

# Dooba Finance AB Interim Report Q1 2021

28 May 2021





# Table of contents

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1. Key Highlights
2. Comments from the Chairman of CEG
3. Key Financial Highlights
  - Equity Ratio
  - Net Asset Value by Category
4. Financial Statements - IFRS
  - Financial Statements for the Guarantor
  - Financial Statements for the Borrower
  - Notes to Financial Statements



# Key Highlights

## Since the last report



The Group acquired further interests in the companies that hold the rights to the co-investment promote fee. The current value of the promotes is c GBP 60m, of which the group acquired c GBP 15m for GBP 2m.



The Group purchased an additional interest in ASE I from a minority shareholder. The direct ownership has increased to 12%.



The Group issued additional bonds of SEK 99 million within its existing bond framework.



Construction commenced for the first phase at Worksop. The industrial units are expected to complete in July 2021 and 67% is already under offer.



Reserved matters planning permission granted for Carlyon Bay phase 1 development



Average lease retention rate remains above the national average for breaks/expiries



# Comments from the Chairman of CEG



Gerard Versteegh, founder and Chairman of CEG

**The Group made a small profit in the first quarter but we made a lot of progress operationally which I believe will be demonstrated in the financial performance for the rest of the year.**

**In the quarter to 31 March 2021, Dooba refinanced the RBS facility and key metrics such as retention rates and new lettings are heading in the right direction.**

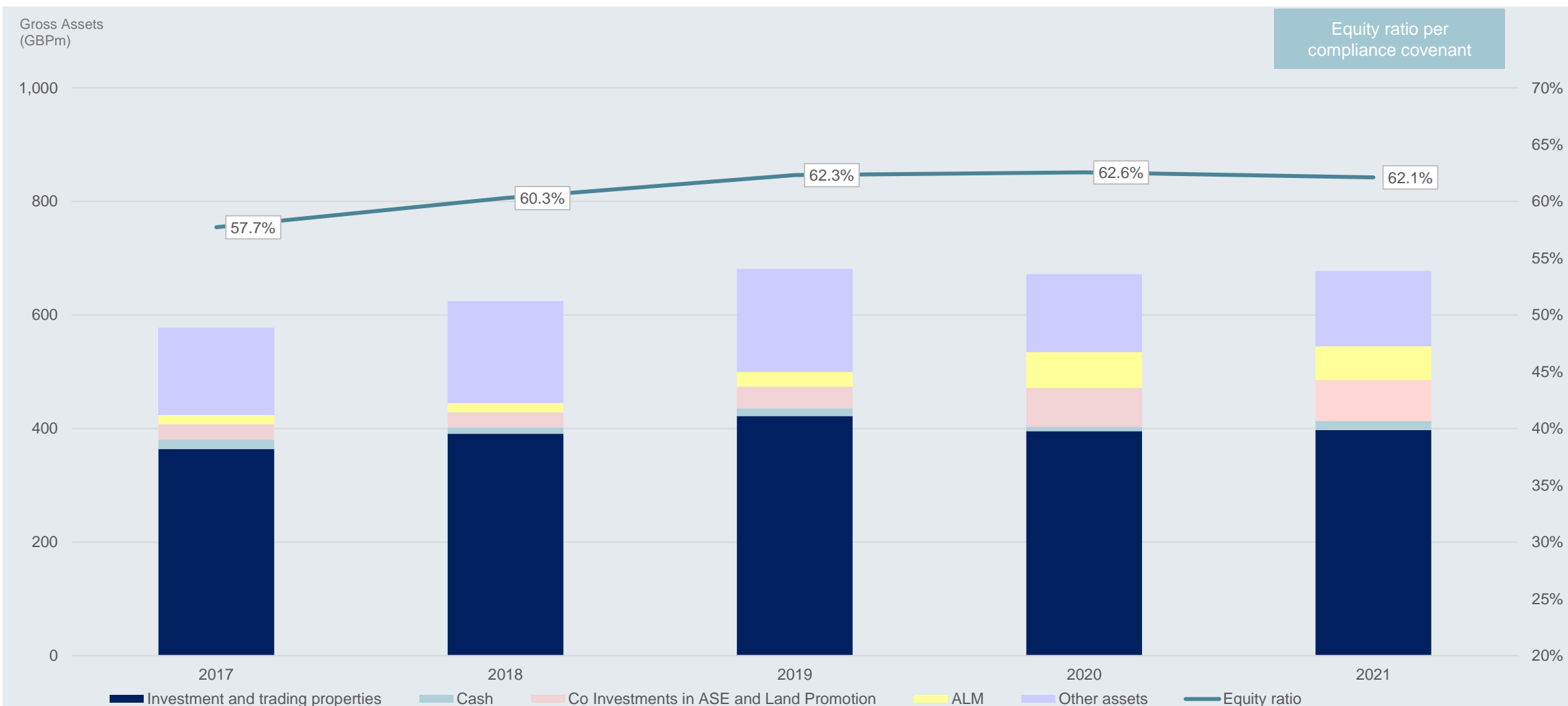
**During the quarter, the Group acquired further investment from a retiring director and now owns 66.7% of CEG Limited, the Group's overarching manager of real estate investments and 79.1% CEG Holdings. These entities are now consolidated in the Group's balance sheet, leading to provisional goodwill being recognised for the future promotes.**

