

DK Resi Propco Trepkasgade 3-5 ApS

**c/o Kereby ApS, Göteborg Plads 1, 9.
2150 Nordhavn**

CVR no. 35 81 06 41

Annual report for 2021

Adopted at the annual general
meeting on 12 May 2022

Cecilie Rust
chairman

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Statement by management on the annual report

The Board of Executives has today discussed and approved the annual report of DK Resi Propco Trepkasgade 3-5 ApS for the financial year 1 January - 31 December 2021.

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

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

Copenhagen, 12 May 2022

Board of Executives

Fernando Bautista

Dorota Marta Roch

Lars Pærregaard

Company details

The company

DK Resi Propco Trepkasgade 3-5 ApS
c/o Kereby ApS, Göteborg Plads 1, 9.
2150 Nordhavn

Telephone: +45 39 45 62 00

Website: www.kereby.dk

CVR no.: 35 81 06 41

Reporting period: 1 January - 31 December 2021

Domicile: Copenhagen

Board of Executives

Fernando Bautista
Dorota Marta Roch
Lars Pærregaard

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company DK Resi Topco 2 K/S.

The group annual report of the parent company may be obtained at the following address:

Göteborg Plads 1, 9.
2150 Nordhavn

Management's review

Business review

The objects of the company are aquisition, sale and letting out of properties.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 4,646,543, and the balance sheet at 31 December 2021 shows negative equity of DKK 9,040,847.

It is Management's assessment that the Company and the Group has sufficient capital resources, including liquidity, for its continued operations in the coming financial year.

Furthermore, it is Management's assessment that operations for the coming financial years will be able to generate profits/ or contribution of additional capital can be obtained, which will reestablish the share capital.

Accounting policies

The annual report of DK Resi Propco Trepkasgade 3-5 ApS has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to class B entities and certain provisions applying to class C.

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.

Accounting policies

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.

Revenue

Rental income has been accrued to cover the period up to the end of the financial year. Rental income is recognized excluding VAT and net of sales discounts. Payments charged to cover heating are not included in rental income.

Other external expenses

Other external expenses include expenses related to administration, premises, bad debts etc.

Depreciation

Depreciation comprise the year's depreciation expense on property, plant and equipment.

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, realised and unrealised capital/exchange gains and losses on 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 of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

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

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Tangible assets

Buildings are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components and sub-suppliers.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

| | Useful life | Residual value |
|-----------|--------------------|-----------------------|
| Buildings | 50 years | 25 % |

Impairment of tangible assets

The carrying amount of tangible assets is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

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 is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Accounting policies

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.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

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 |
|--|-------------|--------------------------|------------------------|
| Gross profit | | -3,504,123 | 436,820 |
| Depreciation | | <u>-291,956</u> | <u>-278,108</u> |
| Profit/loss before net financials | | -3,796,079 | 158,712 |
| Financial income | 1 | 233,025 | 227,522 |
| Financial costs | 2 | <u>-1,083,489</u> | <u>-999,130</u> |
| Profit/loss before tax | | -4,646,543 | -612,896 |
| Tax on profit/loss for the year | 3 | <u>0</u> | <u>25,942</u> |
| Profit/loss for the year | | <u>-4,646,543</u> | <u>-586,954</u> |
| Retained earnings | | <u>-4,646,543</u> | <u>-586,954</u> |
| | | <u>-4,646,543</u> | <u>-586,954</u> |

Balance sheet 31 December

| | <u>Note</u> | <u>2021</u> DKK | <u>2020</u> DKK |
|---|-------------|---------------------------------|---------------------------------|
| Assets | | | |
| Land and buildings | | 19,220,352 | 18,385,749 |
| Property, plant and equipment in progress | | <u>3,484,254</u> | <u>7,888,544</u> |
| Tangible assets | 4 | <u>22,704,606</u> | <u>26,274,293</u> |
| Total non-current assets | | <u>22,704,606</u> | <u>26,274,293</u> |
| Receivables from group enterprises | | 10,920,750 | 10,688,280 |
| Other receivables | | 1,332 | 11,649 |
| Prepayments | | <u>34,360</u> | <u>29,598</u> |
| Receivables | | <u>10,956,442</u> | <u>10,729,527</u> |
| Total current assets | | <u>10,956,442</u> | <u>10,729,527</u> |
| Total assets | | <u><u>33,661,048</u></u> | <u><u>37,003,820</u></u> |

