



Dooba Finance AB Interim Report Q3 2022

30 November 2022

Table of contents

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



Comments from the Chairman of CEG



Gerard Versteegh, founder and
Chairman of CEG

The Kwarteng/Truss “mini-budget” that was delivered on 23 September had a dramatic chaotic impact on UK financial markets with a steep increase in longer term interest rates.

For the nine months the Group shows a pre-tax loss of £40.2 million which is only a slight widening from the half year figure of a pre-tax loss of £39.2 million. Within the third quarter figure was a further write down of the investment in ALM Equity of £9.1 million and a further positive change in fair value of derivative financial instruments of £10.7 million. Post quarter end we realised £7.6 million as we broke an interest rate SWAP and crystalised the gain. The equity ratio remained at 63%.

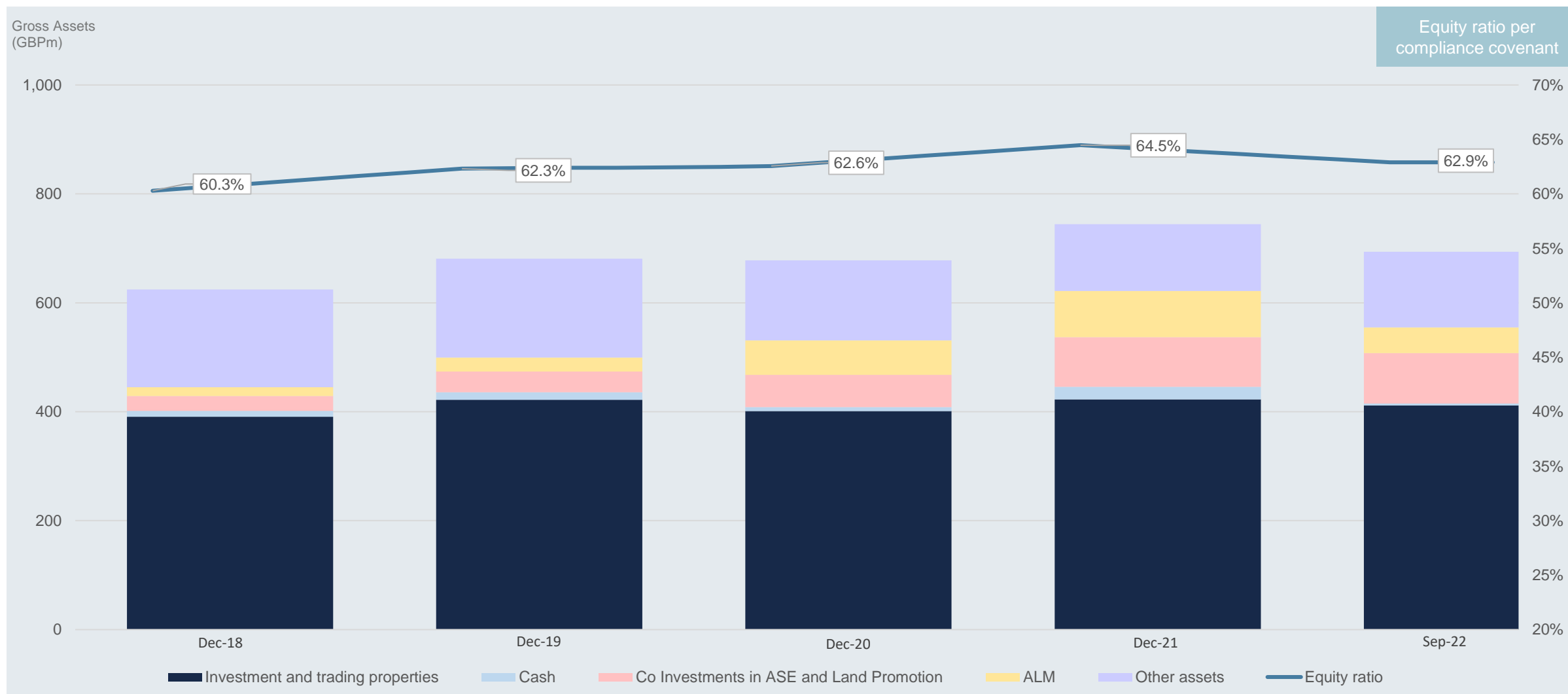
Investment and trading properties were £410.9 million at quarter end. We have taken substantial write downs on investment and trading properties so far in the year but believe we will make further provisions of around £35-£45 million at year end but still expect the equity ratio to remain at a very strong level.

