



A. Kirk A/S

Havneøen 1
7100 Vejle
CVR No. 29816034

Annual report 2020

The Annual General Meeting adopted the
annual report on 17.05.2021

Bettina Winther Christensen
Chairman of the General Meeting

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Entity details

Entity

A. Kirk A/S

Havneøen 1

7100 Vejle

Business Registration No.: 29816034

Registered office: Vejle

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Jens Bjerg Sørensen, chairman

Henning Nedergaard Jensen

Anders Kirk Johansen

Torben Bang

Executive Board

Anders Kirk Johansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of A. Kirk A/S for the financial year 01.01.2020 - 31.12.2020

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

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

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

Vejle, 17.05.2021

Executive Board

Anders Kirk Johansen

Board of Directors

Jens Bjerg Sørensen
chairman

Henning Nedergaard Jensen

Anders Kirk Johansen

Torben Bang

Independent auditor's report

To the shareholders of A. Kirk A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of A. Kirk A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

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

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

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

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

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Aalborg, 17.05.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Skovsgaard

State Authorised Public Accountant
Identification No (MNE) mne34333

Sami Nikolai El-Galaly

State Authorised Public Accountant
Identification No (MNE) mne42793

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000
Key figures			
Gross profit/loss	24,644	23,487	18,709
Operating profit/loss	(10,241)	(19,085)	2,804
Net financials	40,406	56,890	100,964
Profit/loss for the year	26,529	38,549	101,048
Profit for the year excl. minority interests	23,697	36,130	98,610
Balance sheet total	1,628,994	1,566,771	1,552,577
Investments in property, plant and equipment	40,853	35,329	23,637
Equity	1,166,943	1,170,414	1,181,864
Equity excl. minority interests	1,168,545	1,174,848	1,188,717
Cash flows from operating activities	5,447	(8,761)	(4,591)
Cash flows from investing activities	(58,371)	(43,995)	17,046
Cash flows from financing activities	(53,010)	41,351	62,057
Ratios			
Return on equity (%)	2.02	3.08	8.30
Equity ratio (%)	71.73	74.99	76.56

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

Return on equity (%):

Profit/loss for the year excl. minority interests * 100

Average equity excl. minority interests

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

The purpose of A. Kirk A/S is to perform investing activities, own shares in other companies and perform administration activities. The Group's primary activities are divided into three subgroups. The three subgroups consist of:

- A. Kirk Agro A/S where the primary activity relates to agriculture.
- A. Kirk Ejendomme A/S where the primary activity relates to property rental.
- A. Kirk Invest where the primary activity relates to MyGarage.

Development in activities and finances

The income statement shows a profit for the year of DKK 26,529k and the balance statement shows an equity of DKK 1,168,544k.

The profit for the year is negatively influenced by impairment of goodwill regarding investment in the associated company Advance NonWoven in connection with a restructuring process.

Opposite investments in unlisted and listed investments (excluding Group enterprises) in A. Kirk A/S have generated an average profit in 2020 of 11.7%.

The Executive Board and Board of directors consider the net result in 2020 as satisfactory.

Uncertainty relating to recognition and measurement

The recognition and measurement of the value of the Group's land and buildings are subject to uncertainty. It is Management's assessment that the measurements are based on realistic and reasonable assumptions.

Outlook

The management of the company consider the Group well equipped for the future and expect a result for 2021 at the same level as in 2020. However, the expectations are highly dependant on the development of the financial markets.

Events after the balance sheet date

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

Consolidated income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Gross profit/loss		24,644	23,487
Fair value adjustments of investment property		(3,442)	(11,608)
Staff costs	1	(24,323)	(23,160)
Depreciation, amortisation and impairment losses	2	(7,120)	(7,804)
Operating profit/loss		(10,241)	(19,085)
Income from investments in associates		(6,211)	0
Income from other fixed asset investments		29,525	23,271
Other financial income	3	28,979	50,081
Other financial expenses	4	(18,098)	(16,462)
Profit/loss before tax		23,954	37,805
Tax on profit/loss for the year	5	2,575	744
Profit/loss for the year	6	26,529	38,549