**The Group issued additional bonds of SEK 99m within its existing bond framework during the quarter of which a significant amount was used to invest in the co-investments.**



# Key Financial Highlights: Equity Ratio

## Dooba Holdings Consolidated Equity Ratio

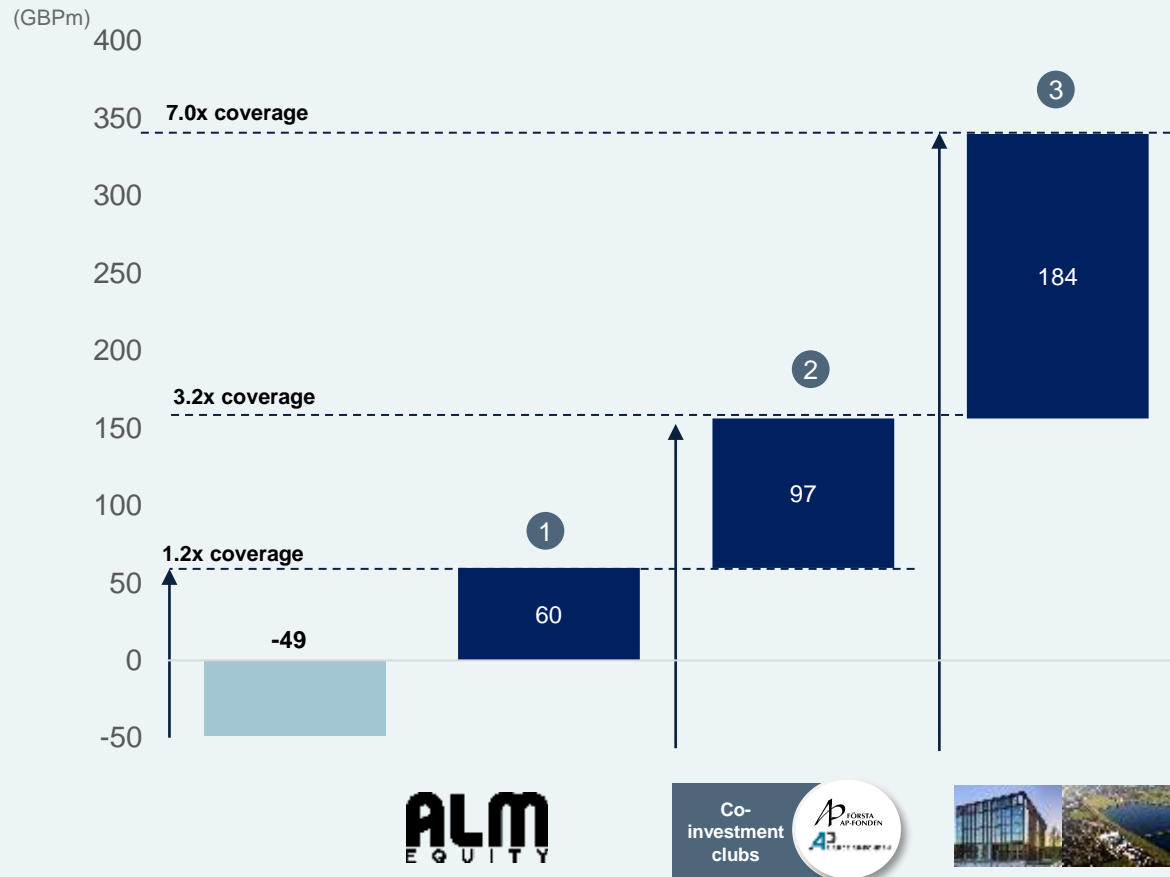


1. SEK FX rate 12.03 at March 2021 2. Figures for 2017 – 2020 are audited. 2021 is based on March 2021 unaudited accounts


# Key Financial Highlights: Net asset value by category

## Substantial net coverage from guarantor holdings

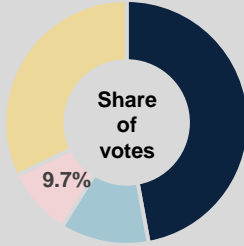
7.0x NAV to bond at Guarantor group level



**1**



**Market capitalisation**  
SEK 9.2bn (GBP ~774m)



**Share of votes**

- Joakim Alm
- Kopparnäset AB
- Dooba Investments Limited (9.7%)
- Other holders

**2**

**Co-investment clubs**

7-30% Ownership



Club	Year	LTV
ASE I	(2012)	51%
ASE II	(2014)	35%
ASE III	(2016)	29%

**3**

**Directly owned properties**



**GBP 397m**  
(Property value)

**46% LTV**

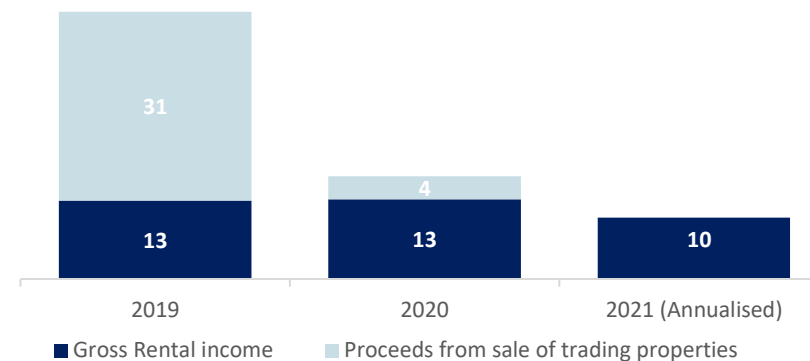
# Financial Statements

## Income Statement for the Guarantor

### Consolidated DHL income statement

	Audited FY2019	Audited FY2020	Unaudited Q1 2020	Unaudited Q1 2021
Gross Rental income	12.7	13.0	1.7	2.5
Management fee income	0.0	0.0	0.0	1.6
Property Development services	0.5	0.0	0.0	0.0
Proceeds from sale of trading properties	30.7	3.7	31.2	0.0
