

Dane BidCo ApS

c/o DEAS A/S
Dirch Passers Allé 76
2000 Frederiksberg

CVR No. 36919841

Annual Report 2022

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 29 March 2023

Bjørn Allentoft
Chairman

Dane BidCo ApS

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Dane BidCo ApS

Company details

Company	Dane BidCo ApS c/o DEAS A/S Dirch Passers Allé 76 2000 Frederiksberg
CVR No.	36919841
Registered office	Frederiksberg
Financial year	01-01-2022 - 31-12-2022
Executive Board	Rikke Lykke Talchow
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S CVR-no.: 33963556
Consolidated Financial Statements	The company is included in the Consolidated Financial Statements of the parent company Dane TopCo ApS, Frederiksberg.

Management's Review

Main business activity

DEAS Group is a market-leading Nordic real estate partner offering clients access to the entire value chain from fund management to property management services in all market segments.

We cooperate with a wide range of international and national investors in Sweden, Norway, Finland, and Denmark as well as tenants and residents under two separate brands: DEAS Asset Management and DEAS, both wholly owned companies in the DEAS Group.

At DEAS Group, we are experts in all main real estate asset classes: office, logistics, retail and residential. Real estate investments from approximately 1,000 property investors are managed by a dedicated team of more than 900 real estate specialists who have deep insight into the local markets and offer advice on real estate services.

In DEAS A/S, which is Denmark's leading provider within property management, we are active within administration, operation and maintenance, technical advisory services and energy, climate and sustainability advisory, facility management & services, letting as well as public-private partnerships (PPPs).

In DEAS Asset Management A/S, a leading pan-Nordic investment and asset management partner, we are active within fund management, investment and asset management as well as development and transaction & advisory services.

In DEAS Group, we operate from offices in eight Nordic cities and the total portfolio under management amounts to more than EUR 38 billion in AuM spread over more than 2,600 properties in all asset classes with a total area of more than 13 million sqm.

Ambition and strategy

At DEAS Group, our ambition is to create value for our investors, tenants and residents through our focus areas, which is our starting point for everything we do. Our three focus areas are: Stakeholder Management, Social Impact and Innovation.

Our investors, tenants and residents are to experience our belief that properties should to a greater extent support the way we live - and not just be the framework for our lives. A cornerstone herein is digital innovation and automation to transform data into knowledge, ensure transparency and ultimately improve the services and advice we provide to our investors, tenants and residents.

Quality assurance

DEAS Group's quality management system is certified according to the ISO Standard 9001:2015. This ensures that our clients receive a high level of quality and uniform delivery of service across core services and key processes. An ISAE 3402 IT Audit Statement, an ISAE 3000 GDPR Type II Statement on GDPR Processes, and an ISAE 3402 Type II Statement concerning controls in selected financial processes have also been obtained.

Environment and Sustainability

In DEAS Group, we manage a variety of real estate asset classes, and in this way our work has an impact on people's everyday lives and well-being. Our most important undertaking is to create value for our investors, tenants and residents. Not only economic value, but also in relation to environmental sustainability.

At DEAS Group, we want to promote long-term sustainability in the individual asset as well as in a national and global context. This is summarized through our three strategic focus areas, which are supported by five priorities with specific objectives and initiatives to increase sustainability in our core services and in the business.

Management's Review

In 2021, progression has been achieved on the five priorities within building certifications, energy labelling and well-being, biodiversity and partnerships. The results in 2021 provide a good starting point for 2022, where we will continuously offer new services and have a strong focus on building certification. In addition, social sustainability will be a priority. We will act on the needs we see, and support the sense of community. In other words, we will give even more focus to how we can make a positive difference.

With our sustainability strategy, a framework and direction have been set for how we will promote sustainable change. But we are aware that we are not getting far on our own. Therefore, we base both the strategy and the concrete priorities on cooperation and partnerships with investors, residents, tenants and suppliers.

For elaboration of our CSR strategy, including our 5 priorities, we refer to our CSR report - www.deasgroup.com/csrreport.

Developments in the year

The year that went by and follow-up to the prior year's expected development

The annual satisfaction survey among DEAS Group's residential tenants shows that tenants in general are satisfied with DEAS Group's services.

With a view to expand in the Nordic market, DEAS Group took over Aberdeen Standard Investments' (ASI) Nordic direct real estate business in 2021, which includes operations in Sweden, Norway, Finland and Denmark. DEAS Group took over the companies as of 31 May 2021, which is why recognition of the current investment in the group covers 7 months in the financial year 2021 against full recognition in the financial year 2022.

