

# Velkomn Denmark K/S

Cortex Park Vest 4, 4. 3, 5230 Odense M

CVR no. 43 92 52 29

## Annual report 2023

(As of the establishment of the Company 17 March - 31 December 2023)

Approved at the Company's annual general meeting on 11 July 2024

Chairman of the meeting:



.....

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Velkomn Denmark K/S for the financial year as of the establishment of the Company 17 March - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year as of the establishment of the Company 17 March - 31 December 2023.

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.

Odense, 11 July 2024  
Executive Board:



.....  
Peter Uldall Borch  
Executive Board in the  
company and in the general  
partner Velkomn  
Komplementar ApS

Board of Directors:



.....  
Sanjevan Singh Sanghera  
Chairman in the company  
and in the general  
partner Velkomn  
Komplementar ApS



[Søren Hampen Kristensen](#) (Jul 12, 2024 07:56 EDT)  
.....  
Søren Hampen Kristensen  
Board of Director in the  
company and in the general  
partner Velkomn  
Komplementar ApS



.....  
Peter Uldall Borch  
Board of Director in the  
company and in the general  
partner Velkomn  
Komplementar ApS



.....  
Zena Shereen Namih  
Board of Director in the  
company and in the general  
partner Velkomn  
Komplementar ApS

## Independent auditor's report

To the shareholders of Velkomn Denmark K/S

### Opinion

We have audited the financial statements of Velkomn Denmark K/S for the financial year as of the establishment of the Company 17 March - 31 December 2023, 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 2023 and of the results of the Company's operations for the financial year as of the establishment of the company 17 March - 31 December 2023 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.

Odense, 11 July 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Morten Schougaard Sørensen  
State Authorised Public Accountant  
mne32129

## Management's review

### Company details

Name	Velkomn Denmark K/S
Address, Postal code, City	Cortex Park Vest 4, 4. 3, 5230 Odense M
CVR no.	43 92 52 29
Established	17 March 2023
Registered office	Odense
Financial year	17 March - 31 December 2023
Board of Directors	Sanjevan Singh Sanghera, Chairman Søren Hampen Kristensen, Board of Director in the company and in the general partner Velkomn Komplementar ApS Peter Uldall Borch, Board of Director in the company and in the general partner Velkomn Komplementar ApS Zena Shereen Namih, Board of Director in the company and in the general partner Velkomn Komplementar ApS
Executive Board	Peter Uldall Borch, Excecutive Board in the company and in the general partner Velkomn Komplementar ApS
General Partner	Velkomn Komplementar ApS
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

## Management's review

### Business review

The company's main activity is purchase, investment, operation and development within the real estate industry as well as related business and directly own capital shares or other financial instruments in companies that operate in real estate.

### Financial review

The income statement for 2023 shows a loss of DKK 9,479,953, and the balance sheet at 31 December 2023 shows a negative equity of DKK 9,379,953.

The company has lost more than 50% of the share capital. Financing in 2024 is assured through a loan facility provided by a Group Company. Capital is expected to be recovered through profits in the following years.

### Events after the balance sheet date

The company has purchased shares in property companies in 2024.

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

## Financial statements for the period 17 March - 31 December 2023

### Income statement

Note	DKK	2023 10 months
	Gross profit/loss	-1,161,108
3	Staff costs	-116,853
	Profit/loss before net financials	-1,277,961
	Income from investments in group enterprises	-7,767,690
4	Financial expenses	-434,302
	Profit/loss for the year	-9,479,953
	Recommended appropriation of profit/loss	-9,479,953
	Retained earnings/accumulated loss	-9,479,953