As a consequence of the financial turmoil the Truss government fell and was replaced by a much more prudent and stable administration led by Rishi Sunak with Jeremy Hunt as Chancellor. The new government and subsequent U-turn on the Kwarteng “mini- budget” were well received by financial markets which have stabilised with lower long term interest rates.

Our ambition is to be able to capitalise from the state of the UK market.

Key Financial Highlights: Equity Ratio

Dooba Holdings Consolidated Equity Ratio

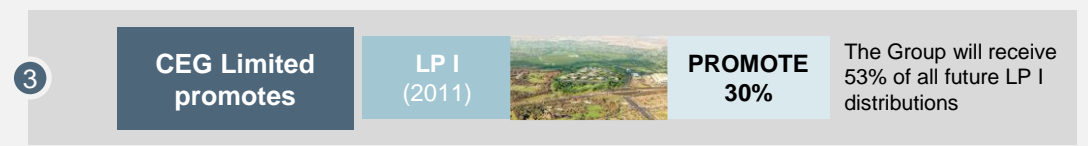
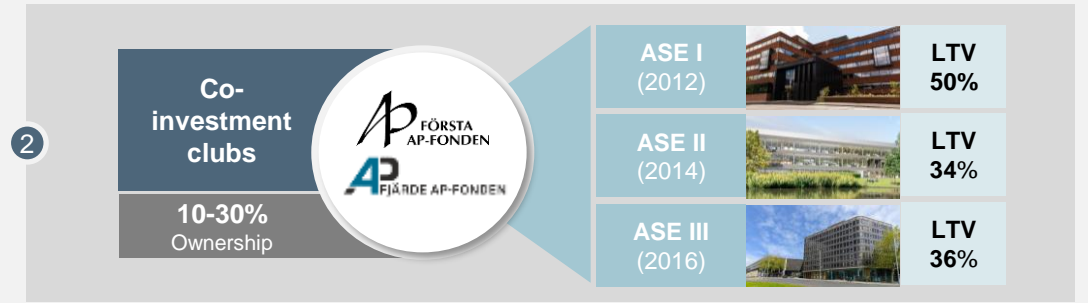
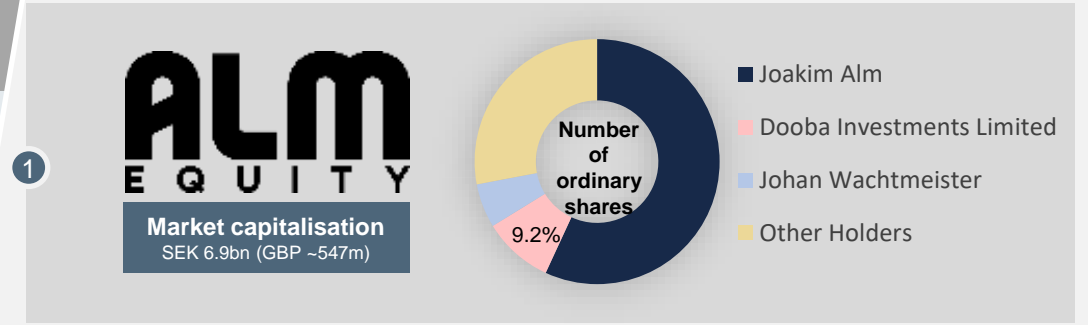
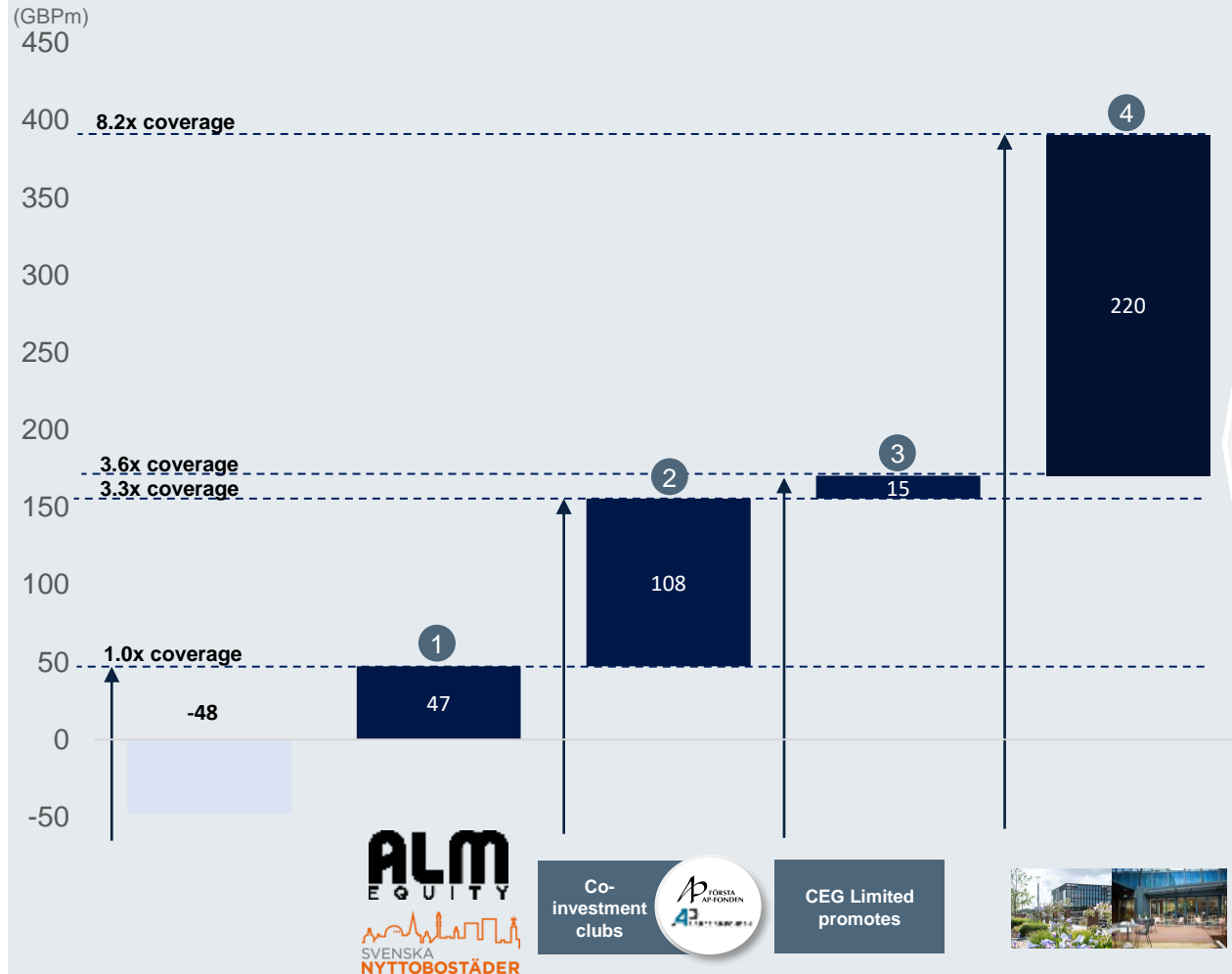