In 2022, revenues for the Dane BidCo Group increased by DKK 135.9 million to DKK 913.1 million compared with DKK 777.2 million DKK in 2021.

Operating profit before depreciation and amortisation amounted to DKK 100.5 million compared with DKK 79.1 million in 2021.

Profits before tax amounted to -DKK 1.3 million compared with DKK 5.1 million in 2021.

Shareholder's equity at year-end 31 December 2022 amounts to DKK 373.7 million DKK compared with DKK 386.6 million as per 31 December 2021.

This year's financial results are regarded as being satisfactory.

Expectations for 2023

For 2023, the DEAS Group expects an increase in revenue due to both organic growth within the core businesses areas of property and asset management, as well as growth from acquired companies and activities. As a result of the increase in revenue, an increase in operating profits for 2022 is also expected, adjusted for one-off costs in connection with acquired activities.

Capital resources

The liquidity resources as per 31 December 2022 amounts to DKK 88.2 million compared with DKK 125.4 million as per 31 December 2021. The management considers the capital resources to be adequate and sufficient.

Special risks

Business risks

DEAS Group's most significant business risk is linked to the ability to meet investors' requirements for expert property management, asset management and consulting while providing excellent service.

Management's Review

Financial risks

Credit risks related to financial assets correspond to the values recognised in the balance sheet. The DEAS Group does not have any significant risks related to individual investors or business partners.

Liquidity risks

The DEAS Group's generation of capital and raising of funds is centrally managed and the required cash resources are ensured on an ongoing basis.

Knowledge resources

DEAS Group's most important knowledge resources are its employees, know-how, technology, and processes. The continued development and high level of service is ensured by a continuous updating of the employees' knowledge and skills, as well as investment in business development and extensive use of information technology.

A continuous development and improvement of the services to investors, both in scope and in professional depth are in focus. It requires training and development of employees, and the requisite skills and a high level of expertise of the employees.

DEAS Group complies with The Danish Property Federation's (EjendomDanmark) "Ethical Guidelines for Property Management," and it is required that all employees become familiar with and comply with these guidelines and act accordingly.

Data ethics

All data collection and development of new digital concepts in DEAS Group aim to provide greater knowledge about the business and improve the value for tenants, residents and investors. DEAS Group has an ambition to have a high standard for using data responsibly and sustainably.

DEAS Group has prepared a Policy for Data Ethics, which can be found at www.DEAS.dk.

The policy is an integral part of the employees work as well as in the relations with suppliers, tenants, residents and investors. The policy ensures that the same high demands on orderliness and integrity in the work with data as we place on other parts of the business. DEAS Group does this by applying recognized guiding principles for the use of data in a data-driven world.

DEAS Group's data ethics policy is owned and enforced by the Executive Board.

All employees are encouraged to be positively involved in data ethics issues and to raise the concerns and observations they may have in this work, so that a relevant and continuous development of data ethics policy can be ensured in line with societal developments and the ongoing observations and experiences made in the work with data ethics.

Statutory Corporate Responsibility Report

At DEAS Group, we aim to operate the business activities based on the needs of investors as well as on a profitable and sustainable foundation. The ambition is that the core services of property and asset management, and the many additional related services, are provided in the best possible way, including in a socially responsible manner. It is the desire of DEAS Group to contribute to the society and community that the Group is part of. The DEAS Group regards it as an investment in the future to take responsibility for the social and environmental effects of the business activities.

The DEAS Group operates a business based on maintaining a high level of business ethics and integrity. It is a fundamental part of the culture to exhibit propriety and professionalism in behaviour and attitudes in both internal and external relationships.

Management's Review

It is the DEAS Group's policy to comply with applicable legislation and regulations, as well as ethical standards and regulations that apply to property and asset management activities and the many additional services offered in connection with this.

The link www.deasgroup.com/csrreport at the Group's website, describes the policies, actions and results achieved around each CSR topic.

Share of the under-represented gender

The Group is of the view that a balanced distribution of gender will result in increased employee satisfaction.

Reference is made to the consolidated Group Report for Dane TopCo ApS where a more detailed description of the proportion of the underrepresented gender is provided.

Events after the balance sheet date

DEAS Group is aware of tragic war in Ukraine. The effect of the war on the Danish economy is uncertain however management do not expect that the war will have a negative impact on DEAS Group's activities, however the development will be monitored closely.

