Viga RE A/S

Ved Stranden 16, st.th, 1061 København K

Company reg. no. 41 85 11 12

1 January 2022 - 30 June 2022

Notice to investors in Switzerland

The legal documentation (e.g. the Shareholders' Agreement and any supplements thereto etc.) as well as the annual and semi-annual reports of the Fund, if any, are available only to Qualified Investors free of charge from the Representative. In respect of the Shares offered in Switzerland to Qualified Investors, place of performance is at the registered office of the Swiss Representative. The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or place of residence of the investor.

Swiss Representative: FIRST INDEPENDENT FUND SERVICES LTD, Klausstrasse 33,
CH-8008 Zurich.

Swiss Paying Agent: NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue,
CH-8024 Zurich.

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Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

VIGA

Management's statement

Today, the Board of Directors and the Managing Director have approved the interim financial statements of Viga RE A/S for the period 1 January - 30 June 2022.

The interim financial statements have been prepared in accordance with the criteria for recognition and measurement prescribed by the Danish Financial Statements Act.

In our opinion, the accounting policies applied are appropriate.

We consider the chosen accounting policy to be appropriate, and in our opinion, the interim financial statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the period 1 January – 30 June 2022.

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

København K,

Managing Director

Christian Augustinus Glæemose

Board of directors

Niels Heering

Rolf Furrer

Adrian Schenker

Tonny Elsberg

Independent practitioner's report on review of the interim financial statements

For the attention of the shareholders of Viga RE A/S

We have reviewed the interim financial statements of Viga RE A/S for the period 1 January 2022 to 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies,.

Management's responsibility for the interim balance

Management is responsible for the preparation of the interim financial statements in accordance with the basis of accounting described in the "Accounting policies" section and for such internal control as management determines is necessary to enable the preparation of a interim balance that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the interim financial statements. We conducted our review in accordance with the International Standard relating to Engagements to Review Historical Financial Statements and additional requirements under Danish Auditor regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the interim balance, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This requires us also to comply with relevant ethical requirements.

A review of the interim financial statements in accordance with the International Standard relating to Engagements to Review Historical Financial Statements is a limited assurance engagement. The practitioner performs procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that this interim financial statements not in all material respects, are prepared in accordance with the basis of accounting described in the "Accounting policies" section.

