

## Reeves Property Investment ApS

c/o Advokatanpartsselskabet Invictus  
Amaliegade 16A, kl.  
1256 København

CVR no. 40 88 11 82

### Annual report for 2021

Adopted at the annual general  
meeting on 26 April 2022

  
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Mark Francis Reeves  
chairman

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## Statement by management on the annual report

The executive board has today discussed and approved the annual report of Reeves Property Investment ApS for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.


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

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 26 April 2022

**Executive board**



Mark Francis Reeves  
Director

## **Auditor's report on compilation of the financial statements**

### ***To the shareholder of Reeves Property Investment ApS***

We have compiled the financial statements of Reeves Property Investment ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Elsinore, 26 April 2022

**WILLADS & VIBE-HASTRUP**

Godkendte Revisorer ApS

CVR no. 29 61 96 70



Christian Vesth

State Authorised Public Accountant

MNE no. mne36078

## **Company details**

### **The company**

Reeves Property Investment ApS  
c/o Advokatanpartsselskabet Invictus  
Amaliegade 16A, kl.  
1256 København

CVR no.: 40 88 11 82

Reporting period: 1 January - 31 December 2021

Domicile: Copenhagen

### **Executive board**

Mark Francis Reeves, director

### **Auditors**

WILLADS & VIBE-HASTRUP  
Godkendte Revisorer ApS  
Nordlysvænget 10A  
3000 Helsingør

## **Management's review**

### **Business review**

The primary activity is investing in, and renting real estate.

### **Financial review**

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 350.527, and the balance sheet at 31 December 2021 shows equity of DKK 306.271.

The company has lost over half of the share capital but expects it to be re-established by own operations in the years ahead.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## **Accounting policies**

The annual report of Reeves Property Investment ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

The annual report for 2021 is presented in DKK

### **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 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 from the company 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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

## **Accounting policies**

### **Revenue**

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **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.

### **Tax on profit/loss for the year**

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income 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 been able to use tax losses to reduce their own taxable profits.

## **Balance sheet**

### **Tangible assets**

#### ***Investment properties***

Investment properties comprises investments in land and buildings for purposes of gaining a return on the invested capital in the form of regular operating income and/or capital gains on resale.

On acquisition, investment properties is measured at cost, comprising the purchase price, including purchase costs.

Interest expenses on loans are not recognised in cost during erection and reconstruction periods.



## **Accounting policies**

On subsequent recognition, investment properties is measured at cost less the year's depreciation and impairment losses.

### **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.

### **Equity**

#### **Income tax and deferred tax**

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**

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

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

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Gross profit</b>		<b>91.914</b>	<b>-32.039</b>
Fair value adjustments of investment properties		<u>430.000</u>	<u>0</u>
<b>Profit/loss before net financials</b>		<b>521.914</b>	<b>-32.039</b>
Financial income	2	4.302	1.768
Financial costs	3	<u>-76.823</u>	<u>-75.281</u>
<b>Profit/loss before tax</b>		<b>449.393</b>	<b>-105.552</b>
Tax on profit/loss for the year	4	<u>-98.866</u>	<u>21.296</u>
<b>Profit/loss for the year</b>		<b><u>350.527</u></b>	<b><u>-84.256</u></b>
Retained earnings		<u>350.527</u>	<u>-84.256</u>
		<b><u>350.527</u></b>	<b><u>-84.256</u></b>

## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Assets</b>			
Investment properties	5	<u>4.100.000</u>	<u>3.670.000</u>
<b>Tangible assets</b>		<u><b>4.100.000</b></u>	<u><b>3.670.000</b></u>
<b>Total non-current assets</b>		<u><b>4.100.000</b></u>	<u><b>3.670.000</b></u>
Receivables from subsidiaries		255.922	178.558
Other receivables		59.854	0
Deferred tax asset		<u>0</u>	<u>21.296</u>
<b>Receivables</b>		<u><b>315.776</b></u>	<u><b>199.854</b></u>
<b>Total current assets</b>		<u><b>315.776</b></u>	<u><b>199.854</b></u>
<b>Total assets</b>		<u><u><b>4.415.776</b></u></u>	<u><u><b>3.869.854</b></u></u>

## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Equity and liabilities</b>			
Share capital		40.000	40.000
Retained earnings		<u>266.271</u>	<u>-84.256</u>
<b>Equity</b>		<u><b>306.271</b></u>	<u><b>-44.256</b></u>
Provision for deferred tax		<u>77.570</u>	<u>0</u>
<b>Total provisions</b>		<u><b>77.570</b></u>	<u><b>0</b></u>
Trade payables		10.000	0
Payables to shareholders and management		3.919.793	3.839.370
Other payables		<u>102.142</u>	<u>74.740</u>
<b>Total current liabilities</b>		<u><b>4.031.935</b></u>	<u><b>3.914.110</b></u>
<b>Total liabilities</b>		<u><b>4.031.935</b></u>	<u><b>3.914.110</b></u>
<b>Total equity and liabilities</b>		<u><u><b>4.415.776</b></u></u>	<u><u><b>3.869.854</b></u></u>
Contingent liabilities	6		
Mortgages and collateral	7		

## Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January 2021	40.000	-84.256	-44.256
Net profit/loss for the year	0	350.527	350.527
<b>Equity at 31 December 2021</b>	<b>40.000</b>	<b>266.271</b>	<b>306.271</b>

## Notes

	<u>2021</u> DKK	<u>2020</u> DKK
<b>1 Staff costs</b>		
Average number of employees	<u>0</u>	<u>0</u>
<b>2 Financial income</b>		
Interest received from subsidiaries	<u>4.302</u>	<u>1.768</u>
	<u><b>4.302</b></u>	<u><b>1.768</b></u>
<b>3 Financial costs</b>		
Other financial costs	<u>76.823</u>	<u>75.281</u>
	<u><b>76.823</b></u>	<u><b>75.281</b></u>
<b>4 Tax on profit/loss for the year</b>		
Deferred tax for the year	<u>98.866</u>	<u>-21.296</u>
	<u><b>98.866</b></u>	<u><b>-21.296</b></u>

## Notes

### 5 Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January 2021	<u>3.670.000</u>
Cost at 31 December 2021	<u>3.670.000</u>
Revaluations at 1 January 2021	0
Revaluations for the year	<u>430.000</u>
Revaluations at 31 December 2021	<u>430.000</u>
<b>Carrying amount at 31 December 2021</b>	<b><u><u>4.100.000</u></u></b>

#### **Assumptions underlying the determination of fair value of investment properties**

There is budgeted rental income of DKK 192 thousand and estimated operating costs of DKK 58 thousand. The applied yield requirement of 3,25% as well as sensitivity are shown below. The property is a residential property.

## Notes

### 5 Assets measured at fair value (Fortsat)

#### Sensitivity in determination of fair value of investment properties

An individual rate of return in the range of 2,75%-3,75% has been applied in the market value assessment at 31 December 2021. The rate of return requirement is determined at 3,25%.

Changes in estimated required rate of return for investment properties will affect the value of investment properties recognised in the balance sheet as well as value adjustments carried in the income statement.

Changes in	-0,5%	Base	0,5 %
	DKK	DKK	DKK
Rate of return	2,8	3,3	3,8
Fair value	4.850.000	4.100.000	3.550.000
Change in fair value	750.000	0	-550.000

### 6 Contingent liabilities

The company is jointly taxed with its parent company, Reeves Invest Holding ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

### 7 Mortgages and collateral

None.