Key Figures and Financial Ratios

The development in the group's key figures and financial ratios can be described as follows:
Key figures are in DKK Thousands.

	2022	2021	2020	2019	2018
Net turnover	913.097	777.224	657.509	659.711	550.813
Operating profit/loss	26.150	12.001	16.030	30.058	-7.583
Net financial income and expenses	-32.362	-10.862	-22.798	-23.749	-13.193
Profit/loss for the year	-9.971	-6.008	-14.005	746	-23.461
Invested capital including intangible assets	837.475	760.814	677.179	744.119	786.278
Invested capital excluding intangible assets	10.203	-119.498	-119.531	-94.074	-100.251
Investment in tangible fixed assets	7.014	8.702	5.228	3.429	3.882
Total assets	1.109.473	1.160.192	1.104.809	1.102.354	1.103.898
Total equity	373.691	386.612	392.595	406.600	405.854
Long-term liabilities	541.062	496.139	510.272	517.386	516.256
Short-term liabilities	177.512	267.266	198.525	174.898	177.003
Profit margin (%)	2,86	1,54	2,44	4,56	-1,38
Return on equity (ROE) (%)	-2,62	-1,54	-3,50	0,17	-5,49
Solvency ratio (%)	33,68	33,32	35,54	36,88	36,77
Avg. number of full-time employees	885	814	773	784	714

Explanation of financial ratios

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

The ratios in the financial highlights have been calculated as follows:

Invested capital is defined as the sum of operating tangible and intangible non-current assets and net working capital.

Net working capital is defined as accounts receivable and other current operating assets less trade payables, other payables and other operating short-term liabilities.

Profit margin (%)	=	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Revenue}}$
Return on equity (%)	=	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Solvency ratio (%)	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

Dane BidCo ApS

Management's Statement

Today, the Supervisory Board and the Executive Board have considered and adopted the Annual Report of Dane BidCo ApS for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Frederiksberg, 29 March 2023

Executive Board

Rikke Lykke Talchow

Independent Auditors' Report

To the shareholder of Dane BidCo ApS

Opinion

We have audited the consolidated financial statements and the financial statements of Dane BidCo ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity, cash flows and notes. The consolidated financial statements and the financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, consolidated financial statements and the financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2022 and of the results of its operations and cash flows for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility for the financial statements

Management is responsible for the preparation of consolidated financial statements and financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers necessary to enable the preparation of consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the financial statements unless Management either intends to either liquidate the Group and the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the consolidated financial statements and the financial statements

Our responsibility is to obtain reasonable assurance as to whether the consolidated financial statements and the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these consolidated financial statements and financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in the consolidated financial statements and 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or

Independent Auditors' Report

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 Company's internal control.
- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Group's and 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Group and the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the consolidated financial statements and the financial statements reflect 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 which we identify during our audit.

Statement on the management commentary

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the consolidated financial statements and the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements and the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the consolidated financial statements and the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 29 March 2023

Deloitte Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556

Lars Kronow
State Authorised Public Accountant
mne19708

Tim Kjær-Hansen
State Authorised Public Accountant
mne23295

Income Statement

		Group		Parent	
	Note	2022	2021	2022	2021
		tkr.	tkr.	tkr.	tkr.
Revenue		913.097	777.224	9.851	18.203
Cost of sales		-71.366	-46.089	0	0
Other external expenses	2	-149.261	-131.595	-4.998	-2.055
Employee benefits expense	3	-592.008	-520.425	-9.424	-16.426
Depreciation and amortisation	4	-74.312	-67.114	0	0
Profit from ordinary operating activities		26.150	12.001	-4.571	-278
Income from investments in group enterprises and associates	5	4.911	3.960	0	50.001
Other finance income	6	1.661	10.541	566	0
Finance expences	7	-34.023	-21.403	-26.092	-19.895
Profit from ordinary activities before tax		-1.301	5.099	-30.097	29.828
Tax expense on ordinary activities	8	-8.670	-11.107	4.132	3.978
Profit		-9.971	-6.008	-25.965	33.806
Proposed distribution of results	9				