1. SEK FX rate 12.38 at Sep-22 2. Figures for Dec-18 – Dec-21 are audited. Sep-22 are based on unaudited accounts

Key Financial Highlights: Net asset value by category

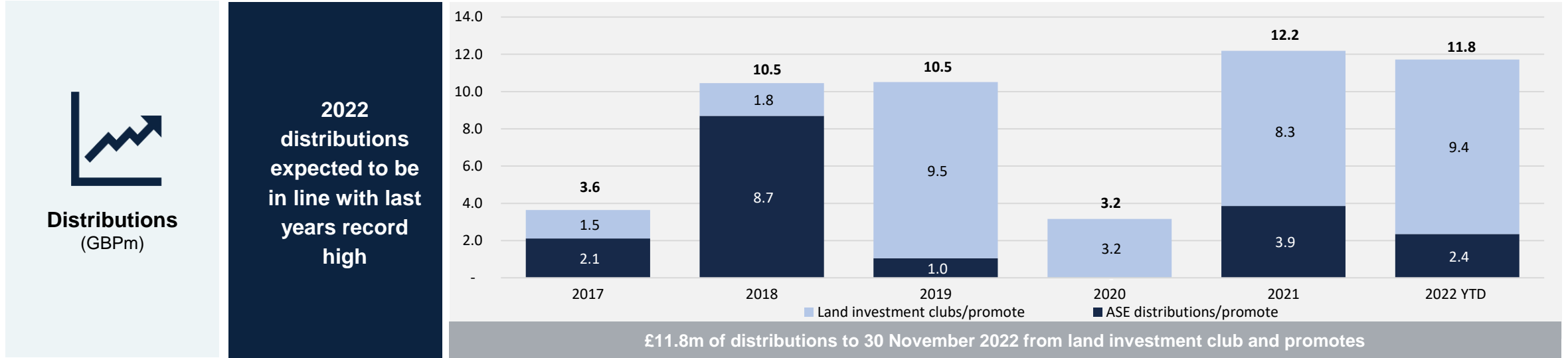
Substantial net coverage from guarantor holdings

8.2x NAV to bond at Guarantor group level



Key Financial Highlights: Distributions

Increased distributions



1. 2022 YTD distributions of £11.8m are from 1 January 2022 to 30 November 2022

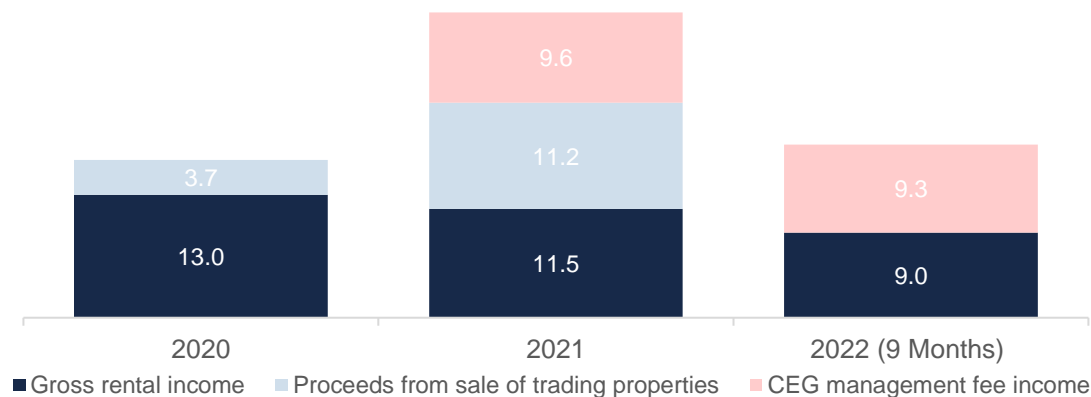
Financial Statements

Income Statement for the Guarantor

Consolidated DHL income statement (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2021	Unaudited Q3 2022
Gross Rental income	13.0	11.5	8.6	9.0
Management fee income	0.0	9.6	7.1	9.3
Proceeds from sale of trading properties	3.7	11.2	5.7	0.0
Total revenue	16.7	32.3	21.4	18.3
Property outgoings	-4.1	-6.4	-3.7	-4.9
Cost of sales of trading properties	-1.1	-2.8	-1.6	0.0
Provision against trading properties	-6.4	-8.5	-0.4	-14.1
Operating expenses	-11.6	-17.7	-5.7	-19.0
Net rental and other property income	8.9	14.7	12.0	13.4
Profit on sales of trading properties	-3.8	-0.1	3.7	-14.1
Gross profit	5.1	14.6	15.7	-0.7
Administrative expenses (incl. CEG)	-5.4	-22.8	-15.5	-17.9
Other operating income	6.2	8.1	6.0	1.5
Profit / (Loss) on disposal of investment property	1.5	0.2	0.2	0.2
Changes in fair value of investment properties	-23.1	23.2	15.0	-3.2
Operating profit	-15.7	23.3	21.4	-20.1
Share of post-tax results of equity accounted associates	-3.0	8.3	0.0	-4.2
Revaluation of other investments	33.7	23.6	15.7	-36.4
Finance incomes	6.5	5.5	4.1	4.8
Finance costs	-14.5	-11.9	-10.2	-9.7
Change in fair value of derivative financial instruments	-5.2	6.9	5.4	18.3
Gain on bargain purchase	0.0	2.7	2.7	0.0
Income from investments	0.2	5.8	0.7	7.1
Profit before tax	2.0	64.2	39.8	-40.2
Taxation	1.2	0.3	-0.4	-0.4
Profit for the year and total comprehensive income	3.2	64.5	39.4	-40.6

