

# **DK Bella 11 K/S**

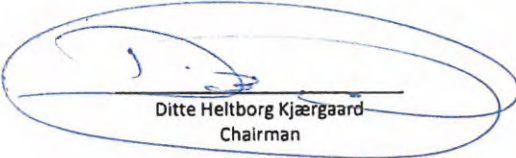
C/O 30135 Newsec PAM Denmark A/S  
Lyngby Hovedgade 4,  
2800 Kongens Lyngby

CVR No. 40541624

## **Annual Report 22.05.2019 - 31.12.2019**

1. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 11 June 2020



Ditte Heltborg Kjærgaard  
Chairman

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DK Bella 11 K/S

## Management's Statement

Today, Management has considered and adopted the Annual Report of DK Bella 11 K/S for the financial year 22 May 2019 - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 22 May 2019 - 31 December 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kgs. Lyngby, 11 June 2020

### Executive Board



Leif Fredrik Ingemar Söderlund  
CEO



Ditte Heltborg Kjærgaard  
CEO



Mikael Andersson  
CEO

## Independent Auditors' Report

To the shareholders of DK Bella 11 K/S

### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of its operations for the financial year 22 May 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of DK Bella 11 K/S for the financial year 22 May 2019 - 31 December 2019, which comprise an income statement, balance sheet, statement of changes in equity, notes and including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### Basis of 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' 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.

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the 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 financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

### 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

## Independent Auditors' Report

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.

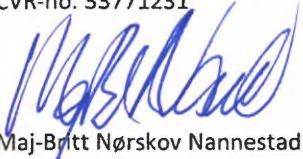
As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:


- \* 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.
- \* 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, 11 June 2020

**PricewaterhouseCoopers**  
**Statsautoriseret Revisionspartnerselskab**  
CVR-no. 33771231

  
Maj-Britt Nørskov Nannestad  
State Authorised Public Accountant  
mne32198

  
Martin Enderberg Lassen  
State Authorised Public Accountant  
mne40044

**DK Bella 11 K/S**

**Company details**

<b>Company</b>	DK Bella 11 K/S C/O 30135 Newsec PAM Denmark A/S Lyngby Hovedgade 4, 2800 Kongens Lyngby CVR No.: 40541624 Date of formation: 22 May 2019 Registered office: Lyngby-Tårnbæk
<b>Executive Board</b>	Leif Fredrik Ingemar Söderlund, CEO Ditte Heltborg Kjærgaard, CEO Mikael Andersson, CEO
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup CVR-no.: 33771231

## Management's Review

### The Company's principal activities

The Company's principal activities are to own, develop, lease and manage real estate, directly and indirectly, and related business.

### Development in activities and financial matters

The Company's Income Statement of the financial year 22 May 2019 - 31 December 2019 shows a loss of DKK 146,591 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 2,086,825 and an equity of DKK 1,944,319.

### Post financial year events

The Company's expectations for the future are affected by the COVID-19 outbreak, which escalated subsequent to the year end. While it is possible to identify the real estate sectors most exposed over the short term to COVID-19, there is no clear way to identify how significant the downside risks will be and therefore what the ultimate impact on real estate valuations will be. Property incomes during the disrupted period maybe impacted by the COVID-19 situation but until we have clarity on the ultimate severity of the virus, the value impact will remain highly uncertain. Transaction and leasing activity is likely to be impaired due to the inability to enact site visits/due diligence as may lending activity which will further complicate valuation clarity. We understand that valuers will likely add a disclaimer to their valuations at end of Q1 2020 regarding impact of COVID-19 which is not yet, if any, taken into account in their valuations. Management refers to note 2 of the financial statement.

After the end of the financial year, no further events have occurred which may change the financial position of the entity substantially.

## Accounting Policies

### Reporting Class

The Annual Report of DK Bella 11 K/S for 22 May 2019 - 31 December 2019 has been presented 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.

