



**CHRISTENSEN
KJÆRULFF**

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Romark Properties ApS

c/o Christensen Kjaerulff Statsautoriseret Revisionsaktieselskab, Store Kongensgade 68,
1264 København K

Company reg. no. 36 50 76 59

Annual report

1 March 2019 - 29 February 2020

The annual report was submitted and approved by the general meeting on the 7/7-2020

John Stuart Ross
Chairman of the meeting

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 %.



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Management's report

The board of directors and the managing director have today presented the annual report of Romark Properties ApS for the financial year 1 March 2019 to 29 February 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 29 February 2020 and of the company's results of its activities in the financial year 1 March 2019 to 29 February 2020.

We are 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.

Copenhagen, 7 July 2020

Managing Director

John Stuart Ross

Board of directors

John Stuart Ross

Douglas Garth Ross



Independent auditor's report

To the shareholders of Romark Properties ApS

Opinion

We have audited the financial statements of Romark Properties ApS for the financial year 1 March 2019 - 29 February 2020, which comprise accounting policies, income statement, statement of financial position and notes. 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 29 February 2020 and of the results of the company's activities for the financial year 1 March 2019 - 29 February 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.

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.



Independent auditor's report

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.

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 and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.



Independent auditor's report

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.

Copenhagen, 7 July 2020

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678



Company information

The company

Romark Properties ApS
c/o Christensen Kjarulff Statsautoriseret Revisionsaktieselskab, Store
Kongensgade 68
1264 København K

Company reg. no. 36 50 76 59
Financial year: 1 March - 29 February

Board of directors

John Stuart Ross
Douglas Garth Ross

Managing Director

John Stuart Ross

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Parent company

Roden Holdings ApS



Management commentary

The principal activities of the company

Like previous years, the principal activities are to invest in, own, operate and lease out real estate in Denmark, and all activities deemed to be related thereto by the board of directors.

Development in activities and financial matters

The gross profit for the year is DKK 1.550.728 against DKK 1.522.699 last year. The net profit are DKK 1.270.001 against DKK 1.424.657 last year. The management consider the results satisfactory.

Events subsequent to the financial year

The outbreak and spread of COVID-19 at the beginning of 2020 has led to some uncertainties in the market.

It is not expected that the COVID-19 crisis will have a material impact on the company's revenue base and operations in 2020. However, it is still too early to assess whether the outbreak could have an impact on the valuation of the company's property in the form of increased return requirements.

Please refer to the prerequisites for valuing investment property in note 3.

Apart from the above, no events have occurred subsequent to the statement of financial position date, which would have material impact on the assessment of the financial statements.



Income statement

All amounts in DKK.

<u>Note</u>	<u>1/3 2019 - 29/2 2020</u>	<u>1/3 2018 - 28/2 2019</u>
Gross profit	1.550.728	1.522.699
Value adjustment of investment property	735.649	1.021.334
Depreciation and writedown relating to tangible fixed assets	<u>-9.959</u>	<u>-9.959</u>
Operating profit	2.276.418	2.534.074
Other financial income	0	665
1 Other financial costs	<u>-647.736</u>	<u>-708.255</u>
Pre-tax net profit	1.628.682	1.826.484
Tax on ordinary results	<u>-358.681</u>	<u>-401.827</u>
Net profit or loss for the year	<u>1.270.001</u>	<u>1.424.657</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	<u>1.270.001</u>	<u>1.424.657</u>
Total allocations and transfers	<u>1.270.001</u>	<u>1.424.657</u>



Statement of financial position

All amounts in DKK.

Assets

<u>Note</u>	<u>29/2 2020</u>	<u>28/2 2019</u>
Non-current assets		
2 Other plants, operating assets, and fixtures and furniture	4.979	14.939
3 Investment property	<u>20.149.175</u>	<u>19.413.526</u>
Total property, plant, and equipment	<u>20.154.154</u>	<u>19.428.465</u>
Total non-current assets	<u>20.154.154</u>	<u>19.428.465</u>
Current assets		
Trade debtors	0	33.276
Tax receivables from group enterprises	8.628	0
Accrued income and deferred expenses	<u>49.334</u>	<u>41.123</u>
Total receivables	<u>57.962</u>	<u>74.399</u>
Available funds	<u>3.406.271</u>	<u>2.359.509</u>
Total current assets	<u>3.464.233</u>	<u>2.433.908</u>
Total assets	<u>23.618.387</u>	<u>21.862.373</u>



Statement of financial position

All amounts in DKK.