Balance Sheet as of 31 December

	Note	Group 2022 tkr.	2021 tkr.	Parent 2022 tkr.	2021 tkr.
Assets					
Completed development projects	10	12.366	8.978	0	0
Acquired intangible assets	11	378.928	412.198	0	0
Goodwill	12	413.416	446.538	0	0
Development projects in progress	13	22.562	12.598	0	0
Intangible assets		827.272	880.312	0	0
Fixtures, fittings, tools and equipment	14	13.203	12.849	0	0
Leasehold improvements	15	1.558	2.266	0	0
Property, plant and equipment		14.761	15.115	0	0
Long-term investments in group enterprises	16, 17	0	0	1.201.693	1.201.693
Long-term investments in associates	17, 18	8.575	7.039	0	0
Other long-term receivables		10.008	4.989	0	0
Long-term receivables from owners and management	19	11.813	11.414	0	0
Deposits, investments	20	9.008	8.758	0	0
Investments		39.404	32.200	1.201.693	1.201.693
Fixed assets		881.437	927.627	1.201.693	1.201.693
Short-term trade receivables		83.749	73.037	0	0
Short-term receivables from group enterprises		0	0	0	38.903
Current deferred tax	21	0	0	1.730	1.160
Short-term tax receivables		0	0	2.260	3.700
Other short-term receivables		38.899	18.943	6.301	0
Prepaid expenses	22	10.902	8.474	0	0
Receivables		133.550	100.454	10.291	43.763
Other short-term investments		6.293	6.750	0	0
Short-term investments		6.293	6.750	0	0
Cash and cash equivalents		88.193	125.361	0	347
Current assets		228.036	232.565	10.291	44.110
Assets		1.109.473	1.160.192	1.211.984	1.245.803

Balance Sheet as of 31 December

	Note	Group 2022 tkr.	2021 tkr.	Parent 2022 tkr.	2021 tkr.
Liabilities and equity					
Contributed capital		50	50	50	50
Reserve for loans and collaterals		11.813	11.414	0	0
Reserve for exchange rate adjustments		-2.840	25	0	0
Reserve for current value of hedging		4.915	0	4.915	0
Retained earnings		359.753	375.123	661.067	692.032
Equity		373.691	386.612	666.032	692.082
Provisions for deferred tax	21	2	3.955	0	0
Other provisions	23	17.206	6.219	0	0
Provisions		17.208	10.174	0	0
Other credit institutions		509.031	464.147	509.031	464.147
Other payables		32.031	31.992	731	716
Long-term liabilities other than provisions	24	541.062	496.139	509.762	464.863
Short-term part of long-term liabilities	24	6.220	78.976	6.220	78.347
Trade payables		26.808	23.458	36	0
Payables to group enterprises		8	152	24.064	152
Tax payables		12.195	11.423	0	0
Other payables		132.281	153.258	5.870	10.359
Short-term liabilities other than provisions		177.512	267.267	36.190	88.858
Liabilities other than provisions within the business		718.574	763.406	545.952	553.721
Liabilities and equity		1.109.473	1.160.192	1.211.984	1.245.803
Significant events occurring after end of reporting period	25				
Contingent liabilities	26				
Collaterals and assets pledges as security	27				
Rental- and leasing contracts	28				
Related parties	29				

Statement of changes in Equity

Parent

	Contributed capital	Reserve for exchange rate adjustments	Reserve for current value of hedging	Retained earnings	Extraordinary dividend recognised in equity	Total
Equity 1 January 2022	50	25	0	386.537	0	386.612
Changes of equity through changes in accounting policies	0	-25	0	305.495	0	305.470
Adjusted equity 1 January 2022	50	0	0	692.032	0	692.082
Net adjustments of hedging instruments	0	0	6.301	0	0	6.301
Profit (loss)	0	0	0	-30.965	5.000	-25.965
Tax on changes in equity	0	0	-1.386	0	0	-1.386
Extraordinary dividend paid	0	0	0	0	-5.000	-5.000
Equity 31 December 2022	50	0	4.915	661.067	0	666.032

Group

	Contributed capital	Reserve for loans and and losses	Reserve for currency gains and losses	Reserve for current value of hedging	Retained earnings	Extraordinary dividend recognised in equity	Total
Equity 1 January 2022	50	11.414	25	0	375.123	0	386.612
Change of investments through net exchange differences	0	0	-2.865	0	0	0	-2.865
Net adjustments of hedging instruments	0	0	0	6.301	0	0	6.301
Equity transfers to reserves	0	399	0	0	-399	0	0
Profit (loss)	0	0	0	0	-14.971	5.000	-9.971
Tax on changes in equity	0	0	0	-1.386	0	0	-1.386
Extraordinary dividend paid	0	0	0	0	0	-5.000	-5.000
Equity 31 December 2022	50	11.813	-2.840	4.915	359.753	0	373.691

