

Registration number: OC 1153; 559087-1439

Dooba Finance AB (publ)

Report and Financial Statements

for the year ended 31 December 2023

Dooba Finance AB (publ)

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Dooba Finance AB (publ)

Company information

| | |
|--------------------------|---|
| Directors | John Borg Edward Camilleri Malcolm Booker |
| Registered office | Office 18, Verdala Business Centre Level 1, LM Complex, Brewery Street, Zone 3 Central Business District, Birkirkara CBD 3040 |
| Bankers | Lloyds Banking Group plc 25 Gresham Street London EC2M 4AA |
| Auditors | BDO Malta Triq it-Torri Msida Malta MSD 1824 |

Dooba Finance AB (publ)

Report of the directors for the year ended 31 December 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

Principal activity

Dooba Finance AB (publ) is a public limited company registered in Jönköping, Sweden with a registration number of 559087-1439 and with a registered place of business in Malta.

The principal activity of the company is that of a financing company to related entities within the same corporate group.

Results and dividends

The company made a loss of SEK5,961,000 (2022: profit of SEK6,044,000). The statement of comprehensive income is set out on page 9.

The directors do not propose the payment of a dividend (2022: SEK-).

Directors

The directors, who held office during the year and to the date of this report were as follows:

John Borg

Edward Camilleri

Malcolm Booker

The Company's Articles of Association do not require any directors to retire.

Going concern

The directors consider that it is appropriate to adopt the going concern basis in preparing the financial statements. For further details see note 1 to the financial statements.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Dooba Finance AB (publ)

Report of the directors for the year ended 31 December 2023 (continued)

Reappointment of auditors

BDO Malta have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

29 April 2024 | 4:34 PM BST

Approved by the Board on and signed on its behalf by:

DocuSigned by:
John Borg
FCE0043E622045C.....
John Borg
Director

DocuSigned by:
Edward Camilleri
1B3437ED29FA4A7.....
Edward Camilleri
Director

Dooba Finance AB (publ)

Statement of directors' responsibilities

The Companies Act, 1995 (Cap. 386 of the Laws of Malta) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

In preparing those financial statements, the directors should:

- adopt the going concern basis unless it is inappropriate to presume that the company will continue in the business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable the directors to ensure that the financial statements comply with the Companies Act, 1995 (Cap 386).

This responsibility includes designing, implementing and maintaining such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT To the Shareholders of Dooba Finance AB (publ)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dooba Finance AB (publ) («the Company»), set out on pages 9 to 26, which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU (EU IFRSs) and have been prepared in accordance with the requirements of the Companies Act (Cap. 386) of the Laws of Malta.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

Our audit scope focused on the Company's only operating location being Msida in Malta. We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of material misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatements we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced.

Emphasis of matter - material uncertainty over going concern

We draw attention to note 1 to the financial statements, which indicates that the Company requires replacement funding in the going concern period which has not yet been agreed, or may require financial support from its ultimate parent company that is not guaranteed. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of the procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for the audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Dooba Finance AB (publ)
(continued)

1 Recoverability of related party loans

Key Audit Matter

As detailed in note 8, Dooba Finance AB hold significant receivable balances in respect of loans made to related parties. Related party receivables are held at amortised cost less impairment, with impairments being calculated using an expected credit loss model. As detailed in note 2, there are critical accounting judgements applied in considering the impairment of related party loans

Related Disclosures

Refer to note 8 and 13 of the accompanying financial statements.

Audit Response

As part of our audit work we have confirmed the balances due from fellow group companies to the accounting records of the relevant counterparty and subsequently assessed the recoverability of amounts due from group undertakings by reviewing management's expected credit loss assessment and considering whether the relevant counterparty had sufficient available resources to repay the amounts due, confirming there were no other indicators of impairment identified and considering whether the availability of support provided by the ultimate parent company in respect of related party loans.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Directors' Report, we also considered whether the Directors' Report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386). Based on the work we have performed, in our opinion:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap.386).

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report. We have nothing to report in this regard

Responsibilities of the Directors

As explained more fully in the Statements of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with EU IFRS, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.



INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Dooba Finance AB (publ)
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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.
- 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Dooba Finance AB (publ)
(continued)

Report on Other Legal and Regulatory Requirements

Under the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.

Appointment

We were first appointed as the statutory auditor by the General Meeting of Shareholders for the financial year ended 31 December 2017 by AGM of the Company. This appointment will be renewed on the annual basis by the shareholders. The total uninterrupted engagement period as statutory auditor, including previous renewals and reappointments amounts to 6 years.

Non-audit services

No prohibited non-audit services referred to in Article 18A(1) of the Accountancy Profession Act (Cap.281) were provided by us to the Company and we remain independent of the Company as described in the Basis for the Opinion section of our report.

No other services besides statutory audit services and services disclosed in the annual report and in the financial statements, were provided by us to the Company and its subsidiaries.

BDO Malta
Certified Public Accountants
Registered Audit Firm

It-Torri Street
Msida MSD 1824
Malta

30 April 2024



**This report has been signed
for and on behalf of
BDO MALTA
by Sam Spiridonov (Partner)**

Dooba Finance AB (publ)

Statement of comprehensive income for the Year Ended 31 December 2023

| | | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|--|---|--------------------------------|--------------------------------|
| Finance income | 5 | 44,277 | 56,683 |
| Gross profit | | 44,277 | 56,683 |
| Administrative expenses | 4 | (727) | (1,089) |
| Operating profit | | 43,550 | 55,595 |
| Finance costs | 5 | (49,511) | (49,550) |
| (Loss)/profit before tax | | (5,961) | 6,044 |
| (Loss)/profit for the year after tax and total comprehensive (loss)/income for the financial year | | (5,961) | 6,044 |

Dooba Finance AB (publ)

(Registration number: OC 1153; 559087-1439) Statement of financial position as at 31 December 2023

| | Note | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|--------------------------------|------|--------------------------------|--------------------------------|
| Assets | | | |
| Current assets | | | |
| Loans receivable | 8 | 634,127 | 624,639 |
| Other receivables | 8 | 61,373 | 37,991 |
| Cash and cash equivalents | 14 | <u>22,349</u> | <u>22,489</u> |
| | | <u>717,850</u> | <u>685,119</u> |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 10 | 500 | 500 |
| Other contribution | 12 | 11,105 | 11,105 |
| Retained earnings | 12 | <u>36,714</u> | <u>42,676</u> |
| Total equity | | <u>48,319</u> | <u>54,280</u> |
| Non-current liabilities | | | |
| Loans and borrowings | 11 | - | 591,273 |
| Current liabilities | | | |
| Trade and other payables | 9 | 73,804 | 39,566 |
| Loans and borrowings | | <u>595,727</u> | <u>-</u> |
| | | <u>669,531</u> | <u>39,566</u> |
| Total liabilities | | <u>669,531</u> | <u>630,839</u> |
| Total equity and liabilities | | <u>717,850</u> | <u>685,119</u> |

The official closing middle rate of exchange applicable between the EUR and the SEK issued by the European Central Bank as at 31 December 2023 was EUR 1: SEK 11.457 (31 December 2022: EUR 1: SEK 11.1218).

29 April 2024 | 4:34 PM BST

Approved by the Board on and signed on its behalf by:

DocuSigned by:
John Borg
.....FCE0043E622945G.....

John Borg
Director

DocuSigned by:
Edward Camilleri
.....1B3437ED29FA4A7.....

Edward Camilleri
Director

The notes on pages 13 to 26 form an integral part of these financial statements.

