

# **Dooba Finance AB Interim Report Q2 2023**

**31 August 2023**



# Table of contents

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1. **Comments from the Chairman of CEG**
2. **Key Financial Highlights**
  - **Equity Ratio**
  - **Net Asset Value by Category**
  - **New Lettings**
  - **Letting Activity and Retentions**
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 Equity Ratio for the Group remained at 60% at the end of the second quarter while the loss for the 3 months was £9.5 million. The Group's investment and trading properties increased in value by £10.7 million while the value of the investments in co investment vehicles fell by £16.9 million.

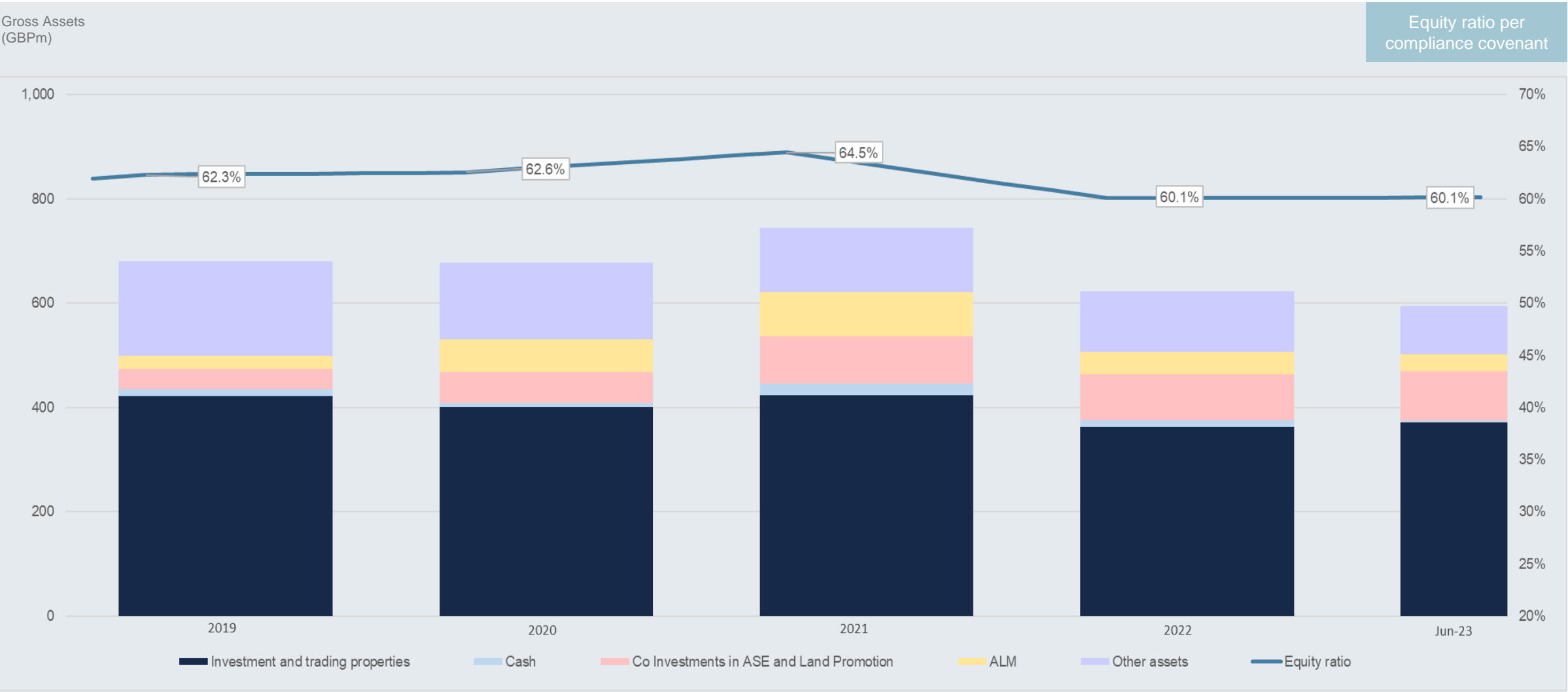
During the quarter, the Group sold two properties for a total value of £56.9 million resulting in a £2.5 million gain compared to the year end values. The bigger of the two sales at £51.0 million completed in the third quarter.

A third property was sold in the third quarter for a net amount of £12.1 million compared to a year end value of £11.0 million. Following the sales, Lloyds Banking Group has been repaid in full with one property being refinanced by NatWest who have increased their lending to the Group to £65.2 million while extending the maturity to July 2026.



