

KADD Development ApS

Industrivej 6, 8660 Skanderborg

Company reg. no. 33 87 88 26

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 17 March 2021.

Kim Andersen
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

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Management's report

The managing director has today presented the annual report of KADD Development ApS for the financial year 1 January to 31 December 2020.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

The managing director considers the requirements of omission of audit of the annual accounts for 2020 as met.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

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

Skanderborg, 12 March 2021

Managing Director

Kim Andersen

Auditor's report on compilation of the annual accounts

To the shareholder of KADD Development ApS

We have compiled the financial statements of KADD Development ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the income statement, statement of financial position, statement of changes in equity, notes and accounting policies.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Fredericia, 12 March 2021

BRANDT

State Authorized Public Accounting Firm
Company reg. no. 25 49 21 45

Søren Fricke

State Authorised Public Accountant
mne34262

Company information

The company	KADD Development ApS Industrivej 6 8660 Skanderborg
	Company reg. no. 33 87 88 26 Financial year: 1 January - 31 December
Managing Director	Kim Andersen
Auditors	BRANDT Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
Parent company	Davidson Holding ApS

Management commentary

The principal activities of the company

The main activity of the company is property investment and development.

Unusual matters

No unusual circumstances have affected recognition or measurement.

Uncertainties as to recognition or measurement

The investment property of the company comprises a site area at Aarhus Airport. The Covid-19 pandemic has led to a shutdown of the travel industry and its subcontractors. The activity has been significantly reduced and as a consequence thereof, no significant expansion of or new investments in facilities are likely to be made before the travel activities start up again.

Management expects that the activity will increase in the coming years as will the demand for areas for expansion or new investments in the area.

In connection with the measurement, a valuation has been obtained from an external real estate agent, but this valuation is of course subject to some uncertainty in the current market in which travel activities are shut down.

Apart from the above, no material uncertainty has affected the recognition or measurement.

Development in activities and financial matters

The results and financial development of the company were as expected.

Events subsequent to the financial year

After the end of the financial year, no events have occurred that could materially affect the financial position of the company.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross loss	-40.407	-64.490
Value adjustment of investment property	-1.000.000	0
Profit before net financials	-1.040.407	-64.490
Other financial income	1.233	0
Other financial costs	-15.315	-12.108
Pre-tax net profit or loss	-1.054.489	-76.598
Tax on net profit or loss for the year	227.925	6.072
Net profit or loss for the year	-826.564	-70.526
Proposed appropriation of net profit:		
Allocated from retained earnings	-826.564	-70.526
Total allocations and transfers	-826.564	-70.526

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
2	Investment property	5.000.000	6.000.000
	Total property, plant, and equipment	<u>5.000.000</u>	<u>6.000.000</u>
	Total non-current assets	<u>5.000.000</u>	<u>6.000.000</u>
Current assets			
	Other receivables	<u>0</u>	<u>3.800</u>
	Total receivables	<u>0</u>	<u>3.800</u>
	Cash on hand and demand deposits	<u>5.983</u>	<u>21.177</u>
	Total current assets	<u>5.983</u>	<u>24.977</u>
	Total assets	<u>5.005.983</u>	<u>6.024.977</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Equity			
Contributed capital		7.700.000	7.700.000
Retained earnings		-3.183.973	-2.357.409
Total equity		<u>4.516.027</u>	<u>5.342.591</u>
Provisions			
Provisions for deferred tax		95.165	323.090
Total provisions		<u>95.165</u>	<u>323.090</u>
Liabilities other than provisions			
Other payables		394.791	359.296
Total short term liabilities other than provisions		394.791	359.296
Total liabilities other than provisions		<u>394.791</u>	<u>359.296</u>
Total equity and liabilities		<u>5.005.983</u>	<u>6.024.977</u>

- 1 **Uncertainties concerning recognition and measurement**
- 3 **Charges and security**
- 4 **Contingencies**

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	7.700.000	-2.286.883	5.413.117
Profit or loss for the year brought forward	0	-70.526	-70.526
Equity 1 January 2020	7.700.000	-2.357.409	5.342.591
Profit or loss for the year brought forward	0	-826.564	-826.564
	7.700.000	-3.183.973	4.516.027

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The investment property of the company comprises a site area at Aarhus Airport. The Covid-19 pandemic has led to a shutdown of the travel industry and its subcontractors. The activity has been significantly reduced and as a consequence thereof, no significant expansion of or new investments in facilities are likely to be made before the travel activities start up again.

Management expects that the activity will increase in the coming years as will the demand for areas for expansion or new investments in the area.

In connection with the measurement, a valuation has been obtained from an external real estate agent, but this valuation is of course subject to some uncertainty in the current market in which travel activities are shut down.

	<u>31/12 2020</u>	<u>31/12 2019</u>
2. Investment property		
Cost 1 January	4.300.000	4.300.000
Cost 31 December	4.300.000	4.300.000
Fair value adjustment 1 January	1.700.000	0
Adjust of the year to fair value	<u>-1.000.000</u>	<u>1.700.000</u>
Fair value adjustment 31 December	700.000	1.700.000
Carrying amount, 31 December	<u>5.000.000</u>	<u>6.000.000</u>

The investment property includes a site area at Aarhus Airport.

The measurement has been made on the basis of external real estate agents' assessments of the market level.

3. Charges and security

None.

Notes

All amounts in DKK.

4. Contingencies

Contingent liabilities

None.

Joint taxation

With Davidson Holding ApS, company reg. no 40 93 45 61 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.

Accounting policies

The annual report for KADD Development ApS 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.

Change in financial estimates

Comparative figures have been changed for the item payables to group enterprises as ownership has changed during the financial year.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Income statement

Gross loss

Gross loss includes other external costs.

Other external costs comprise costs for administration.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and gain or loss from 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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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

The balance sheet

Investment property

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

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

Costs which add new or improved qualities to an investment property compared to its condition at the time of acquisition and which thereby improves 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 profit and loss account in the item "Costs concerning investment property".

Like other material fixed assets, except from land, investment property has a limited life financial life. The impairment taking place concurrently with the aging of the investment property is reflected in the current measuring of the investment property at fair value.

Value adjustments are recognised in the profit and loss account in the item "Value adjustments of property".

Receivables

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

Accounting policies

Available funds

Available funds comprise cash at bank and in 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, KADD Development ApS 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.

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.

Liabilities other than provisions

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