Dooba Finance AB (publ)

Statement of changes in equity for the year ended 31 December 2023

| | Share capital SEK 000 | Other contribution SEK 000 | Retained earnings SEK 000 | Total SEK 000 |
|---------------------|--------------------------|----------------------------------|---------------------------------|------------------|
| At 1 January 2023 | 500 | 11,105 | 42,676 | 54,280 |
| Loss for the year | - | - | (5,961) | (5,961) |
| At 31 December 2023 | <u>500</u> | <u>11,105</u> | <u>36,714</u> | <u>48,319</u> |

| | Share capital SEK 000 | Other contribution SEK 000 | Retained earnings SEK 000 | Total SEK 000 |
|---------------------|--------------------------|----------------------------------|---------------------------------|------------------|
| At 1 January 2022 | 500 | 11,105 | 36,631 | 48,236 |
| Profit for the year | - | - | 6,044 | 6,044 |
| At 31 December 2022 | <u>500</u> | <u>11,105</u> | <u>42,676</u> | <u>54,280</u> |

Dooba Finance AB (publ)

Statement of cash flows for the year ended 31 December 2023

| | Note | 2023 SEK 000 | 2022 SEK 000 |
|---|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| (Loss)/profit for the year | | (5,961) | 6,044 |
| Adjustments to cash flows from non-cash items | | | |
| Finance costs | 5 | <u>49,511</u> | <u>49,550</u> |
| | | 43,550 | 55,594 |
| Working capital adjustments | | | |
| Increase in trade and other receivables | 8 | (32,870) | (35,252) |
| Increase in trade and other payables | 9 | <u>34,282</u> | <u>17,321</u> |
| Net cash flow from operating activities | | <u>44,962</u> | <u>37,663</u> |
| Cash flows from financing activities | | | |
| Interest paid | 5 | (44,842) | (45,093) |
| Refinance costs | | <u>(259)</u> | <u>(354)</u> |
| Net cash used in financing activities | | <u>(45,101)</u> | <u>(45,447)</u> |
| Net decrease in cash and cash equivalents | | (139) | (7,784) |
| Cash and cash equivalents at 1 January | | <u>22,489</u> | <u>30,273</u> |
| Cash and cash equivalents at 31 December | | <u><u>22,349</u></u> | <u><u>22,489</u></u> |

The notes on pages 13 to 26 form an integral part of these financial statements.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023

1 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the 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 ("adapted IFRSs"), and are in accordance with IFRS issued by the IASB. These financial statements have been prepared on a historical cost basis.

The reporting currency used for the preparation of the financial statements is the Swedish Krona, which is the company's presentation currency as required by the Maltese Companies Act, 1995, since the share capital of the company is denominated in Swedish Krona. The presentation currency differs from the currency of Malta which is the country in which the company has its tax residence. The presentation currency differs from the company's functional currency, i.e. Sterling, which is the currency of the primary economic environment in which the company operates. Accordingly, the company has translated its results and financial position, as measured in the company's functional currency, into the presentation currency for the purposes of these financial statements.

The ultimate parent company of Dooba Finance AB (publ) is Dooba Holdings Limited. The ultimate parent company prepares consolidated financial statements in accordance with adapted IFRSs and with the requirements of the Maltese Companies' Act, 1995. Dooba Finance AB (publ) is a fully owned subsidiary.

New standards, interpretations and amendments effective for the current year

During the year, the Group adopted the amendments to IAS 8, IAS 1, IAS 12 and IFRS 17. 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 IAS 7, IAS 12, IAS 21 and IFRS 7 but these are not expected to have a material effect on the operations of the Group.

The ISSB has also issued new standards IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The Group acknowledges the issue of these new standards by the International Sustainability Standards Board's (ISSB) will monitor the consultation and decision process being undertaken by the EU endorsement board in determining how these standards are implemented by relevant companies.

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.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

1 Accounting policies (continued)

Registration

The company was registered on 25 November 2016 in Sweden. With effect from 2 November 2017, it established a place of business within Malta and was registered as an oversea company in Malta.

Going Concern

At 31 December 2023, the company had net current assets of SEK 48,319 which primarily arose from amounts due from fellow group undertakings.

Dooba Holdings Limited, the ultimate parent company, has indicated its present intention to provide the necessary level of financial support to enable the company to satisfy its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of approving these financial statements. As such, the directors have adopted the going concern basis of accounting in preparing these financial statements of the company.

