

Anelystparken Holding A/S

Anelystparken 16
8381 Tilst
CVR No. 26941644

Annual report 2023

The Annual General Meeting adopted the annual report on 27.06.2024

Kim Gravesen

Chairman of the General Meeting

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Entity details

Entity

Anelystparken Holding A/S

Anelystparken 16

8381 Tilst

Business Registration No.: 26941644

Registered office: Aarhus

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Mads Bilenberg Jørgensen

Johannes Thomas Harter

Bernd Georg Burkhard Baus

Executive Board

Kim Michél Gravesen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Anelystparken Holding A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 30.04.2024

Executive Board

Kim Michél Gravesen

Board of Directors

Mads Bilenberg Jørgensen

Johannes Thomas Harter

Bernd Georg Burkhard Baus

Independent auditor's report

To the shareholder of Anelystparken Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Anelystparken Holding A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 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 consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 30.04.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Morten Almtoft Lund

State Authorised Public Accountant
Identification No (MNE) mne41365

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	198,276	197,131	192,033	191,100	170,088
Gross profit/loss	180,115	181,208	175,793	175,715	154,067
Operating profit/loss	136,152	138,760	132,906	132,601	115,341
Net financials	(9,646)	(14,791)	(604)	(39,329)	(17,213)
Profit/loss for the year	98,849	96,951	103,511	72,613	76,187
Balance sheet total	1,628,259	1,587,677	1,509,967	1,397,461	1,371,945
Investments in property, plant and equipment	13,066	64,906	116,132	3,059	203,474
Equity	1,074,874	975,272	879,948	773,628	709,789
Ratios					
Gross margin (%)	90.84	91.92	91.54	91.95	90.58
Net margin (%)	49.85	49.18	53.90	38.00	44.79
Return on equity (%)	9.64	10.45	12.52	9.79	11.33
Equity ratio (%)	66.01	61.43	58.28	55.36	51.74

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Revenue

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Revenue

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Balance sheet total

Primary activities

The group's activity is to rent out construction warehouses to BAUHAUS in Denmark and on Iceland.

Development in activities and finances

The group's development has followed the expected line.

Profit/loss for the year in relation to expected developments

The development in the group's operating profit is as expected.

Outlook

The group management expects that the year 2024 will show operating profit on par with 2023.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue		198,276	197,131
Other operating income		0	673
Other external expenses		(18,161)	(16,593)
Property costs		0	(3)
Gross profit/loss		180,115	181,208
Depreciation, amortisation and impairment losses	2	(43,963)	(42,448)
Operating profit/loss		136,152	138,760
Other financial income	3	7,403	1,012
Other financial expenses	4	(17,049)	(15,803)
Profit/loss before tax		126,506	123,969
Tax on profit/loss for the year	5	(27,657)	(27,018)
Profit/loss for the year	6	98,849	96,951

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Land and buildings		1,340,607	1,371,793
Property, plant and equipment in progress		4,635	2,204
Property, plant and equipment	7	1,345,242	1,373,997
Fixed assets		1,345,242	1,373,997
Trade receivables		0	141
Other receivables		2,160	8,958
Receivables		2,160	9,099
Cash		280,857	204,581
Current assets		283,017	213,680
Assets		1,628,259	1,587,677

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital	8	10,000	10,000
Translation reserve		(6,833)	(7,586)
Retained earnings		1,071,707	972,858
Equity		1,074,874	975,272
Deferred tax	9	46,103	43,970
Provisions		46,103	43,970
Mortgage debt		272,009	295,559
Non-current liabilities other than provisions	10	272,009	295,559
Current portion of non-current liabilities other than provisions	10	23,718	23,529
Deposits		964	848
Trade payables		1,883	1,538
Payables to group enterprises		176,915	211,776
Tax payable		2,874	1,336
Joint taxation contribution payable		22,771	23,164
Other payables		6,148	10,685
Current liabilities other than provisions		235,273	272,876
Liabilities other than provisions		507,282	568,435
Equity and liabilities		1,628,259	1,587,677
Events after the balance sheet date	1		
Employees	12		
Assets charged and collateral	13		
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Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10,000	(7,586)	972,858	975,272
Exchange rate adjustments	0	753	0	753
Profit/loss for the year	0	0	98,849	98,849
Equity end of year	10,000	(6,833)	1,071,707	1,074,874