# Key Financial Highlights: Equity ratio

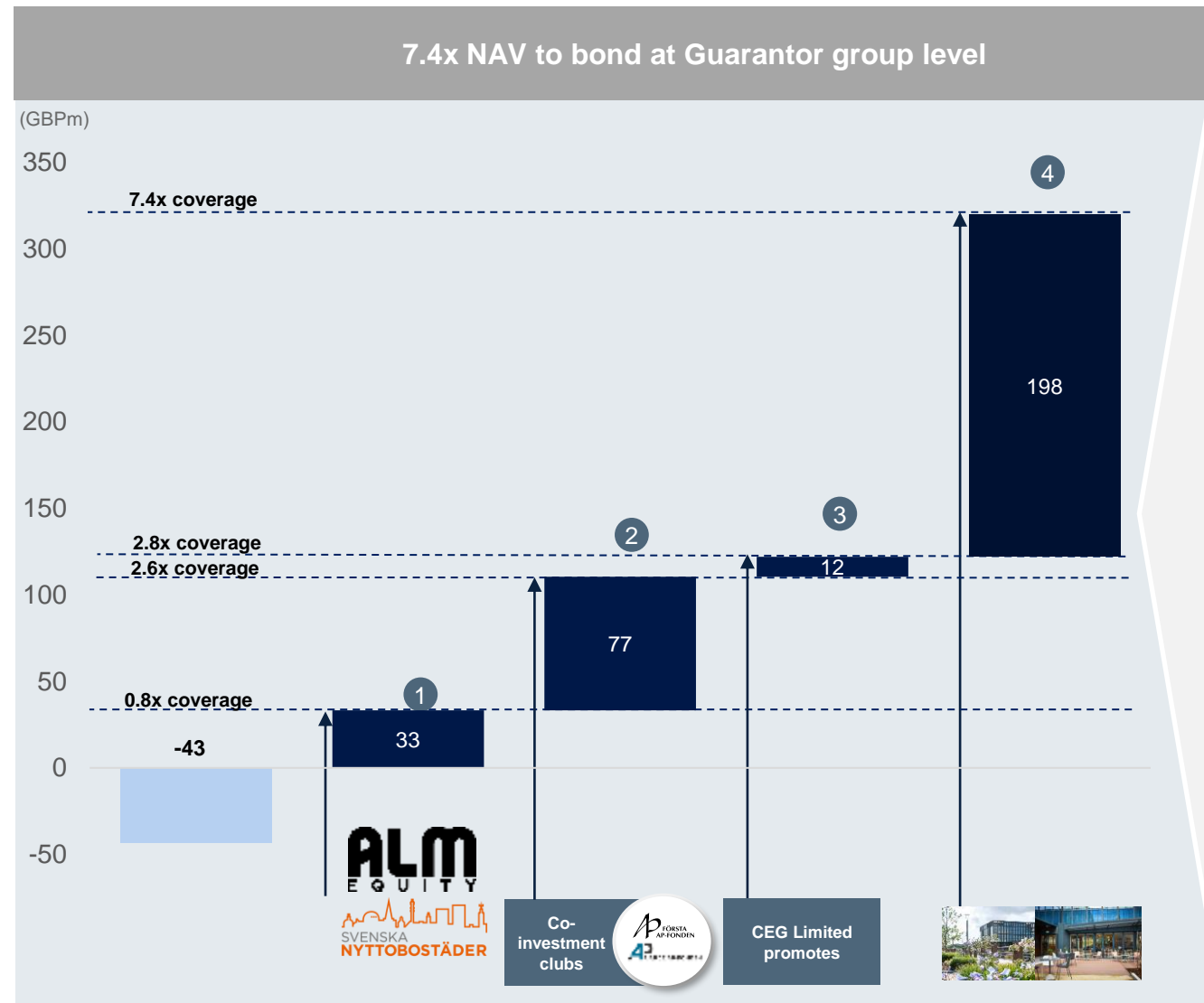
## Dooba Holdings Consolidated Equity Ratio



