Rævegade-Strandgade Holding ApS

Kalvebod Brygge 39, 4., 1560 København V

CVR no. 38 68 48 25

Annual report 2021

Approved at the Company's annual general meeting on 23 March 2022

Chair of the meeting:

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Thomas Esben Khan

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Contents

Statement by the Board of Directors and the Executive Board **2**

Independent auditor's report **3**

Management's review **5**

Financial statements 1 January - 31 December **7**
Income statement 7
Balance sheet 8
Statement of changes in equity 10
Notes to the financial statements 11

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

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 Rævegade-Strandgade Holding 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 financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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, 23 March 2022
Executive Board:

Thomas Esben Khan

Board of Directors:

Peter Kreiner	Mads Pauli Ringkjøbing-Christiansen	John Sergio Blem

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Independent auditor's report

To the shareholders of Rævegade-Strandgade Holding ApS

Opinion

We have audited the financial statements of Rævegade-Strandgade Holding ApS for the financial year 1 January - 31 December 2021, 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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' 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.

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

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, 23 March 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Schougaard Sørensen
State Authorised Public Accountant
mne32129

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Management's review

Company details

Name	Rævegade-Strandgade Holding ApS
Address, Postal code, City	c/o SF M ApS Kalvebod Brygge 39, 4., 1560 København V
CVR no.	38 68 48 25
Established	2 June 2017
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Peter Kreiner Mads Pauli Ringkjøbing-Christiansen John Sergio Blem
Executive Board	Thomas Esben Khan
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

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Management's review

Business review

The company's purpose is to purchase and sell real estate.

Recognition and measurement uncertainties

The company's property consists of a residential property and a townhouse under development and a property under development held by the subsidiary. The townhouse under development is valued on the basis of the estimated sales price less estimated development cost. The residential property is valued at a yield of 4,00%

Due to the fact that parts of the property is a project property, the valuation as subject to more uncertainty than usual.

The property under development in the subsidiary Strandgade 104 ApS is valued based on the sales price in connection with the sale of the property in 2022.

Financial review

The income statement for 2021 shows a profit of DKK 4,786,898 against a profit of DKK 634,385 last year, and the balance sheet at 31 December 2021 shows equity of DKK 48,002,826.

Events after the balance sheet date

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

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Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Gross profit	758,612	914,518
	Fair value adjustment of investment property	1,975,000	430,556
	Profit before net financials	2,733,612	1,345,074
	Income from investments in group enterprises	2,423,286	-641,123
3	Financial income	562,638	542,063
4	Financial expenses	-265,978	-251,870
	Profit before tax	5,453,558	994,144
5	Tax for the year	-666,660	-359,759
	Profit for the year	4,786,898	634,385
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	32,000,000	0
	Retained earnings/accumulated loss	-27,213,102	634,385
		4,786,898	634,385

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Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
6	**Property, plant and equipment**		
	Investment property	42,875,000	40,900,000
		42,875,000	40,900,000
7	**Investments**		
	Investments in group enterprises	3,940,114	1,516,828
		3,940,114	1,516,828
	Total fixed assets	46,815,114	42,416,828
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	28,640,031	27,761,980
	Other receivables	0	13,477
	Prepayments	0	5,672
		28,640,031	27,781,129
	Total non-fixed assets	28,640,031	27,781,129
	TOTAL ASSETS	75,455,145	70,197,957

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Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	84,003	84,003
	Retained earnings	15,918,823	43,131,925
	Dividend proposed	32,000,000	0
	Total equity	48,002,826	43,215,928
	Provisions		
	Deferred tax	1,491,080	1,030,064
	Total provisions	1,491,080	1,030,064
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Mortgage debt	22,025,000	22,125,000
	Deposits	373,659	373,659
		22,398,659	22,498,659
	Current liabilities other than provisions		
	Bank debt	273,607	322,325
	Trade payables	5,454	25,300
	Corporation tax payable	3,967	0
	Joint taxation contribution payable	201,677	81,188
	Payables to shareholders and management	3,054,875	2,994,977
	Other payables	23,000	29,516
		3,562,580	3,453,306
	Total liabilities other than provisions	25,961,239	25,951,965
	TOTAL EQUITY AND LIABILITIES	75,455,145	70,197,957

1 Accounting policies
2 Staff costs
9 Contractual obligations and contingencies, etc.
10 Collateral

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Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 January 2020	84,003	42,497,540	0	42,581,543
Transfer through appropriation of profit	0	634,385	0	634,385
Equity at 1 January 2021	84,003	43,131,925	0	43,215,928
Transfer through appropriation of profit	0	-27,213,102	32,000,000	4,786,898
Equity at 31 December 2021	84,003	15,918,823	32,000,000	48,002,826

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Rævegade-Strandgade Holding ApS for 2021 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.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

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

Income statement

Revenue

Rental income is recognized on a straight-line basis during the rental period.

