
Freya Property Holding ApS

Adelgade 15, 2., DK-1304 Copenhagen K

Annual Report for 2022

CVR No. 40 45 11 53

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 17/5 2023

Emil Skov
Chairman of the
general meeting



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Management's statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of Freya Property Holding 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.

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

Copenhagen K, 17 May 2023

Executive Board

Anders Skovgaard Klingbeil
CEO

Board of Directors

Peter Matzen Drachmann
Chairman

Linda Bradaia

Linda Bradaia

Albert Cornelius Tol

Independent Auditor's report

To the shareholder of Freya Property Holding ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company 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.

We have audited the Financial Statements of Freya Property Holding ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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 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 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 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.
- 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.

Independent Auditor's report

- 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.

Hellerup, 17 May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Morten Jørgensen

State Authorised Public Accountant

mne32806

Qasam Hussain

State Authorised Public Accountant

mne44159

Company information

The Company	Freya Property Holding ApS Adelgade 15, 2. DK-1304 Copenhagen K CVR No: 40 45 11 53 Financial period: 1 January - 31 December Incorporated: 15 April 2019 Municipality of reg. office: Copenhagen
Board of Directors	Peter Matzen Drachmann, chairman Linda Bradaia Linda Bradaia Albert Cornelius Tol
Executive board	Anders Skovgaard Klingbeil
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Income statement 1 January - 31 December

	Note	2022 TDKK	2021 TDKK
Gross loss		-729	-1,646
Income from investments in subsidiaries		7,509	99,869
Financial income	3	2,334	2,767
Financial expenses	4	-1,822	-1,799
Profit/loss before tax		<u>7,292</u>	<u>99,191</u>
Tax on profit/loss for the year	5	50	143
Net profit/loss for the year		<u>7,342</u>	<u>99,334</u>

Distribution of profit

	2022 TDKK	2021 TDKK
Proposed distribution of profit		
Reserve for net revaluation under the equity method	7,510	95,320
Retained earnings	-168	4,014
	<u>7,342</u>	<u>99,334</u>

Balance sheet 31 December

Assets

	Note	2022	2021
		TDKK	TDKK
Investments in subsidiaries	6	190,258	139,765
Fixed asset investments		190,258	139,765
Fixed assets		190,258	139,765
Receivables from group enterprises		2,313	70,745
Deferred tax asset		347	406
Corporation tax		48	0
Receivables		2,708	71,151
Cash at bank and in hand		12	933
Current assets		2,720	72,084
Assets		192,978	211,849

Balance sheet 31 December

Liabilities and equity

	Note	2022	2021
		TDKK	TDKK
Share capital		52	51
Reserve for net revaluation under the equity method		127,266	95,320
Retained earnings		65,469	64,138
Equity		192,787	159,509
Trade payables		82	54
Payables to group enterprises		0	52,286
Other payables		109	0
Short-term debt		191	52,340
Debt		191	52,340
Liabilities and equity		192,978	211,849

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Statement of changes in equity

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	51	0	95,320	64,138	159,509
Cash capital increase	1	1,499	0	0	1,500
Fair value adjustment of hedging instruments, end of year	0	0	24,436	0	24,436
Net profit/loss for the year	0	0	7,510	-168	7,342
Transfer from share premium account	0	-1,499	0	1,499	0
Equity at 31 December	52	0	127,266	65,469	192,787

Notes to the Financial Statements

1. Key activities

The primary activity of the company is to buy, hold, rent, and sell real estate to issue corporate bonds, and any business related hereto.

2. Staff

Average number of employees

	<u>2022</u>	<u>2021</u>
	0	0

3. Financial income

Interest received from group enterprises

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
	2,334	2,767
	<u>2,334</u>	<u>2,767</u>

4. Financial expenses

Interest paid to group enterprises

Other financial expenses

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
	1,818	1,795
	4	4
	<u>1,822</u>	<u>1,799</u>

5. Income tax expense

Current tax for the year

Deferred tax for the year

Adjustment of deferred tax concerning previous years

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
	-48	0
	59	0
	-61	-143
	<u>-50</u>	<u>-143</u>

Notes to the Financial Statements

	2022	2021
	TDKK	TDKK
6. Investments in subsidiaries		
Cost at 1 January	44,445	44,445
Additions for the year	18,547	0
Cost at 31 December	<u>62,992</u>	<u>44,445</u>
Value adjustments at 1 January	95,320	-4,549
Net profit/loss for the year	9,668	99,869
Other equity movements, net	24,436	0
Other adjustments	-2,158	0
Value adjustments at 31 December	<u>127,266</u>	<u>95,320</u>
Carrying amount at 31 December	<u>190,258</u>	<u>139,765</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Finsensvej 15 ApS	Copenhagen	100%

7. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

Freya Property Holding ApS' related parties comprise the following:

Name	Place of registered office
PATRIZIA Living Cities Residential Fund	41 avenue de la Liberté L-1931 Luxembourg

Notes to the Financial Statements

8. Accounting policies

The Annual Report of Freya Property Holding ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in TDKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Income statement

Other external expenses

Other external costs comprise costs related to administration.

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

The Company is jointly taxed with LiCi Valhalla ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and 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, which usually corresponds to nominal value.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.