Revenue (GBPm)



Consolidated DHL statement of changes in equity (GBPm)

	Share capital	Share premium	Other reserves	Retained earnings	Equity attributable to owners of the parent	Non controlling interest	Total	
Balance at 1 January 2022	0.0	243.5	-	212.6	351.4	382.3	82.5	464.8
Comprehensive income for the financial year	-	-	-	-	40.2	-	40.2	40.6
Preference share distribution	-	-	-	0.4	-	-	0.4	0.4
Balance at 30 September 2022	0.0	243.5	-	213.0	311.2	341.7	82.1	423.8
Balance at 1 January 2021	0.0	243.5	-	212.4	293.8	324.9	83.1	408.0
Opening balance from CEG & CEGH	-	-	-	-	-	-	2.6	2.6
Comprehensive income for the financial year	-	-	-	-	24.8	24.8	14.6	39.4
Balance at 30 September 2021	0.0	243.5	-	212.4	318.6	349.7	95.1	444.8
Balance at 1 January 2021	0.0	243.5	-	212.4	293.8	324.9	83.1	408.0
Opening balance from CEG & CEGH	-	-	-	-	-	-	2.6	2.6
Purchase of additional interest in subsidiary	-	-	-	8.7	8.7	-	13.6	4.9
Comprehensive income for the financial year	-	-	-	48.9	48.9	15.6	64.5	64.5
Preference share distribution	-	-	-	0.2	-	-	0.2	0.2
Balance at 31 December 2021	0.0	243.5	-	212.6	351.4	382.3	82.5	464.8

