

## **Shurgard Denmark ApS**

Sundkrogsgade 21  
2100 København Ø  
CVR No. 30202503

### **Annual report 2020**

The Annual General Meeting adopted the  
annual report on 10.05.2021

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**Marc Pierre Francois Oursin**  
Chairman of the General Meeting

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# Entity details

## Entity

Shurgard Denmark ApS

Sundkrogsgade 21

2100 København Ø

CVR No.: 30202503

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

## Executive Board

Marc Pierre Francois Oursin

Duncan Geoffrey Bell

## Auditors

EY Godkendt Revisionspartnerselskab

Dirch Passers Alle 36

2000 Frederiksberg

CVR NR 30700228

# Statement by Management

The Executive Board have today considered and approved the annual report of Shurgard Denmark ApS for the financial year 01.01.2020 - 31.12.2020.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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

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

Copenhagen, 10.05.2021

**Executive Board**

**Marc Pierre Francois Oursin**

**Duncan Geoffrey Bell**

# Independent auditor's report

## To the shareholders of Shurgard Denmark ApS

### Opinion

We have audited the financial statements of Shurgard Denmark ApS 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. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations 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 financial statements" section of this auditor's report.

### Independence

We are independent of the Entity 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 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 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 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 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Copenhagen, 10.05.2021

**EY Godkendt Revisionspartnerselskab**

CVR No. 30700228

**Kaare Kristensen Lendorf**

State Authorised Public Accountant

Identification No (MNE) mne33819

# Management commentary

## Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000
<b>Key figures</b>					
Revenue	96,689	95,899	96,882	96,685	95,917
Gross profit/loss	74,979	69,290	73,152	66,923	55,476
Operating profit/loss	46,086	43,652	48,624	42,763	45,449
Net financials	(666)	(636)	(640)	(16,501)	(19,124)
Profit/loss for the year	35,244	33,539	37,428	20,479	18,067
Total assets	482,406	447,620	410,187	371,525	373,425
Investments in property, plant and equipment	5,489	9,970	4,955	1,214	0
Equity	455,572	420,328	386,789	349,361	48,604
<b>Ratios</b>					
Gross margin (%)	77.55	72.25	75.51	69.22	57.84
EBIT margin (%)	47.66	45.52	50.19	44.23	47.38
Net margin (%)	36.45	34.97	38.63	21.18	18.84
Return on equity (%)	8.05	8.31	10.17	10.29	45.66
Equity ratio (%)	94.44	93.90	94.30	94.03	13.02

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

### Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Revenue

### EBIT margin (%):

$\frac{\text{Operating profit/loss}}{\text{Revenue}} * 100$

Revenue

### Net margin (%):

$\frac{\text{Profit/loss for the year}}{\text{Revenue}} * 100$

Revenue

### Return on equity (%):

$\frac{\text{Profit/loss for the year}}{\text{Average equity}} * 100$

Average equity



**Equity ratio (%):**

Equity \* 100

Total assets

### **Primary activities**

The Company's activities comprise construction, projecting, acquisition and lease of real property as well as related products and businesses

### **Development in activities and finances**

The annual report shows a net gain of DKK 35,244 thousand. Management considers the result expected and satisfactory.

The Covid-19 outbreak has had a significant impact on the world economy during 2020. The Covid-19 outbreak has not effect on the Company.

### **Outlook**

Management expects a positive result in the coming year

### **Environmental performance**

Using only ecofriendly components, the company has no adverse impact on the external environment.

### **Events after the balance sheet date**

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

# Income statement for 2020

	Notes	2020 DKK	2019 DKK
Revenue		96,688,655	95,899,065
Costs of raw materials and consumables		(486,878)	(492,403)
Other external expenses		(21,222,855)	(26,116,898)
<b>Gross profit/loss</b>		<b>74,978,922</b>	<b>69,289,764</b>
Staff costs	1	(10,520,634)	(9,520,675)
Depreciation, amortisation and impairment losses	2	(18,372,558)	(16,117,258)
<b>Operating profit/loss</b>		<b>46,085,730</b>	<b>43,651,831</b>
Other financial expenses	3	(665,803)	(635,739)
<b>Profit/loss before tax</b>		<b>45,419,927</b>	<b>43,016,092</b>
Tax on profit/loss for the year	4	(10,175,664)	(9,477,314)
<b>Profit/loss for the year</b>	5	<b>35,244,263</b>	<b>33,538,778</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Land and buildings		322,932,042	335,846,173
Other fixtures and fittings, tools and equipment		45,072	111,012
<b>Property, plant and equipment</b>	6	<b>322,977,114</b>	<b>335,957,185</b>
<b>Fixed assets</b>		<b>322,977,114</b>	<b>335,957,185</b>
Manufactured goods and goods for resale		109,645	106,362
<b>Inventories</b>		<b>109,645</b>	<b>106,362</b>
Trade receivables		8,205,348	14,040,295
Receivables from group enterprises		147,560,609	95,003,025
Other receivables		88,577	87,124
Tax receivable		0	735,000
Prepayments	7	2,620,463	507,223
<b>Receivables</b>		<b>158,474,997</b>	<b>110,372,667</b>
<b>Cash</b>		<b>844,560</b>	<b>1,184,085</b>
<b>Current assets</b>		<b>159,429,202</b>	<b>111,663,114</b>
<b>Assets</b>		<b>482,406,316</b>	<b>447,620,299</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital	8	380,000	380,000
Retained earnings		455,191,895	419,947,632
<b>Equity</b>		<b>455,571,895</b>	<b>420,327,632</b>
Deferred tax	9	4,657,000	3,861,000
<b>Provisions</b>		<b>4,657,000</b>	<b>3,861,000</b>
Trade payables		6,755,619	2,567,754
Tax payable		67,000	0
Other payables		6,534,370	12,278,995
Deferred income	10	8,820,432	8,584,918
<b>Current liabilities other than provisions</b>		<b>22,177,421</b>	<b>23,431,667</b>
<b>Liabilities other than provisions</b>		<b>22,177,421</b>	<b>23,431,667</b>
<b>Equity and liabilities</b>		<b>482,406,316</b>	<b>447,620,299</b>
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Assets charged and collateral	13		
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# Statement of changes in equity for 2020

