# Stork Aarhus A/S

c/o Taurus Ejendomsadministration ApS
Skovvejen 11, st., 8000 Aarhus C

CVR no. 28 61 75 18

## Annual report

for the period 1 October 2019 - 31 December 2020

Approved at the Company's annual general meeting on 22 March 2021

Chairman:

.....................................................
Maja Hesselberg

Building a better
working world

## Contents

## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Stork Aarhus A/S for the financial year 1 October 2019 - 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 October 2019 - 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.

Aarhus, 22 March 2021
Executive Board:

Lars-Erik Mors Larsen

Board of Directors:

| | | |
|---|---|---|
| Torsten Bjerregaard<br>Chairman | Morten Sennecker Schultz | Juha Matti Salokoski |
| Mikael Juhana Hjorth | Lars-Erik Mors Larsen | |

# Independent auditor's report

## To the shareholders of Stork Aarhus A/S

### Opinion

We have audited the financial statements of Stork Aarhus A/S for the financial year 1 October 2019 - 31 December 2020, which comprise 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 October 2019 - 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

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.

### Management's responsibilities 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 as 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 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 the 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 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 note 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 22 March 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

| | |
|---|---|
| Henrik Reedtz | Kaare K. Lendorf |
| State Authorised Public Accountant | State Authorised Public Accountant |
| mne24830 | mne33819 |

# Management's review

## Company details

| | |
|---|---|
| Name | Stork Aarhus A/S |
| Address, Postal code, City | c/o Taurus Ejendomsadministration ApS<br>Skovvejen 11, st., 8000 Aarhus C |
| CVR no. | 28 61 75 18 |
| Established | 26 June 1970 |
| Registered office | Aarhus |
| Financial year | 1 October 2019 - 31 December 2020 |
| Board of Directors | Torsten Bjerregaard, Chairman<br>Morten Sennecker Schultz<br>Juha Matti Salokoski<br>Mikael Juhana Hjorth<br>Lars-Erik Mors Larsen |
| Executive Board | Lars-Erik Mors Larsen |
| Auditors | EY Godkendt Revisionspartnerselskab<br>Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark |

## Management's review

### Business review

The company's purpose is to own, rent and develop real estate and other related business

### Recognition and measurement uncertainties

As the Company´s purpose is investment in properties, the Company is affected by changes in the property market, including the general level of interest rates and economic conditions. For a description of significant assumptions for the fair value recognition as 31 December 2020 and a sensitivity analysis of the uncertainties in the calculation of fair value, please refer to note 3 and 4.

As the COVID-19 pandemic is ongoing, uncertainties remain over its extent, duration and consequential economic and business impacts, and governments continue to assess and implement measures in response to the pandemic.

Within Denmark, we can see a high number of transactions in the market that demonstrate there is not a significant impact on interest in our allocation of capital to investment properties due to COVID-19. From these transactions and our assessment of the key judgements and estimates used in property valuations, we do not note any significant valuation uncertainty relating to the investment properties.

### Financial review

The income statement for 2019/20 shows a profit of DKK 249,332,811 against a profit of DKK 81,170,047 last year, and the balance sheet at 31 December 2020 shows equity of DKK 113,295,693.

The Company´s accounting policies have been changed in the following respects compared to last year:

Investment properties are measured at fair value with value adjustments recognized in the in-come statement. Before the change, investment properties were measured at cost less depreci-ation and impairment.
This change in accounting policy is made as measuring investment properties at fair value, in the opinion of Management, better provides a true and fair view of the Company´s activities to recognize fair value adjustments in the income statement and balance sheet.

Investments in subsidiaries are measured at cost. Before the change, investments in subsidiaries were measured using the equity method.

This change in accounting policies are made in order to adjust the accounting policies to those of the group.

The change affects profit for the year by an increase of DKK 258,861,881 (2019: DKK 46,156,373). The balance sheet total is affected by an increase of DKK 367,226,890 (2019: DKK 329,643,088), and an increase of equity at 31 December 2020 by DKK 294,152,549 (2019: DKK 258,898,897).

The comparative figures have been adjusted in relation to the changes in accounting policies.

### Events after the balance sheet date

No other events have occurred after the balance sheet date that materially affect the company'sfinancial position.