## Financial statements for the period 17 March - 31 December 2023

### Balance sheet

Note	DKK	<u>2023</u>
	ASSETS	
	Fixed assets	
5	Investments	
	Investments in group enterprises	8,605,640
	Other receivables	<u>4,083,955</u>
		<u>12,689,595</u>
	Total fixed assets	<u>12,689,595</u>
	Non-fixed assets	
	Receivables	
	Prepayments	<u>29,479</u>
		<u>29,479</u>
	Cash	<u>40,725</u>
	Total non-fixed assets	<u>70,204</u>
	TOTAL ASSETS	<u><u>12,759,799</u></u>

## Financial statements for the period 17 March - 31 December 2023

### Balance sheet

Note	DKK	<u>2023</u>
	EQUITY AND LIABILITIES	
	Equity	
	Share capital	100,000
	Retained earnings	<u>-9,479,953</u>
	Total equity	<u>-9,379,953</u>
	Provisions	
5	Provision, investments in group enterprises	<u>7,115,315</u>
	Total provisions	<u>7,115,315</u>
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Payables to group enterprises	7,887,731
	Other payables	<u>7,136,706</u>
		<u>15,024,437</u>
	Total liabilities other than provisions	<u>15,024,437</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>12,759,799</u></u>

- 1 Accounting policies
- 2 Capital ratio
- 6 Security and collateral

Financial statements for the period 17 March - 31 December 2023

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	100,000	0	100,000
Transfer through appropriation of loss	<u>0</u>	<u>-9,479,953</u>	<u>-9,479,953</u>
Equity at 31 December 2023	<u><u>100,000</u></u>	<u><u>-9,479,953</u></u>	<u><u>-9,379,953</u></u>

## Financial statements for the period 17 March - 31 December 2023

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Velkomn Denmark K/S for 2023 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.

#### Reporting currency

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

#### Income statement

##### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### 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 distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The item includes dividend received from group entities.

##### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements for the period 17 March - 31 December 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Land and buildings are revalued at fair value. Revaluations and reversals hereof, less deferred tax, are taken directly to equity. The fair value is calculated on the basis of an external assessment, which is based on discounted cash flows.

##### Investments

Other receivables included in investments consist of prepayments in relation to real estate company that is taken over in 2024. The prepayments are measured at cost price.

##### Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

##### Impairment of fixed assets

The carrying amount of investments in group entities 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.

##### 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.

## Financial statements for the period 17 March - 31 December 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

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

#### Other payables

Other payables are measured at net realisable value.

## Financial statements for the period 17 March - 31 December 2023

### Notes to the financial statements

#### 2 Equity and going concern

The company has lost more than 50% of the share capital. Financing in 2024 is assured through a loan facility provided by a Group Company. Capital is expected to be recovered through profits in the following years.

DKK	2023 10 months
3 Staff costs	
Wages/salaries	115,717
Other social security costs	1,136
	<u>116,853</u>

The Company has no employees.

4 Financial expenses	
Interest expenses, group entities	434,291
Other financial expenses	11
	<u>434,302</u>

#### 5 Investments

DKK	Investments in group enterprises	Other receivables	Total
Cost at 17 March 2023	-22	0	-22
Additions	9,258,015	4,083,955	13,341,970
Cost at 31 December 2023	9,257,993	4,083,955	13,341,948
Profit/loss for the year	-7,767,668	0	-7,767,668
Value adjustments at 31 December 2023	-7,767,668	0	-7,767,668
Carrying amount at 31 December 2023	<u>1,490,325</u>	<u>4,083,955</u>	<u>5,574,280</u>

Carrying amount is specified as follows:

Total Assets	8,605,640
Total Equity and Liabilities	-7,115,315
	<u>1,490,325</u>

#### Group entities

Name	Domicile	Interest
Velkomn ApS	Odense	100.00%
Lysholm Haslev Holding ApS	Odense	100.00%

#### 6 Security and collateral

The Company has provided shares in subsidiaries as security for the loan facility provided by MRE FinCo II S.à.r.l. (part of the Group) with a total maximum facility of DKK 425 million.












# Annual report 2023, Velkomn Denmark KS

Final Audit Report

2024-07-16

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