Aage Skouboes Vej 2 A/S

c/o Property House A/S, Sofiendalsvej 88, 9200 Aalborg SV

Company reg. no. 31 48 71 61

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 28 May 2021.

Jack Johannes Richard Nyberg
Chairman of the meeting

Contents

Notes:

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

Management's report

Today, the board of directors and the managing director have presented the annual report of Aage Skouboes Vej 2 A/S for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Aalborg SV, 28 May 2021

Managing Director

Jack Johannes Richard Nyberg

Board of directors

Erik Bo Berggren   Jack Johannes Richard Nyberg   Lars Svante Arved Wedman

Independent auditor's report

To the shareholder of Aage Skouboes Vej 2 A/S

Opinion

We have audited the financial statements of Aage Skouboes Vej 2 A/S for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Emphasis of matter

Without modifying our opinion we draw attention to note 1 describing uncertainties regarding recognition and measurement of investment properties at fair value.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such 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 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 including an 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 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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 the 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 express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Aalborg, 28 May 2021

Redmark
State Authorised Public Accountants
Company reg. no. 29 44 27 89

Alex Hoffmann Kristensen
State Authorised Public Accountant
mne33705

Company information

The company	Aage Skouboes Vej 2 A/S c/o Property House A/S Sofiendalsvej 88 9200 Aalborg SV	
	Company reg. no.	31 48 71 61
	Financial year:	1 January - 31 December
Board of directors	Erik Bo Berggren Jack Johannes Richard Nyberg Lars Svante Arved Wedman	
Managing Director	Jack Johannes Richard Nyberg	
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg	
Bankers	Nordea Danmark, Grøndjordsvej 10, 2300 København S	
Lawyer	Advokatfirmaet Børge Nielsen	
Parent company	Vingen Ejendomme ApS	

Management commentary

The principal activities of the company

Like previous years, the principal activities are to own and let out real estate.

Uncertainties about recognition or measurement

We refer to note 1 for a description of material estimates and evaluations of accounting.

Development in activities and financial matters

During the entire financial year the property has been fully let.

The management considers the result satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2020	2019
	Gross profit	**3.239.568**	**3.171.198**
	Value adjustment of investment property	14.200.000	-5.805.154
	Operating profit	**17.439.568**	**-2.633.956**
	Other financial income	853.589	677.892
	Other financial costs	-161.389	-181.836
	Pre-tax net profit or loss	**18.131.768**	**-2.137.900**
	Tax on ordinary results	-3.992.547	465.811
	Net profit or loss for the year	**14.139.221**	**-1.672.089**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	14.139.221	0
	Allocated from retained earnings	0	-1.672.089
	Total allocations and transfers	**14.139.221**	**-1.672.089**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2020	2019
	Non-current assets		
3	Investment property	67.000.000	52.800.000
	Total property, plant, and equipment	67.000.000	52.800.000
	Total non-current assets	**67.000.000**	**52.800.000**
	Current assets		
	Amounts owed by group enterprises	19.182.503	15.859.044
	Accrued income and deferred expenses	0	23.900
	Total receivables	19.182.503	15.882.944
	Available funds	681.406	1.491.533
	Total current assets	**19.863.909**	**17.374.477**
	Total assets	**86.863.909**	**70.174.477**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2020	2019
	Equity		
	Contributed capital	500.000	500.000
	Results brought forward	59.179.466	45.040.245
	Total equity	**59.679.466**	**45.540.245**
	Provisions		
	Provisions for deferred tax	4.441.861	850.550
	Total provisions	**4.441.861**	**850.550**
	Liabilities other than provisions		
	Mortgage debt	14.956.988	16.386.511
	Deposits	5.382.106	5.382.106
4	Total long term liabilities other than provisions	20.339.094	21.768.617
4	Current portion of long term payables	1.419.266	1.420.039
	Trade creditors	82.227	0
	Tax payables to group enterprises	401.236	344.014
	Other debts	500.759	251.012
	Total short term liabilities other than provisions	2.403.488	2.015.065
	Total liabilities other than provisions	**22.742.582**	**23.783.682**
	Total equity and liabilities	**86.863.909**	**70.174.477**

1 Uncertainties concerning recognition and measurement

2 Disclosures on fair value

5 Charges and security

6 Contingencies

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

During the preparation of the Annual Report, Management makes a number of accounting estimates to valuate and factor in the Company's assets and liabilities. The development of the financial markets and the real estate markets reflects a stabilization; generally the real estatemarket moves towards a more positive trend. However, the development also reflects great diversity and unpredictability which implies that the uncertainty related to valuation of the Company's assets and liabilities continues, such as and inparticular the Company's investmentproperties.