# Financial statements 1 October 2019 - 31 December 2020

## Income statement

| Note | DKK | 2019/20<br>15 months | 2018/19<br>12 months |
|---|---|---|---|
| | **Gross profit** | 18,595,254 | 14,199,234 |
| 2 | Staff costs | -1,981,175 | -1,498,851 |
| | Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | -265,000 | -2,234 |
| | Other operating expenses | 0 | -16,875 |
| | **Operating profit before fair value adjustments** | 16,349,079 | 12,681,274 |
| | Fair value adjustment of investment property | 15,423,013 | 6,408,366 |
| | **Profit before net financials** | 31,772,092 | 19,089,640 |
| | Income from investments in group enterprises | 238,922,825 | 67,598,691 |
| 3 | Financial income | 11,066,617 | 3,868,346 |
| 4 | Financial expenses | -29,663,058 | -5,770,372 |
| | **Profit before tax** | 252,098,476 | 84,786,305 |
| 5 | Tax for the year | -2,765,665 | -3,616,258 |
| | **Profit for the year** | 249,332,811 | 81,170,047 |

| | | | |
|---|---|---|---|
| | **Recommended appropriation of profit** | | |
| | Proposed dividend recognised under equity | 0 | 14,000,000 |
| | Extraordinary dividend distributed in the year | 580,000,000 | 0 |
| | Retained earnings/accumulated loss | -330,667,189 | 67,170,047 |
| | | 249,332,811 | 81,170,047 |

## Financial statements 1 October 2019 - 31 December 2020

### Balance sheet

| Note | DKK | 2019/20 | 2018/19 |
|---|---|---|---|
| | **ASSETS** | | |
| | **Fixed assets** | | |
| 6 | **Property, plant and equipment** | | |
| 7 | Investment property | 570,900,000 | 523,700,000 |
| | Fixtures and fittings, other plant and equipment | 0 | 300,000 |
| | | 570,900,000 | 524,000,000 |
| 8 | **Investments** | | |
| | Investments in group enterprises | 12,193,216 | 0 |
| | Investments in associates | 0 | 3,497,911 |
| | | 12,193,216 | 3,497,911 |
| | **Total fixed assets** | 583,093,216 | 527,497,911 |
| | **Non-fixed assets** | | |
| | Trade receivables | 0 | 65,939 |
| | Receivables from group enterprises | 240,608,316 | 0 |
| | Other receivables | 586,917 | 27,945,217 |
| | Prepayments | 263,909 | 290,547 |
| | | 241,459,142 | 28,301,703 |
| | **Cash** | 4,047,348 | 8,287,843 |
| | **Total non-fixed assets** | 245,506,490 | 36,589,546 |
| | **TOTAL ASSETS** | 828,599,706 | 564,087,457 |

## Financial statements 1 October 2019 - 31 December 2020

### Balance sheet

| Note | DKK | 2019/20 | 2018/19 |
|---|---|---|---|
| | **EQUITY AND LIABILITIES** | | |
| | **Equity** | | |
| | Share capital | 1,577,400 | 1,577,400 |
| | Net revaluation reserve according to the equity method | 0 | 0 |
| | Retained earnings | 111,718,293 | 442,385,482 |
| | Dividend proposed | 0 | 14,000,000 |
| | **Total equity** | 113,295,693 | 457,962,882 |
| | **Provisions** | | |
| | Deferred tax | 73,074,341 | 70,744,191 |
| | Other provisions | 2,597,957 | 0 |
| | **Total provisions** | 75,672,298 | 70,744,191 |
| | **Liabilities other than provisions** | | |
| 9 | **Non-current liabilities other than provisions** | | |
| | Payables to group entities | 628,974,593 | 0 |
| | Deposits | 8,443,888 | 8,001,119 |
| | | 637,418,481 | 8,001,119 |
| | **Current liabilities other than provisions** | | |
| | Trade payables | 101,384 | 735,549 |
| | Corporation tax payable | 434,684 | 1,799,169 |
| | Other payables | 1,665,765 | 24,726,760 |
| | Deferred income | 11,401 | 117,787 |
| | | 2,213,234 | 27,379,265 |
| | | 639,631,715 | 35,380,384 |
| | **TOTAL EQUITY AND LIABILITIES** | 828,599,706 | 564,087,457 |