Consolidated balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Acquired intangible assets		7,699	8,384
Intangible assets	7	7,699	8,384
Land and buildings		610,496	573,625
Investment property		362,667	363,002
Other fixtures and fittings, tools and equipment		31,958	35,397
Property, plant and equipment in progress		8,079	12,707
Property, plant and equipment	8	1,013,200	984,731
Investments in associates		46,757	45,488
Receivables from associates		7,021	3,819
Other investments		281,358	243,926
Deposits		981	1,138
Other receivables		5,000	5,000
Financial assets	9	341,117	299,371
Fixed assets		1,362,016	1,292,486

Raw materials and consumables		1,408	1,949
Manufactured goods and goods for resale		38,984	38,325
Prepayments for goods		9,447	4,883
Inventories		49,839	45,157
<hr/>			
Trade receivables		6,359	5,170
Receivables from associates		8,243	11,013
Other receivables		8,348	9,324
Tax receivable		557	0
Prepayments	10	594	905
Receivables		24,101	26,412
<hr/>			
Other investments		185,876	163,814
Investments		185,876	163,814
<hr/>			
Cash		7,162	38,902
<hr/>			
Current assets		266,978	274,285
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Assets		1,628,994	1,566,771
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Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital	11	5,072	5,072
Retained earnings		1,133,473	1,139,776
Proposed dividend for the financial year		30,000	30,000
Equity belonging to Parent's shareholders		1,168,545	1,174,848
Equity belonging to minority interests		(1,602)	(4,434)
Equity		1,166,943	1,170,414
Deferred tax	12	4,973	6,172
Other provisions	13	25	95
Provisions		4,998	6,267
Mortgage debt		282,647	289,208
Deposits		2,075	2,034
Other payables		11,196	11,019
Non-current liabilities other than provisions	14	295,918	302,261

Current portion of non-current liabilities other than provisions	14	10,009	10,464
Bank loans		115,924	41,730
Deposits		3,186	2,729
Prepayments received from customers		677	1,800
Trade payables		10,020	5,936
Payables to associates		302	73
Payables to owners and management		8,253	2,730
Tax payable		0	1,159
Other payables		11,602	20,146
Deferred income	15	1,162	1,062
Current liabilities other than provisions		161,135	87,829
Liabilities other than provisions		457,053	390,090
Equity and liabilities		1,628,994	1,566,771
Financial instruments	17		
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Contingent liabilities	19		
Assets charged and collateral	20		
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Consolidated statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000
Equity beginning of year	5,072	1,139,776	30,000	1,174,848	(4,434)
Ordinary dividend paid	0	0	(30,000)	(30,000)	0
Profit/loss for the year	0	(6,303)	30,000	23,697	2,832
Equity end of year	5,072	1,133,473	30,000	1,168,545	(1,602)
					Total DKK'000
Equity beginning of year					1,170,414
Ordinary dividend paid					(30,000)
Profit/loss for the year					26,529
Equity end of year					1,166,943

Consolidated cash flow statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Operating profit/loss		(10,241)	(19,085)
Amortisation, depreciation and impairment losses		7,120	7,804
Adjustments of investment property		3,442	0
Other provisions		(60)	(123)
Working capital changes	16	(869)	1,476
Cash flow from ordinary operating activities		(608)	(9,928)
Financial income received		10,844	9,835
Financial expenses paid		(4,448)	(8,777)
Taxes refunded/(paid)		(341)	109
Cash flows from operating activities		5,447	(8,761)
Acquisition etc. of intangible assets		0	(35,491)
Sale of intangible assets		0	1,199
Acquisition etc. of property, plant and equipment		(40,853)	(16,168)
Sale of property, plant and equipment		2,507	0
Acquisition of fixed asset investments		(15,320)	0
Sale of fixed asset investments		497	7,640
Loans associated		(5,202)	(1,175)
Cash flows from investing activities		(58,371)	(43,995)