<b>Total revenue</b>	<b>44.0</b>	<b>16.7</b>	<b>32.9</b>	<b>4.1</b>
Property outgoings	-5.9	-6.9	-8.6	-0.9
Cost of sales of trading properties	-21.0	-1.1	-20.7	0.0
Provision against trading properties	-1.7	-2.5	-1.7	-0.3
<b>Operating expenses</b>	<b>-28.5</b>	<b>-10.5</b>	<b>-31.1</b>	<b>-1.3</b>
Net rental and other property income	6.9	6.1	-7.0	3.1
Profit on sales of trading properties	8.6	0.2	8.8	-0.3
<b>Gross profit</b>	<b>15.4</b>	<b>6.2</b>	<b>1.8</b>	<b>2.9</b>
Administrative expenses	-10.3	-5.1	-1.8	-4.0
Other operating income	1.9	6.2	0.4	0.0
Profit / (Loss) on disposal of investment property	-1.4	1.5	0.0	0.0
Profit on disposal of investments	0.0	0.0	0.0	0.0
Changes in fair value of investment properties	43.2	-26.1	0.1	0.1
<b>Operating profit</b>	<b>48.8</b>	<b>-17.4</b>	<b>0.6</b>	<b>-0.9</b>
Share of post-tax results of equity accounted associates	10.1	-3.0	-3.3	0.1
Revaluation of other investments	9.9	33.7	-0.2	0.9
Finance incomes	7.3	6.5	1.8	1.3
Finance costs	-13.0	-14.5	-2.9	-3.4
Change in fair value of derivative financial instruments	-3.3	-5.2	-2.8	3.7
Gain on bargain purchase	0.0	0.0	0.0	0.8
Income from investments	0.7	0.2	0.8	0.0
<b>Profit before tax</b>	<b>60.6</b>	<b>0.4</b>	<b>-6.0</b>	<b>2.6</b>
Taxation	-1.5	1.2	0.0	0.0
<b>Profit for the year and total comprehensive income</b>	<b>59.1</b>	<b>1.5</b>	<b>-6.0</b>	<b>2.6</b>