1 Accounting policies
10 Contractual obligations and contingencies, etc.
11 Collateral
12 Related parties

# Financial statements 1 October 2019 - 31 December 2020

## Statement of changes in equity

| DKK | Share capital | Net revaluation reserve according to the equity method | Retained earnings | Dividend proposed | Total |
|---|---|---|---|---|---|
| Equity at 1 October 2018 | 1,577,400 | 30,969,895 | 131,503,016 | 91,427,000 | 255,477,311 |
| Adjustment of equity through changes in accounting policies | 0 | -30,969,895 | 243,712,419 | 0 | 212,742,524 |
| Transfer through appropriation of profit | 0 | 0 | 67,170,047 | 14,000,000 | 81,170,047 |
| Dividend distributed | 0 | 0 | 0 | -91,427,000 | -91,427,000 |
| **Equity at 1 October 2019** | 1,577,400 | 0 | 442,385,482 | 14,000,000 | 457,962,882 |
| Transfer through appropriation of profit | 0 | 0 | 249,332,811 | 0 | 249,332,811 |
| Dividend distributed | 0 | 0 | 0 | -14,000,000 | -14,000,000 |
| Proposed extraordinary dividend recognised under equity | 0 | 0 | -580,000,000 | 0 | -580,000,000 |
| **Equity at 31 December 2020** | 1,577,400 | 0 | 111,718,293 | 0 | 113,295,693 |

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

### 1 Accounting policies

The annual report of Stork Aarhus A/S for 2019/20 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

#### Changes in accounting policies

The Company´s accounting policies have been changed in the following respects compared to last year:

Investment properties are measured at fair value with value adjustments recognized in the in-come statement. Before the change, investment properties were measured at cost less depreci-ation and impairment.
This change in accounting policy is made as measuring investment properties at fair value, in the opinion of Management, better provides a true and fair view of the Company´s activities to recognize fair value adjustments in the income statement and balance sheet.

Investments in subsidiaries are measured at cost. Before the change, investments in subsidiaries were measured using the equity method.

This change in accounting policies are made in order to adjust the accounting policies to those of the group.

The change affects profit for the year by an increase of DKK 258,861,881 (2019: DKK 46,156,373). The balance sheet total is affected by an increase of DKK 367,226,890 (2019: DKK 329,643,088), and an increase of equity at 31 December 2020 by DKK 294,152,549 (2019: DKK 258,898,897).

The comparative figures have been adjusted in relation to the changes in accounting policies.

#### Basis of recognition and measurement

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

Liabilities are recognized in the balance sheet when the company has a legal or actual obligation as a result of a past event, and it is probable that future economic benefits will derive from the companyand the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Measurement after initial recognition isdone as described for each individual item below.

Recognition and measurement take into account foreseeable risks and losses that occur before the annual report is presented and which confirm or invalidate conditions that existed at the balance sheet date.

Income is recognized in the income statement as it is earned, while costs are recognized by the amounts relating to the financial year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

1 **Accounting policies (continued)**

### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

## Income statement

### Lejeindtægter

Rental income is recognised on a straight line-basis over the term of the lease.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Gross profit

The items revenue, other operating income, expenses, property and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

### Property expenses

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

| | |
|---|---|
| Fixtures and fittings, other plant and equipment | 5 years |

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

1 Accounting policies (continued)

### Profit from investments in subsidiaries and associates

The item includes dividend received from subsidiaries and associates in so far as the dividend does not exceed the accumulated earnings in the subsidiary or the associate in the period of ownership.

### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Balance sheet

### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

### Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

### Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

### 1 Accounting policies (continued)

#### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

#### Equity

*Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

### 1 Accounting policies (continued)

#### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

| | DKK | 2019/20 15 months | 2018/19 12 months |
|---|---|---|---|
| 2 | **Staff costs** | | |
| | Wages/salaries | 1,520,494 | 1,332,933 |
| | Pensions | 282,370 | 27,966 |
| | Other social security costs | 16,520 | 3,333 |
| | Other staff costs | 161,791 | 134,619 |
| | | 1,981,175 | 1,498,851 |
| | Average number of full-time employees | 2 | 1 |
| 3 | **Financial income** | | |
| | Interest receivable, group entities | 11,020,491 | 40,399 |
| | Interest receivable, associates | 0 | 49,439 |
| | Other financial income | 46,126 | 3,778,508 |
| | | 11,066,617 | 3,868,346 |
| 4 | **Financial expenses** | | |
| | Interest expenses, group entities | 29,554,287 | 0 |
| | Other financial expenses | 108,771 | 5,770,372 |
| | | 29,663,058 | 5,770,372 |
| 5 | **Tax for the year** | | |
| | Estimated tax charge for the year | 434,684 | 2,206,417 |
| | Deferred tax adjustments in the year | 2,330,150 | 1,409,841 |
| | Tax adjustments, prior years | 831 | 0 |
| | | 2,765,665 | 3,616,258 |