1. SEK FX rate 13.70 at Jun-23. Figures for Dec-19 – Dec-22 are audited. June-23 are based on unaudited accounts

# Key Financial Highlights: Net asset value by category

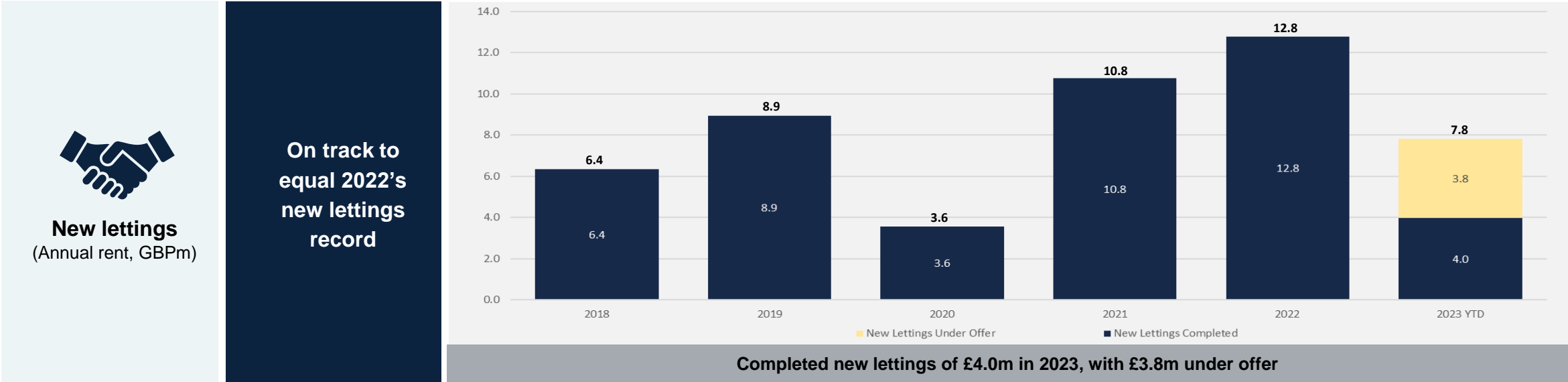
## Substantial net coverage from guarantor holdings





# Key Financial Highlights: New lettings

## New lettings by the Group and co-investment clubs



1. Completed and new lettings represents direct property ownership and property owned by the co-investment clubs

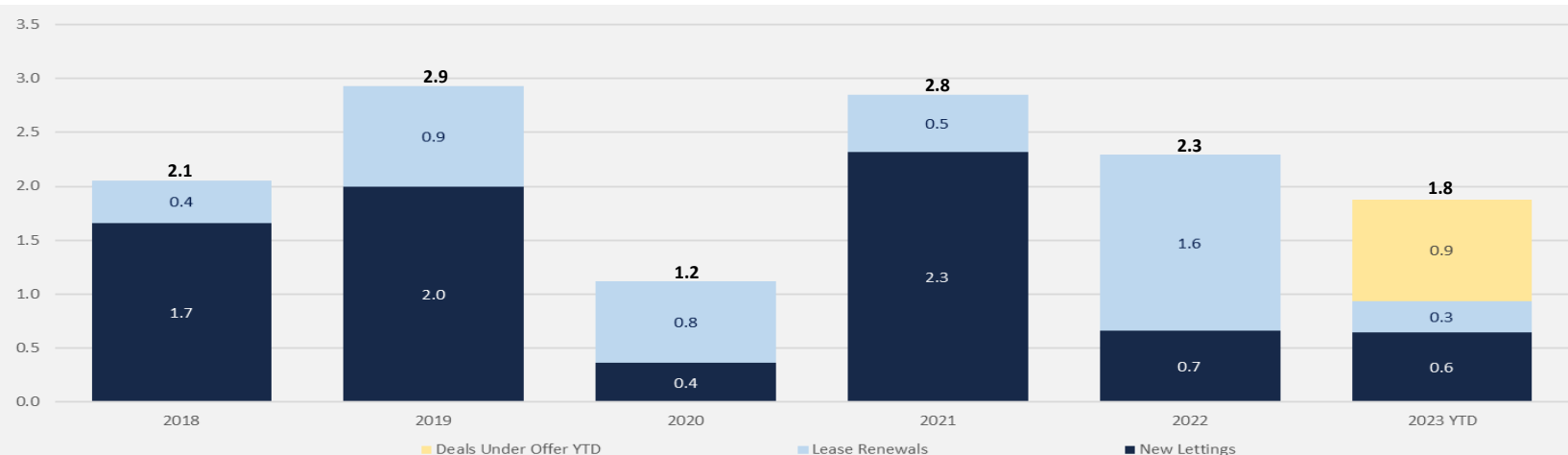
# Key Financial Highlights: Letting activity and retentions