Balance sheet 31 December

| | <u>Note</u> | <u>2021</u> DKK | <u>2020</u> DKK |
|--------------------------------------|-------------|--------------------------|--------------------------|
| Equity and liabilities | | | |
| Share capital | | 100,000 | 100,000 |
| Retained earnings | | <u>-9,140,847</u> | <u>-4,494,304</u> |
| Equity | | <u>-9,040,847</u> | <u>-4,394,304</u> |
| Banks | | <u>33,946,921</u> | <u>32,174,457</u> |
| Total non-current liabilities | 5 | <u>33,946,921</u> | <u>32,174,457</u> |
| Prepayments received from customers | | 450,196 | 335,226 |
| Trade payables | | 83,902 | 1,236,571 |
| Payables to group enterprises | | 7,956,549 | 7,373,356 |
| Other payables | | <u>264,327</u> | <u>278,514</u> |
| Total current liabilities | | <u>8,754,974</u> | <u>9,223,667</u> |
| Total liabilities | | <u>42,701,895</u> | <u>41,398,124</u> |
| Total equity and liabilities | | <u>33,661,048</u> | <u>37,003,820</u> |

Statement of changes in equity

| | <u>Share capital</u> | <u>Retained earnings</u> | <u>Total</u> |
|-----------------------------------|-----------------------|--------------------------|--------------------------|
| Equity at 1 January 2021 | 100,000 | -4,494,304 | -4,394,304 |
| Net profit/loss for the year | 0 | -4,646,543 | -4,646,543 |
| Equity at 31 December 2021 | <u>100,000</u> | <u>-9,140,847</u> | <u>-9,040,847</u> |

Notes

| | <u>2021</u> DKK | <u>2020</u> DKK |
|---|-------------------------|-----------------------|
| 1 Financial income | | |
| Interest received from group enterprises | 232,470 | 227,522 |
| Other financial income | <u>555</u> | <u>0</u> |
| | <u>233,025</u> | <u>227,522</u> |
| | | |
| 2 Financial costs | | |
| Financial expenses, group enterprises | 311,464 | 274,537 |
| Other financial costs | <u>772,025</u> | <u>724,593</u> |
| | <u>1,083,489</u> | <u>999,130</u> |
| | | |
| 3 Tax on profit/loss for the year | | |
| Adjustment of tax concerning previous years | <u>0</u> | <u>-25,942</u> |
| | <u>0</u> | <u>-25,942</u> |

Notes

4 Tangible assets

| | Land and buildings | Property, plant and equipment in progress | Total |
|---|--------------------------|--|--------------------------|
| Cost at 1 January 2021 | 20,221,024 | 7,888,544 | 28,109,568 |
| Additions for the year | 1,126,559 | 1,228,348 | 2,354,907 |
| Disposals for the year | 0 | -5,632,638 | -5,632,638 |
| Cost at 31 December 2021 | <u>21,347,583</u> | <u>3,484,254</u> | <u>24,831,837</u> |
| Impairment losses and depreciation at 1 January 2021 | 1,835,275 | 0 | 1,835,275 |
| Depreciation for the year | 291,956 | 0 | 291,956 |
| Impairment losses and depreciation at 31 December 2021 | <u>2,127,231</u> | <u>0</u> | <u>2,127,231</u> |
| Carrying amount at 31 December 2021 | <u>19,220,352</u> | <u>3,484,254</u> | <u>22,704,606</u> |

5 Long term debt

| | Debt at 1 January 2021 | Debt at 31 December 2021 | Instalment next year | Debt outstanding after 5 years |
|-------|------------------------------|-----------------------------------|-------------------------|--------------------------------------|
| Banks | <u>32,174,457</u> | <u>33,946,921</u> | <u>0</u> | <u>0</u> |
| | <u>32,174,457</u> | <u>33,946,921</u> | <u>0</u> | <u>0</u> |

Notes

6 **Contingent liabilities**

The company is jointly taxed with its Danish group entities. The entities are jointly and severally liable for Danish VAT and income taxes as well as withholding taxes on dividends, interests and royalties payable by the group of jointly taxed and VAT registered entities.

Tax payable of the Group's joint taxable income is stated in the annual report of DK Resi Holdco I ApS, which serves as management company for the joint taxation.

VAT payable of the Group is stated in the annual report of Kereby ApS, which serves as management company for the joint VAT-registration.

7 **Mortgages and collateral**

Land and buildings at a carrying amount as disclosed in the balance sheet at 31 December have been provided as security for the Company's total mortgage debt.