Net sales are measured at the received remuneration and are recognized exclusive of VAT and less discounts in connection with the sale.

Gross profit

The items revenue, property expenses, other operating income and external expenses have been aggregated into one item in the income statement called gross margin 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 property expenses, administration, etc.

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The item includes dividend received from subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investment property

Management believes that there have been no difficulties with the classification of the property as investment property. Investment property is valued at fair value.

The fair value reflects the price the property can be traded to between well-informed and willing parties on an independent basis at the balance sheet date. Determination of fair value implies significant accounting estimates.

Management has estimated that for the current year it has been possible to calculate fair value through comparable transactions on the market, so valuation has been based on the commercial value.
Valuation is not based on the calculation of external valuers.

The estimates used are based on historical information as well as assumptions, which management considers reasonable, but which by nature is uncertain and unpredictable.

The value adjustment for the year is recognized in the income statement.

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries 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.

Dividend received is deduced from the carrying amount.

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

Receivables

Receivables are measured at amortised cost.

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

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.

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.

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

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

Penneo document key: 035JH-5455L-IS8DU-KEY8Y-YJ22X-1V3J3

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

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.

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Financial statements 1 January - 31 December

Notes to the financial statements

2 Staff costs

The Company has no employees.

DKK	2021	2020
3 Financial income		
Interest receivable, group entities	562,638	534,814
Other financial income	0	7,249
	562,638	542,063
4 Financial expenses		
Interest expenses, group entities	63,298	57,354
Other financial expenses	202,680	194,516
	265,978	251,870
5 Tax for the year		
Estimated tax charge for the year	640,144	81,188
Deferred tax adjustments in the year	26,516	278,571
	666,660	359,759

6 Property, plant and equipment

DKK	Investment property
Cost at 1 January 2021	40,900,000
Cost at 31 December 2021	40,900,000
Revaluations at 1 January 2021	0
Value adjustments for the year	1,975,000
Revaluations at 31 December 2021	1,975,000
Carrying amount at 31 December 2021	42,875,000

The valuation is based on an yield of 4,00%for the residential property. The property is a residential property in central Copenhagen. If valuation was based on 3,75%the value would increase with DKK 1,960 thousand and if based on 4,25%the value would decrease with DKK 1,730 thousand. The earnings used for the valuation is the estimated rent and cost on a normalised basis. This property represents app. 70 %of the total value of properties in the company.
The townhouse under development is valued based on estimated sales price less estimated cost for develpoment. Due to the fact that the property is under development the valuation is subject to uncertainty. This property represents app. 30 %of the total value.

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Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK	Investments in group enterprises
Cost at 1 January 2021	5,117,030
Cost at 31 December 2021	5,117,030
Value adjustments at 1 January 2021	-3,600,202
Profit/loss for the year	2,423,286
Value adjustments at 31 December 2021	-1,176,916
Carrying amount at 31 December 2021	3,940,114

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries				
Strandgade 104 ApS	København	100.00%	3,940,115	2,423,286

8 Share capital

Analysis of changes in the share capital over the past 4 years:

DKK	2021	2020	2019	2018
Opening balance	84,003	84,003	81,003	81,003
Capital increase	0	0	3,000	0
	84,003	84,003	84,003	81,003

9 Contractual obligations and contingencies, etc.

Contingent liabilities

The company has provided a letter of support to the subsidiary Strandgade 104 ApS.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

10 Collateral

As security for the Company's debt to banks, DKK 22,025,000, the Company has provided security in its assets for at total amount of DKK 42,875,000.

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The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

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

John Sergio Blem
Board of Directors
On behalf of: the company
Serial number: PID:9208-2002-2-976839422741
IP: 128.76.xxx.xxx
2022-03-23 14:20:59 UTC
NEM ID

Thomas Esben Khan
Executive Board
On behalf of: the company
Serial number: PID:9208-2002-2-226044767924
IP: 62.242.xxx.xxx
2022-03-23 14:54:21 UTC
NEM ID

Thomas Esben Khan
Chairman
On behalf of: the company
Serial number: PID:9208-2002-2-226044767924
IP: 62.242.xxx.xxx
2022-03-23 14:54:21 UTC
NEM ID

Mads Pauli Ringkjøbing-Christiansen
Board of Directors
On behalf of: the company
Serial number: PID:9208-2002-2-776789291089
IP: 128.76.xxx.xxx
2022-03-23 14:57:39 UTC
NEM ID

Peter Kreiner
Board of Directors
On behalf of: the company
Serial number: PID:9208-2002-2-740516036677
IP: 212.98.xxx.xxx
2022-03-28 09:22:52 UTC
NEM ID

Morten Schougaard Soerensen
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:40820229
IP: 85.27.xxx.xxx
2022-03-28 11:36:35 UTC
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