## High letting activity and retentions by the Group



### Lettings (Annual rent, GBPm)

2023 letting activity to date on track to exceed 2022

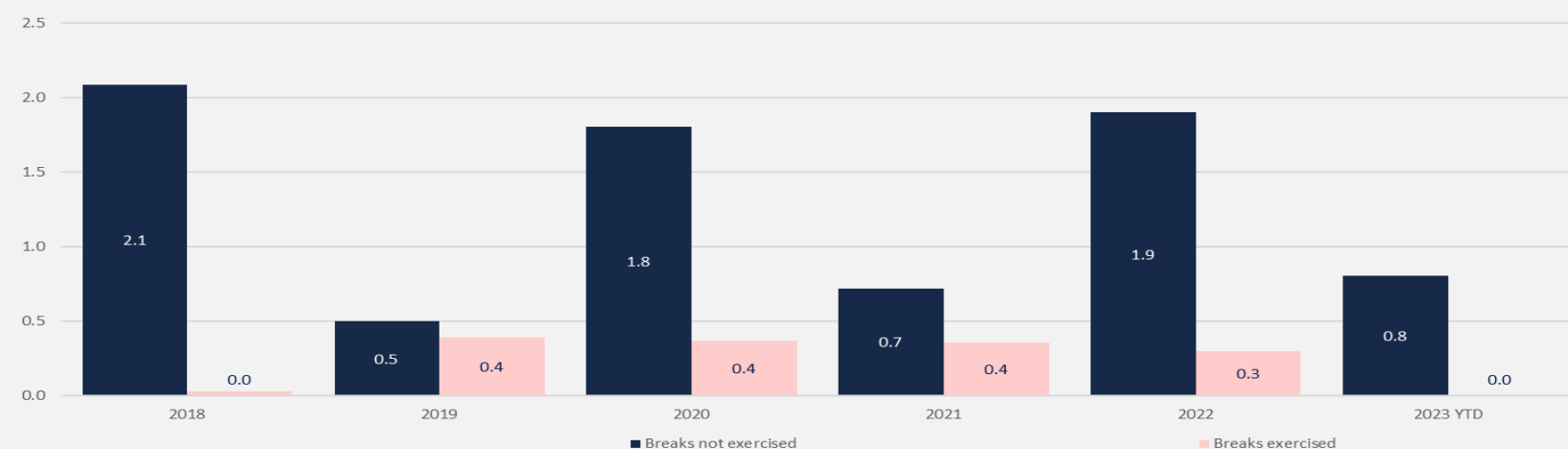


Completed lettings to date of £0.9m in 2023, with a further £0.9m under offer



### Retentions (Annual rent, GBPm)

Continued high retention of tenants



No tenant breaks exercised to date during 2023

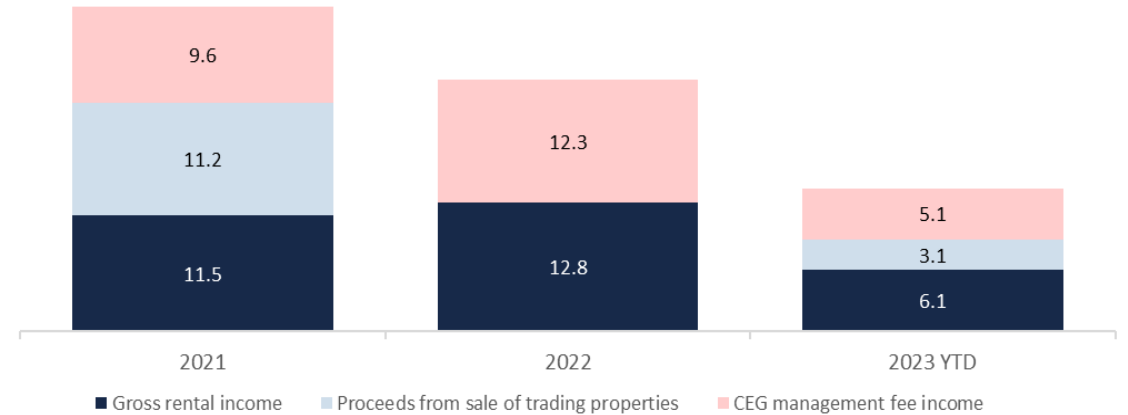
# Financial Statements

## Income Statement for the Guarantor

### Consolidated DHL income statement (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2022	Unaudited Q2 2023
Gross Rental income	11.5	12.8	6.1	6.1
Management fee income	9.6	12.3	6.2	5.1
Proceeds from sale of trading properties	11.2	0.0	0.0	3.1
<b>Total revenue</b>	<b>32.3</b>	<b>25.1</b>	<b>12.3</b>	<b>14.3</b>
Property outgoings	-6.4	-6.6	-3.1	-3.0
Cost of sales of trading properties	-2.8	0.0	0.0	-0.1
Provision against trading properties	-8.5	-16.1	-13.8	20.6
<b>Operating expenses</b>	<b>-17.7</b>	<b>-22.7</b>	<b>-16.9</b>	<b>17.5</b>
Net rental and other property income	14.7	18.5	9.2	8.2
Profit on sales of trading properties	-0.1	-16.1	-13.8	23.6
<b>Gross profit</b>	<b>14.6</b>	<b>2.4</b>	<b>-4.6</b>	<b>31.8</b>
Administrative expenses (incl. CEG)	-22.8	-24.6	-11.0	-14.6
Other operating income	8.1	2.6	-0.3	4.5
Profit / (Loss) on disposal of investment property	0.2	-3.3	0.2	-3.1
Changes in fair value of investment properties	23.2	-34.0	-3.3	-9.9
<b>Operating profit / (loss)</b>	<b>23.3</b>	<b>-56.9</b>	<b>-19.0</b>	<b>8.7</b>
Share of post-tax results of equity accounted associates	8.3	-15.9	-1.5	-6.7
Revaluation of other investments	23.6	-42.8	-27.9	-16.9
Finance incomes	5.5	7.0	2.9	3.8
Finance costs	-11.9	-13.9	-6.5	-8.4
Change in fair value of derivative financial instruments	6.9	15.3	7.6	0.7
Gain on bargain purchase	2.7	0.0	0.0	0.0
Income from investments	5.8	5.6	5.2	0.2
<b>Profit / (loss) before tax</b>	<b>64.2</b>	<b>-101.6</b>	<b>-39.2</b>	<b>-18.6</b>
Taxation	0.3	-0.4	-0.4	0.0
<b>Profit / (loss) for the year and total comprehensive income</b>	<b>64.5</b>	<b>-102.0</b>	<b>-39.6</b>	<b>-18.6</b>