Financial Statements

Balance Sheet for the Guarantor

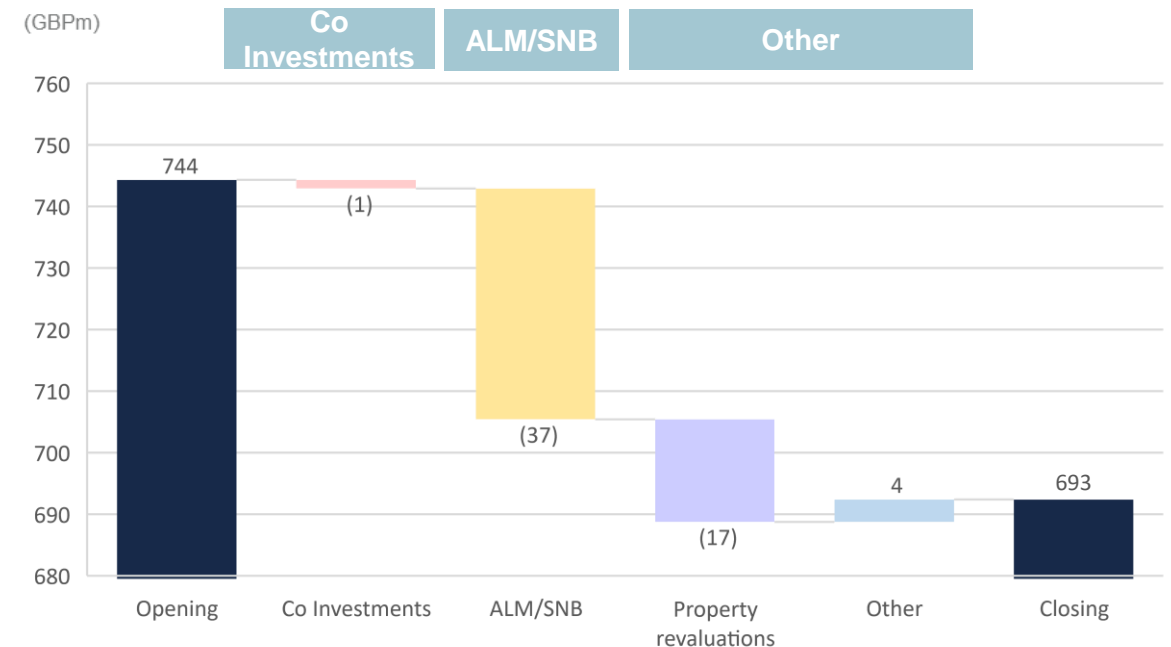
Consolidated DHL balance sheet (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2022
Property, plant and equipment	0.0	0.3	0.4
Intangible assets	1.3	1.2	1.2
Investment properties	316.3	323.5	322.5
Other investments	75.5	100.8	62.6
Investments in equity accounted associates	69.7	84.2	83.2
Trade and other receivables	7.8	1.0	1.0
Non current assets	470.6	511.0	470.9
Trading properties	84.7	99.0	88.4
Trade and other receivables	115.0	110.3	111.6
Cash and cash equivalents	7.5	23.0	3.5
Derivative financial assets	0.0	1.0	18.9
Current assets	207.2	233.3	222.4
Total Assets	677.8	744.3	693.3
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	-212.6	-213.0
Retained earnings	293.8	351.4	311.2
Attributable to equity shareholders	324.9	382.3	341.7
Non-controlling interest	83.1	82.5	82.1
Total equity	408.0	464.8	423.8
Loans and borrowings	211.5	150.7	144.4
Deferred tax liability	0.0	0.0	0.0
Lease liability	3.3	3.4	3.3
Non-current liabilities	214.8	154.1	147.7
Loans and borrowings	4.7	78.6	78.0
Trade and other payables	44.0	45.8	43.8
Derivative financial liabilities	6.3	0.3	0.0
Current liabilities	55.0	124.7	121.8

Consolidated DHL balance sheet (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2022
Other provisions	0.0	0.7	0.0
Total equity and liabilities	677.8	744.3	693.3
Adjusted Equity	408.0	464.8	423.8
Preference share/Shareholder loan	17.9	15.0	12.1
Total	425.9	479.8	435.9

