

# Denmark Regions K/ S

C/O Harbour House  
Sundkrogsgade 21, 2100 København Ø

CVR no. 42 97 20 29

## Annual report 2022

(As of the establishment of the Company 12 January - 31 December 2022)

Approved at the Company's meeting of the Board of Directors on 30 June 2023

Chair of the meeting:

.....  
Cathrine Moesgaard Albertsen

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## Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Denmark Regions K/S for the financial year as of the establishment of the Company 12 January - 31 December 2022.

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

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 as of the establishment of the Company 12 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 30 June 2023  
Executive Board:

.....  
Sarah Maria Camilleri

.....  
Benjamin William Lionel  
Hutton

## Independent auditor's report

To the partner of Denmark Regions K/S

### Opinion

We have audited the financial statements of Denmark Regions K/S for the financial year as of the establishment of the Company 12 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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 as of the establishment of the company 12 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### 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 as to 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 the 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 note 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.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 June 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Henrik Reedtz  
State Authorised Public Accountant  
mne24830

## Management's review

### Company details

|                            |  |
|----------------------------|--|
| Name                       | Denmark Regions K/S  |
| Address, Postal code, City | C/O Harbour House<br>Sundkrogsgade 21, 2100 København Ø  |
| CVR no.                    | 42 97 20 29  |
| Established                | 12 January 2022  |
| Registered office          | København  |
| Financial year             | 12 January - 31 December 2022  |
| Executive Board            | Sarah Maria Camilleri<br>Benjamin William Lionel Hutton  |
| Auditors                   | EY Godkendt Revisionspartnerselskab<br>Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg,<br>Denmark |

## **Management's review**

### **Business review**

The company's purpose is to invest in, own, manage and develop real estate, as well as related businesses, directly or indirectly through holdings in other companies.

### **Financial review**

The income statement for 2022 shows a loss of DKK 90,381, and the balance sheet at 31 December 2022 shows equity of DKK 59,426,396. Management considers the Company's financial performance in the year satisfactory.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements for the period 12 January - 31 December 2022

### Income statement

| Note | DKK  | 2022                  |
|------|--|-----------------------|
|      | <b>Gross profit/ loss</b>                        | <u>-90,381</u>        |
|      | <b>Profit/ loss for the year</b>                 | <u><u>-90,381</u></u> |
|      | <b>Recommended appropriation of profit/ loss</b> |                       |
|      | Retained earnings/ accumulated loss              | <u>-90,381</u>        |
|      |  | <u><u>-90,381</u></u> |



## Financial statements for the period 12 January - 31 December 2022

### Balance sheet

| Note | DKK                                | <u>2022</u>              |
|------|------------------------------------|--------------------------|
|      | <b>ASSETS</b>                      |                          |
|      | <b>Fixed assets</b>                |                          |
| 3    | <b>Investments</b>                 |                          |
|      | Investments in group enterprises   | 59,635,777               |
|      |                                    | <u>59,635,777</u>        |
|      | <b>Total fixed assets</b>          | <u>59,635,777</u>        |
|      | <b>Non-fixed assets</b>            |                          |
|      | <b>Receivables</b>                 |                          |
|      | Receivables from group enterprises | 1,000                    |
|      |                                    | <u>1,000</u>             |
|      | <b>Cash</b>                        | <u>184</u>               |
|      | <b>Total non-fixed assets</b>      | <u>1,184</u>             |
|      | <b>TOTAL ASSETS</b>                | <u><u>59,636,961</u></u> |

## Financial statements for the period 12 January - 31 December 2022

### Balance sheet

| Note | DKK  | <u>2022</u>              |
|------|--|--------------------------|
|      | <b>EQUITY AND LIABILITIES</b>                    |                          |
|      | <b>Equity</b>                                    |                          |
|      | Share capital                                    | 1,000                    |
|      | Share premium account                            | 59,515,777               |
|      | Retained earnings                                | <u>-90,381</u>           |
|      | <b>Total equity</b>                              | <u>59,426,396</u>        |
|      | <b>Liabilities other than provisions</b>         |                          |
|      | <b>Current liabilities other than provisions</b> |                          |
|      | Trade payables                                   | 45,976                   |
|      | Payables to group enterprises                    | <u>164,589</u>           |
|      |  | <u>210,565</u>           |
|      | <b>Total liabilities other than provisions</b>   | <u>210,565</u>           |
|      | <b>TOTAL EQUITY AND LIABILITIES</b>              | <u><u>59,636,961</u></u> |

- 1 Accounting policies
- 2 Staff costs
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral
- 6 Related parties