However, in making this assessment the directors are mindful that Dooba Holdings Limited has highlighted in its own group financial statements for the year ended 31 December 2023 the following:

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 2023. The Group's going concern assessment is dependent on a number of factors, including performance of rental collections, rising interest rates, 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 reverse stress testing of the Group's forecasts over the next 12 months of the 5 year rolling cash flow forecast, which indicates that minimum rent collections of 60.2% are required to maintain sufficient liquid cash reserves. Throughout this downside scenario the Group has sufficient liquid cash reserves to meet all committed contractual obligations over the assessment period being 12 months from the date of approval of these financial statements.

Management review the status of rent collections on a daily basis, and the directors receive updates on the status of rent collections for the quarter and regularly assess the credit worthiness of tenants, working on a case-by-case basis to rectify any potential issues.

Given the average collections for the Group during the last 12 months have averaged 97%, a minimum of 60% is considered more than likely to be achieved for the next 12 months.

The impact of a reduction in rental collections has also been applied to the Group's debt serviceability covenants. Based on the covenant forecast for the next 12 months, the minimum level of rent collections that would result in breaches of the Group's interest service covenants and debt service covenants is 96% and 92.8% respectively at the April 2024 interest payment date for both the RBS facilities. Whilst it is considered possible that the actual level of rental collections could fall below the minimum required level, given the Group's average rental collections for the year ended 31 December 2023 were 97%, which would indicate that there is headroom of 1% on the RBS covenants, it is not expected that a breach of third-party debt serviceability covenants will occur.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

1 Accounting policies (continued)

Going Concern (continued)

The Group also has obligations under its facility agreement to maintain the debt secured by its investment and trading properties at a level that is below an agreed loan-to-value percentage. Based on the covenant forecast for the next 12 months, the maximum reduction in investment and trading property values that could be suffered before the Group breaches its loan to value covenants is 17%. A decrease in property values is a possibility, but at this stage is not expected given the year end valuations recorded by the Group. The directors have reviewed the Group's borrowing levels against its investment and trading property valuations and are satisfied that a drop of 17%, linked to a severe adverse impact, is considered to be highly unlikely.

In the event of a covenant breach there are cures available under the facility agreements or a waiver would be negotiated. Previous discussions with the Group's lenders surrounding potential breaches have established the expectation that if the Group continues to make interest and capital repayments as and when they are due, then no adverse action is expected to be taken. Given the minimum rental collections of 60% required to meet the Group's contractual obligations there are no issues forecast with respect to the payment of future interest and capital payments.

The Group has four existing debt facilities totalling £82.7m falling due within the next 12 months. Advanced discussions are underway to refinance three of these facilities totalling £36.3m and terms have been provided by the respective lenders which are considered acceptable by the Directors. Early stage discussions are underway to refinance the remaining facility totalling £46.4m and falling due in October 2024. The Directors consider the refinance risk to be low and are confident that new facilities will be in place prior to the expiry of each of the current facilities, however it is acknowledged that at the date of approval of these financial statements there is no certainty that the refinancing of these facilities will successfully concluded ahead of their expiry.

Based on the analysis and stress testing undertaken the directors believe that it remains appropriate to prepare the financial statements on a going concern basis, which assumes that the Group will continue to meet its liabilities, as they fall due, for the foreseeable future, acknowledging that a material uncertainty exists over the Group's ability to successfully refinance the three facility falling due during the going concern period which may cast doubt over the Group's ability to continue as a going concern and therefore its ability to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the Group were unable to continue as a going concern.

The company is in early stage discussions to refinance its existing SEK600m of unsecured bonds. The Directors consider the refinance risk to be low and are confident that a new financing will be in place prior to the expiry of the current unsecured bond. The company may look to rely on the financial support pledged by the ultimate parent company, Dooba Holdings Limited should this be required however the Directors acknowledge that at the date of the approval of these financial statements there is no certainty that the refinancing of the unsecured bond will successfully conclude ahead of its expiry, or that Dooba Holdings Limited will be able to provide the necessary level of financial support to the company. These together represent a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern and therefore its ability to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

1 Accounting policies (continued)

Foreign currency transactions and balances

a) Functional and presentation currency

The company's financial results and financial position are measured in the functional currency, British pound sterling. Accordingly, items included in the financial statements are measured using the currency of the primary economic environment in which the company operates. The accounts are presented in Swedish Krona.

b) Transactions and balances

Transactions denominated in foreign currencies (currencies other than the functional currency) are translated to the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax

Deferred income tax is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets are recognised only to the extent that future taxable profit will be available such that realisation of the related tax benefit is probable.

