

Roarslund Properties K/S
Vesterbrogade 33, 1620 København

Annual report
2023

Company reg. no. 29 68 65 99

The annual report was submitted and approved by the general meeting on the 24 June 2024.

Michael Lassen Jordan
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Management has approved the annual report of Roarslund Properties K/S for the financial year 2023.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

København, 24 June 2024

General partner

Roarslund Properties Komplementarselskab ApS

Michael Lassen Jordan

Independent auditor's report

To the Limited Partners of Roarslund Properties K/S

Opinion

We have audited the financial statements of Roarslund Properties K/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under 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 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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' 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 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Copenhagen, 24 June 2024

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

The company	Roarslund Properties K/S Vesterbrogade 33 1620 København
	Company reg. no. 29 68 65 99 Domicile: Copenhagen Financial year: 1 January - 31 December 18th financial year
Managing Director	Roarslund Properties Komplementarselskab ApS
General partner	Roarslund Properties Komplementarselskab ApS
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø

Management´s review

Description of key activities of the company

Like previous years, the activities have been renting out a small shopping center in Tarp, Germany.

Development in activities and financial matters

The revenue for the year totals DKK 2.445.000 against DKK 2.220.000 last year. Income or loss from ordinary activities after tax totals DKK 1.507.000 against DKK 1.119.000 last year. Management considers the net profit or loss for the year satisfactory.

Accounting policies

The annual report for Roarslund Properties K/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Revenue

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Statement of financial position

Investment properties

At the initial recognition, investment properties are measured at cost, comprising the cost price of the property and any directly related costs.

Investment properties are subsequently measured at fair value, corresponding to the amount for which the individual property is estimated to be able to sell for on the balance sheet date to an independent buyer. The fair value is calculated using a return-based model based on the budgeted net earnings for the following year, restated according to normal earnings and by applying a required rate of return reflecting the market's actual required rate of return of similar properties. The value is adjusted for factors that are not reflected in normalized earnings, such as actual rent loss due to vacancy, major refurbishment work, etc. Compared to the latest financial year, the methods of measurement used have not been changed.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognized in the income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value. Therefore, no systematic depreciations are made over the useful life of the investment property.

Value adjustments are recognized in the income statement under the item "Value adjustments of property".

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Accounting policies

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Net turnover	2.444.520	2.219.714
Other external expenses	-648.991	-812.669
Gross profit	1.795.529	1.407.045
Operating profit	1.795.529	1.407.045
Other financial income	2.030	0
1 Other financial expenses	-290.977	-288.327
Pre-tax net profit or loss	1.506.582	1.118.718
Net profit or loss for the year	1.506.582	1.118.718
Proposed distribution of net profit:		
Transferred to retained earnings	1.506.582	1.118.718
Total allocations and transfers	1.506.582	1.118.718

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
2 Investment properties	30.698.595	30.116.564
Total property, plant, and equipment	30.698.595	30.116.564
Total non-current assets	30.698.595	30.116.564
Current assets		
Claims for payment of contributed capital	500.000	500.000
Total receivables	500.000	500.000
Cash and cash equivalents	302.494	328.085
Total current assets	802.494	828.085
Total assets	31.501.089	30.944.649

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	500.000	500.000
Results brought forward	14.492.962	14.033.055
Total equity	14.992.962	14.533.055
Liabilities other than provisions		
Mortgage debt	16.062.732	16.062.732
Payables to group enterprises	229.239	225.809
Total long term liabilities other than provisions	16.291.971	16.288.541
Other payables	216.156	123.053
Total short term liabilities other than provisions	216.156	123.053
Total liabilities other than provisions	16.508.127	16.411.594
Total equity and liabilities	31.501.089	30.944.649

3 Disclosures on fair value

4 Charges and security

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	500.000	13.739.759	14.239.759
Net retained earnings or deficit	0	1.118.718	1.118.718
Paid/withdrawn in the year	0	-825.422	-825.422
Equity 1 January 2023	500.000	14.033.055	14.533.055
Net retained earnings or deficit	0	1.506.582	1.506.582
Paid/withdrawn in the year	0	-1.046.675	-1.046.675
	<u>500.000</u>	<u>14.492.962</u>	<u>14.992.962</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Other financial expenses		
Other financial costs	290.977	288.327
	<u>290.977</u>	<u>288.327</u>
2. Investment properties		
Cost opening balance	34.739.050	34.739.050
Additions during the year	582.031	0
Cost end of period	<u>35.321.081</u>	<u>34.739.050</u>
Fair value adjustment opening balance	-4.622.486	-4.622.486
Fair value adjustment end of period	<u>-4.622.486</u>	<u>-4.622.486</u>
Carrying amount, end of period	<u>30.698.595</u>	<u>30.116.564</u>

The company's investment properties consist of a shopping center in Tarp, Germany

As per the description of the accounting policies applied, investment properties are measured at fair value (Level 3 in the fair value hierarchy) using a return-based model.

The fair value measurement is carried out for each individual property based on the property's detailed budget for the upcoming operating year, adjusted for fluctuations that are characterized as one-time events.

The applied return-based model, which has been consistently used for many years, comprises the following main components:

Current rental income

+/- Rent adjustments

- Maintenance expenses

- Operating expenses

- Administration expenses

= Adjusted operating income

/ Rate of return

= Gross value

+ Deposits and prepaid rent

- Deductions for significant renovation projects or modifications, etc.

Notes

All amounts in DKK.

2. Investment properties (continued)

The rate of return is determined based on market statistics, completed transactions, and management's knowledge of market conditions, generally. In setting the rate of return, various factors are taken into consideration, such as property type (residential, office, retail, etc.), location, age, condition, lease terms, and creditworthiness, among others.

The significant assumptions for the determined fair value are as follows:

	<u>31/12 2023</u>	<u>31/12 2022</u>
Rate of return, commercial, location (country, region, etc.) (%)	6,5	6,0

3. Disclosures on fair value

	<u>Investment property</u>
Fair value at end of period	<u>30.698.595</u>
Unrealised change in fair value of the year recognised in the statement of financial activity	<u>0</u>
Unrealised change in fair value of the year recognised in the equity	<u>0</u>

4. Charges and security

As collateral for mortgage loans, TDKK 16.063 , security has been granted on land and buildings representing a carrying amount of TDKK 30.699 at 31 December 2023.