### Revenue (GBPm)



### Consolidated DHL statement of changes in equity (GBPm)

					Equity attributable to owners of the parent	Non controlling interest	Total	
	Share capital	Share premium	Other reserves	Retained earnings				
Balance at 1 January 2023	0.0	243.5	-	213.0	266.6	297.1	65.4	362.5
Comprehensive income for the financial year	-	-	-	-	17.3	17.3	1.3	18.6
Capital contribution - waiver of shareholder loan	-	-	-	0.1	-	0.1	-	0.1
<b>Balance at 30 June 2023</b>	<b>0.0</b>	<b>243.5</b>	<b>-</b>	<b>213.1</b>	<b>249.3</b>	<b>279.7</b>	<b>64.1</b>	<b>343.8</b>
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	-	-	-	-	35.4	35.4	4.2	39.6
Preference share distribution	-	-	-	0.3	-	0.3	-	0.3
<b>Balance at 30 June 2022</b>	<b>0.0</b>	<b>243.5</b>	<b>-</b>	<b>212.9</b>	<b>316.0</b>	<b>346.6</b>	<b>78.3</b>	<b>424.9</b>
Balance at 1 January 2022	0.0	243.5	-	212.6	351.4	382.3	82.6	464.9
Comprehensive income for the financial year	-	-	-	-	84.8	84.8	17.2	102.0
Capital contribution - waiver of shareholder loan	-	-	-	0.4	-	0.4	-	0.4
<b>Balance at 31 December 2022</b>	<b>0.0</b>	<b>243.5</b>	<b>-</b>	<b>213.0</b>	<b>266.6</b>	<b>297.1</b>	<b>65.4</b>	<b>362.5</b>