Financial assets and liabilities

The Company classifies its financial assets into the categories listed below, depending on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Company's accounting policy for each category is as follows:

Loan and receivables

The Company's loans receivables comprise trade and other receivables (including amounts owed by group undertakings) and cash and cash equivalents in the statement of financial position. Receivables are carried at anticipated realisable value. Trade and other receivables (including amounts owed by group undertakings) are measured at amortised cost using the effective interest method, less any impairment. Impairment is calculated using an expected credit loss model.

Cash and cash equivalent

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and for the purpose of the statement of cash flows, bank overdrafts. Cash and cash equivalents are carried in the statement of financial position at face value.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

1 Accounting policies (continued)

Other financial liabilities

Other financial liabilities include trade payables and other short term monetary liabilities and bond loans.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables and other short-term monetary liabilities are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Bank loans are initially recognised at fair value net of any transaction costs directly attributable to the instrument. Subsequently, bank loans are carried at amortised cost. Transaction costs are amortised over the life of the loan and charged to the income statement as part of the Group's finance costs. Interest expense in this context includes initial transaction costs as well as any interest payable while the liability is outstanding.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the most appropriate application in applying the company's accounting policies.

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The directors do not consider that there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Application of IFRS 9 to the consideration of impairment of related party loans

In applying IFRS 9 to related party loan receivables, the ultimate parent company has provided a continuing letter of support outlining its expected intention to support any related party loans across the group. This is reliant on the group having the ability to release sufficient liquid assets enabling timely repayment of related party loans in the event of the loan being called. In determining the ability to realise sufficient liquid assets within the group, the directors have used certain estimates and judgements in a variety of scenarios to calculate the present value of the future expected cash flows in the event a managed programme of realising the group's property assets occurs. Under each of the scenarios reviewed by the directors sufficient liquid assets are able to be realised to enable timely repayment of related party loans and therefore no impairment has been recognised.

3 Financial Instruments

The company is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises are as follows:

- Trade and other receivables
- Cash at bank
- Trade and other payables
- Loans and borrowings

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

3 Financial Instruments (continued)

A summary of the financial instruments held by category is provided below:

Financial assets

| | Financial assets at amortised cost | |
|--|---|-------------------------|
| | 31 December 2023 | 31 December 2022 |
| | SEK 000 | SEK 000 |
| Trade and other receivables- <i>maturity within one year</i> | 695,500 | 662,630 |
| Cash and cash equivalents- <i>maturity within one year</i> | 22,349 | 22,489 |
| | <u>717,850</u> | <u>685,119</u> |

Financial liabilities

| | Financial liabilities at amortised cost | |
|---|--|-------------------------|
| | 31 December 2023 | 31 December 2022 |
| | SEK | SEK |
| Trade and other payables- <i>maturity within one year</i> | (73,804) | (39,566) |
| Unsecured notes - <i>maturity beyond one year</i> | - | (591,273) |
| Unsecured notes - <i>maturity within one year</i> | (595,727) | - |
| | <u>(669,531)</u> | <u>(630,839)</u> |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

3 Financial Instruments (continued)

The directors have overall responsibility for the determination of the company's risk management objectives and policies. The directors receive quarterly reports through which they review the effectiveness of the processes put in place and the appropriateness of the objectives and policies they set.

The overall objective of the directors is to set policies that seek to reduce risks as far as possible without unduly affecting the company's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Credit risk

The company's exposure to credit risk arises from the potential financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. It relates principally to the company's receivables from group undertakings.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The company aims to maintain flexibility in funding by keeping committed credit lines available.