Free cash flows generated from operations and investments before financing	(52,924)	(52,756)
Repayments of loans etc.	(7,016)	(10,241)
Dividend paid	(30,000)	(50,000)
Purchase/sale of securities	(15,994)	106,592
Other loans	0	(5,000)
Cash flows from financing activities	(53,010)	41,351
Increase/decrease in cash and cash equivalents	(105,934)	(11,405)
Cash and cash equivalents beginning of year	(2,828)	8,577
Cash and cash equivalents end of year	(108,762)	(2,828)
Cash and cash equivalents at year-end are composed of:		
Cash	7,162	38,902
Short-term bank loans	(115,924)	(41,730)
Cash and cash equivalents end of year	(108,762)	(2,828)

Notes to consolidated financial statements

1 Staff costs

	2020	2019
	DKK'000	DKK'000
Wages and salaries	21,420	20,208
Pension costs	1,973	1,855
Other social security costs	383	378
Other staff costs	547	719
	24,323	23,160
Average number of full-time employees	41	33

	Remuneration of manage- ment 2020	Remuneration of manage- ment 2019
	DKK'000	DKK'000
Total amount for management categories	4,902	4,902
	4,902	4,902

Referring to Section 98b of the Danish Financial Statements Act, the management categories are aggregated.

2 Depreciation, amortisation and impairment losses

	2020	2019
	DKK'000	DKK'000
Amortisation of intangible assets	685	685
Depreciation on property, plant and equipment	6,449	6,718
Impairment losses on property, plant and equipment	0	378
Profit/loss from sale of intangible assets and property, plant and equipment	(14)	23
	7,120	7,804

3 Other financial income

	2020	2019
	DKK'000	DKK'000
Financial income from associates	85	123
Other interest income	143	187
Exchange rate adjustments	364	1,259
Fair value adjustments	16,180	0
Other financial income	12,207	48,512
	28,979	50,081

4 Other financial expenses

	2020	2019
	DKK'000	DKK'000
Other interest expenses	2,891	3,270
Exchange rate adjustments	8	21
Fair value adjustments	7,497	0
Other financial expenses	7,702	13,171
	18,098	16,462

5 Tax on profit/loss for the year

	2020	2019
	DKK'000	DKK'000
Current tax	(461)	3,441
Change in deferred tax	(1,199)	(2,462)
Adjustment concerning previous years	(915)	(1,723)
	(2,575)	(744)

6 Proposed distribution of profit/loss

	2020	2019
	DKK'000	DKK'000
Ordinary dividend for the financial year	30,000	30,000
Retained earnings	(6,303)	6,130
Minority interests' share of profit/loss	2,832	2,419
	26,529	38,549

7 Intangible assets

	Acquired intangible assets DKK'000
Cost beginning of year	9,782
Cost end of year	9,782
Amortisation and impairment losses beginning of year	(1,398)
Amortisation for the year	(685)
Amortisation and impairment losses end of year	(2,083)
Carrying amount end of year	7,699

8 Property, plant and equipment

	Land and buildings DKK'000	Investment property DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	691,305	389,128	51,507	12,707
Transfers	25,952	0	0	(25,952)
Additions	14,679	3,107	1,743	21,324
Disposals	(493)	0	(3,166)	0
Cost end of year	731,443	392,235	50,084	8,079
Depreciation and impairment losses beginning of year	(117,680)	0	(16,110)	0
Depreciation for the year	(3,267)	0	(3,182)	0
Reversal regarding disposals	0	0	1,166	0
Depreciation and impairment losses end of year	(120,947)	0	(18,126)	0
Fair value adjustments beginning of year	0	(26,126)	0	0
Fair value adjustments for the year	0	(3,442)	0	0
Fair value adjustments end of year	0	(29,568)	0	0
Carrying amount end of year	610,496	362,667	31,958	8,079

Land and buildings: Uncertainty relating to recognition and measurement

The measurement of the land and buildings held by A. Kirk Agro A/S is subject to uncertainty. After previous year's write-down of DKK 98,840k, land and buildings are recognised at DKK 411,383k.