Cash Flow Statement

Group

	2022	2021
	tkr.	tkr.
Profit/Loss for the year	-9.971	-6.008
Depreciation and amortisation	74.312	67.114
Profit from associates after tax	-4.911	-3.960
Interest and similar incomes	-1.661	-10.541
Interest and similar expenses	34.023	21.403
Tax	8.670	11.107
Other provisions	10.987	4.414
Other changes in working capital	-48.792	-53.942
Cash flow from operating activities before financial items	62.657	29.587
Interest received	863	1.189
Interest paid	-21.262	-18.647
Cash flow from ordinary operating activities	42.258	12.129
Income taxes paid/received	-2.635	0
Cash flows from operating activities	39.623	12.129
Purchase of intangible assets	-15.454	-6.658
Purchase of property, plant and equipment	-6.970	-9.860
Sales of property, plant and equipment	-843	121
Purchase of investments	0	-1.324
Dividends	3.683	15.990
Loans	-4.680	-4.909
Business combinations	-1.918	-130.266
Cash flows from investing activities	-26.182	-136.906
Repayment of debt to other credit institutions	-67.500	-14.155
Repayment of other long-term payables	-712	-5.840
Raising of debt from other credit institutions	43.937	60.000
Raising/repayment of debt to group enterprises	-10.682	-13.257
Divestments in bonds	0	2.119
Dividend paid	-5.000	0
Other components of cash flows from financing activities	-6.534	0
Cash flows from financing activities	-46.491	28.867
Net increase (decrease) in cash and cash equivalents	-33.050	-95.910
Exchange rate adjustments	-4.118	0
Cash and cash equivalents, beginning balance	125.361	221.271
Cash and cash equivalents, ending balance	88.193	125.361
Cash and cash equivalents specified:		
Cash and cash equivalents	88.193	125.361
Cash and cash equivalents in total	88.193	125.361

Notes

1. Accounting estimates and assessments

When calculating the accounting value of certain assets and liabilities, an estimate is required of how future events affect the value of these assets and liabilities on the balance sheet date. Estimates that are significant for the presentation of the accounts are made, among other things, when calculating depreciation and write-downs as well as contingent liabilities and assets.

The estimates used are based on assumptions that the management deems reasonable, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may occur. Furthermore, the company is subject to risks and uncertainties which may lead to the actual results deviating from these estimates.

The notes state the assumptions about the future and other discretionary uncertainties at the balance sheet date, where there is a significant risk of changes that could lead to a significant adjustment of the accounting value of the assets or the liability within the next financial year.

	Group		Parent	
	2022	2021	2022	2021
	tkr.	tkr.	tkr.	tkr.
2. Fees for auditors selected on the general meeting				
Statutory audit	980	972	58	64
Other assurance reports	80	77	28	26
Tax consultancy	173	10	0	0
Other services	1.415	221	0	0
	2.648	1.280	86	90
3. Employee benefits expense				
Wages and salaries	528.486	465.669	8.522	15.437
Pensions	41.823	37.737	852	959
Social security contributions	19.094	13.157	29	27
Other employee expense	5.133	4.807	21	3
	594.536	521.370	9.424	16.426
Employee expenses transferred to assets	-2.528	-945	0	0
	592.008	520.425	9.424	16.426
<i>Hereof remuneration to Executive Board</i>				
Executive Board	0	5.372	0	263
	0	5.372	0	263

Referring to section 98b(3) of the Danish Financial Statements Act, information about the Executive and Supervisory Board remuneration is not disclosed for 2022, as the information otherwise will lead to presentation of remuneration for a single member.