### Rental Income



### Consolidated DHL statement of changes in equity

	Share capital	Share premium	Other reserves	Retained earnings	Equity attributable to		Total
					owners of the parent	Non controlling interest	
Balance at 1 January 2021	0.0	243.5	212.4	288.8	319.9	82.6	402.5
Opening balance from CEG & CEGH	-	-	-	-	-	2.6	2.6
Comprehensive income for the financial year	-	-	-	1.9	1.9	0.7	2.6
Balance at 31 March 2021	0.0	243.5	212.4	290.7	321.8	80.7	402.5
Balance at 1 January 2020	0.0	243.5	212.4	283.1	314.2	86.8	401.0
Comprehensive income for the financial year	-	-	-	4.9	4.9	1.2	6.0
Balance at 31 March 2020	0.0	243.5	212.4	278.2	309.3	85.6	394.9
Balance at 1 January 2020	0.0	243.5	212.4	283.1	314.2	86.8	401.0
Comprehensive income for the financial year	-	-	-	5.7	5.7	4.2	1.5
Balance at 31 December 2020	0.0	243.5	212.4	288.8	319.9	82.6	402.5

# Financial Statements

## Balance Sheet for the Guarantor



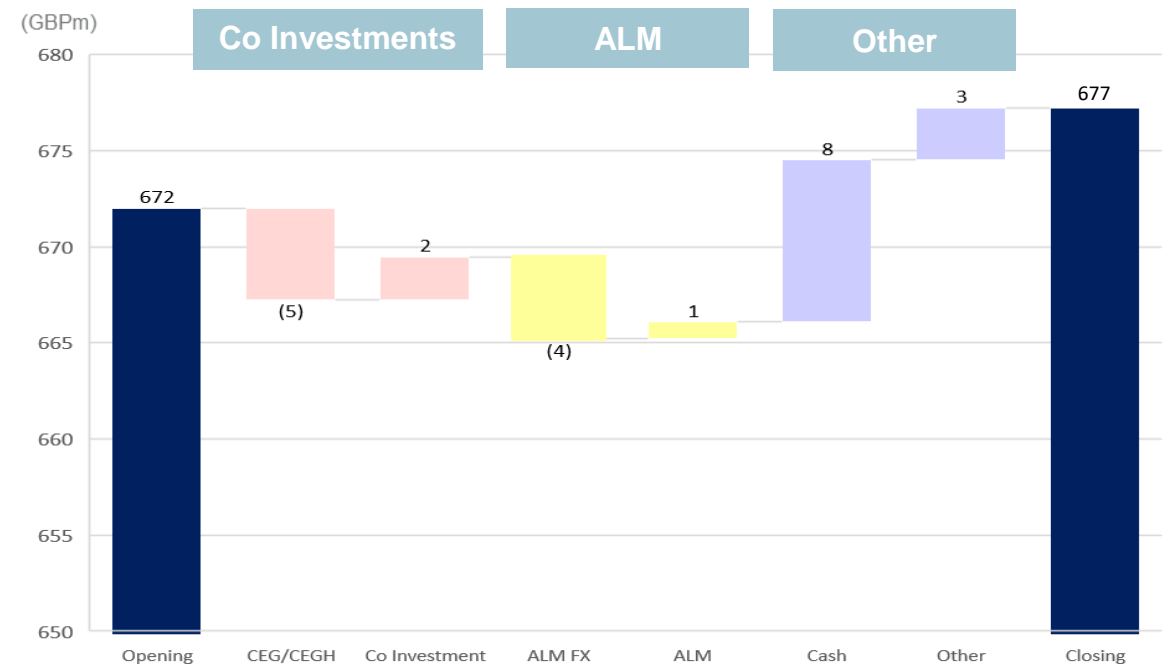
### Consolidated DHL balance sheet

	Audited FY2019	Audited FY2020	Unaudited Q1 2021
Property, plant and equipment	0.1	0.0	0.4
Intangible assets	1.3	1.3	15.7
Investment properties	336.7	309.4	310.3
Other investments	38.0	75.5	61.1
Investments in equity accounted associates	74.5	69.7	78.8
Trade and other receivables	7.6	7.8	7.8
<b>Non current assets</b>	<b>458.2</b>	<b>463.8</b>	<b>474.2</b>
Trading properties	85.2	85.8	86.5