Equity and liabilities		
Note	29/2 2020	28/2 2019
Equity		
4 Contributed capital	51.000	51.000
5 Share premium account	4.000.000	4.000.000
6 Results brought forward	2.368.369	1.098.368
Total equity	6.419.369	5.149.368
Provisions		
Provisions for deferred tax	735.906	368.597
Total provisions	735.906	368.597
Liabilities other than provisions		
Mortgage debt	7.534.367	8.110.817
Debt to group enterprises	8.023.412	7.347.251
7 Total long term liabilities other than provisions	15.557.779	15.458.068
7 Short-term part of long-term liabilities	558.143	445.404
Trade creditors	35.500	87.931
Other debts	231.225	249.357
Accrued expenses and deferred income	80.465	103.648
Total short term liabilities other than provisions	905.333	886.340
Total liabilities other than provisions	16.463.112	16.344.408
Total equity and liabilities	23.618.387	21.862.373
8 Charges and security		
9 Contingencies		



Notes

All amounts in DKK.

	1/3 2019 - 29/2 2020	1/3 2018 - 28/2 2019
1. Other financial costs		
Financial costs, group enterprises	428.206	402.471
Other financial costs	219.530	305.784
	647.736	708.255
2. Other plants, operating assets, and fixtures and furniture		
Cost opening balance	49.797	49.797
Cost end of period	49.797	49.797
Amortisation and writedown opening balance	-34.858	-24.899
Depreciation for the year	-9.960	-9.959
Amortisation and writedown end of period	-44.818	-34.858
Book value end of period	4.979	14.939
3. Investment property		
Cost opening balance	18.951.886	18.951.886
Cost end of period	18.951.886	18.951.886
Fair value adjustment opening balance	461.640	-559.694
Adjustment of the year to fair value	735.649	1.021.334
Fair value adjustment end of period	1.197.289	461.640
Carrying amount, end of period	20.149.175	19.413.526

The company owns a property on Edisonvej 20 in Vejle, Denmark.

A determination of the return from the individual properties is based on the expected rental income from fully leased properties less expected operating costs, administration costs, and maintenance costs. The subsequent value is adjusted for recognised vacant-period lease for a reasonable period of time and expected costs of improvements and large maintenance projects, etc., plus added deposits and prepaid lease payments.



Notes

All amounts in DKK.

3. Investment property (continued)

The required rate of return has been determined on the basis of market statistics, completed transactions, and management's knowledge of the property market in general. When determining the required rate of return, parameters such as type (residence, office, shop, etc.), location, age, state of maintenance, duration of rental agreements, and tenant credit quality, etc., are considered.

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

The determination of the market value (carrying value) is based on the following rates of return:

Weighted average rate of return 8,00%

Sensitivity analysis:

Changes in the rates of return have a material effect on the measurement of investment properties. An increase in the rate of return could mean a decrease in market value. The market development may result in changed requirements to the return on real property.

The survey below shows how the measurement of the property portfolio is affected when the rates of return are increased and decreased, respectively +/- 0,5%:

Rate of return	Value of property portfolio	Carrying amount	Adjustment
-0,5%	21.492.453	20.149.175	1.343.278
+0,5%	18.963.929	20.149.175	-1.185.246

4. Contributed capital

Contributed capital opening balance	51.000	51.000
	51.000	51.000

5. Share premium account

Share premium account opening balance	4.000.000	4.000.000
	4.000.000	4.000.000

6. Results brought forward

Results brought forward opening balance	1.098.368	-326.289
Profit or loss for the year brought forward	1.270.001	1.424.657
	2.368.369	1.098.368



Notes

All amounts in DKK.

7. Liabilities

	Debt in total 29 Feb 2020	Short-term part of long- term liabilities	Long-term debt 29 Feb 2020	Outstanding debt after 5 years
Mortgage debt	8.092.510	558.143	7.534.367	5.743.275
Debt to group enterprises	8.023.412	0	8.023.412	8.023.412
	16.115.922	558.143	15.557.779	13.766.687

8. Charges and security

As security for mortgage debts, DKK 8.092.510, mortgage has been granted on land and buildings representing a book value of DKK 20.149.175 at 29 February 2020.

9. Contingencies

Contingent liabilities

Commitments and other contingent liabilities

The company has entered into lease agreement concerning the property on Edisonvej 20, Vejle. The lease is non-terminable for the tenant and the owner until 31 May 2035.

Joint taxation

Roden Holdings ApS, company reg. no 38 74 97 49 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.



Accounting policies

The annual report for Romark Properties ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment. Income from the heating account is recognised in the statement of financial position as a balance with lessees.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises and loss on debtors.

Costs concerning investment properties comprise operation costs, repair and maintenance costs, taxes, charges and other costs.

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.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement account with the amounts that concern the financial year.

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 income statement 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.



Accounting policies

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).

Statement of financial position

Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other plants, operating assets, fixtures and furniture	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the income statement as other operating income or other operating expenses.

Writedown of fixed assets

The book values of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.



Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exists. Writedown relating to goodwill is not reversed.

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 income statement 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 income statement in the item "Value adjustments of property".

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank.



Accounting policies

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium. The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the statement of financial position at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Romark Properties ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the statement of financial position date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.



Accounting policies

Liabilities relating to investment properties are measured at amortised cost.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.