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	380,000	419,947,632	420,327,632
Profit/loss for the year	0	35,244,263	35,244,263
<b>Equity end of year</b>	<b>380,000</b>	<b>455,191,895</b>	<b>455,571,895</b>

# Notes

## 1 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	9,500,574	8,630,830
Pension costs	751,415	576,721
Other social security costs	268,645	313,124
	<b>10,520,634</b>	<b>9,520,675</b>
Average number of full-time employees	28	26

## 2 Depreciation, amortisation and impairment losses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Depreciation of property, plant and equipment	18,064,368	16,117,258
Profit/loss from sale of intangible assets and property, plant and equipment	308,190	0
	<b>18,372,558</b>	<b>16,117,258</b>

## 3 Other financial expenses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	665,803	635,739
	<b>665,803</b>	<b>635,739</b>

#### 4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	9,331,000	7,695,000
Change in deferred tax	796,000	1,733,000
Adjustment concerning previous years	48,664	49,314
	<b>10,175,664</b>	<b>9,477,314</b>

#### 5 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Retained earnings	35,244,263	33,538,778
	<b>35,244,263</b>	<b>33,538,778</b>

#### 6 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	546,168,928	2,867,976
Additions	5,488,737	0
Disposals	(404,440)	0
<b>Cost end of year</b>	<b>551,253,225</b>	<b>2,867,976</b>
Depreciation and impairment losses beginning of year	(210,322,755)	(2,756,964)
Depreciation for the year	(17,998,428)	(65,940)
<b>Depreciation and impairment losses end of year</b>	<b>(228,321,183)</b>	<b>(2,822,904)</b>
<b>Carrying amount end of year</b>	<b>322,932,042</b>	<b>45,072</b>

#### 7 Prepayments

Prepayments comprise prepaid expenses.

#### 8 Share capital

	Number	Par value DKK	Nominal value DKK	Recorded par value DKK
Shares	380	1000	380,000	380,000
	<b>380</b>		<b>380,000</b>	<b>380,000</b>



## 9 Deferred tax

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Property, plant and equipment	4,657,000	3,861,000
<b>Deferred tax</b>	<b>4,657,000</b>	<b>3,861,000</b>

<b>Changes during the year</b>	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Beginning of year	3,861,000	2,128,000
Recognised in the income statement	796,000	1,733,000
<b>End of year</b>	<b>4,657,000</b>	<b>3,861,000</b>

## 10 Deferred income

Deferred income comprise income relating to the next financial year.

## 11 Unrecognised rental and lease commitments

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Liabilities under rental or lease agreements until maturity in total	789,000	966,100

## 12 Contingent liabilities

None.

## 13 Assets charged and collateral

No assets are pledged.

## 14 Related parties with controlling interest

The Company is owned 100% by Shurgard Self Storage SA, Luxembourg.

## 15 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

## **16 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Shurgard Self Storage SA, 6 C, rue Gabriel Lippmann L-5365 Munsbach, Luxembourg.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Shurgard Self Storage SA, 6 C, rue Gabriel Lippmann L-5365 Munsbach, Luxembourg

Copies of the consolidated financial statements of Shurgard Self Storage SA may be ordered on the homepage:

<https://corporate.shurgard.eu>

# 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 financial statements are consistent with those applied last year.

## Recognition and measurement

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

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Revenue

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.

### Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

### 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 salaries and wages, 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.

**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.

**Balance sheet****Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

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	30 years
Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

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

**Inventories**

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

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

**Receivables**

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

**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.

**Cash**

Cash comprises cash in hand and bank deposits.

**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.

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.

**Other financial liabilities**

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

**Deferred income**

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

**Cash flow statement**

Pursuant to section 86 (4) of the Danish Financial Statements Act the Company has not prepared any cash flow statement, as is it included in the annual report of Shurgard Self Storage Europe S.a.r.l.