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# *Woods Office Nybrovej K/S*

Southamptongade 4, DK-2150 Nordhavn

## Annual Report for 2023

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CVR No. 35 52 15 93

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the limited  
partnership  
on 31/5 2024

Stine Seneberg  
Chairman of the  
general meeting



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# Management's statement

The Executive Board has today considered and adopted the Annual Report of Woods Office Nybrovej K/S for the financial year 1 January - 31 December 2023.

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 financial position at 31 December 2023 of the Limited Partnership and of the results of the Limited Partnership operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 31 May 2024

## Executive Board

Thomas Ebbe Riise-Jakobsen

Thomas Wenzell Gram-Olesen

Toke Sundenæs Clausen

Stine Seneberg

# Independent Auditor's report

To the limited partners of Woods Office Nybrovej K/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Limited Partnership at 31 December 2023 and of the results of the Limited Partnership's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Woods Office Nybrovej K/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 Limited Partnership 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 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 Limited Partnership'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 Limited Partnership 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 Limited Partnership's internal control.

# Independent Auditor's report

- 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 Limited Partnership'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 Limited Partnership 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.

Hellerup, 31 May 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mikael Johansen

State Authorised Public Accountant

mne23318

Kristian Rath

State Authorised Public Accountant

mne42817

## Company information

### The Company

Woods Office Nybrovej K/S  
Southamptongade 4  
2150 Nordhavn

CVR No: 35 52 15 93

Financial period: 1 January - 31 December

Incorporated: 24 October 2013

Financial year: 10th financial year

Municipality of reg. office: Copenhagen

### Executive Board

Thomas Ebbe Riise-Jakobsen  
Thomas Wenzell Gram-Olesen  
Toke Sundenæs Clausen  
Stine Seneberg

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
<b>Gross profit before value adjustments</b>		<b>8,754,524</b>	<b>8,596,266</b>
Value adjustments of assets held for investment		-23,359,178	5,657,971
<b>Gross profit after value adjustments</b>		<b>-14,604,654</b>	<b>14,254,237</b>
Financial income	3	2,934	0
Financial expenses	4	-4,843,973	-1,313,165
<b>Net profit/loss for the year</b>		<b>-19,445,693</b>	<b>12,941,072</b>
 <b>Distribution of profit</b>			
		2023	2022
		DKK	DKK
<b>Proposed distribution of profit</b>			
Retained earnings		-19,445,693	12,941,072
		<b>-19,445,693</b>	<b>12,941,072</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		DKK	DKK
Investment properties		209,376,198	232,657,971
<b>Property, plant and equipment</b>	5	<b>209,376,198</b>	<b>232,657,971</b>
<b>Fixed assets</b>		<b>209,376,198</b>	<b>232,657,971</b>
Other receivables		112,515	684,065
Prepayments		1,295,902	1,776,994
<b>Receivables</b>		<b>1,408,417</b>	<b>2,461,059</b>
<b>Cash at bank and in hand</b>		<b>10,638,256</b>	<b>7,017,855</b>
<b>Current assets</b>		<b>12,046,673</b>	<b>9,478,914</b>
<b>Assets</b>		<b>221,422,871</b>	<b>242,136,885</b>



## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		137,000,000	137,000,000
Retained earnings		-32,994,077	-13,548,384
<b>Equity</b>		<b>104,005,923</b>	<b>123,451,616</b>
Mortgage loans		108,991,408	110,376,575
Deposits		5,465,032	4,954,281
<b>Long-term debt</b>	6	<b>114,456,440</b>	<b>115,330,856</b>
Mortgage loans	6	2,115,561	2,119,398
Trade payables		36,437	38,356
Other payables		808,510	1,196,659
<b>Short-term debt</b>		<b>2,960,508</b>	<b>3,354,413</b>
<b>Debt</b>		<b>117,416,948</b>	<b>118,685,269</b>
<b>Liabilities and equity</b>		<b>221,422,871</b>	<b>242,136,885</b>
Key activities	1		
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## Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	137,000,000	-13,548,384	123,451,616
Net profit/loss for the year	0	-19,445,693	-19,445,693
<b>Equity at 31 December</b>	<b><u>137,000,000</u></b>	<b><u>-32,994,077</u></b>	<b><u>104,005,923</u></b>

