

SKOV INVEST. GLYNGØRE ApS

Hedelund 4, DK-7870 Roslev
CVR no. 17 26 83 84

Annual report for 2021

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 18.05.22

Henning Jensen
Dirigent



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The company

SKOV INVEST. GLYNGØRE ApS
Hedelund 4
DK-7870 Roslev
Registered office: Glyngøre
CVR no.: 17 26 83 84
Financial year: 01.01 - 31.12

Executive Board

Executive Officer Henning Jensen

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab
Reservevej 81
Postboks 19
DK-7800 Skive

Bank

Danske Bank A/S
Dalgasgade 27
DK-7400 Herning

Lawyer

Gorrissen Federspiel
Silkeborgvej 2
DK-8000 Aarhus C

Statement by the Executive Board on the annual report

I have on this day presented the annual report for the financial year 01.01.21 - 31.12.21 for SKOV INVEST. GLYNGØRE ApS.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In my opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.21 and of the results of the company's activities for the financial year 01.01.21 - 31.12.21.

The annual report is submitted for adoption by the general meeting.

Glyngøre, May 18, 2022

Executive Board

Henning Jensen
Executive Officer

To the capital owner of SKOV INVEST. GLYNGØRE ApS**Opinion**

We have audited the financial statements of SKOV INVEST. GLYNGØRE ApS for the financial year 01.01.21 - 31.12.21, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.21 and of the results of the company's operations for the financial year 01.01.21 - 31.12.21 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, 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.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the Management determines 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, management is 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 in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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 International Standards on Auditing and the additional requirements applicable in Denmark 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 conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 in preparing the financial statements 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, 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.

Skive, May 18, 2022

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Allan Aakmann Christensen
State Authorized Public Accountant
MNE-no. mne35463

Martin Olesen Furbo
State Authorized Public Accountant
MNE-no. mne32204

Income statement

Note	2021 DKK	2020 DKK
Gross profit	8,389,120	8,535,877
Depreciation and impairments losses of property, plant and equipment	-7,996,489	-4,137,164
Operating profit	392,631	4,398,713
2 Income from equity investments in group enterprises	386,570	159,830
3 Financial income	1,524,604	211,376
4 Financial expenses	-529,380	-607,660
Profit before tax	1,774,425	4,162,259
Tax on profit for the year	-305,284	-880,620
Profit for the year	1,469,141	3,281,639
Proposed appropriation account		
Reserve for net revaluation according to the equity method	386,570	159,830
Retained earnings	1,082,571	3,121,809
Total	1,469,141	3,281,639

ASSETS		31.12.21	31.12.20
		DKK	DKK
Note			
	Land and buildings	58,789,085	46,763,771
5	Total property, plant and equipment	58,789,085	46,763,771
6	Equity investments in group enterprises	9,546,574	8,451,505
	Receivables from group enterprises	12,279,881	12,555,965
	Total investments	21,826,455	21,007,470
	Total non-current assets	80,615,540	67,771,241
	Receivables from group enterprises	385,280	448,554
	Deferred tax asset	2,068,865	978,290
	Income tax receivable	0	220,924
	Other receivables	2,956,826	0
	Total receivables	5,410,971	1,647,768
	Other investments	193,456	202,147
	Total securities and equity investments	193,456	202,147
	Cash	4,933,703	4,176,914
	Total current assets	10,538,130	6,026,829
	Total assets	91,153,670	73,798,070

EQUITY AND LIABILITIES		31.12.21	31.12.20
		DKK	DKK
Note			
	Share capital	1,000,000	1,000,000
	Reserve for net revaluation according to the equity method	1,178,424	83,355
	Retained earnings	35,152,254	34,069,683
	Total equity	37,330,678	35,153,038
7	Payables to group enterprises	25,024,923	28,979,647
7	Other payables	17,000,000	0
	Total long-term payables	42,024,923	28,979,647
7	Short-term part of long-term payables	3,954,724	4,151,224
	Trade payables	10,000	10,000
	Income taxes	505,095	0
	Other payables	7,328,250	5,504,161
	Total short-term payables	11,798,069	9,665,385
	Total payables	53,822,992	38,645,032
	Total equity and liabilities	91,153,670	73,798,070
8	Contingent liabilities		