Trade and other receivables	123.9	114.9	99.5
Cash and cash equivalents	13.7	7.5	16.0
Derivative financial assets	0.0	0.0	1.1
<b>Current assets</b>	<b>222.9</b>	<b>208.2</b>	<b>203.1</b>
<b>Total Assets</b>	<b>681.1</b>	<b>672.0</b>	<b>677.2</b>
Issued share capital	0.0	0.0	0.0
Preference shares	0.0	0.0	0.0
Share premium	243.5	243.5	243.5
Other reserves	-212.4	-212.4	-212.4
Retained earnings	283.1	288.8	290.7
<b>Attributable to equity shareholders</b>	<b>314.2</b>	<b>319.9</b>	<b>321.8</b>
Non-controlling interest	86.8	82.6	80.7
<b>Total equity</b>	<b>401.0</b>	<b>402.5</b>	<b>402.5</b>
Loans and borrowings	133.7	211.5	224.9
Deferred tax liability	1.5	0.0	0.0
Lease liability	3.3	3.3	3.3
<b>Non-current liabilities</b>	<b>138.5</b>	<b>214.8</b>	<b>228.1</b>
Loans and borrowings	78.9	4.7	5.0
Trade and other payables	56.7	43.8	39.1
Derivative financial liabilities	3.6	6.3	2.6
<b>Current liabilities</b>	<b>139.2</b>	<b>54.8</b>	<b>46.6</b>

### Consolidated DHL balance sheet

	Audited FY2019	Audited FY2020	Unaudited Q1 2021
Other provisions	2.4	0.0	0.0
<b>Total equity and liabilities</b>	<b>681.1</b>	<b>672.0</b>	<b>677.2</b>
Adjusted Equity	401.0	402.5	402.5
Preference share/Shareholder loan	23.0	17.9	18.2
<b>Total</b>	<b>424.0</b>	<b>420.4</b>	<b>420.7</b>

### Change in total assets since last report





# Financial Statements

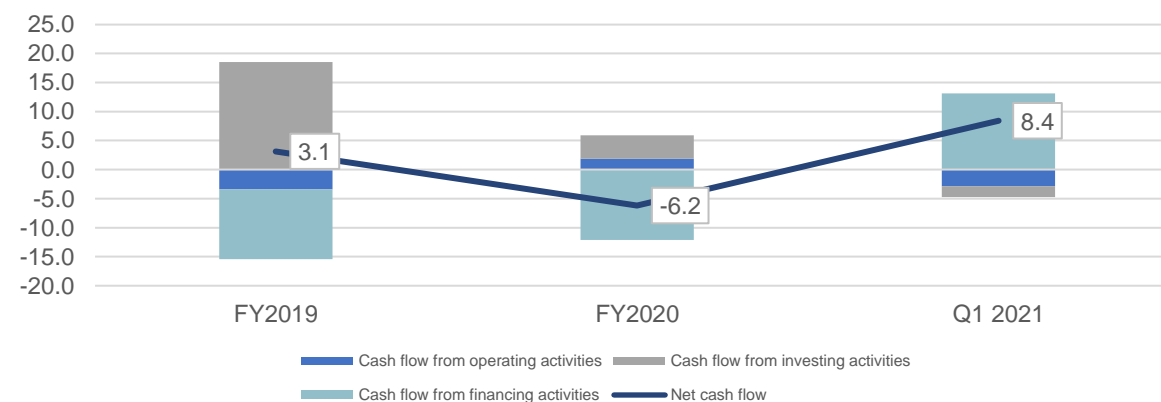
## Cash-flow statement for the Guarantor