The company's liquidity position is monitored on a daily basis. The liquidity position is reviewed quarterly by the directors.

The investor loans advanced to the company have no fixed repayment date and no interest payment obligation.

The directors of the company monitors the overall capital needs of the company on an ongoing basis and formally on a quarterly basis, the equity, debt and overall capital position of the company as a whole.

4 Administrative expenses

| | 2023 | 2022 |
|-----------------------------|----------------|----------------|
| | SEK 000 | SEK 000 |
| Legal and professional fees | 727 | 1,089 |
| | 727 | 1,089 |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

5 Finance income and finance costs

| | 2023 SEK 000 | 2022 SEK 000 |
|--------------------------------------|-----------------|-----------------|
| Finance income | | |
| Currency exchange gain/loss | 8,345 | 20,093 |
| Interest on loans to related parties | 32,268 | 33,164 |
| Other finance income | 3,664 | 3,426 |
| Total finance income | 44,277 | 56,683 |
| Finance costs | | |
| Interest on unsecured borrowings | (44,791) | (45,081) |
| Other finance costs | (4,720) | (4,470) |
| Total finance costs | (49,511) | (49,550) |
| Net finance (costs)/income | (5,234) | 7,133 |

6 Staff costs

The company had no employees during the current year and preceding year.

7 Directors' remuneration

The directors received no emoluments from the company in respect of the current year or preceding year.

8 Trade and other receivables

Amounts falling due within one year:

| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|--|--------------------------------|--------------------------------|
| Loans to related parties | 634,127 | 624,639 |
| Other debtors- related party recharges | 61,373 | 37,991 |
| Total financial assets other than cash and cash equivalents classified as loans and receivables | 695,500 | 662,630 |
| Total current trade and other receivables | 695,500 | 662,630 |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

8 Trade and other receivables (continued)

Fair value approximates to book value at 31 December 2023 and 2022 as credit risk has been addressed as part of the impairment provisioning. In note 2 the directors have considered the credit risk of the related party loans and as such, no further provision for credit risk is required.

Further details of the company's loans to related parties are given in note 13.

9 Trade and other payables

| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|--|--------------------------------|--------------------------------|
| Trade payables | 177 | 227 |
| Accrued expenses | 7,952 | 8,004 |
| Amounts due to related parties | 65,676 | 31,334 |
| Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost | <u>73,804</u> | <u>39,566</u> |
| Total trade and other payables | <u>73,804</u> | <u>39,566</u> |

Due to the short term nature of the payables, they are not subject to ongoing fluctuations in market rates, and so the fair value approximates to book value at 31 December 2023 and 2022.

Maturity analysis of the financial liabilities classified as financial liabilities measured at amortised cost is as follows (the amounts shown are undiscounted and represent the contractual cash flows):

| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|----------------|--------------------------------|--------------------------------|
| Up to 3 months | <u>73,804</u> | <u>39,566</u> |

10 Share capital

Allotted, called up and fully paid shares

| | 31 December 2023 | | 31 December 2022 | |
|------------------------------|---------------------|----------------|---------------------|----------------|
| | No. | SEK | No. | SEK |
| Ordinary shares of SEK1 each | <u>500,000</u> | <u>500,000</u> | <u>500,000</u> | <u>500,000</u> |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

11 Loans and borrowings

| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|---|---|---|
| Current loans and borrowings | | |
| Unsecured notes | <u>595,727</u> | <u>-</u> |
| | | |
| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
| Non-current loans and borrowings | | |
| Unsecured notes | <u>-</u> | <u>591,273</u> |

The SEK bonds are listed on the Frankfurt open market and the Nasdaq Stockholm. The Company has issued SEK600m of senior unsecured bonds which are shown net of directly attributable costs. The bonds expire in October 2024, are repayable in full on the expiry date and carry a fixed coupon of 7.50%.

12 Reserves

| Reserves | Description and purpose |
|----------------------|---|
| Retained earnings | Cumulative net gains and losses recognised in the statement of comprehensive income |
| Capital contribution | Non-refundable contribution made by sole shareholder |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

13 Related party transactions

Entities forming part of the group headed by Dooba Holdings Limited, the parent company of the company, are considered by the members to be related parties.