Average no. of employees	885	814	5	4
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Notes

	Koncern		Moderselskab	
	2022 tkr.	2021 tkr.	2022 tkr.	2021 tkr.
4. Depreciations and amortisations				
Development projects	4.543	4.661	0	0
Acquired intangible assets	29.567	25.934	0	0
Goodwill	32.028	30.894	0	0
Fixtures, fittings, tools and equipment	6.353	4.412	0	0
Leasehold improvements	978	1.135	0	0
Profit on sale of equipment	843	78	0	0
	74.312	67.114	0	0
5. Income from investments in group enterprises and associates				
Dividend received from subsidiaries	0	0	0	50.001
Share of profit in associations	4.911	3.960	0	0
	4.911	3.960	0	50.001
6. Other finance income				
Interests shareholderloan	399	386	566	0
Interests group companies	60	11	0	0
Exchange rate adjustments	0	1.068	0	0
Dividend	0	8.896	0	0
Other finance income	1.202	180	0	0
	1.661	10.541	566	0
7. Finance expenses				
Interests group companies	0	0	638	214
Securities adjustments	149	37	0	0
Exchange rate adjustments	6.611	0	0	0
Borrowing costs	2.928	2.091	2.852	2.023
Other finance expenses	24.335	19.275	22.602	17.658
	34.023	21.403	26.092	19.895
8. Tax expense				
Current tax for the year	12.317	11.502	-3.647	-3.700
Adjustment to prior year tax	146	197	85	88
Adjustment to prior year deferred tax	-1.765	-44	0	0
Deferred tax for the year	-2.028	-548	-570	-366
	8.670	11.107	-4.132	-3.978
9. Resultatdisponering				
Proposed extraordinary dividend	5.000	0	5.000	0
Retained earnings	-14.971	-6.008	-30.965	33.806
	-9.971	-6.008	-25.965	33.806

Notes

	Group		Parent	
	2022	2021	2022	2021
	tkr.	tkr.	tkr.	tkr.
10. Completed development projects				
Cost at the beginning of the year	26.174	23.707	0	0
Change due to a foreign currency translation adjustment	-19	0	0	0
Addition in connection with purchase of enterprise	2.456	0	0	0
Addition during the year	4.766	2.467	0	0
Transfers during the year to other items	724	0	0	0
Cost at the end of the year	34.101	26.174	0	0
Amortisation at the beginning of the year	-17.196	-12.535	0	0
Change due to foreign currency translation adjustment	3	0	0	0
Amortisation for the year	-4.542	-4.661	0	0
Amortisation at the end of the year	-21.735	-17.196	0	0
Carrying amount at the end of the year	12.366	8.978	0	0
11. Acquired intangible assets				
Cost at the beginning of the year	519.625	410.123	0	0
Change due to a foreign currency translation adjustment	-4.173	0	0	0
Addition during the year	0	109.502	0	0
Cost at the end of the year	515.452	519.625	0	0
Amortisation at the beginning of the year	-107.427	-81.493	0	0
Change due to foreign currency translation adjustment	205	0	0	0
Amortisation for the year	-29.302	-25.934	0	0
Amortisation at the end of the year	-136.524	-107.427	0	0
Carrying amount at the end of the year	378.928	412.198	0	0

Acquired intangible assets relate to customer contracts in DEAS A/S obtained in connection with the acquisition of DEAS Holding A/S, the activity in REC Administration A/S, Nordea Ejendomsinvestering A/S, contracts from Administrea ApS, certain assets and employees from PrivatBo a.m.b.a and the Nordic direct real estate business from Aberdeen Standard Investments. The expected life of the company's customer relationships is assessed to be 10-20 years based on the historical data.

Notes

	Group		Parent	
	2022 tkr.	2021 tkr.	2022 tkr.	2021 tkr.
12. Goodwill				
Cost at the beginning of the year	612.990	584.059	0	0
Change due to a foreign currency translation adjustment	-1.218	0	0	0
Addition during the year	0	28.931	0	0
Cost at the end of the year	611.772	612.990	0	0
Amortisation at the beginning of the year	-166.452	-135.558	0	0
Change due to foreign currency translation adjustment	71	0	0	0
Amortisation for the year	-31.975	-30.894	0	0
Amortisation at the end of the year	-198.356	-166.452	0	0
Carrying amount at the end of the year	413.416	446.538	0	0

Goodwill relates to customer contracts in DEAS A/S obtained in connection with the acquisition of DEAS Holding A/S, the activity in REC Administration A/S, Nordea Ejendomsinvestering A/S, Driftsselskabet OPP Svendborg A/S, certain assets and employees from PrivatBo a.m.b.a and the Nordic direct real estate business from Aberdeen Standard Investments. Goodwill arising from previous years' business combination is at the date of acquisition allocated to the cash-generating units in DEAS Holding A/S. The expected life of the company's goodwill is assessed to be 10-20 years according to the developments in the historical data.

