BEIERHOLM
VI SKABER BALANCE

Mekoprint Properties A/S

Hermesvej 2, 9530 Støvring

CVR no. 30 57 71 40

Annual report
for the financial year 01.10.22 - 30.09.23

This annual report has been adopted at the annual general meeting on 12.01.24

Jan Vestergaard Olsen

Chairman of the meeting

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Company information etc.

The company

Mekoprint Properties A/S
Hermesvej 2
9530 Støvring
Tel.: 99 36 56 00
Registered office: Rebild
CVR no.: 30 57 71 40
Financial year: 01.10 - 30.09

Executive Board

Anders Kold, CEO
Torben Jensen, CFO

Board of Directors

Jan Vestergaard Olsen, chairman
Esben Kold, vice-chairman
Anders Kold
Per Rasmus Rasmussen

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Banks

Danske Bank
Nykredit Bank

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.10.22 - 30.09.23 for Mekoprint Properties A/S.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 30.09.23 and of the results of the company's activities for the financial year 01.10.22 - 30.09.23.

The annual report is submitted for adoption by the general meeting.

Støvring, December 15, 2023

Executive Board

Anders Kold
CEO

Torben Jensen
CFO

Board of Directors

Jan Vestergaard Olsen
Chairman

Esben Kold
Vice-chairman

Anders Kold

Per Rasmus Rasmussen

To the Shareholder of Mekoprint Properties A/S

Opinion

We have audited the financial statements of Mekoprint Properties A/S for the financial year 01.10.22 - 30.09.23, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 30.09.23 and of the results of the company's operations for the financial year 01.10.22 - 30.09.23 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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 responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 International Standards on Auditing 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 International Standards on Auditing 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.

Aalborg, December 15, 2023

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Bjørn
State Authorized Public Accountant
MNE-no. mne28606

Income statement

Note		2022/23 DKK '000	2021/22 DKK '000
	Gross profit	**16,315**	**13,174**
	Depreciation and impairments losses of property, plant and equipment	-2,770	-2,325
	Operating profit	**13,545**	**10,849**
2	Financial expenses	-3,145	-1,099
	Profit before tax	**10,400**	**9,750**
	Tax on profit for the year	-2,318	-2,140
	Profit for the year	**8,082**	**7,610**

Proposed appropriation account		
Retained earnings	8,082	7,610
Total	**8,082**	**7,610**

Balance sheet

ASSETS

Note		30.09.23 DKK '000	30.09.22 DKK '000
	Land and buildings	241,665	215,108
	Property, plant and equipment under construction	8,073	26,219
3	**Total property, plant and equipment**	**249,738**	**241,327**
	Total non-current assets	**249,738**	**241,327**
	Trade receivables	136	234
	Other receivables	59	659
	Prepayments	1,509	144
	Total receivables	**1,704**	**1,037**
	Cash	**25**	**356**
	Total current assets	**1,729**	**1,393**
	Total assets	**251,467**	**242,720**

Balance sheet

EQUITY AND LIABILITIES

Note		30.09.23 DKK '000	30.09.22 DKK '000
	Contributed capital	1,000	1,000
	Retained earnings	98,086	90,004
	Total equity	**99,086**	**91,004**
	Provisions for deferred tax	41,680	40,580
	Total provisions	**41,680**	**40,580**
4	Mortgage debt	86,548	68,109
4	Lease commitments	2,008	0
	Total long-term payables	**88,556**	**68,109**
4	Short-term part of long-term payables	5,100	4,386
	Payables to other credit institutions	199	0
	Prepayments received from customers	12,940	13,028
	Payables to group enterprises	2,590	23,985
	Income taxes	1,218	1,618
	Other payables	98	10
	Total short-term payables	**22,145**	**43,027**
	Total payables	**110,701**	**111,136**
	Total equity and liabilities	**251,467**	**242,720**

5 Contingent liabilities
6 Charges and security
7 Related parties

Statement of changes in equity

Figures in DKK '000	Contributed capital	Cash flow hedging reserve	Retained earnings	Proposed dividend for the financial year
Statement of changes in equity for 01.10.21 - 30.09.22				
Balance as at 01.10.21	1,000	-207	82,394	10,000
Dividend paid	0	0	0	-10,000
Other changes in equity	0	207	0	0
Net profit/loss for the year	0	0	7,610	0
Balance as at 30.09.22	1,000	0	90,004	0
Statement of changes in equity for 01.10.22 - 30.09.23				
Balance as at 01.10.22	1,000	0	90,004	0
Net profit/loss for the year	0	0	8,082	0
Balance as at 30.09.23	1,000	0	98,086	0

1. Primary activities

Activities of the company comprise to own and lease real estate.

	2022/23 DKK '000	2021/22 DKK '000
2. Financial expenses		
Interest, group enterprises	168	150
Other financial expenses	2,977	949
Total	3,145	1,099

3. Property, plant and equipment

Figures in DKK '000	Land and buildings	Property, plant and equipment under construction
Carrying amount of assets held under finance leases as at 30.09.23	2,807	0

4. Long-term payables

Figures in DKK '000	Repayment first year	Outstanding debt after 5 years	Total payables at 30.09.23	Total payables at 30.09.22
Mortgage debt	4,660	66,135	91,208	72,495
Lease commitments	440	0	2,448	0
Total	5,100	66,135	93,656	72,495

5. Contingent liabilities

Recourse guarantee commitments

The company has provided an unlimited guarantee for Mekoprint A/S' debt to Danske Bank.

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

6. Charges and security

Land and buildings with a carrying amount of DKK 241,665k have been provided as security for mortgage debt of DKK 91,208k.

In addition to security for debt to mortgage credit institutions buildings have been provided as security for Mekoprint A/S' debt of DKK 53,000k to Danske Bank.

7. Related parties

The company is included in the consolidated financial statements of the parent Mekoprint Holding A/S, Rebild.

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

8. Accounting policies - continued -

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises rental income and other external expenses.

Rental income

Income from the rental of properties is recognised in the income statement for the relevant period. Rental income is measured at fair value and determined exclusive of VAT and discounts.

Other external expenses

Other external expenses comprise cost of premises and administrative expenses as well as other capacity costs, including bad debts to the extent that these do not exceed normal write-downs.

8. Accounting policies - continued -

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value, per cent
Buildings	20-40	0-60

Land is not depreciated.

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, the interest element of finance lease payments, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Amortisation of capital losses and borrowing costs relating to financial liabilities is recognised on an ongoing basis as financial expenses.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

8. Accounting policies - continued -

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise land and buildings.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the ‘Depreciation and impairment losses' section.

Property, plant and equipment under construction

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

Gains and losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

8. Accounting policies - continued -

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank account.

8. Accounting policies - continued -

Equity

Unrealised gains and losses on financial instruments classified as and meeting the criteria for hedging of future cash flows (cash flow hedging) are recognised in equity under the cash flow hedging reserve. The reserve is measured less deferred tax. The reserve is dissolved when the hedged transaction occurs, or it is no longer expected to occur.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management’s intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

8. Accounting policies - continued -

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.