Change in total assets in 2022



Other is primarily capital expenditure, cash, swap and receivables movement

Financial Statements

Cash-flow statement for the Guarantor

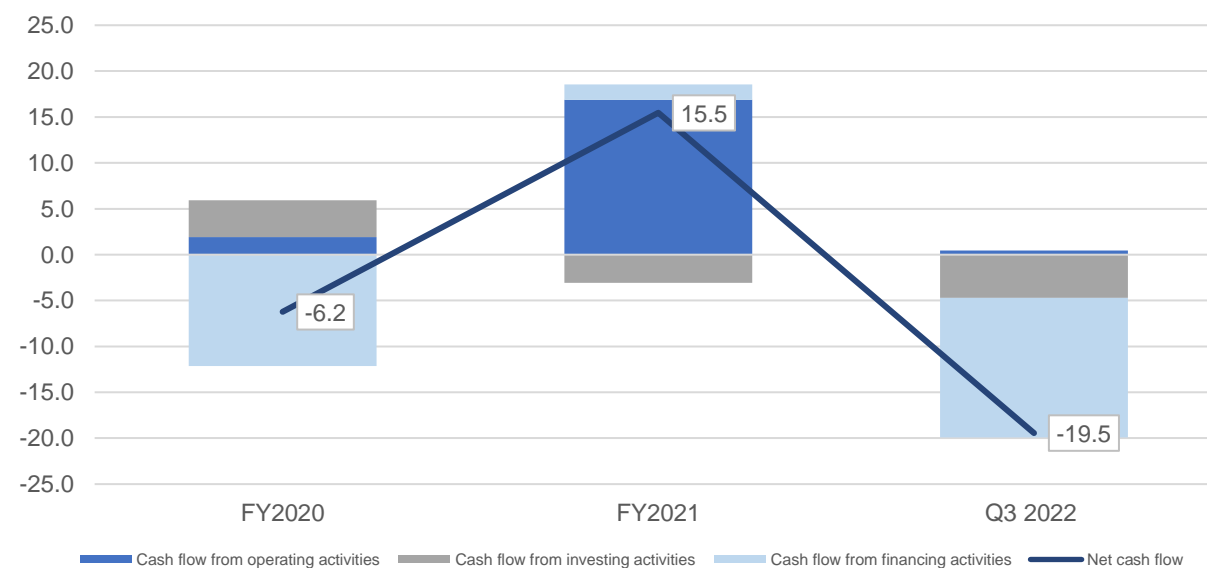
Consolidated DHL cash-flow statement (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2021	Unaudited Q3 2022
Operating activities				
Profit/(Loss) for the year	3.4	64.4	36.9	-41.0
Adjustments for:				
Exchange differences	-3.1	1.8	1.1	0.6
Changes in fair value of investment properties	23.1	-23.2	-15.0	3.3
Depreciation of fixed asset	0.0	0.3	0.2	0.2
Movement in rent smoothing adjustment	0.4	0.6	0.4	-0.1
Changes in fair value of derivative instruments	5.2	-6.9	-5.4	-18.3
Changes in fair value of other investments	-33.8	-23.6	-22.4	36.4
Share of post-tax results of equity accounted associates	3.0	-8.3	-7.8	4.2
Profit/(Loss) on disposal of investment property	-1.5	-0.2	-0.2	-0.2
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	-6.5	-5.5	-4.3	-4.8
Finance cost	14.5	11.9	10.2	9.7
Amortisation of goodwill	0.0	0.1	0.1	0.0
Gain on bargain purchase	0.0	2.7	2.7	0.0
Taxation	-1.2	-0.3	0.4	0.0
Changes in working capital				
Trading properties	0.6	3.3	0.2	10.6
Trade and other receivables	15.7	2.0	-1.9	3.0
Trade and other payables	-14.8	-1.5	-4.5	-2.9
Provisions	-2.4	0.7	0.0	-0.7
Tax paid	-0.7	-1.5	-0.1	0.4
Cash flow from operating activities	1.9	16.9	-9.4	0.4
Investment activities				
Capital expenditure on investment property	-5.4	-4.6	-8.0	-4.8
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	7.7	2.6	2.7	2.5
Investment in equity accounted associates	-1.4	-5.3	-3.4	-3.2
Acquisition of other investments	-0.1	-3.8	-0.1	0.7
Interest received	0.0	0.1	0.1	0.0
Loan to equity accounted associates	0.0	0.1	0.1	0.2
Dividends received from equity accounted associates	3.2	7.8	7.8	0.0
Loans repaid from equity accounted associates	0.0	0.0	0.0	0.0
Income from investments	0.0	0.0	0.0	0.0
Consideration net of cash received	0.0	0.1	9.5	0.0
Cash flow from investing activities	4.0	-3.1	8.7	-4.6

Consolidated DHL cash-flow statement (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2021	Unaudited Q3 2022
Financing activities				
Proceeds from borrowings	47.1	22.8	24.2	0.2
Repayment of loans	-43.3	-9.9	-6.7	-7.4
Bond revaluation	0.0	0.0	0.0	0.0
Premium paid on cancellation of derivative financial instrument	-2.5	0.0	0.0	0.0
Refinancing costs	-2.3	-0.8	-0.8	-0.1
Interest paid	-10.9	-10.2	-8.1	-8.0
Loans from equity accounted associates	0.0	0.0	0.0	0.0
Headlease obligations paid	-0.1	-0.1	0.0	0.0
Payments under finance leases	0.0	-0.1	0.0	0.0
Cash flow from financing activities	-12.1	1.6	8.6	-15.3
Cash flow for the period	-6.2	15.5	7.9	-19.5
Cash and cash equivalents at the beginning of the year	13.7	7.5	7.5	23.0
Cash and cash equivalents EoP	7.5	23.0	15.4	3.5

Cashflow for the period (GBPm)