### Consolidated DHL cash-flow statement

	Audited FY2019	Audited FY2020	Unaudited Q1 2020	Unaudited Q1 2021
<b>Operating activities</b>				
Profit/(Loss) for the year	59.1	1.5	-6.0	0.0
<b>Adjustments for:</b>				
Exchange differences	1.6	-3.1	-1.3	1.3
Changes in fair value of investment properties	-43.2	26.1	-0.1	-0.1
Depreciation of fixed asset	0.0	0.0	0.0	0.0
Movement in rent smoothing adjustment	-1.4	0.4	0.1	0.1
Changes in fair value of derivative instruments	3.3	5.2	2.8	-3.7
Changes in fair value of other investments	-9.9	-33.8	1.5	-0.9
Share of post-tax results of equity accounted associates	-10.1	3.0	2.6	-0.2
Profit/(Loss) on disposal of investment property	1.4	-1.5	0.0	0.0
Profit on disposal of investments	0.0	0.0	0.0	0.0
Income from investments	0.0	0.0	0.0	0.0
Finance revenue	-7.3	-6.5	-1.9	-1.4
Finance cost	13.0	14.5	3.4	3.4
Amortisation goodwill	0.9	0.0	0.0	0.1
Gain on bargain purchase	0.0	0.0	0.0	0.8
Taxation	1.5	-1.2	-1.5	0.0
<b>Changes in working capital</b>				
Trading properties	-1.4	-0.6	-0.7	-0.7
Trade and other receivables	8.2	15.7	11.1	1.8
Trade and other payables	-20.1	-14.8	-7.5	-2.3
Provisions	1.2	-2.4	0.0	0.0
Tax paid	-0.2	-0.7	-2.1	-0.8
<b>Cash flow from operating activities</b>	<b>-3.4</b>	<b>1.9</b>	<b>0.3</b>	<b>-2.9</b>
<b>Investment activities</b>				
Capital expenditure on investment property	-4.8	-5.4	-1.3	-0.9
Capital expenditure of fixtures and fittings	0.0	0.0	0.0	0.0
Proceeds from the disposal of investments	0.0	0.0	0.0	0.0
Proceeds from disposal of investment properties	21.6	7.7	0.0	0.0
Investment in equity accounted associates	-5.4	-1.4	-0.1	-1.6
Acquisition of other investments	-2.3	-0.1	0.0	0.0
Interest received	0.2	0.0	0.1	0.1
Loan to equity accounted associates	0.0	0.0	0.1	0.1
Dividends received from equity accounted associates	1.7	3.2	0.7	0.3
Loans repaid from equity accounted associates	7.7	0.0	0.0	0.0
Income from investments	0.0	0.0	0.0	0.0
Consideration net of cash received	0.0	0.0	0.0	0.2
<b>Cash flow from investing activities</b>	<b>18.5</b>	<b>4.0</b>	<b>-0.6</b>	<b>-1.9</b>

### Consolidated DHL cash-flow statement

	Audited FY2019	Audited FY2020	Unaudited Q1 2020	Unaudited Q1 2021
<b>Financing activities</b>				
Proceeds from borrowings	20.0	0.0	0.0	0.0
Repayment of loans	-19.6	47.1	0.0	16.2
Bond revaluation	0.0	-43.3	-0.8	-0.6
Repayment of financial instruments	0.0	-2.5	0.0	0.0
Refinancing costs	0.0	-2.3	-0.2	-0.4
Interest paid	-12.3	-10.9	-2.1	-2.1
Loan arrangement fees paid	0.0	0.0	0.0	0.0
Repayment of loan from investor	0.0	0.0	0.0	0.0
Loans from equity accounted associates	0.1	0.0	0.0	0.0
Headlease obligations paid	-0.1	-0.1	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-12.0</b>	<b>-12.1</b>	<b>-3.1</b>	<b>13.1</b>
Cash flow for the period	3.1	-6.2	-3.4	8.4
<b>Cash and cash equivalents at the beginning of the year</b>	<b>10.6</b>	<b>13.7</b>	<b>13.7</b>	<b>7.5</b>
<b>Cash and cash equivalents EoP</b>	<b>13.7</b>	<b>7.5</b>	<b>10.3</b>	<b>16.0</b>