The company's investment properties consists of larger industrial real estate. The market for this type of properties is limited and there are only few potential buyers. As such there is a risk that the properties, in a sale, will not fetch the fair value which is regocnized in the annual statement.

When measuring the property continued letting of the property beyond the fixed period, which included in the existing lease contract, is assumed. There is a risk concerning the expected lease income after the expiration of the fixed period and therefore an uncertainty about the valuation of the property. Reference is made to the sensititvity analysis of the fair value of the property in the property note.

2. Disclosures on fair value

	Investment property
Fair value at 31 December 2020	67.000.000
Change in fair value of the year recognised in the statement of financial activity	14.200.000

	31/12 2020	31/12 2019
3. Investment property		
Cost 1 January 2020	59.992.651	59.992.651
Cost 31 December 2020	**59.992.651**	**59.992.651**
Fair value adjustment 1 January 2020	-7.192.651	-29.992.651
Adjust of the year to fair value	14.200.000	22.800.000
Fair value adjustment 31 December 2020	**7.007.349**	**-7.192.651**
Carrying amount, 31 December 2020	**67.000.000**	**52.800.000**

Notes

All amounts in DKK.

3. Investment property (continued)

The measurement of properties is made using a returnbased cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by estimates made by an external assessor. The fair value measurement is made on the basis of estimated rental income and expected operating costs, including scheduled maintenance. Cash flows beyond the 10th year (terminal value) is determined according to a netrent model based on the 10th year, but at average estimates as to vacant periods, improvement costs, major maintenance costs, and investments. Cash flows from each year and the value of the terminal year are discounted with the required rate of return determined for each individual property with addition of inflation.

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

The material, nonobservable inputs in relation to the calculation of the fair value are:

	2020	2019
Required rate of return in %	6	7,50

Sensitivity analysis:
The major factors in determining the fair value of the property are the rates of return and rent, respectively. Below is the change in the fair value shown if the rate changes by 0,5% and if the rent are changed by 10%%

	Change in fair value
Rates +0,5%	-2.252.254
Rates -0,5%	2.574.282
Rent +10,0%	5.576.041
Rent - 10,0%	-5.362.042

4. Liabilities other than provision

	Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
Mortgage debt	16.376.254	1.419.266	14.956.988	9.284.657
Deposits	5.382.106	0	5.382.106	0
	21.758.360	**1.419.266**	**20.339.094**	**9.284.657**

Notes

All amounts in DKK.

5. Charges and security

As collateral for mortgage loans, t.DKK 16.376, security has been granted on land and buildings representing a carrying amount of t.DKK 67.000 at 31 December 2020.

The company has issued mortgages registered to the owners totalling t.DKK 43.677 as security for bank loans. The mortgages registered to the owners provide security on the above land and buildings.

6. Contingencies

Contingent liabilities

The company has guaranteed the bank loans of the group enterprises. On 31 December 2020, the total bank loans of the group enterprises totalled t.DKK 5.739.

The company has guaranteed for mortgage loans of group enterprises. On 31 December 2020, the total mortgage loans of group compianes totals t.DKK 211.633.

Joint taxation

With Vingen Ejendomme ApS, company reg. no 32934862 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Aage Skouboes Vej 2 A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

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

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, other operating income and external costs.

Revenue from rental income are recognized in the period of which the rent relates.

Other external costs comprise costs incurred for administration.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Accounting policies

Financial income and expenses

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

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investment property

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

Hereafter, investments are measured individually on the basis of a return-based cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. Fair value measurement is made on the basis of estimated lease income and expected operating costs, including scheduled maintenance. Compared to the previous financial year, the method of measurement remains unchanged.

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

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item ”Value adjustments of property”.

Receivables

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

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

According to the rules of joint taxation, Aage Skouboes Vej 2 A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Accounting policies

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

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

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