# Financial Statements

## Balance Sheet for the Guarantor

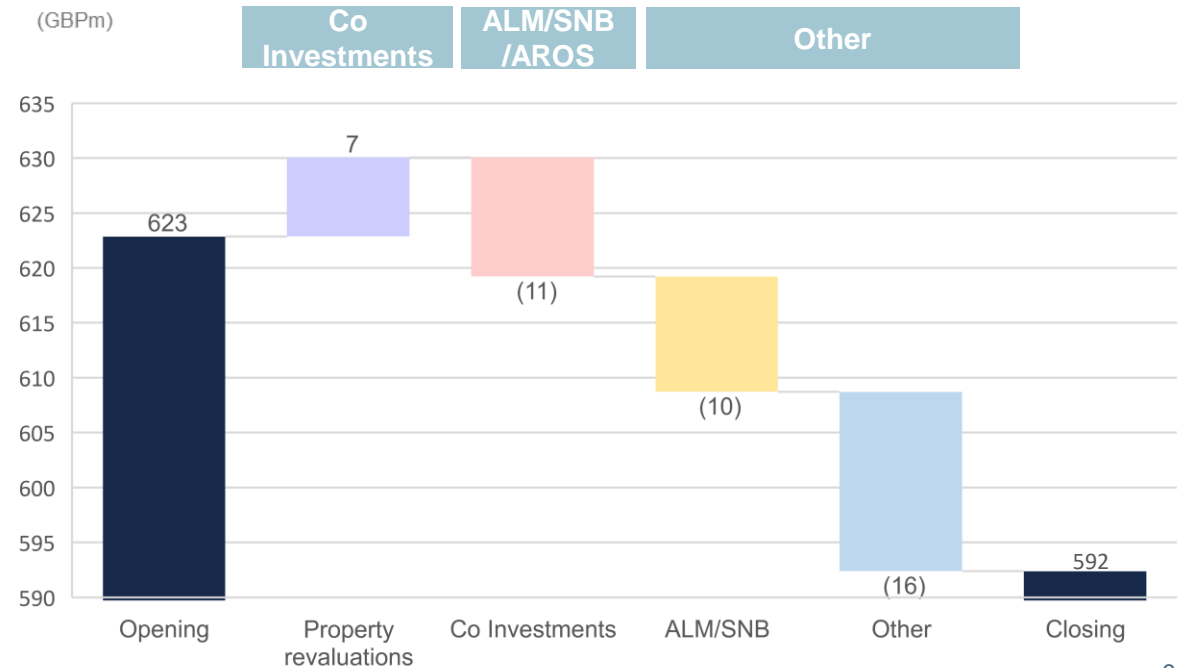
### Consolidated DHL balance sheet (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2023
Property, plant and equipment	0.3	0.4	0.4
Intangible assets	1.2	1.2	1.2
Investment properties	323.5	275.3	209.0
Other investments	100.8	55.3	45.4
Investments in equity accounted associates	84.2	92.5	81.1
Trade and other receivables	1.0	1.0	0.4
<b>Non current assets</b>	<b>511.0</b>	<b>425.7</b>	<b>337.5</b>
Trading properties	99.0	86.8	109.2
Trade and other receivables	110.4	89.6	133.4
Cash and cash equivalents	23.0	12.7	3.8
Derivative financial assets	1.0	8.1	8.4
<b>Current assets</b>	<b>233.4</b>	<b>197.2</b>	<b>254.8</b>
<b>Total Assets</b>	<b>744.4</b>	<b>622.9</b>	<b>592.3</b>
Issued share capital	0.0	0.0	0.0
Share premium	243.5	243.5	243.5
Other reserves	-212.6	-213.0	-213.1
Retained earnings	351.4	266.6	249.3
<b>Attributable to equity shareholders</b>	<b>382.3</b>	<b>297.1</b>	<b>279.7</b>
Non-controlling interest	82.6	65.4	64.1
<b>Total equity</b>	<b>464.9</b>	<b>362.5</b>	<b>343.8</b>
Loans and borrowings	150.7	56.1	49.7
Lease liability	3.4	3.2	3.4
<b>Non-current liabilities</b>	<b>154.1</b>	<b>59.3</b>	<b>53.1</b>
Loans and borrowings	78.6	154.8	145.5
Trade and other payables	45.8	45.8	49.5
Derivative financial liabilities	0.3	0.0	0.0
Lease liability	0.0	0.5	0.4
<b>Current liabilities</b>	<b>124.7</b>	<b>201.1</b>	<b>195.4</b>

### Consolidated DHL balance sheet (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2023
Other provisions	0.7	0.0	0.0
<b>Total equity and liabilities</b>	<b>744.4</b>	<b>622.9</b>	<b>592.3</b>
Adjusted			
Equity	464.9	362.5	343.8
Preference share/Shareholder loan	15.0	11.6	11.9
<b>Total</b>	<b>479.9</b>	<b>374.1</b>	<b>355.7</b>