Copenhagen,

Grant Thornton
State Authorised Public Accountants
Company reg.no. 34 20 99 36

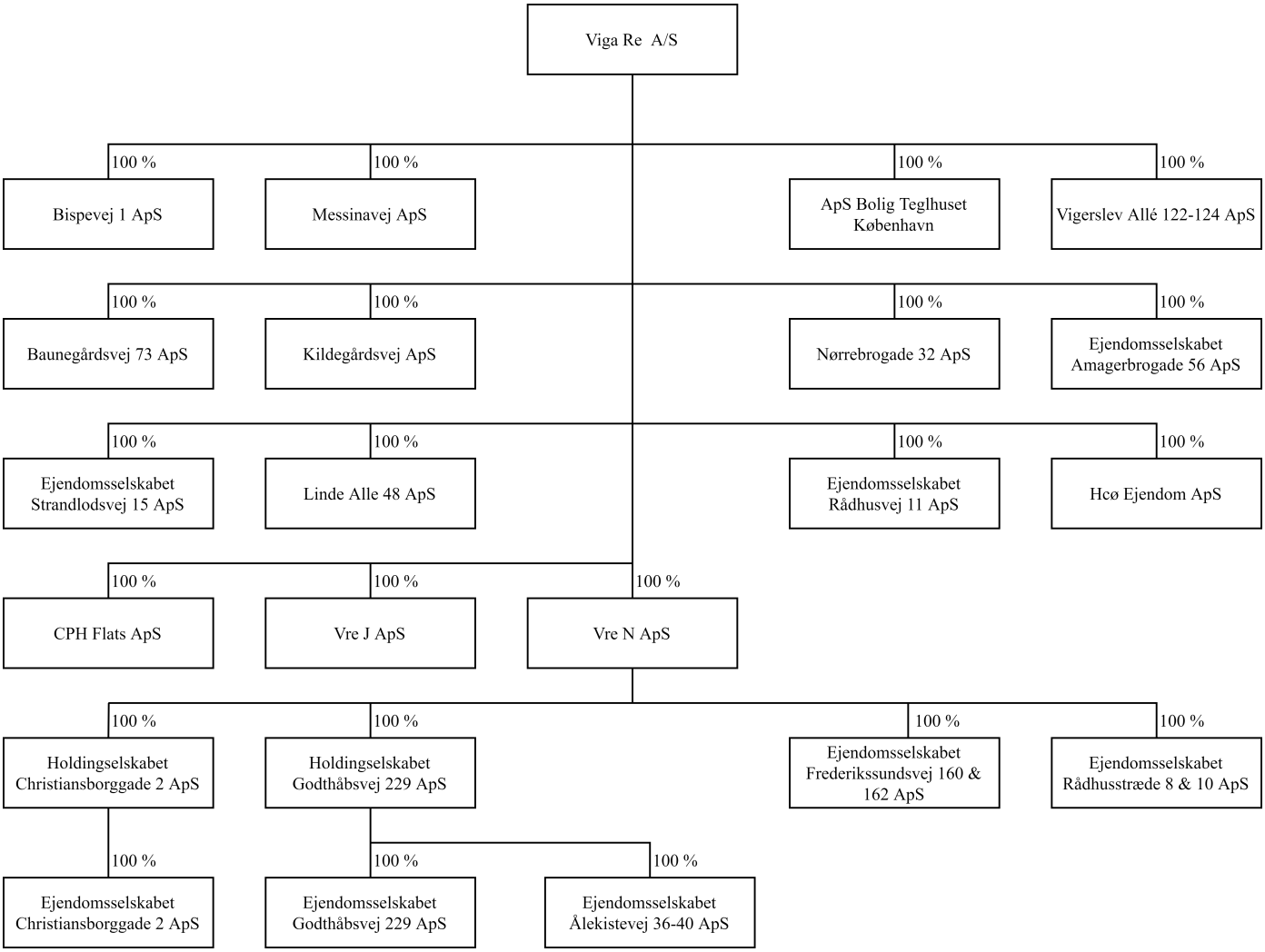


Claus Koskelin
State Authorised Public Accountant
mne30140

Company information

The company	Viga RE A/S Ved Stranden 16, st.th 1061 København K	
	Web site	www.vigarealestate.com
	Company reg. no.	41 85 11 12
	Established:	12 November 2020
	Domicile:	Copenhagen
	Financial period:	1 January 2022 - 30 June 2022
Board of directors	Niels Heering Rolf Furrer Adrian Schenker Tonny Elsberg	
Managing Director	Christian Augustinus Glæemose	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Subsidiaries	Vigerslev Allé 122-124 ApS, København Baunegårdsvej 73 ApS, København Kildegårdsvej ApS, København Nørrebrogade 32 ApS, København Ejendomsselskabet Amagerbrogade 56 ApS, København Ejendomsselskabet Strandlodsvej 15 ApS, København ApS Bolig Teglhuset København, København Ejendomsselskabet Rådhusvej 11 ApS, København Bispevej 1 ApS, København Messinavej ApS, København Linde Alle 48 ApS, København Vre J ApS, København Vre N ApS, København Hcø Ejendom ApS, København Cph Flats ApS, København	

Group overview



Management´s review

The principal activities of the group

Viga RE A/S is a property investment group with clear focus on core/core+ residential properties in the Copenhagen area with central locations and low vacancy risk.

We believe Copenhagen offers sustainable long term economic and population growth. The Copenhagen real estate market is considered a 'safe haven' with high international demand - in particular for core residential properties.

Our investment strategy is based on careful in-depth due diligence, intensive hands on management, and leveraging our extensive network within the property and financial industries.