As the financial year 22 May 2019 - 31 December 2019 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

### Reporting currency

The Annual Report is presented in Danish kroner.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

## General Information

### Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.



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## **Accounting Policies**

### **Income Statement**

#### **Other external expenses**

Other external costs include costs for administration, loss of debtors etc.

#### **Financial income and expenses**

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year.

### **Balance Sheet**

#### **Receivables**

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

#### **Prepayments**

Prepayments comprise capitalized acquisition costs for the company's investment property, which will be finally acquired in 2020.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

#### **Other payables**

Other payables are measured at amortised cost, which usually corresponds to the nominal value

#### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

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## Income Statement

	Note	22.05.2019 - 31.12.2019 kr.
Other external expenses		<u>-93.766</u>
<b>Gross result</b>		<u><b>-93.766</b></u>
<b>Profit from ordinary operating activities</b>		<u><b>-93.766</b></u>
Finance expenses	1	<u>-52.825</u>
<b>Profit from ordinary activities before tax</b>		<u><b>-146.591</b></u>
<b>Net profit/loss for the year</b>		<u><b>-146.591</b></u>
<b>Proposed distribution of results</b>		
Retained earnings		<u>-146.591</u>
<b>Distribution of loss</b>		<u><b>-146.591</b></u>

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**Balance Sheet as of 31 December**

	Note	2019 kr.
<b>Assets</b>		
Short-term receivables from group enterprises		137.813
Other short-term receivables		74.453
Prepayment		1.673.158
<b>Receivables</b>		<u>1.885.424</u>
<b>Cash and cash equivalents</b>		<u>201.401</u>
<b>Current assets</b>		<u>2.086.825</u>
<b>Assets</b>		<u>2.086.825</u>

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**Balance Sheet as of 31 December**

	Note	2019 kr.
<b>Liabilities and equity</b>		
Contributed capital		2.090.910
Retained earnings		-146.591
<b>Equity</b>		<u>1.944.319</u>
Payables to group enterprises		48.756
Other payables		93.750
<b>Short-term debt</b>		<u>142.506</u>
<b>Debt</b>		<u>142.506</u>
<b>Liabilities and equity</b>		<u>2.086.825</u>
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**Statement of changes in Equity**

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 22 May 2019	2.090.910	0	2.090.910
Profit (loss)	<u>0</u>	<u>-146.591</u>	<u>-146.591</u>
<b>Equity 31 December 2019</b>	<b><u>2.090.910</u></b>	<b><u>-146.591</u></b>	<b><u>1.944.319</u></b>

Notes

22.05.2019 -  
31.12.2019  
kr.

**1. Finance costs**

Interest, group enterprises	48.756
Other	4.096
	<hr/>
	52.852
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**2. Unusual circumstances**

Subsequent to year end the outbreak of COVID-19 has been declared a Pandemic and is impacting the global economy. While it is possible to identify the real estate sectors most exposed over the short term to COVID-19, there is no clear way to identify how significant the downside risks will be and therefore what the ultimate impact on real estate valuations will be. Property incomes during the disrupted period maybe impacted by the COVID-19 situation but until there is clarity on the ultimate severity of the virus the value impact will remain highly uncertain. Transaction and leasing activity is likely to be impaired due to the inability to enact site visits/due diligence as maylending activity, which will further complicate valuation clarity. It is understood that valuers will likely add a disclaimer to their valuations at end of Q1 2020 regarding the impact of COVID-19 which is not yet, if any, taken into account in their valuations.

Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

It is management's assessment that the current situation in regards to COVID-19 will have limited effect on the Company's activities, as the demand for rental housing is not highly impacted by COVID-19. Therefore management's view is that the COVID-19 crisis does not have a material impact on the Company's activities in 2020.

The company has acquired an investment property in 2020.

**3. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.

**4. Related parties**

Related parties with controlling interest:

AXA Investment Managers AXA Investment Managers Deutschland GmbH Deutschland GmbH