# Financial Statements

## For the Borrower – Dooba Finance AB (“DFAB”)



### DFAB income statement

	Audited FY2019	Audited FY2020	Unaudited Q1 2020	Unaudited Q1 2021
Finance income	4.9	4.8	1.2	0.8
<b>Gross profit</b>	<b>4.9</b>	<b>4.8</b>	<b>1.2</b>	<b>0.8</b>
Other operating income	0.0	0.0	0.0	0.0
Administrative expenses	0.0	-0.7	0.0	2.7
<b>Operating profit</b>	<b>4.9</b>	<b>4.1</b>	<b>1.1</b>	<b>3.5</b>
Finance costs	-3.8	-4.6	-0.9	-0.9
<b>Profit/(loss) before tax</b>	<b>1.1</b>	<b>-0.5</b>	<b>0.2</b>	<b>2.6</b>
Taxation	0.0	0.0	0.0	0.0
<b>Profit for the year and total comprehensive income</b>	<b>1.1</b>	<b>-0.5</b>	<b>0.2</b>	<b>2.6</b>

### DFAB Statement in changes of equity

	Share capital	Share premium	Retained earnings	Total
Balance at 1 January 2021	1.0	0.0	0.2	1.3
Comprehensive income for the financial year	0.0	0.0	2.6	2.6
Balance at 31 March 2021	1.0	0.0	2.8	3.9
Balance at 1 January 2020	1.0	0.0	0.8	1.8
Comprehensive income for the financial year	0.0	0.0	0.2	0.2
Balance at 31 March 2020	1.0	0.0	1.0	2.0
Balance at 1 January 2020	1.0	0.0	0.8	1.8
Comprehensive income for the financial year	0.0	0.0	-0.5	-0.5
Balance at 31 December 2020	1.0	0.0	0.2	1.3

# Financial Statements

## For the Borrower – Dooba Finance AB (“DFAB”)



### DFAB balance sheet

	Audited FY2019	Audited FY2020	Unaudited Q1 2021
Trade and other receivables	42.9	41.0	41.4
Derivative financial asset	0.0	0.0	1.1
Cash and cash equivalents	1.8	2.0	10.6
<b>Current assets</b>	<b>44.7</b>	<b>43.1</b>	<b>53.1</b>
<b>Total Assets</b>	<b>44.7</b>	<b>43.1</b>	<b>53.1</b>
<b>Attributable to equity shareholders</b>	<b>1.8</b>	<b>1.3</b>	<b>3.9</b>
<b>Total equity</b>	<b>1.8</b>	<b>1.3</b>	<b>3.9</b>
Loans and borrowings	34.4	41.1	48.6
<b>Non-current liabilities</b>	<b>34.4</b>	<b>41.1</b>	<b>48.6</b>
Trade and other payables	8.5	0.7	0.7
<b>Current liabilities</b>	<b>8.5</b>	<b>0.7</b>	<b>0.7</b>
<b>Total equity and liabilities</b>	<b>44.7</b>	<b>43.1</b>	<b>53.1</b>