Recognised value under cost of investments primarily made in the years 2010-2012. It is Management's assessment that the value of the assets in a potential transaction will exceed the booked value.

However, the assumptions on which the assessment is based are subject to uncertainty as the land and buildings are unique. It is Management's assessment that the measurements are based on realistic and reasonable assumptions.

Investment properties

The Group's investment properties consist of office buildings, commercial property of industrial nature and property used for both residential and commercial purposes located in Randers Ø, Vejle, Hedensted, Stouby and Copenhagen Ø.

As described under accounting policies, investment properties are measured at fair value using the returnbased model.

99-100% of the Group's properties is lent at 31.12.2020.

The required rate of return is 4.5 - 7.25 % at 31.12.2020 (3.5 - 7.25% at 31.12.2019). A change in the required rate of return by +/- 0.5 % points will reduce the fair value by DKK 22,689k and increase the fair value by DKK 30,209k, respectively.

For properties located in Randers NØ the fair value is supported by a valuation from an external valuer of March 2020.

For some investmentsproperties it has not been possible to calculate the fair value valuation, and as a result of that investments properties for DKK 66,933k is measured at cost.

9 Financial assets

	Investments in associates DKK'000	Receivables from associates DKK'000	Other investments DKK'000	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	45,488	3,819	171,953	1,138	5,000
Additions	9,980	7,850	14,993	340	0
Disposals	0	(2,648)	(11,542)	(497)	0
Cost end of year	55,468	9,021	175,404	981	5,000
Revaluations beginning of year	0	0	71,973	0	0
Fair value adjustments	0	0	33,981	0	0
Revaluations end of year	0	0	105,954	0	0
Amortisation of goodwill	(2,036)	0	0	0	0
Impairment losses on goodwill	(5,746)	0	0	0	0
Share of profit/loss for the year	2,688	0	0	0	0
Dividend	(2,500)	0	0	0	0
Impairment losses for the year	(1,117)	(2,000)	0	0	0
Impairment losses end of year	(8,711)	(2,000)	0	0	0
Carrying amount end of year	46,757	7,021	281,358	981	5,000
Goodwill or negative goodwill recognised during the financial year	3,948				

Associates	Registered in	Ownership %
Advance Global ApS *	Syddjurs	20
Advance NonWoven A/S *	Syddjurs	25
AIC A/S **	Favrskov	25
By i Byen ApS ***	Randers	20
JK Office ApS *	Aarhus	25
United Beverage ApS *	Aarhus	24,5
YachtGarage ApS ****	Ishøj	50

*) These companies are associated through A. Kirk Invest A/S.

**) AIC A/S is associated through Rohden Plus ApS.

***) By i Byen ApS is associated through Dannevirkevej ApS.

****) YachtGarage ApS is associated through KirkGarage A/S.

10 Prepayments

The item consists of prepaid expenses relating to the coming financial year, including costs of insurance and subscriptions.

11 Contributed capital

	Number	Nominal value DKK'000
Ordinary shares	5,072,000	5,072
	5,072,000	5,072

12 Deferred tax

	2020 DKK'000	2019 DKK'000
Property, plant and equipment	4,973	6,172
Deferred tax	4,973	6,172

	2020 DKK'000	2019 DKK'000
Changes during the year		
Beginning of year	6,171	8,633
Recognised in the income statement	(1,198)	(2,461)
End of year	4,973	6,172

13 Other provisions

Other provisions relate to guarantee commitments estimated by Management.

14 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK'000	Due within 12 months 2019 DKK'000	Due after more than 12 months 2020 DKK'000	Outstanding after 5 years 2020 DKK'000
Mortgage debt	10,009	10,464	282,647	260,115
Deposits	0	0	2,075	2,075
Other payables	0	0	11,196	11,196
	10,009	10,464	295,918	273,386

15 Deferred income

Deferred income relates primarily to received rent from tenants in the Group's real estate portfolio.

