or loss for the year	<u>-2.467.115</u>	<u>-3.136.593</u>
Net profit or loss for the year	<u>9.292.070</u>	<u>10.575.663</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	<u>9.292.070</u>	<u>10.575.663</u>
Total allocations and transfers	<u>9.292.070</u>	<u>10.575.663</u>

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Non-current assets		
3 Investment property	73.030.001	63.000.000
Total property, plant, and equipment	<u>73.030.001</u>	<u>63.000.000</u>
4 Deposits	0	65.000
Total investments	<u>0</u>	<u>65.000</u>
Total non-current assets	<u>73.030.001</u>	<u>63.065.000</u>
Current assets		
Trade receivables	0	313.450
Other receivables	216.438	2.099.693
Prepayments and accrued income	21.310	0
Total receivables	<u>237.748</u>	<u>2.413.143</u>
Cash on hand and demand deposits	<u>1.377.799</u>	<u>29.647</u>
Total current assets	<u>1.615.547</u>	<u>2.442.790</u>
Total assets	<u>74.645.548</u>	<u>65.507.790</u>

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity and liabilities		
Equity		
Contributed capital	50.000	50.000
Retained earnings	19.871.733	10.579.663
Total equity	<u>19.921.733</u>	<u>10.629.663</u>
Provisions		
Provisions for deferred tax	5.690.148	3.136.593
Total provisions	<u>5.690.148</u>	<u>3.136.593</u>
Liabilities other than provisions		
Deposits	3.894.514	4.356.549
Payables to group enterprises	43.563.467	0
Total long term liabilities other than provisions	<u>47.457.981</u>	<u>4.356.549</u>
Bank loans	0	38.031.197
Trade payables	52.075	130.130
Payables to group enterprises	1.130.321	9.223.658
Income tax payable	129.998	0
Other payables	263.292	0
Total short term liabilities other than provisions	<u>1.575.686</u>	<u>47.384.985</u>
Total liabilities other than provisions	<u>49.033.667</u>	<u>51.741.534</u>
Total equity and liabilities	<u>74.645.548</u>	<u>65.507.790</u>

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	50.000	4.000	0	54.000
Retained earnings for the year	0	0	10.575.663	10.575.663
Transferred to retained earnings	0	-4.000	4.000	0
Equity 1 January 2020	50.000	0	10.579.663	10.629.663
Retained earnings for the year	0	0	9.292.070	9.292.070
	50.000	0	19.871.733	19.921.733

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Value adjustment of investment property		
Value adjustment arising from change in required rate of return	9.946.072	14.257.241
	<u>9.946.072</u>	<u>14.257.241</u>
2. Other financial costs		
Financial costs, group enterprises	1.210.547	468.658
Other financial costs	909.441	546.714
	<u>2.119.988</u>	<u>1.015.372</u>
3. Investment property		
Cost 1 January 2020	48.742.759	0
Additions during the year	83.929	48.742.759
Cost 31 December 2020	<u>48.826.688</u>	<u>48.742.759</u>
Fair value adjustment 1 January 2020	14.257.241	0
Adjustments to fair value for the year	9.946.072	14.257.241
Fair value adjustment 31 December 2020	<u>24.203.313</u>	<u>14.257.241</u>
Carrying amount, 31 December 2020	<u>73.030.001</u>	<u>63.000.000</u>

The company's investment property consist of a of a distribution warehouse and storey office accommodation with a total of 4.820 m2 in the area of Hilleroed. Investment properties are according to the description in the accounting policies used measured at fair value based on a return-based cash flow model.

The rates of return have been determined on the basis of an evaluation of market levels by external brokers.

The required rate of return has been determined on the basis of market statistics, completed transactions, and management's knowledge of the property market in general. When determining the required rate of return, parameters such as type (residence, office, shop, etc.), location, age, state of maintenance, duration of rental agreements, and tenant credit quality, etc., are considered.

Compared to the previous financial year, the methods of measurement remain unchanged.

Notes

All amounts in DKK.

3. Investment property (continued)

The determination of the market value (carrying value) is based on the following rates of return:

Weighted average rate of return 5,35%

	<u>31/12 2020</u>	<u>31/12 2019</u>
4. Deposits		
Cost 1 January 2020	65.000	0
Additions during the year	0	65.000
Disposals during the year	<u>-65.000</u>	<u>0</u>
Cost 31 December 2020	<u>0</u>	<u>65.000</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>65.000</u>

5. Contingencies

Joint taxation

With BCAP DF 1 Holding ApS, company reg. no 41602899 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for BCAP DF 1 ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, other operating income, and external costs.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment. Income from the heating account is recognised in the statement of financial position as a balance with lessees.

Other external costs comprise costs incurred for administration.

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs. Costs concerning the heating accounts are recognised in the statement of financial position as a balance with lessees.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Impairment loss relating to non-current assets

The carrying amount of fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investment property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs, if any.

Hereafter, investment properties are measured individually at an estimated fair value. The properties are measured using a returnbased model, by which the expected future cash flows for the following year, along with a rate of return determined by an external assessor, form the basis for the fair value of the properties. Compared to the previous financial year, the method of measurement remains unchanged.

Accounting policies

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item "Value adjustments of property".

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, BCAP DF 1 ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.