## Financial statements for the period 12 January - 31 December 2022

### Statement of changes in equity

| DKK  | Share capital | Share premium account | Retained earnings | Total             |
|--|---------------|-----------------------|-------------------|-------------------|
| Cash payments concerning formation of enterprise | 1,000         | 0                     | 0                 | 1,000             |
| Contribution from group                          | 0             | 59,515,777            | 0                 | 59,515,777        |
| Transfer through appropriation of loss           | 0             | 0                     | -90,381           | -90,381           |
| <b>Equity at 31 December 2022</b>                | <b>1,000</b>  | <b>59,515,777</b>     | <b>-90,381</b>    | <b>59,426,396</b> |

As of 25 February 2022, the Company received group contributed in the form of a conversion of debt of DKK 59,515,777.

## Financial statements for the period 12 January - 31 December 2022

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Denmark Regions K/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112(2) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Gross profit/ loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

##### Profit/ loss from investments in subsidiaries

The item includes dividends from investments in subsidiaries and associates. Dividend distributions that either exceed the profit for the year or where the carrying amount of the investments exceeds the consolidated carrying amounts of the subsidiary's net assets will indicate impairment for which reason an impairment test will have to be conducted.

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

## Financial statements for the period 12 January - 31 December 2022

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

The company is tax transparent. The company's owners are responsible for both current tax and deferred tax, and therefore these are included in the owners' computation of taxable income in relation to the size of the individual owner's share of the company.

##### Balance sheet

##### Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

##### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

## Financial statements for the period 12 January - 31 December 2022

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

#### 2 Staff costs

The Company has no employees.

#### 3 Investments

| DKK  | Investments in<br>group<br>enterprises |
|--|--|
| Cost at 12 January 2022                    | 0                                      |
| Additions                                  | 59,635,777                             |
| Cost at 31 December 2022                   | 59,635,777                             |
| <b>Carrying amount at 31 December 2022</b> | <b>59,635,777</b>                      |

##### Subsidiaries

| Name                | Legal form | Domicile   | Interest | Equity<br>DKK | Profit/loss<br>DKK |
|---------------------|------------|------------|----------|---------------|--------------------|
| Denmark Blockbuster | ApS        | Copenhagen | 100.00%  | 14,339,315    | -1,762,428         |
| Denmark Olympia     | ApS        | Copenhagen | 100.00%  | 39,058,481    | -1,988,421         |
| HB IV Denmark Royal | ApS        | Copenhagen | 100.00%  | 5,211,694     | 2,724,561          |

#### 4 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The company has no contingent liabilities and contractual obligations as of 31 December 2022.

#### 5 Collateral

Investments and subsidiaries at a carrying amount of DKK 59,635,777 at 31 December 2022 have been put up as security for subsidiaries' debt to mortgage credit institutions.

## Financial statements for the period 12 January - 31 December 2022

### Notes to the financial statements

#### 6 Related parties

Denmark Regions K/S' related parties comprise the following:

##### Parties exercising control

| <u>Related party</u>           | <u>Domicile</u> | <u>Basis for control</u> |
|--------------------------------|-----------------|--------------------------|
| HB IV Denmark Holding S.a.r.l. | Luxembourg      | Participating interest   |

##### Information about consolidated financial statements

| <u>Parent</u>                         | <u>Domicile</u>         | <u>Requisitioning of the parent company's consolidated financial statements</u> |
|---------------------------------------|-------------------------|---|
| HighBrook Property Fund IV (Main), LP | Delaware, United States | 5 Heienhaff<br>L-1736 Niederanven<br>Luxembourg (LU)                            |

##### Information about security for loans relating to group entities

Information about security for loans relating to group entities appears from 5, "Collateral".

# PENNEO

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"By my signature I confirm all dates and content in this document."

## Benjamin William Lionel Hutton

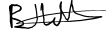
### Executive Board

On behalf of: the company

Serial number: bhutton@highbrookinvestors.com

IP: 85.93.xxx.xxx

2023-06-30 15:54:55 UTC



## Sarah Maria Camilleri

### Executive Board

On behalf of: the company

Serial number: scamilleri@highbrookinvestors.com

IP: 85.93.xxx.xxx

2023-06-30 16:23:44 UTC



## Cathrine Moesgaard Albertsen

### Chair

On behalf of: the company

Serial number: 825d4b66-9837-4c13-9479-0be10fa605cc

IP: 77.241.xxx.xxx

2023-07-01 10:11:45 UTC



## Henrik Reedtz

### State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:67854501

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