16 Changes in working capital

	2020	2019
	DKK'000	DKK'000
Increase/decrease in inventories	(4,682)	(7,428)
Increase/decrease in receivables	2,868	(561)
Increase/decrease in trade payables etc.	945	9,465
	(869)	1,476

17 Derivative financial instruments

Other receivables include a positive fair value of the forward exchange contracts of DKK 515k. The currency risk in relation to USD is hedged for a total of USD 2,500k or DKK 15,659 k. The fair value has been recognised in net financials in the income statement. For a specification of the recorded amount we are referring to note 18.

18 Fair value information

	Other	Investment	Other	Other
	receivables	property	Investments	investments
	DKK'000	DKK'000	(fixed assets)	(current
			DKK'000	assets)
				assets)
				DKK'000
Fair value end of year	515	362,667	281,358	185,876
Fair value adjustments recognised directly in the income statement	515	(3,442)	33,981	8,682

19 Contingent liabilities

As part of the investment in P/E funds, recognised under other investments, the Company is obliged to pay additional capital on demand. The liability amounts to DKK 67,184k at the balance sheet date.

20 Assets charged and collateral

The Group's mortgage debt of is secured on the Group's land, buildings and investment properties. Moreover, debt is secured by a mortgage on production plant and machinery.

Moreover, the Group has provided its shares in Donau Agro ApS nominal DKK 281,813k, as security to Ringkjøbing Landbobank.

21 Subsidiaries

	Registered in	Corporate form	Ownership %
A. Kirk Agro A/S	Vejle	A/S	100
Rohden Plus ApS *	Vejle	ApS	100
Agersbøl ApS *	Vejle	ApS	100
A. Kirk Invest A/S	Vejle	A/S	100
Rohden Garage ApS **	Vejle	ApS	100
Out-Net A/S **	Vejle	A/S	100
MotorcycleGarage ApS **	Vejle	ApS	100
KirkGarage A/S **	Vejle	A/S	100
MyGarage A/S ***	Vejle	A/S	100
Selskabet af 7. juni A/S ***	Vejle	A/S	100
A. Kirk Ejendomme A/S	Vejle	A/S	100
Stiftsvej 61 ApS ****	Vejle	ApS	100
K&K Ejendomme ApS ****	Vejle	ApS	80
Kohuba ApS ****	Vejle	ApS	100
Damhaven Ejendomme ApS ****	Vejle	ApS	42
VST I A/S *****	Vejle	A/S	29.6
Dannevirkevej ApS ****	Vejle	ApS	100

*) These companies are group enterprises through A. Kirk Agro A/S

**) These companies are group enterprises through A. Kirk Invest A/S

***) These companies are group enterprises through KirkGarage A/S

****) These companies are group enterprises through A. Kirk Ejendomme A/S

*****) VST I A/S is a subsidiary of Damhaven Ejendomme ApS

Damhaven Ejendomme owns 70.43% of VST I A/S, and thus the undivided ownership share of the Group is 29.6%. A. Kirk Ejendomme A/S has the controlling interest in Damhaven Ejendomme ApS due to shareholder agreement.

Parent income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Gross profit/loss		(5,673)	(6,290)
Staff costs	1	(5,777)	(6,272)
Depreciation, amortisation and impairment losses	2	(685)	(685)
Operating profit/loss		(12,135)	(13,247)
Income from investments in group enterprises		1,671	2,100
Income from other fixed asset investments		20,488	14,163
Other financial income	3	31,606	52,121
Other financial expenses	4	(14,108)	(13,091)
Profit/loss before tax		27,522	42,046
Tax on profit/loss for the year	5	(3,825)	(5,915)
Profit/loss for the year	6	23,697	36,131

Parent balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Acquired intangible assets		7,338	8,023
Intangible assets	7	7,338	8,023
Other fixtures and fittings, tools and equipment		1,772	1,772
Property, plant and equipment	8	1,772	1,772
Investments in group enterprises		768,024	767,891
Receivables from associates		0	1,250
Other investments		150,105	121,709
Deposits		461	624
Other receivables		5,000	5,000
Financial assets	9	923,590	896,474
Fixed assets		932,700	906,269
Trade receivables		75	35
Receivables from group enterprises		183,738	115,338
Other receivables		749	387
Tax receivable		114	0
Receivables		184,676	115,760
Other investments		185,862	163,803
Investments		185,862	163,803
Cash		4,781	28,390
Current assets		375,319	307,953
Assets		1,308,019	1,214,222

