

Roarslund Properties K/S

Vesterbrogade 33, 1620 København

Annual report

2022

Company reg. no. 29 68 65 99

The annual report was submitted and approved by the general meeting on the 22 June 2023.

Michael Lassen Jordan Chairman of the meeting

● Øster Allé 42 . DK-2100 København Ø . Tlf.: 35 38 48 88 . CVR-nr.: 32 28 52 01 . martinsen.dk

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- 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 2022.

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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

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, 22 June 2023

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 2022, 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 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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' 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, 22 June 2023

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

17th 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 are to aquire, hold and sell retail properties.

Development in activities and financial matters

The revenue for the year totals DKK 2.220.000 against DKK 2.216.000 last year. Income or loss from ordinary activities after tax totals DKK 1.119.000 against DKK 1.420.000 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

Rental income from investment property

Rental income comprises income from the lease of property and from charged joint costs, and it is recognised in the profit and loss account for the period relating to the lease payment. Income from the heating account is recognised in the balance sheet as a balance among the lessees.

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 property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs, if any.

Hereafter, investment properties are measured individually at an estimated fair value. The properties are measured using a returnbased model, by which the expected future cash flows for the following year, along with a rate of return determined by an external assessor, form the basis for the fair value of the properties. Compared to the previous financial year, the method of measurement remains unchanged.

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 recognised 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.

Value adjustments are recognised 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.

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.

Accounting policies

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

Deferred income

Payments received concerning future income are recognised under deferred income.

Income statement 1 January - 31 December

ΛII	amounts	in DKK
$\neg \cdot \cdot$	announts	III DINN.

<u>Note</u>	2022	2021
Net turnover	2.219.714	2.216.443
Other external expenses	-812.669	-555.506
Gross profit	1.407.045	1.660.937
Operating profit	1.407.045	1.660.937
Other financial expenses	-288.327	-240.482
Pre-tax net profit or loss	1.118.718	1.420.455
Net profit or loss for the year	1.118.718	1.420.455
Proposed distribution of net profit:		
Transferred to retained earnings	1.118.718	1.420.455
Total allocations and transfers	1.118.718	1.420.455

Balance sheet at 31 December

All amounts in DKK.

Assets

	,105615		
Not	<u>e</u>	2022	2021
	Non-current assets		
1	Investment property	30.116.564	30.116.564
	Total property, plant, and equipment	30.116.564	30.116.564
	Total non-current assets	30.116.564	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	328.085	109.877
	Total current assets	828.085	609.877
	Total assets	30.944.649	30.726.441

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	2022	2021
Equity		
Contributed capital	500.000	500.000
Results brought forward	14.033.055	13.739.759
Total equity	14.533.055	14.239.759
Liabilities other than provisions		
Mortgage debt	16.062.732	16.062.732
Payables to group enterprises	225.809	218.536
Total long term liabilities other than provisions	16.288.541	16.281.268
Other payables	123.053	165.168
Deferred income	0	40.246
Total short term liabilities other than provisions	123.053	205.414
Total liabilities other than provisions	16.411.594	16.486.682
Total equity and liabilities	30.944.649	30.726.441

2 Charges and security

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2021	500.000	13.651.091	14.151.091
Net retained earnings or deficit	0	1.420.455	1.420.455
Paid/withdrawn in the year	0	-1.331.787	-1.331.787
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
	500.000	14.033.055	14.533.055

Notes

All amounts in DKK.

		2022	2021
1.	Investment property		
	Cost opening balance	34.739.050	34.739.050
	Cost end of period	34.739.050	34.739.050
	Fair value adjustment opening balance	-4.622.486	-4.622.486
	Fair value adjustment end of period	-4.622.486	-4.622.486
	Carrying amount, end of period	30.116.564	30.116.564

A determination of the return from the individual properties is based on the expected rental income from fully leased properties less expected operating costs, administration costs, and maintenance costs. The subsequent value is adjusted for recognised vacant-period lease for a reasonable period of time and expected costs of improvements and large maintenance projects, etc., plus added deposits and prepaid lease payments.

The property is located in Tarp, Germany, and is a small shopping center.

Compared to the previous financial year, the methods of measurement remain unchanged.

The determination of the fair market value (carrying amount) is based on a rate of return of 6.0% which is 0.5% higher than last year.

Sensitivity analysis:

Changes in the rates of return have a material effect on the measurement of investment properties. An increase in the rate of return could mean a decrease in market value. The market development may result in changed requirements to the return on real property.

2. 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 30.117 at 31 December 2022.