Statement of changes in equity

Figures in DKK	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Total equity
Statement of changes in equity for 01.01.21 - 31.12.21				
Balance as at 01.01.21	1,000,000	83,355	34,069,683	35,153,038
Foreign currency translation adjustment of foreign enterprises	0	708,499	0	708,499
Net profit/loss for the year	0	386,570	1,082,571	1,469,141
Balance as at 31.12.21	1,000,000	1,178,424	35,152,254	37,330,678

1. Primary activities

The company lets out real property.

	2021	2020
	DKK	DKK

2. Income from equity investments in group enterprises

Share of profit or loss of group enterprises	386,570	159,830
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3. Financial income

Interest, group enterprises	439,841	209,149
Other financial income	1,084,763	2,227
Total	1,524,604	211,376

4. Financial expenses

Interest, group enterprises	493,139	473,656
Other financial expenses	36,241	134,004
Total	529,380	607,660

5. Property, plant and equipment

Figures in DKK	Land and buildings
Cost as at 01.01.21	84,517,312
Additions during the year	20,141,301
Disposals during the year	-4,644,791
Cost as at 31.12.21	100,013,822
Depreciation and impairment losses as at 01.01.21	-37,753,541
Depreciation during the year	-7,996,489
Reversal of impairment losses in respect of previous years	4,525,293
Depreciation and impairment losses as at 31.12.21	-41,224,737
Carrying amount as at 31.12.21	58,789,085

6. Equity investments in group enterprises

Figures in DKK	Equity invest- ments in group enterprises
Cost as at 01.01.21	8,368,150
Cost as at 31.12.21	8,368,150
Revaluations as at 01.01.21	83,355
Foreign currency translation adjustment of foreign enterprises	708,499
Net profit/loss from equity investments	386,570
Revaluations as at 31.12.21	1,178,424
Carrying amount as at 31.12.21	9,546,574
Name and registered office:	Ownership interest
Subsidiaries:	
SKOV Invest Canada Inc, Canada	100%

7. Long-term payables

Figures in DKK	Repayment	Outstanding debt after 5 years	Total payables at 31.12.21	Total payables at 31.12.20
Payables to group enterprises	3,954,724	0	28,979,647	33,130,871
Other payables	0	0	17,000,000	0
Total	3,954,724	0	45,979,647	33,130,871

8. Contingent liabilities

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total known tax liability for the jointly taxed companies is DKK 758.182 at the balance sheet date, of which DKK 505.095 is recognised in the balance sheet. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

9. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B.

The accounting policies have been applied consistently with previous years.

In accordance with section 110 of the Danish Financial Statements Act (*Årsregnskabsloven*), the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

9. Accounting policies - continued -**INCOME STATEMENT****Gross profit**

Gross profit comprises rental income and other external expenses.

Rental income

Income from the rental of properties is recognised in the income statement for the relevant period. Rental income is measured at fair value and determined exclusive of VAT and discounts.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value DKK
Buildings	20	0

Land is not depreciated.

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

9. Accounting policies - continued -**Income from equity investments in group enterprises**

For equity investments in equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies, gains and losses on other securities and equity investments etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

9. Accounting policies - continued -

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise land and buildings.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a measurement method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

For equity investments measured according to the equity method, the proportionate share of

9. Accounting policies - continued -

the equity investments' equity value is determined according to the accounting policies of the parent, stated in the other sections.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Other investments

Other equity investments are measured at fair value in the balance sheet. For equity

9. Accounting policies - continued -

investments that are traded in an active market, fair value is equivalent to the market value at the balance sheet date. Other equity investments for which fair value cannot be determined reliably are measured at cost.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Unrealised gains and losses on financial instruments classified as and meeting the criteria for hedging of future cash flows (cash flow hedging) are recognised in equity under the cash flow hedging reserve. The reserve is measured less deferred tax. The reserve is dissolved when the hedged transaction occurs, or it is no longer expected to occur.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax

9. Accounting policies - continued -

is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.