

PATRIZIA Denmark A/S

**Adelgade 15, 2.
1304 København**

CVR no. 34 47 68 45

Annual report for 2022

Adopted at the annual general meeting on 12
April 2023

DocuSigned by:
Anders Skovgaard Klingbeil
4C284BB0320A49D...

Anders Skovgaard Klingbeil
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report on extended review	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Accounting policies	7
Income statement 1 January 2022 - 31 December 2022	11
Balance sheet at 31 December 2022	12
Statement of changes in equity	14
Notes	15

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of PATRIZIA Denmark A/S for the financial year 1 January - 31 December 2022.

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

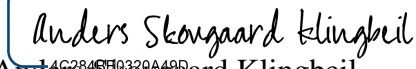
In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

We recommend the annual report for adoption at the annual general meeting.

Copenhagen, 12 April 2023

Executive board

DocuSigned by:

Anders Skovgaard Klingbeil
Director

Supervisory board

DocuSigned by:

Christoph Glaser
chairman

DocuSigned by:

Amal Belkadi Azuagh

DocuSigned by:

Keld Jessen

Independent auditor's report on extended review

To the shareholder of PATRIZIA Denmark A/S

Opinion

We have performed extended review of the financial statements of PATRIZIA Denmark A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for 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 and IESBA Code. We believe that the 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 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.

Independent auditor's report on extended review

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

Independent auditor's report on extended review

Based on the work we have performed, we conclude that management's review 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 management's review.

Copenhagen, 12 April 2023

BDO
Statsautoriseret Revisionsaktieselskab
CVR no. 20 22 26 70

DocuSigned by:



Martin Dahl Jensen

State Authorised Public Accountant
MNE no. mne34294

Company details

The company

PATRIZIA Denmark A/S
Adelgade 15, 2.
1304 København

CVR no.: 34 47 68 45

Reporting period: 1 January - 31 December 2022

Incorporated: 15 april 2012

Domicile: Copenhagen

Supervisory board

Christoph Glaser, chairman
Amal Belkadi Azuagh
Keld Jessen

Executive board

Anders Skovgaard Klingbeil, director

Auditors

BDO
Statsautoriseret Revisionsaktieselskab
Havneholmen 29
1561 København

Management's review

Business review

The primary activity of the company is to provide services within the real estate industry.

Financial review

The company's income statement for the year ended 31. december 2022 shows a profit of DKK 10.485.488, and the balance sheet at 31 December 2022 shows equity of DKK 36.719.939.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of PATRIZIA Denmark A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act for klasse B-virksomheder, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2022 is presented in DKK

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

As management company, PATRIZIA Denmark A/S is liable for payment of other Danish related parties in the joint taxation to the tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Accounting policies

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

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

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-13 years	0 %

Assets costing less than DKK 31.000 are expensed in the year of acquisition.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

As management company, PATRIZIA Denmark A/S is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Income statement 1 January 2022 - 31 December 2022

	Note	2022 DKK	2021 DKK
Gross profit		24.364.771	52.460.027
Staff costs	1	-10.922.292	-15.566.084
Resultat før af- og nedskrivninger		13.442.479	36.893.943
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-114.924	-115.947
Profit/loss before net financials		13.327.555	36.777.996
Financial income	2	194.405	14.098
Financial costs	3	-79.104	-265.019
Profit/loss before tax		13.442.856	36.527.075
Tax on profit/loss for the year	4	-2.957.368	-8.060.982
Profit/loss for the year		10.485.488	28.466.093
 Recommended appropriation of profit/loss			
Proposed dividend for the year		0	27.000.000
Retained earnings		10.485.488	1.466.093
		10.485.488	28.466.093

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
		DKK	DKK
Assets			
Other fixtures and fittings, tools and equipment		512.485	627.409
Tangible assets		512.485	627.409
Deposits		495.131	469.497
Fixed asset investments		495.131	469.497
Total non-current assets		1.007.616	1.096.906
Receivables from group enterprises		27.030.095	58.490.413
Prepayments		664.467	0
Receivables		27.694.562	58.490.413
Cash at bank and in hand		11.740.182	7.709.383
Total current assets		39.434.744	66.199.796
Total assets		40.442.360	67.296.702

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Equity and liabilities			
Share capital		510.000	510.000
Other reserves		69.420	69.420
Retained earnings		36.140.519	25.655.031
Proposed dividend for the year		0	27.000.000
Equity		<u>36.719.939</u>	<u>53.234.451</u>
Provision for deferred tax		94.928	114.272
Total provisions		<u>94.928</u>	<u>114.272</u>
Trade payables		66.212	101.663
Payables to group enterprises		671.000	4.784.065
Corporation tax		176.712	679.514
Other payables		2.713.569	8.382.737
Total current liabilities		<u>3.627.493</u>	<u>13.947.979</u>
Total liabilities		<u>3.627.493</u>	<u>13.947.979</u>
Total equity and liabilities		<u><u>40.442.360</u></u>	<u><u>67.296.702</u></u>
Rent and lease liabilities	5		
Contingent liabilities	6		
Related parties and ownership structure	7		

Statement of changes in equity

	Share capital	Other reserves	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January 2022	510.000	69.420	25.655.031	27.000.000	53.234.451
Ordinary dividend paid	0	0	0	-27.000.000	-27.000.000
Net profit/loss for the year	0	0	10.485.488	0	10.485.488
Equity at 31 December 2022	510.000	69.420	36.140.519	0	36.719.939

Notes

	<u>2022</u>	<u>2021</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	9.778.143	13.946.249
Pensions	759.294	1.117.406
Other social security costs	384.855	502.429
	<u>10.922.292</u>	<u>15.566.084</u>
Average number of employees	<u>11</u>	<u>14</u>
2 Financial income		
Interest received from group enterprises	6.287	0
Other financial income	188.118	14.098
	<u>194.405</u>	<u>14.098</u>
3 Financial costs		
Financial expenses, group enterprises	0	11.693
Other financial costs	79.104	253.326
	<u>79.104</u>	<u>265.019</u>
4 Tax on profit/loss for the year		
Current tax for the year	2.976.712	8.073.514
Deferred tax for the year	-19.344	-12.532
	<u>2.957.368</u>	<u>8.060.982</u>

Notes

	<u>2022</u>	<u>2021</u>
	DKK	DKK
5 Rent and lease liabilities		
Operating lease liabilities.		
Total future lease payments:		
Within 1 year	29.092	28.331
Between 1 and 5 years	<u>21.819</u>	<u>16.526</u>
	<u>50.911</u>	<u>44.857</u>

6 Contingent liabilities

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment.

7 Related parties and ownership structure

Name and registered office of the parent company preparing consolidated accounts for smallest group PATRIZIA SE, Augsburg, Germany.