Management, administration and corporate finance services are delivered by Viga RE Management ApS on a long term basis. Viga RE Management ApS is registered at the Danish Financial Supervisory Authority as manager of alternative investment funds (FAIF).

For further information see www.vigarealestate.com

Development in activities and financial matters

The group was in fact established at the end of March 2021 with the acquisition of the first 6 properties, further one property was acquried in 2021. In 2022 further 12 properties have been acquired, here of 11 as of the beginning of 2Q2022. The properties have performed according to plan and in addition a substantial value adjustment has been recognized according to external independent valuation according to the RICS Appraisal and Valuation Standards. The value adjustment take benefit from and upgoing marked trend for especially the Copenhagen area.

Expected developments

The properties are expected to perform stable and robust NOI according to plan in the coming years. Interest rates are expected to increase in the coming year. Future value adjustments depend on marked development which the management estimate to be stable for the Copenhagen area.

Events occurring after the end of the financial year

No events have occurred after 30 June 2022, with impact on the interim financial statement. However it is the group’s purpose to acquire additional properties within focus. Negotiations regarding such acquisitions are consistently ongoing.

Consolidated income statement

DKK thousand.

Note		Group 1/1 2022 - 30/6 2022	12/11 2020 - 31/12 2021
	Revenue	24.840	19.560
	Other external expenses	-6.304	-4.743
	Costs concerning investment property	-5.680	-3.593
	Value adjustment of investment property	36.194	66.237
	Gross profit	**49.050**	**77.461**
	Other financial expenses	-7.021	-4.633
	Pre-tax net profit or loss	**42.029**	**72.828**
	Tax on net profit or loss for the year	-13.453	-21.211
	Net profit or loss for the year	**28.576**	**51.617**
	Break-down of the consolidated profit or loss:		
	Shareholders in Viga RE A/S	28.576	51.617
		28.576	**51.617**

Consildated balance sheet

DKK thousand.

Assets

Note		Group 30/6 2022	31/12 2021
	Non-current assets		
1	Investment property	1.768.438	839.049
	Total property, plant, and equipment	1.768.438	839.049
	Total non-current assets	**1.768.438**	**839.049**
	Current assets		
	Trade receivables	179	0
	Other receivables	9.914	5.004
	Prepayments	49	115
	Total receivables	10.142	5.119
	Cash and cash equivalents	82.217	71.032
	Total current assets	**92.359**	**76.151**
	Total assets	**1.860.797**	**915.200**

Consildated balance sheet

DKK thousand.

Equity and liabilities

Note		Group 30/6 2022	31/12 2021
	Equity		
2	Contributed capital	44.162	20.701
	Retained earnings	172.917	80.704
	Equity before non-controlling interest.	217.079	101.405
	Total equity	**217.079**	**101.405**
	Provisions		
	Provisions for deferred tax	100.651	59.211
3	Other provisions	13.662	8.726
	Total provisions	**114.313**	**67.937**
	Long term labilities other than provisions		
	Shareholder loan	441.615	207.014
	Mortgage loans	991.139	510.920
4	Total long term liabilities other than provisions	1.432.754	717.934
4	Current portion of long term liabilities	14.056	7.860
	Bank loans	38.180	0
	Deposits and Prepayments from tenants	24.747	12.253
	Trade payables	5.494	1.996
	Income tax payable	4.457	1.544
	Other payables	9.717	4.271
	Total short term liabilities other than provisions	96.651	27.924
	Total liabilities other than provisions	**1.529.405**	**745.858**
	Total equity and liabilities	**1.860.797**	**915.200**

5 Charges and security

Consolidated statement of changes in equity

DKK thousand.

	Contributed capital	Share premium	Retained earnings	Total
Equity 31 December 2021	20.701	0	80.704	101.405
Cash capital increase	23.461	63.637	0	87.098
Profit or loss for the year brought forward	0	0	28.576	28.576
Transferred to retained earnings	0	-63.637	63.637	0
	44.162	**0**	**172.917**	**217.079**

Notes

DKK thousand.