# Notes to the Financial Statements

## 1. Key activities

The Company's key activity is to directly or indirectly through ownership of investments, Corporations or other legal entities or Joint Ventures, to engage in investment activity and/or own and operate real estate and other business which according to the Company's discretion is related.

## 2. Staff

Average number of employees

<u>2023</u>	<u>2022</u>
0	0

## 3. Financial income

Other financial income

<u>2023</u> DKK	<u>2022</u> DKK
2,934	0
<u>2,934</u>	<u>0</u>

## 4. Financial expenses

Other financial expenses

<u>2023</u> DKK	<u>2022</u> DKK
4,843,973	1,313,165
<u>4,843,973</u>	<u>1,313,165</u>

# Notes to the Financial Statements

## 5. Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January	108,033,663
Additions for the year	77,406
Cost at 31 December	<u>108,111,069</u>
Value adjustments at 1 January	124,624,307
Revaluations for the year	-23,359,178
Value adjustments at 31 December	<u>101,265,129</u>
<b>Carrying amount at 31 December</b>	<b><u>209,376,198</u></b>

### Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The fair value is calculated by using generally accepted valuation methods.

The fair value of Nybrovej has been calculated based on the following assumptions:

	2023
	DKK
The fair value of investment properties amounts to	209,376,198
Value adjustment, income statement	-23,359,178
Budget period	3
Terminal period	4
Average WACC	7,25%
Average inflation assumption	2,00%
Exit yield	5,25%
Average vacancy, budget period	0%
Average rent increase, budget period	2,00%
Sqm	9,740
Rental income per sqm, year 1	1,112

The fair value of investment properties at 31 December 2023 has been assessed by an independent assessor.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material.

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>6. Long-term debt</b>		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
<b>Mortgage loans</b>		
After 5 years	88,806,739	90,085,774
Between 1 and 5 years	<u>20,184,669</u>	<u>20,290,801</u>
Long-term part	108,991,408	110,376,575
Within 1 year	<u>2,115,561</u>	<u>2,119,398</u>
	<u><b>111,106,969</b></u>	<u><b>112,495,973</b></u>
<b>Deposits</b>		
After 5 years	0	0
Between 1 and 5 years	<u>5,465,032</u>	<u>4,954,281</u>
Long-term part	5,465,032	4,954,281
Within 1 year	<u>0</u>	<u>0</u>
	<u><b>5,465,032</b></u>	<u><b>4,954,281</b></u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>7. Contingent assets, liabilities and other financial obligations</b>		
<b>Charges and security</b>		
The following assets have been placed as security with mortgage credit institutes:		
Investment properties at a total carrying amount of	209,376,198	232,657,971

# Notes to the Financial Statements

## 8. Related parties and disclosure of consolidated financial statements

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

<u>Name</u>	<u>Place of registered office</u>
NREP Nordic Strategies Fund IV LP	Luxembourg

# Notes to the Financial Statements

## 9. Accounting policies

The Annual Report of Woods Office Nybrovej K/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Limited partnership, 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 out of the Limited partnership, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Income statement

#### Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Revenue from rental income is recognised in the income statement at amounts relating to the financial year when revenue can be measured reliably and its probable that the economic benefits will flow to the Company. Revenue is recognised exclusive of VAT and net of discounts.

#### Other external expenses

Other external expenses comprise expenses for premises and as office expenses, etc.

#### Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

# Notes to the Financial Statements

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Balance sheet

### Property, plant and equipment

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed investment properties comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and suppliers up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of investment properties are recognised in cost over the construction period.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Financial liabilities

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.