

Lineage Avedore ApS

Jellingvej 5
DK-9000 Aalborg

CVR no. 27 45 16 83

Annual report 2020

The annual report was presented and approved at the
Company's annual general meeting on

8 July 2021

Jason Eugene Burnett
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Lineage Avedore ApS for the financial year 1 January – 31 December 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Svenstrup, 8 July 2021
Executive Board:

Duco Robert Gijsbert Buijze

Board of Directors:

Jason Eugene Burnett
Chairman

Michael Joseph McClendon

Duco Robert Gijsbert Buijze

Independent auditor's report

To the shareholder of Lineage Avedore ApS

Opinion

We have audited the financial statements of Lineage Avedore ApS for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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 as to 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 and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these 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 company 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.

Independent auditor's report

- 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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 Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aalborg, 8 July 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Lineage Avedore ApS
Annual report 2020
CVR no. 27 45 16 83

Management's review

Company details

Lineage Avedore ApS
Jellingvej 5
9000 Aalborg

CVR no.:	27 45 16 83
Established:	20 November 2003
Registered office:	Aalborg
Financial year:	1 January – 31 December

Board of Directors

Jason Eugene Burnett, Chairman
Michael Joseph McClendon
Duco Robert Gijsbert Buijze

Executive Board

Duco Robert Gijsbert Buijze

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's principal activity is rental of property. The property is located in Avedøre.

Development in activities and financial position

The Company's income statement for 2020 shows a profit of DKK 5,742 thousand as against a profit of DKK 5,869 thousand in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 40,585 thousand as against DKK 58,343 thousand at 31 December 2019.

Events after the balance sheet date

No events have occurred after the balance sheet date with a significant impact on the annual report.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2020	2019
Revenue		9,683	8,598
Other external costs		<u>-377</u>	<u>-113</u>
Gross profit		9,306	8,485
Depreciation, amortisation and impairment losses		<u>-1,851</u>	<u>-1,870</u>
Profit before financial income and expenses		7,455	6,615
Financial income	2	0	1,408
Financial expenses	3	<u>0</u>	<u>-497</u>
Profit before tax		7,455	7,526
Tax on profit for the year	4	<u>-1,713</u>	<u>-1,657</u>
Profit for the year		<u>5,742</u>	<u>5,869</u>
Proposed profit appropriation			
Proposed dividends for the year		0	23,500
Retained earnings		<u>5,742</u>	<u>-17,631</u>
		<u>5,742</u>	<u>5,869</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2020	31/12 2019
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Land and buildings		41,575	43,167
Fixtures and fittings, tools and equipment		149	407
		<u>41,724</u>	<u>43,574</u>
Total fixed assets		<u>41,724</u>	<u>43,574</u>
Current assets			
Receivables			
Receivables from group entities		8,134	0
Prepayments		90	655
		<u>8,224</u>	<u>655</u>
Cash at bank and in hand		<u>1,352</u>	<u>24,908</u>
Total current assets		<u>9,576</u>	<u>25,563</u>
TOTAL ASSETS		<u><u>51,300</u></u>	<u><u>69,137</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2020	31/12 2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital		500	500
Retained earnings		40,085	34,343
Proposed dividends for the financial year		<u>0</u>	<u>23,500</u>
Total equity		<u>40,585</u>	<u>58,343</u>
Provisions			
Provisions for deferred tax		<u>3,888</u>	<u>4,048</u>
Total provisions		<u>3,888</u>	<u>4,048</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Deposits		<u>3,477</u>	<u>1,957</u>
Current liabilities other than provisions			
Trade payables		100	0
Payables to group entities		1,942	3,929
Other payables		<u>1,308</u>	<u>860</u>
		<u>3,350</u>	<u>4,789</u>
Total liabilities other than provisions		<u>6,827</u>	<u>6,746</u>
TOTAL EQUITY AND LIABILITIES		<u>51,300</u>	<u>69,137</u>
 Contractual obligations, contingencies, etc.			
Related party disclosures	6 7		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2020	500	34,343	23,500	58,343
Ordinary dividends paid	0	0	-23,500	-23,500
Profit for the year	0	5,742	0	5,742
Equity at 31 December 2020	500	40,085	0	40,585

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Lineage Avedore ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue. Revenue comprising rent, is recognised on a straight-line basis in the income statement.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	40 years
Fixtures and fittings, tools and equipment	10-15 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash comprises bank deposits.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

DKK'000	2020	2019	
2 Financial income			
Interest income from group entities	0	1,408	
	0	1,408	
3 Financial expenses			
Interest expense to group entities	0	492	
Other financial costs	0	5	
	0	497	
4 Tax on profit/loss for the year			
Current tax for the year	1,799	1,670	
Deferred tax for the year	-160	-13	
Adjustment of tax concerning previous years	74	0	
	1,713	1,657	
5 Property, plant and equipment			
	Land and buildings	Fixtures and fittings, tools and equipment	Total
DKK'000			
Cost at 1 January 2020	110,710	41,050	151,760
Cost at 31 December 2020	110,710	41,050	151,760
Depreciation and impairment losses at 1 January 2020	-67,543	-40,643	-108,186
Depreciation for the year	-1,592	-258	-1,850
Depreciation and impairment losses at 31 December 2020	-69,135	-40,901	-110,036
Carrying amount at 31 December 2020	41,575	149	41,724

Financial statements 1 January – 31 December

Notes

6 Contractual obligations, contingencies, etc.

Contingent liabilities

Lineage Avedore ApS is jointly taxed with the other Danish companies in the Group and has joint and several unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies.

7 Related party disclosures

Lineage Avedore ApS' related parties comprise the following:

Control

Lineage Denmark Holding ApS, c/o Lundsøe Køl & Frys A/S Jellingvej 5, 9230 Svenstrup J.

Lineage Denmark Holding ApS holds the majority of the contributed capital in the Company.

Lineage Avedore ApS is part of the consolidated financial statements of Lineage Dutch Cooperatief U.A., Noord-Brabant, and the consolidated financial statements of Lineage Logistics Holdings, LLC, Michigan, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.