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		5,072	5,072
Retained earnings		1,133,473	1,139,776
Proposed dividend for the financial year		30,000	30,000
Equity		1,168,545	1,174,848
Provisions for investments in group enterprises	10	1,700	2,764
Provisions		1,700	2,764
Other payables		36	13
Non-current liabilities other than provisions	11	36	13
Bank loans		115,921	17,223
Trade payables		218	182
Payables to group enterprises		9,502	2,200
Payables to owners and management		7,680	1,884
Joint taxation contribution payable		4,200	5,941
Other payables		217	9,167
Current liabilities other than provisions		137,738	36,597
Liabilities other than provisions		137,774	36,610
Equity and liabilities		1,308,019	1,214,222
Financial instruments	12		
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Assets charged and collateral	15		
Related parties with controlling interest	16		

Parent statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	5,072	1,139,776	30,000	1,174,848
Ordinary dividend paid	0	0	(30,000)	(30,000)
Profit/loss for the year	0	(6,303)	30,000	23,697
Equity end of year	5,072	1,133,473	30,000	1,168,545

Notes to parent financial statements

1 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	5,720	5,918
Pension costs	15	78
Other social security costs	24	16
Other staff costs	18	260
	5,777	6,272
Average number of full-time employees	2	2

	Remuneration of manage- ment 2020 DKK'000	Remuneration of manage- ment 2019 DKK'000
Total amount for management categories	4,902	4,902
	4,902	4,902

Referring to Section 98b of the Danish Financial Statements Act, the management categories are aggregated.

2 Depreciation, amortisation and impairment losses

	2020 DKK'000	2019 DKK'000
Amortisation of intangible assets	685	685
	685	685

3 Other financial income

	2020 DKK'000	2019 DKK'000
Financial income from group enterprises	3,214	2,630
Exchange rate adjustments	302	1,259
Fair value adjustments	16,179	24,504
Other financial income	11,911	23,728
	31,606	52,121

4 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	0	37
Fair value adjustments	7,497	3,767
Other financial expenses	6,611	9,287
	14,108	13,091

5 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	4,200	6,459
Adjustment concerning previous years	(375)	(544)
	3,825	5,915

6 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Ordinary dividend for the financial year	30,000	30,000
Retained earnings	(6,303)	6,131
	23,697	36,131

7 Intangible assets

	Acquired intangible assets DKK'000
Cost beginning of year	9,421
Cost end of year	9,421
Amortisation and impairment losses beginning of year	(1,398)
Amortisation for the year	(685)
Amortisation and impairment losses end of year	(2,083)
Carrying amount end of year	7,338

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	1,772
Cost end of year	1,772
Carrying amount end of year	1,772

9 Financial assets

	Investments in group enterprises DKK'000	Receivables from associates DKK'000	Other investments DKK'000	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	970,746	1,250	105,879	624	5,000
Additions	0	750	14,993	334	0
Disposals	(500)	0	(7,042)	(497)	0
Cost end of year	970,246	2,000	113,830	461	5,000
Revaluations beginning of year	0	0	15,830	0	0
Fair value adjustments	0	0	20,445	0	0
Revaluations end of year	0	0	36,275	0	0
Impairment losses beginning of year	(202,855)	0	0	0	0
Share of profit/loss for the year	1,669	0	0	0	0
Impairment losses for the year	0	(2,000)	0	0	0
Reversal of impairment losses	(1,160)	0	0	0	0
Investments with negative equity value depreciated over receivables	30	0	0	0	0
Investments with negative equity value transferred to provisions	19	0	0	0	0
Reversal regarding disposals	75	0	0	0	0
Impairment losses end of year	(202,222)	(2,000)	0	0	0
Carrying amount end of year	768,024	0	150,105	461	5,000

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

Uncertainty relating to recognition and measurement:

The measurement of the land and buildings held by A. Kirk Agro A/S is subject to uncertainty. After previous year's write-down of DKK 98,840k, land and buildings are recognised at DKK 411,383k. Recognised value under cost of investments primarily made in the years 2010 - 2012. It is Management's assessment that the value of the assets in a potential transaction will exceed the booked value.