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		136,152	138,760
Amortisation, depreciation and impairment losses		43,963	42,447
Working capital changes	11	(28,271)	5,176
Cash flow from ordinary operating activities		151,844	186,383
Financial income received		7,403	1,012
Financial expenses paid		(17,049)	(11,022)
Taxes refunded/(paid)		(26,512)	(22,411)
Cash flows from operating activities		115,686	153,962
Acquisition etc. of property, plant and equipment		(16,048)	(64,907)
Cash flows from investing activities		(16,048)	(64,907)
Free cash flows generated from operations and investments before financing		99,638	89,055
Repayments of loans etc.		(23,362)	(23,830)
Cash flows from financing activities		(23,362)	(23,830)
Increase/decrease in cash and cash equivalents		76,276	65,225
Cash and cash equivalents beginning of year		204,581	140,632
Currency translation adjustments of cash and cash equivalents		-	(1,276)
Cash and cash equivalents end of year		280,857	204,581
Cash and cash equivalents at year-end are composed of:			
Cash		280,857	204,581
Cash and cash equivalents end of year		280,857	204,581

Notes to consolidated financial statements

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Depreciation, amortisation and impairment losses

	2023 DKK'000	2022 DKK'000
Depreciation on property, plant and equipment	43,963	42,448
	43,963	42,448

3 Other financial income

	2023 DKK'000	2022 DKK'000
Other interest income	6,701	1,012
Exchange rate adjustments	702	0
	7,403	1,012

4 Other financial expenses

	2023 DKK'000	2022 DKK'000
Financial expenses from group enterprises	11,086	5,544
Other interest expenses	3,599	2,932
Exchange rate adjustments	0	4,780
Other financial expenses	2,364	2,547
	17,049	15,803

5 Tax on profit/loss for the year

	2023 DKK'000	2022 DKK'000
Current tax	25,632	24,503
Change in deferred tax	2,025	2,515
	27,657	27,018

6 Proposed distribution of profit/loss

	2023	2022
	DKK'000	DKK'000
Retained earnings	98,849	96,951
	98,849	96,951

7 Property, plant and equipment

	Land and buildings	Property, plant and equipment in progress
	DKK'000	DKK'000
Cost beginning of year	1,916,159	2,204
Exchange rate adjustments	2,982	0
Transfers	1,984	(1,984)
Additions	8,651	4,415
Cost end of year	1,929,776	4,635
Depreciation and impairment losses beginning of year	(544,366)	0
Exchange rate adjustments	(840)	0
Depreciation for the year	(43,963)	0
Depreciation and impairment losses end of year	(589,169)	0
Carrying amount end of year	1,340,607	4,635

8 Contributed capital

	Number	Par value	Nominal value
		DKK'000	DKK'000
Ordinary shares	9	1,000	9,000
Ordinary shares	10	100	1,000
	19		10,000

9 Deferred tax

	2023	2022
	DKK'000	DKK'000
Property, plant and equipment	47,122	44,499
Liabilities other than provisions	(506)	(537)
Tax losses carried forward	(34)	(34)
Other taxable temporary differences	(479)	42
Deferred tax	46,103	43,970

	2023	2022
Changes during the year	DKK'000	DKK'000
Beginning of year	43,970	41,734
Recognised in the income statement	2,025	2,517
Exchange rate adjustments	108	(281)
End of year	46,103	43,970

10 Non-current liabilities other than provisions

	Due within 12	Due within 12	Due after	Outstanding
	months	months	more than 12	after 5 years
	2023	2022	months	2023
	DKK'000	DKK'000	DKK'000	DKK'000
Mortgage debt	23,718	23,529	272,009	204,818
	23,718	23,529	272,009	204,818

11 Changes in working capital

	2023	2022
	DKK'000	DKK'000
Increase/decrease in receivables	6,175	3,280
Increase/decrease in trade payables etc.	(34,446)	1,896
	(28,271)	5,176

12 Employees

Average number of full-time employees is 0.

13 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

The carrying amount of mortgaged properties is 1.042.650 t.kr. as of 31.12.2023.

Bank loan is secured by way of all-moneys mortgage with a maximum of 114.500 t.kr. with collateral in the Groups properties.

Bank loan is secured by way of owner's mortgage with a maximum of 139.000 t.kr. with collateral in the Groups properties.

Bank loans of Anelystparken Holding A/S amount to 0 t.kr. as of 31.12.2023.

14 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

15 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Anelystparken Holding A/S, Anelystparken 16, Tilst.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Anelystparken Holding A/S, Anelystparken 16, Tilst.

