

Vedelsgade 32 ApS

Industrivej 6C, 8660 Skanderborg

Company reg. no. 41 00 66 17

Annual report

13 December 2019 - 31 December 2020

The annual report was submitted and approved by the general meeting on the 17 March 2021.

Kim Andersen
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 13 December 2019 - 31 December 2020	
Income statement	7
Statement of financial position	8
Notes	10
Accounting policies	12

Management's report

Today, the managing director has presented the annual report of Vedelsgade 32 ApS for the financial year 13 December 2019 - 31 December 2020.

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

I consider the accounting policies appropriate and, in my 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 13 December 2019 – 31 December 2020.

I am 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.

Skanderborg, 12 March 2021

Managing Director

Kim Andersen

Independent auditor's report

To the shareholders of Vedelsgade 32 ApS

Opinion

We have audited the financial statements of Vedelsgade 32 ApS for the financial year 13 December 2019 - 31 December 2020, which comprise income statement, statement of financial position, 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 13 December 2019 - 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.

Fredericia, 12 March 2021

BRANDT

State Authorized Public Accounting Firm
Company reg. no. 25 49 21 45

Søren Fricke

State Authorised Public Accountant
mne34262

Company information

The company	Vedelsgade 32 ApS Industrivej 6C 8660 Skanderborg
	Company reg. no. 41 00 66 17 Financial year: 13 December 2019 - 31 December 2020
Managing Director	Kim Andersen
Auditors	BRANDT Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
Parent company	Davidson Holding ApS

Management commentary

The principal activities of the company

The main activity of the company is lease and developing of investment properties.

Unusual circumstances

No unusual circumstances have affected recognition or measurement.

Uncertainties about recognition or measurement

No material uncertainty has affected the recognition or measurement.

Development in activities and financial matters

The results and financial development of the company were as expected.

It is a precondition for the continued operations of the company that the capital owner makes liquidity contributions to cover costs for current operations as well as independent financing in connection with the construction of the investment property.

The company is covered by the provisions of the Danish Companies Act on capital loss. Management expects to restore equity by contributing new capital or converting balances.

Events occurring after the end of the financial year

After the end of the financial year, no events have occurred that could materially affect the financial position of the company.

Income statement

All amounts in DKK.

<u>Note</u>	13/12 2019	- 31/12 2020
		<u>5.262</u>
Gross profit		
1 Other operating costs		<u>-1.116.000</u>
Profit before net financials		-1.110.738
Other financial costs		<u>-193.035</u>
Pre-tax net profit or loss		-1.303.773
Tax on net profit or loss for the year		<u>0</u>
Net profit or loss for the year		<u>-1.303.773</u>
Proposed appropriation of net profit:		
Allocated from retained earnings		<u>-1.303.773</u>
Total allocations and transfers		<u>-1.303.773</u>

Statement of financial position

All amounts in DKK.

<u>Note</u>	<u>31/12 2020</u>
Assets	
Non-current assets	
Property, plant, and equipment under construction including prepayments for property, plant, and equipment	<u>6.500.000</u>
Total property, plant, and equipment	<u>6.500.000</u>
Total non-current assets	<u>6.500.000</u>
Current assets	
Other receivables	<u>223.556</u>
Total receivables	<u>223.556</u>
Cash on hand and demand deposits	<u>3.693</u>
Total current assets	<u>227.249</u>
Total assets	<u>6.727.249</u>

Statement of financial position

All amounts in DKK.

<u>Note</u>	<u>31/12 2020</u>
Equity and liabilities	
Equity	
Contributed capital	80.000
Share premium	760.000
Retained earnings	-1.303.773
Total equity	<u>-463.773</u>
Liabilities other than provisions	
Mortgage loans	2.653.168
Deposits	34.392
Other payables	4.342.655
2 Total long term liabilities other than provisions	<u>7.030.215</u>
2 Current portion of long term payables	120.548
Other payables	40.259
Total short term liabilities other than provisions	<u>160.807</u>
Total liabilities other than provisions	<u>7.191.022</u>
Total equity and liabilities	<u>6.727.249</u>
3 Charges and security	
4 Contingencies	

Notes

All amounts in DKK.

13/12 2019
- 31/12 2020

1. Other operating costs

Impairment of property, plant and equipment under construction.	1.116.000
	<u>1.116.000</u>

2. Liabilities other than provision

	Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
Mortgage loans	2.773.716	120.548	2.653.168	2.056.558
Deposits	34.392	0	34.392	34.392
Other payables	4.342.655	0	4.342.655	4.342.655
	<u>7.150.763</u>	<u>120.548</u>	<u>7.030.215</u>	<u>6.433.605</u>

3. Charges and security

As collateral for mortgage loans, DKK 2.774.000, security has been granted on land and buildings representing a carrying amount of DKK 6.500.000 at 31 December 2020.

Notes

All amounts in DKK.

4. Contingencies

Contingent liabilities

None.

Joint taxation

With Davidson Holding ApS, company reg. no 40 93 45 61 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

Accounting policies

The annual report for Vedelsgade 32 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 annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

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 lease income and other 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.

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.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities 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

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible 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.

Accounting policies

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.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

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

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

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.