### Change in total assets in 2023



# Financial Statements

## Cash-flow statement for the Guarantor

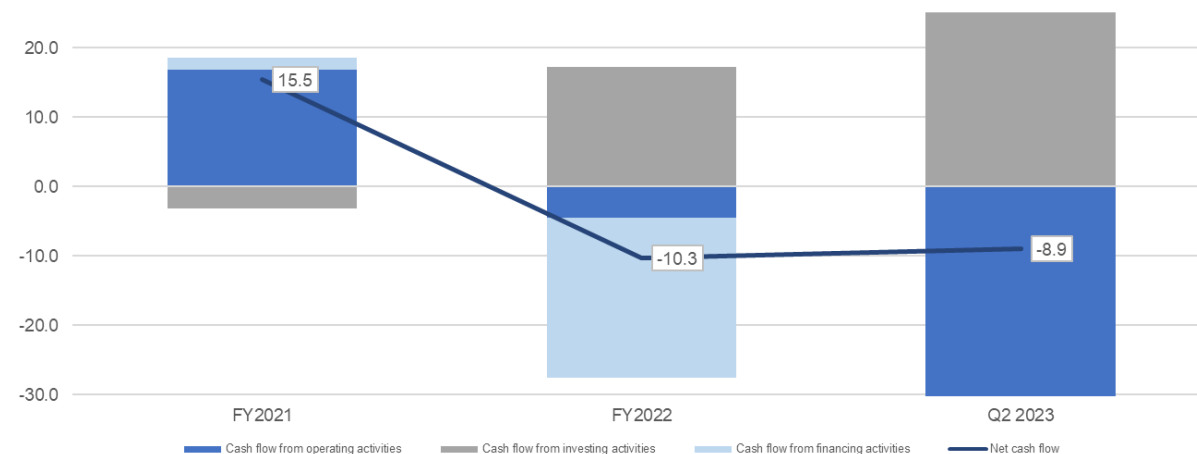
### Consolidated DHL cash-flow statement (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2022	Unaudited Q2 2023
<b>Operating activities</b>				
Profit/(Loss) for the year	64.4	-102.0	-39.9	-18.6
<b>Adjustments for:</b>				
Exchange differences	1.8	0.5	0.6	-0.5
Changes in fair value of investment properties	-23.2	34.0	3.2	12.4
Depreciation of fixed asset	0.3	0.2	0.1	0.1
Movement in rent smoothing adjustment	0.6	-0.6	0.0	0.1
Changes in fair value of derivative instruments	-6.9	-15.3	-7.6	-0.7
Changes in fair value of other investments	-23.6	42.8	27.9	6.7
Share of post-tax results of equity accounted associates	-8.3	15.9	1.5	16.9
Profit/(Loss) on disposal of investment property	-0.2	3.3	-0.2	0.0
Income from investments	0.0	-4.1	0.0	0.0
Finance revenue	-5.5	-7.0	-2.9	-3.8
Finance cost	11.9	13.9	6.5	8.4
Amortisation of goodwill	0.1	0.0	0.0	0.0
Gain on bargain purchase	2.7	0.0	0.0	0.0
Taxation	-0.3	0.4	0.0	0.0
<b>Changes in working capital</b>				
Trading properties	3.3	12.2	11.3	-22.4
Trade and other receivables	2.0	1.8	0.6	-40.7
Trade and other payables	-1.5	-0.1	-3.8	3.1
Provisions	0.7	-0.7	-0.4	0.0
Tax paid	-1.5	0.4	0.4	0.0
<b>Cash flow from operating activities</b>	<b>16.9</b>	<b>-4.4</b>	<b>-2.7</b>	<b>-39.0</b>
<b>Investment activities</b>				
Capital expenditure on investment property	-4.6	-5.3	-3.7	-1.2
Capital expenditure of fixtures and fittings	0.0	0.0	0.0	-0.2
Proceeds from disposal of investment properties	2.6	16.9	2.5	55.0
Investment in equity accounted associates	-5.3	-3.8	-3.2	-5.5
Acquisition of other investments	-3.8	-0.2	-0.2	-0.3
Disposal of other investments	0.0	0.9	0.0	0.0
Interest received	0.1	0.7	0.0	1.2
Loan to equity accounted associates	0.1	-0.2	0.1	0.0
Dividends received from equity accounted associates	7.8	4.2	0.0	0.0
Income from investments	0.0	4.1	0.0	0.0
Consideration net of cash received	0.1	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-3.1</b>	<b>17.3</b>	<b>-4.5</b>	<b>49.0</b>

### Consolidated DHL cash-flow statement (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2022	Unaudited Q2 2023
<b>Financing activities</b>				
Proceeds from borrowings	22.8	2.2	1.8	6.1
Repayment of loans	-9.9	-20.2	-6.6	-18.3
Proceeds from cancellation of derivative financial instrument	0.0	7.8	0.0	0.5
Redemption of preference shares	0.0	-0.4	0.0	-0.1
Refinancing costs	-0.8	-0.1	-0.1	-0.1
Interest paid	-10.2	-12.2	-6.0	-7.0
Headlease obligations paid	-0.1	-0.2	0.0	0.0
Payments under finance leases	-0.1	-0.1	0.0	0.0
<b>Cash flow from financing activities</b>	<b>1.6</b>	<b>-23.2</b>	<b>-10.9</b>	<b>-18.9</b>
Cash flow for the period	15.5	-10.3	-18.1	-8.9
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7.5</b>	<b>23.0</b>	<b>23.0</b>	<b>12.7</b>
<b>Cash and cash equivalents EoP</b>	<b>23.0</b>	<b>12.7</b>	<b>4.9</b>	<b>3.8</b>

### Cashflow for the period (GBPm)



# Financial Statements

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

### DFAB income statement (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2022	Unaudited Q2 2023
Finance income	3.3	3.0	1.7	1.3
<b>Gross profit</b>	<b>3.3</b>	<b>3.0</b>	<b>1.7</b>	<b>1.3</b>
Other operating income	3.7	1.4	0.8	3.7
Administrative expenses	-0.2	-0.1	0.0	0.0
<b>Operating profit</b>	<b>6.8</b>	<b>4.3</b>	<b>2.5</b>	<b>5.0</b>
Finance costs	-4.0	-4.0	-1.9	-1.9
<b>Profit/(loss) before tax</b>	<b>2.8</b>	<b>0.3</b>	<b>0.6</b>	<b>3.1</b>
Taxation	0.0	0.0	0.0	0.0
<b>Profit for the year and total comprehensive income</b>	<b>2.8</b>	<b>0.3</b>	<b>0.6</b>	<b>3.1</b>