However, the assumptions on which the assessment is based are subject to uncertainty as the land and buildings are unique. It is Management's assessment that the measurements are based on realistic and reasonable assumptions.

10 Provisions for investments in group enterprises

Provisions for investments group enterprises consist of estimated losses from subsidiaries when obligations in subsidiaries are assessed likely to incur a loss.

11 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK'000	Outstanding after 5 years 2020 DKK'000
Other payables	36	36
	36	36

12 Derivative financial instruments

Other receivables include a positive fair value of the forward exchange contracts of DKK 515k. The currency risk in relation to USD is hedged for a total of USD 2,500k or DKK 15,569k. The fair value has been recognised in net financials in the income statement. For a specification of the recorded amount we are referring to note 13.

13 Fair value information

	Other receivables '000DKK	Other investments (current assets) '000DKK	Other investments (fixed assets) '000DKK
Fair value end of year	515	185,862	150,105
Fair value adjustments recognised directly in the income statement	515	8,682	20,445

14 Contingent liabilities

The Company has issued a guarantee for payment of liabilities in Damhaven Ejendomme ApS and VST I A/S, which are owned by A. Kirk Ejendomme A/S. The Company has made full provision for a negative balance.

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

As part of the investment in P/E funds, recognised under other investments, the Company is obliged to pay additional capital on demand. The liability amounts to DKK 67,184k at the balance sheet date.

15 Assets charged and collateral

The Company has provided a guarantee to mortgage institutions for the mortgage loans in a number of subsidiaries. The debt of subsidiaries amounts to DKK 272,904k at the balance sheet date.

Bank debt to UBS amounting to DKK 0k has been secured on the custody account recognised under current assets. The fair value of the custody account at 31.12.2020 amounts to DKK 737k.

Collateral provided for group enterprises

A. Kirk A/S is cashpool owner where 11 group enterprises and the companies has a joint collateral for each other and the debt is maxed to DKK 125,000k. The total outstanding is DKK 113,288k at the balancesheet date.

16 Related parties with controlling interest

Anders Kirk Johansen holds all shares in the Company and so exercises control. In the annual report transactions are only disclosed if they are not completed on normal market conditions. There are no so transactions in the financial year.

Accounting policies

Reporting class

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

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

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

Basis of consolidation

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

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, costs of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Fair value adjustments of investment property

Fair value adjustments of investment property comprise adjustments for the financial year of the Entity's investment properties measured at fair value at the balance sheet date.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost of property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

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

Income from investments in group enterprises

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

Income from investments in associates

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

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc. on fixed asset investments which are not investments in group enterprises or associates.

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise acquired intangible assets.

Acquired intangible assets are measured at cost less accumulated amortisation.

Estimated useful lives and residual amounts are reassessed annually.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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

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

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

Buildings	20 - 50 years
Other fixtures and fittings, tools and equipment	5 - 16 years

Estimated useful lives and residual values are reassessed annually. Residual values at the balance sheet date is

set to DKK 235,221k.

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

Investment property

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by applying the yield-based model as the calculated value in use of expected cash flows from each property. The calculation is based on budgeted net earnings for the next year that has been adjusted to normal earnings, and using a required yield rate that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value and plus or minus unrealised intra-group profits and losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

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

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

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

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity values plus unamortised goodwill and plus or minus unrealised pro rata intra-group profits and losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in associates.

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

at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 1-12 years.

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

Receivables

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

Other investments

Other investments comprise unlisted equity investments measured at fair value at the balance sheet date.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Tax payable or receivable

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other investments (current assets)

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Minority interests

Minority interests comprise the minority interests' share of subsidiaries' equity in which the subsidiary is not wholly owned by the Parent.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Mortgage debt

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

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

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

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

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

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprises of cash and short term debt.