16 Subsidiaries

	Registered in	Corporate form	Ownership %
Mønten 4 A/S	Aarhus	A/S	100.00
Risingsvej, Odense A/S	Aarhus	A/S	100.00
Vægten A/S	Aarhus	A/S	100.00
Hovedvejen, Glostrup A/S	Aarhus	A/S	100.00
Anelystparken A/S	Aarhus	A/S	100.00
Gl. Vardevej, Gjersing A/S	Aarhus	A/S	100.00
Gl. Holstedsvej A/S	Aarhus	A/S	100.00
Stenhusvej A/S	Aarhus	A/S	100.00
Ege Spur A/S	Aarhus	A/S	100.00
Industrivej Roskilde A/S	Aarhus	A/S	100.00
Julius Andersens Vej, Valby A/S	Aarhus	A/S	100.00
Turbinevej, Gladsaxe A/S	Aarhus	A/S	100.00
Augustenborg Landevej 15 A/S	Aarhus	A/S	100.00
Dandyvej 9 A/S	Aarhus	A/S	100.00
Køgevej A/S	Aarhus	A/S	100.00
Lambhagavegur fasteignafélag ehf.	Reykjavik, Island	Ehf.	100.00

Parent income statement for 2023

		2023	2022
	Notes	DKK'000	DKK'000
Gross profit/loss		(563)	(462)
Income from investments in group enterprises		89,977	94,528
Other financial income	1	27,136	3,954
Other financial expenses	2	(15,200)	(388)
Profit/loss before tax		101,350	97,632
Tax on profit/loss for the year	3	(2,502)	(683)
Profit/loss for the year	4	98,848	96,949

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		525,060	564,804
Receivables from group enterprises		130,809	139,633
Financial assets	5	655,869	704,437
Fixed assets		655,869	704,437
Receivables from group enterprises		339,193	345,545
Receivables		339,193	345,545
Cash		255,744	187,189
Current assets		594,937	532,734
Assets		1,250,806	1,237,171

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		10,000	10,000
Translation reserve		(6,830)	(7,583)
Reserve for net revaluation according to equity method		482,964	523,990
Retained earnings		588,735	448,861
Equity		1,074,869	975,268
Trade payables		82	138
Payables to group enterprises		173,353	261,082
Joint taxation contribution payable		2,502	683
Current liabilities other than provisions		175,937	261,903
Liabilities other than provisions		175,937	261,903
Equity and liabilities		1,250,806	1,237,171
Employees	6		
Contingent liabilities	7		
Assets charged and collateral	8		
Related parties with controlling interest	9		
Non-arm's length related party transactions	10		

Parent statement of changes in equity for 2023

	Contributed capital DKK'000	Translation reserve DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10,000	(7,583)	523,990	448,861	975,268
Exchange rate adjustments	0	753	0	0	753
Dividends from group enterprises	0	0	(131,000)	131,000	0
Profit/loss for the year	0	0	89,974	8,874	98,848
Equity end of year	10,000	(6,830)	482,964	588,735	1,074,869

Notes to parent financial statements

1 Other financial income

	2023	2022
	DKK'000	DKK'000
Financial income from group enterprises	22,140	3,745
Other interest income	4,996	209
	27,136	3,954

2 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	14,904	218
Other interest expenses	0	152
Exchange rate adjustments	296	18
	15,200	388

3 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	2,502	683
	2,502	683

4 Proposed distribution of profit and loss

	2023	2022
	DKK'000	DKK'000
Retained earnings	98,848	96,949
	98,848	96,949

5 Financial assets

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000
Cost beginning of year	48,400	139,633
Disposals	0	(8,824)
Cost end of year	48,400	130,809
Revaluations beginning of year	516,404	0
Exchange rate adjustments	753	0
Share of profit/loss for the year	89,977	0
Dividend	(131,000)	0
Investments with negative equity value depreciated over receivables	526	0
Revaluations end of year	476,660	0
Carrying amount end of year	525,060	130,809

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Employees

Average number of full-time employees is 0.

7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where BAUHAUS Danmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Assets charged and collateral

Bank loan is secured by way of all-moneys mortgage with a maximum of 114,500 t.kr. with collateral in the subsidiaries properties.

Bank loan is secured by way of owner's mortgage with a maximum of 139,000 t.kr. with collateral in subsidiaries properties.

The carrying amount of mortgaged properties in subsidiaries amount to 1.042.650 t.kr. as of 31.12.2023.

9 Related parties with controlling interest

Demp Real Estate BV, Nederland, owns all shares in the Entity, thus exercising control.

10 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Reclassification

A classification change has been made in the presentation of debt to group enterprises, which is now in both current year and comparison year presented as short term debt compared to previously presented as long-term debt.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Income statement

Gross profit or loss

Gross profit or loss comprises of rental income from the Group's properties, other operating income and other external expenses.

Revenue

Revenue comprises rental income from the Groups's properties.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of property, plant and equipment.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated

among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	25-33 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of

assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.