6 **Property, plant and equipment**

| DKK | Investment property | Fixtures and fittings, other plant and equipment | Total |
|---|---|---|---|
| Cost at 1 October 2019 | 163,087,017 | 300,000 | 163,387,017 |
| Additions | 31,776,987 | 0 | 31,776,987 |
| Cost at 31 December 2020 | 194,864,004 | 300,000 | 195,164,004 |
| Revaluations at 1 October 2019 | 360,612,983 | 0 | 360,612,983 |
| Value adjustments for the year | 15,423,013 | 0 | 15,423,013 |
| Revaluations at 31 December 2020 | 376,035,996 | 0 | 376,035,996 |
| Depreciation | 0 | 300,000 | 300,000 |
| Impairment losses and depreciation at 31 December 2020 | 0 | 300,000 | 300,000 |
| **Carrying amount at 31 December 2020** | 570,900,000 | 0 | 570,900,000 |

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

### 7 Investment property

The Company Group invests in rental property. Investment property is recognised at fair value with value adjustment over the income statement, see the provisions in section 38 of the Danish Financial Statements Act.

*Fair value estimation*

Assumptions underlying the determination of fair value of investment properties

The fair value is an estimate made by management based on information available and actual expectations as to the future.

The valuation is performed based on a report from an appraiser.

The Company´s investment properties are 65% residential and 35% commercial.

The investment property is located in the area of Aarhus.

Some investment properties are valued at fair value based on DCF model, which is based on forecasts for future cashflows that the individual property is expected to generate, expected CAPEX investments and development in vacancy.

Some investment properties are valued at fair value on the basis of the budget for the coming year, adjusted for fluctuations of a one-off nature. This, adjusted budget reflects 'normalised' results of operations and is used in combination with a relevant yield requirement to estimate the fair value based on a yield-based model.

The most significant fair value assumptions are,

Budget period: 14 / 10 /  1 year period

Residential and commercial rent per sqm are in the interval DKK 382-1,848

Operating expenses per sqm are in the interval DKK 75-807

Maintenance per sqm are in the interval DKK 35-96

The required rates of return applied are in the interval 3,75% - 6,44%

*Sensitivity analysis*

Changes in estimated required rate of return for investment properties will affect the value of investment properties recognized in the balance sheet as well as value adjustments carried in the income statement.

An increase in rate of return by 0.5 percentage point will on average imply a decrease in the fair value of DKK 49,029,861. A decrease in the rate of return by -0.5 percentage point will on average imply an increase in the fair value of DKK 59,478,606.

# Financial statements 1 October 2019 - 31 December 2020

## Notes to the financial statements

### 8 Investments

| DKK | Investments in group enterprises | Investments in associates | Total |
|---|---|---|---|
| Cost at 1 October 2019 | 0 | 3,497,911 | 3,497,911 |
| Additions | 0 | 8,695,305 | 8,695,305 |
| Transferred | 12,193,216 | -12,193,216 | 0 |
| Cost at 31 December 2020 | 12,193,216 | 0 | 12,193,216 |
| **Carrying amount at 31 December 2020** | 12,193,216 | 0 | 12,193,216 |

| Name | Legal form | Domicile | Interest | Equity DKK | Profit/loss DKK |
|---|---|---|---|---|---|
| **Subsidiaries** | | | | | |
| Stork Viby | A/S | Danmark | 100.00% | 63,235,262 | 10,519,423 |

### 9 Non-current liabilities other than provisions

| DKK | Total debt at 31/12 2020 | Repayment, next year | Long-term portion | Outstanding debt after 5 years |
|---|---|---|---|---|
| Payables to group entities | 628,974,593 | 0 | 628,974,593 | 619,673,000 |
| Deposits | 8,443,888 | 0 | 8,443,888 | 8,443,888 |
| | 637,418,481 | 0 | 637,418,481 | 628,116,888 |

### 10 Contractual obligations and contingencies, etc.

#### Other contingent liabilities

The Company is jointly taxed with Stork Ejendomme ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

### 11 Collateral

Investment properties at a carrying amount of DKK 570,900,000 at 31 December 2020 have been put up as security for the Group´s debt to credit institutions.

### 12 Related parties

#### Information about consolidated financial statements

| Parent | Domicile | Requisitioning of the parent company's consolidated financial statements |
|---|---|---|
| CapMan Nordic Real Estate II FCP-RAIF | Luxembourg | 1B Heienhaff, L-1736 Senningerberg, Luxembourg |