Transactions with related parties are entered into on a regular basis as a result of normal commercial transactions. The following significant transactions were carried out by the company with related parties during the current period:

| | Interest payable (to)/receivable from related parties during the period ended | | Amounts owed (to)/from related parties as at | |
|--|--|---|---|---|
| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
| Excellenta Company Limited (incorporated in Malta) | - | 3,321 | 124,446 | 119,117 |
| Dooba Holdings Limited (incorporated in Jersey) | - | 1,438 | 5,197 | 5,121 |
| Dooba Finance (UK) Limited (incorporated in England and Wales) | 23,533 | 21,207 | 178,764 | 221,190 |
| Dooba Properties Limited (incorporated in Jersey) | 8,635 | 7,496 | 163,477 | 152,818 |
| Dooba Investments Limited (incorporated in Jersey) | 100 | 88 | 97,108 | 95,591 |
| Dooba Investments (Jersey) Limited (incorporated in Jersey) | - | - | 991 | 976 |
| Dooba Properties 1 Limited (incorporated in England and Wales) | - | - | (1,532) | (1,510) |
| | <u>32,268</u> | <u>33,551</u> | <u>568,451</u> | <u>593,305</u> |

Dooba Holdings Limited is the parent company of Dooba Finance AB (publ). Dooba Investments Limited, Dooba Properties Limited, Excellenta Company Limited, Dooba Finance (UK) Limited, and Dooba Investments (Jersey) Limited all form part of the group headed by Dooba Holdings Limited.

The amounts due from Dooba Holdings Limited, Dooba Properties Limited and Dooba Investments Limited were subject to interest of 5%. The amounts due from Excellenta Company Limited and Dooba Finance (UK) Limited were subject to interest rates of 8% and 10.25% respectively. The amounts due from Dooba Investments (Jersey) Limited were not subject to interest.

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

14 Cash and cash equivalents

| | 31 December 2023 SEK 000 | 31 December 2022 SEK 000 |
|--------------------------|---|---|
| Cash available on demand | 22,349 | 22,489 |

Reconciliation of cash flows from financing liabilities:

| | Loans and borrowings SEK 000 | Bond interest accrued SEK 000 | Total SEK 000 |
|---|---|--|--------------------------|
| At 1 January 2023 | 591,273 | 10,063 | 601,336 |
| Interest and finance costs paid | - | (44,842) | (44,842) |
| Non-cash flows: | | | |
| Interest charged through the income statement | - | 44,791 | 44,791 |
| Amortisation of loan issue costs | 4,454 | - | 4,454 |
| At 31 December 2023 | 595,727 | 10,012 | 605,739 |

| | Loans and borrowings SEK 000 | Bond interest accrued SEK 000 | Total SEK 000 |
|---|---|--|--------------------------|
| At 1 January 2022 | 587,171 | 7,957 | 595,128 |
| Interest and finance costs paid | (355) | (42,975) | (43,330) |
| Non-cash flows: | | | |
| Interest charged through the income statement | - | 45,081 | 45,081 |
| Amortisation of loan issue costs | 4,457 | - | 4,457 |
| At 31 December 2022 | 591,273 | 10,063 | 601,336 |

Dooba Finance AB (publ)

Notes to the financial statements for the Year Ended 31 December 2023 (continued)

15 Statutory information

Dooba Finance AB (publ) is a company incorporated in Sweden with an established place of business in Malta. The immediate parent company is Dooba Holdings Limited, a company incorporated in Jersey.

The smallest and largest group for which consolidated financial statements are publicly available is the group headed by Dooba Holdings Limited. Copies of the consolidated financial statements of Dooba Holdings Limited are available by writing to Dooba Holdings Limited at Sloane Square House, 1 Holbein Place, London, United Kingdom, SW1W 8NS.

The ultimate controlling party as at 31 December 2023 was JTC Trust Company Limited, as trustee of Dooba Settlement, a life interest trust.