### DFAB Statement in changes of equity (GBPm)

	Share capital	Other contribution	Retained earnings	Total
Balance at 1 January 2023	0.1	1.0	3.3	4.4
Comprehensive income for the financial year	0.0	0.0	3.1	3.1
<b>Balance at 30 June 2023</b>	<b>0.1</b>	<b>1.0</b>	<b>6.4</b>	<b>7.5</b>
Balance at 1 January 2022	0.1	1.0	3.0	4.1
Comprehensive income for the financial year	0.0	0.0	0.6	0.6
<b>Balance at 30 June 2022</b>	<b>0.1</b>	<b>1.0</b>	<b>3.6</b>	<b>4.7</b>
Balance at 1 January 2022	0.1	1.0	3.0	4.1
Comprehensive income for the financial year	0.0	0.0	0.3	0.3
<b>Balance at 31 December 2022</b>	<b>0.1</b>	<b>1.0</b>	<b>3.3</b>	<b>4.4</b>



# Financial Statements

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

### DFAB balance sheet (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2023
Trade and other receivables	51.0	52.7	53.1
Derivative financial asset	0.0	0.0	0.0
Cash and cash equivalents	2.5	1.8	1.7
<b>Current assets</b>	<b>53.5</b>	<b>54.5</b>	<b>54.8</b>
<b>Total Assets</b>	<b>53.5</b>	<b>54.5</b>	<b>54.8</b>
Attributable to equity shareholders	4.1	4.4	7.5
<b>Total equity</b>	<b>4.1</b>	<b>4.4</b>	<b>7.5</b>
Loans and borrowings	48.0	46.9	43.3
<b>Non-current liabilities</b>	<b>48.0</b>	<b>46.9</b>	<b>43.3</b>
Trade and other payables	1.4	3.2	4.0
<b>Current liabilities</b>	<b>1.4</b>	<b>3.2</b>	<b>4.0</b>
<b>Total equity and liabilities</b>	<b>53.5</b>	<b>54.5</b>	<b>54.8</b>

### DFAB cash-flow statement (GBPm)

	Audited FY2021	Audited FY2022	Unaudited Q2 2022	Unaudited Q2 2023
<b>Operating activities</b>				
Profit/(Loss) for the year	2.9	0.3	0.6	3.1
<b>Adjustments for:</b>				
Exchange differences	-3.8	-1.5	-0.9	-3.8
Finance cost	4.0	4.0	2.0	1.9
Finance revenue	-3.3	-3.0	-1.7	-1.3
<b>Changes in working capital</b>				
Trade and other receivables	-9.9	-1.6	-4.1	-0.4
Trade and other payables	0.7	1.8	3.5	0.9
<b>Cash flow from operating activities</b>	<b>-9.4</b>	<b>0.0</b>	<b>-0.6</b>	<b>0.4</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	-3.7	-1.8	-1.8
Interest received	3.3	3.0	1.7	1.3
Refinancing costs	-0.2	0.0	0.0	0.0
Repayment of loans	-1.1	0.0	0.0	0.0
Proceeds from bond	11.5	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>9.9</b>	<b>-0.7</b>	<b>-0.1</b>	<b>-0.5</b>
Cash flow for the period	0.5	-0.7	-0.7	-0.1
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2.0</b>	<b>2.5</b>	<b>2.5</b>	<b>1.8</b>
<b>Cash and cash equivalents EoP</b>	<b>2.5</b>	<b>1.8</b>	<b>1.8</b>	<b>1.7</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 2022.

#### 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 June 2023.

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.

The Group expect that any current loans and borrowings expiring in the 12 months post year end will be refinanced in the next 12 months.

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.

The Group repaid all its debt with Lloyds Banking Group in July 2023. As part of the transaction, an additional property was put into charge with Natwest. Completion of a further sale in August 2023, the debt was repaid in full. The Group’s debt profile as a result, reduced from £195.2m to £160.4m.

### Notes to the interim report (continued)

#### Changes in accounting policies

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

During the year, the Group adopted the amendments to IFRS 3, IAS 16 and IAS 37 and adopted the amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 arising from the annual improvement cycle to IFRSs. There was no material change to the Group’s accounting policies and disclosures as a result.

There were no other new or amended standards issued by the International Accounting Standards Board (“IASB”) during the year, and none of the interpretations issued by the IFRS Interpretations Committee (“IFRIC”) have led to any material changes in the Group’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 17, IAS 1, IFRS 2, IAS 8, IAS 12, IFRS 17 and IFRS 16 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

During the quarter, Dooba Gibraltar Holdings Limited sold 13,287 shares in LP1. The company now holds 11.90% ownership.