		Group 30/6 2022	31/12 2021
1.	**Investment property**		
	Cost 1 January 2022	774.031	0
	Disposals concerning company transfer	-15.987	0
	Additions during the year	915.855	774.031
	Cost 30 June 2022	**1.673.899**	**774.031**
	Fair value adjustment 1 January 2022	65.018	0
	Adjust of the year to fair value	32.891	65.018
	Adjustment to fair value, assets disposed of	-3.370	0
	Fair value adjustment 30 June 2022	**94.539**	**65.018**
	Carrying amount, 30 June 2022	**1.768.438**	**839.049**

The measurement of properties is made using a returnbased cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. The fair value measurement is made on the basis of estimated rental income and expected operating costs, including scheduled maintenance. Cash flows beyond the 10th year (terminal value) is determined according to a netrent model based on the 10th year, but at average estimates as to vacant periods, improvement costs, major maintenance costs, and investments. Cash flows from each year and the value of the terminal year are discounted with the required rate of return determined for each individual property with addition of inflation.

Compared to the previous financial year, the methods of measurement remain unchanged.

Budgetperiod	10 years
Rental and cost increase	2 %
Discount yield (weighted average)	5,13-6,09 %
Net initial yield	2,01-3,73 %

Notes

DKK thousand.

		Group	
		30/6 2022	31/12 2021
2.	**Contributed capital**		
	Contributed capital 1 January 2022	20.701	40
	Cash capital increase	23.461	20.661
		44.162	**20.701**

The contributed capital consists of 44.161.643 shares of DKK 1.

There has been following chages in the capital:
March 31 2021: capital increase of tDKK 13.805
June 7 2021: captail increse of tDKK 167
October 29 2021: capital increase of tDKK 3.498
November 8 2021: capital increse of tDKK 2.522
December 2 2021: capital increase of tDKK 670
April 1 2022: capital increase of tDKK 15.061
April 1 2022: capital increase of tDKK 7.518
April 7 2022: capital increase of tDKK 550
June 30 2022: capital increase of tDKK 332

3. Other provisions

Provision have been made for anticipated cost relating to the acquisition of properties.

4. Long term labilities other than provisions

	Total payables 30 Jun 2022	Current portion of long term payables	Long term payables 30 Jun 2022	Outstanding payables after 5 years
Group				
Shareholder loan	441.615	0	441.615	0
Mortgage loans	1.005.195	14.056	991.139	919.672
	1.446.810	**14.056**	**1.432.754**	**919.672**

5. Charges and security

As collateral for mortgage loans and bank debts, MDKK 1.043, security has been granted on land and buildings representing a carrying amount of MDKK 1.768 at 30 June 2022.

Accounting policies

The interim statement of financial position for Viga RE A/S has been presented in accordance with the recognition and measurement criteria prescribed in the Danish Financial Statements Act with the adjustments arising from the interim statement of financial position not including a full financial year.

The accounting policies are unchanged from the latest annual report.

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 group 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 group 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.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

The consolidated financial statements

The consolidated income statements comprise the parent company Viga RE A/S and those group enterprises of which Viga RE A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Accounting policies

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Income statement

Revenue

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Rent 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.

Other external costs

Other external costs comprise costs incurred for sales, administration and management.

Costs concerning investment properties

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

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, as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the period

Tax for the period comprises the current income tax for the period and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the period and directly in equity with the share attributable to entries directly in equity. Income tax is recognised according to the current tax rate of the accounting pre-tax profit or loss.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

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

Investment property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs including legal, accounting and corporate finance success fees, if any.

Hereafter, investments are measured individually on the basis of a return-based cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. Fair value measurement is made on the basis of estimated lease income and expected operating costs, including scheduled maintenance. Compared to the previous financial year, the method of measurement remains unchanged.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the income statement under the item ”Costs concerning investment property”.

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item ”Value adjustments of property”.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

As administration company, Viga RE A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Provisions

Provisions comprise expected costs of commitments etc. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.