Financial Statements

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

DFAB income statement (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2021	Unaudited Q3 2022
Finance income	4.8	3.3	2.5	2.3
Gross profit	4.8	3.3	2.5	2.3
Other operating income	0.0	3.7	1.9	0.5
Administrative expenses	-0.7	-0.2	-0.1	0.0
Operating profit	4.1	6.8	4.3	2.8
Finance costs	-4.6	-4.0	-3.0	-3.0
Profit/(loss) before tax	-0.5	2.8	1.3	-0.2
Taxation	0.0	0.0	0.0	0.0
Profit for the year and total comprehensive income	-0.5	2.8	1.3	-0.2

DFAB Statement in changes of equity (GBPm)

	Share capital	Other contribution	Retained earnings	Total
Balance at 1 January 2022	0.1	1.0	3.0	4.1
Comprehensive income for the financial year	0.0	0.0	-0.2	-0.2
Balance at 30 September 2022	0.1	1.0	2.8	3.9
Balance at 1 January 2021	0.1	1.0	0.2	1.3
Comprehensive income for the financial year	0.0	0.0	1.3	1.3
Balance at 30 September 2021	0.1	1.0	1.5	2.6
Balance at 1 January 2021	0.1	1.0	0.2	1.3
Comprehensive income for the financial year	0.0	0.0	2.8	2.8
Balance at 31 December 2021	0.1	1.0	3.0	4.1

Financial Statements

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

DFAB balance sheet (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2022
Trade and other receivables	41.1	51.0	58.2
Derivative financial asset	0.0	0.0	0.0
Cash and cash equivalents	2.0	2.5	1.8
Current assets	43.1	53.5	60.0
Total Assets	43.1	53.5	60.0
Attributable to equity shareholders	1.3	4.1	3.9
Total equity	1.3	4.1	3.9
Loans and borrowings	41.1	48.0	47.7
Non-current liabilities	41.1	48.0	47.7
Trade and other payables	0.7	1.4	8.4
Current liabilities	0.7	1.4	8.4
Total equity and liabilities	43.1	53.5	60.0

DFAB cash-flow statement (GBPm)

	Audited FY2020	Audited FY2021	Unaudited Q3 2021	Unaudited Q3 2022
Operating activities				
Profit/(Loss) for the year	-0.5	2.9	1.4	-0.1
Adjustments for:				
Exchange differences	0.5	-3.8	-2.0	-0.6
Finance cost	4.6	4.0	3.0	3.0
Finance revenue	-4.8	-3.3	-2.5	-2.3
Changes in working capital				
Trade and other receivables	1.9	-9.9	-7.9	-7.2
Trade and other payables	-6.9	0.7	0.6	6.0
Cash flow from operating activities	-5.2	-9.4	-7.4	-1.2
Investment activities				
Cash flow from investing activities	0.0	0.0	0.0	0.0
Financing activities				
Interest paid	-4.9	-3.6	-3.3	-1.8
Interest received	4.8	3.3	2.5	2.3
Refinancing costs	-1.3	-0.2	-0.2	0.0
Repayment of loans	-35.0	-1.1	0.0	0.0
Proceeds from bond	41.8	11.5	10.5	0.0
Cash flow from financing activities	5.4	9.9	9.5	0.5
Cash flow for the period	0.2	0.5	2.1	-0.7
Cash and cash equivalents at the beginning of the year	1.8	2.0	2.0	2.5
Cash and cash equivalents EoP	2.0	2.5	4.1	1.8

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 2021.

Going concern

The directors’ have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the period ended 30 September 2022.

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. The impact of a reduction in rental collections has been applied across a variety of performance indicators including free cash flow and debt serviceability covenants.

Whilst taking into consideration the negative impact from inflation and a deterioration in the economy, the directors continue to consider that it is appropriate to adopt the going concern basis in preparing the interim financial statements.

Notes to the interim report (continued)

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.

Standards and interpretations in issue not yet adopted

The IASB and IFRIC have issued or revised IFRS 1, IFRS 3, IFRS 9, IFRS 17, IAS 1, IAS 8, IAS 12, IAS 16, IAS 37 and IAS 41 but these are not expected to have a material effect on the operations of the Group.

The Group 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

There have been no significant events and transactions during Q3 2022.