### DFAB cash-flow statement

	Audited FY2019	Audited FY2020	Unaudited Q1 2020	Unaudited Q1 2021
<b>Operating activities</b>				
Profit/(Loss) for the year	1.1	-0.5	0.2	2.6
<b>Adjustments for:</b>				
Exchange differences	0.0	0.5	0.0	-3.1
Finance cost	3.8	4.6	0.9	0.9
Finance revenue	-4.9	-4.8	-1.2	-0.8
<b>Changes in working capital</b>				
Trade and other receivables	2.6	1.9	2.4	-0.3
Trade and other payables	-3.9	-6.9	-3.0	0.5
<b>Cash flow from operating activities</b>	<b>-1.4</b>	<b>-5.2</b>	<b>-0.7</b>	<b>-0.2</b>
<b>Investment activities</b>				
<b>Cash flow from investing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Financing activities</b>				
Interest paid	-3.6	-4.9	-0.8	-1.3
Interest received	4.9	4.8	1.2	0.8
Issue of ordinary shares	0.0	0.0	0.0	0.0
Refinancing costs	0.0	-1.3	0.0	-0.1
Repayment of loans	0.0	-35.0	0.0	0.0
Proceeds from bond	0.0	41.8	0.0	9.5
<b>Cash flow from financing activities</b>	<b>1.4</b>	<b>5.4</b>	<b>0.3</b>	<b>8.8</b>
Cash flow for the period	0.0	0.2	-0.3	8.6
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>2.0</b>
<b>Cash and cash equivalents EoP</b>	<b>1.8</b>	<b>2.0</b>	<b>1.5</b>	<b>10.6</b>

# Financial Statements

## Notes – For the Guarantor



### Notes to the interim report

#### General

Dooba Holdings Limited (“the Guarantor”) and its subsidiaries the “Group”) acts as a investment holding company with a controlling interest in its subsidiary GMV Holdings Limited. The company also holds an interest in a number of other investments through its wholly owned subsidiary, Dooba Properties Limited.

#### Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

This Interim Report is presented in accordance with IAS 34 Interim Financial Reporting and International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union (“adopted IFRSs”).

The financial statements have been prepared on the historical cost basis except that investment properties, other investments and derivative financial instruments are measured at fair value.

The applied accounting principles are in accordance with those described in Dooba Holdings Limited annual report for 2020.

#### Going concern

Given the significant impact of COVID-19 on the macro-economic conditions in which the Group is operating, the directors’ have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 December 2021.

The Group’s going concern assessment is dependent on a number of factors, including performance of rental collections, continued access to funding and the ability to continue to operate the Group’s secured debt structure within its financial covenants.

The directors have performed stress testing of the Group’s forecasts over the next 12 months, adopting a primary assumption that rental collections will be lower than what would normally be expected. The impact in the reduction in the rental collections have been applied across a variety of performance indicators including free cash flow and debt serviceability covenants.

The directors consider that it is appropriate to adopt the going concern basis in preparing the interim financial statements.

#### Changes in accounting policies

*New standards, interpretations and amendments effective for the current year:*

None of the new or amended standards or interpretations issued by the International Accounting Standards Board (“IASB”) or the IFRS Interpretations Committee (“IFRIC”) have led to any material changes in the Company’s accounting policies or disclosures during the year.

### Notes to the interim report (continued)

#### Changes in accounting policies *(Continued)*

*Standards and interpretations in issue not yet adopted*

The IASB and IFRIC have issued or revised IFRS 1, IFRS 3, IFRS 4, IFRS 7, IFRS 9, IFRS 17, IAS 1, IAS 8, IAS 16, IAS 28, IAS 37, IAS 39 and IAS 41 but these are not expected to have a material effect on the operations of the Group.

During the year, the Group adopted the amendments to IFRS 16 that were introduced as a result of the Covid-19 pandemic. As these largely apply to lessees rather than lessors, there was no material change to the Group’s accounting policies and disclosures.

The Company does not expect any other standards, amendments or interpretations issued by the IASB or IFRIC, but not yet effective, to have a material impact on the Group

#### Significant events and transactions

On the 29 January 2021 the Group acquired a further 33.3% of the voting rights in CEG Limited, 16.5% CEG Holdings Limited, 33.3% CEG (ASE III) Holdings LLP and 33.3% CEG (Austral Park) Limited from a minority shareholder. The principal reason for this acquisition was to acquire further interests in the co-investments promote fee from a minority shareholder. Post this transaction the Group held a controlling interest in each of these entities.

Consideration for the acquisitions was GBP 2.1m for assets with a fair value GBP 12.3m. Provisional goodwill of GBP 14.5m was recognised on the balance sheet.

The impact to the Groups results since acquisition and for the year is expected to be insignificant.