13. Development projects in progress

Cost at the beginning of the year	12.598	8.407	0	0
Addition during the year	11.646	4.191	0	0
Disposal during the year	-958	0	0	0
Transfers during the year to other items	-724	0	0	0
Cost at the end of the year	22.562	12.598	0	0
Carrying amount at the end of the year	22.562	12.598	0	0

Notes

	Group		Parent	
	2022	2021	2022	2021
	tkr.	tkr.	tkr.	tkr.
14. Fixtures, fittings, tools and equipment				
Cost at the beginning of the year	35.390	25.832	0	0
Change due to a foreign currency translation adjustment	-60	0	0	0
Addition in connection with merger and purchase of enterprise	0	56	0	0
Addition during the year	6.744	9.702	0	0
Disposal during the year	0	-200	0	0
Cost at the end of the year	42.074	35.390	0	0
Depreciation at the beginning of the year	-22.541	-18.129	0	0
Change due to foreign currency translation adjustment	6	0	0	0
Depreciation for the year	-6.336	-4.412	0	0
Depreciation at the end of the year	-28.871	-22.541	0	0
Carrying amount at the end of the year	13.203	12.849	0	0
15. Leasehold improvements				
Cost at the beginning of the year	9.302	8.528	0	0
Addition during the year	270	774	0	0
Cost at the end of the year	9.572	9.302	0	0
Depreciation at the beginning of the year	-7.036	-5.901	0	0
Depreciation for the year	-978	-1.135	0	0
Depreciation at the end of the year	-8.014	-7.036	0	0
Carrying amount at the end of the year	1.558	2.266	0	0

Notes

	Parent	
	2022	2021
	tkr.	tkr.
16. Long-term investments in group enterprises		
Cost at the beginning of the year	1.201.693	1.201.693
Cost at the end of the year	1.201.693	1.201.693
Carrying amount at the end of the year	1.201.693	1.201.693

17. Disclosure in long-term investments in group enterprises and associates*Group enterprises*

Name	Registered office	Share held in	Equity	Profit
		%		
DEAS Holding A/S	Frederiksberg	100,00	589.345	38.037
			589.345	38.037

Associates

Name	Registered office	Share held in	Equity	Profit
		%		
OPS Frederikshavn Byskole A/S	Frederiksberg	50,00	6.920	2.757
Driftsselskabet OPP Vejle A/S	Frederiksberg	50,00	6.050	4.395
OPS Skovbakkeskolen A/S	Frederiksberg	50,00	2.038	1.539
Driftsselskabet OPP Slagelse Sygehus A/S	Frederiksberg	50,00	716	208
OPS Østerbro Skøjtehal A/S	Frederiksberg	50,00	1.427	923
			17.151	9.822

	Group		Parent	
	2022	2021	2022	2021
	tkr.	tkr.	tkr.	tkr.
18. Long-term investments in associates				
Cost at the beginning of the year	3.491	3.491	0	0
Cost at the end of the year	3.491	3.491	0	0
Value adjustments at the beginning of the year	3.548	2.939	0	0
Share of profit in subsidiaries	4.912	3.959	0	0
Dividend	-3.376	-3.350	0	0
Value adjustments at the end of the year	5.084	3.548	0	0
Carrying amount at the end of the year	8.575	7.039	0	0

Notes

	Group		Parent	
	2022 tkr.	2021 tkr.	2022 tkr.	2021 tkr.
19. Long-term receivables from owners and management				
Cost at the beginning of the year	11.414	11.028	0	0
Addition during the year	399	386	0	0
	11.813	11.414	0	0
20. Deposits, investments				
Cost at the beginning of the year	8.758	7.770	0	0
Change due to a foreign currency translation adjustment	-70	0	0	0
Addition during the year	1.214	988	0	0
Disposal during the year	-894	0	0	0
Cost at the end of the year	9.008	8.758	0	0
21. Deferred tax				
Deferred tax at the beginning of the year	3.955	2.861	-1.160	-792
Change due to a foreign currency translation adjustment	-112	0	0	0
Acquisition of enterprise	0	1.674	0	0
Deferred tax for the year	-1.685	-533	-570	-368
Adjustment to prior year	-2.156	-47	0	0
Balance at the end of the year	2	3.955	-1.730	-1.160
Deferred tax relates to:				
Intangible assets	9.938	9.143	0	0
Property, plant and equipment	231	923	0	0
Current assets	-2.939	469	0	0
Long-term debt	-122	-122	0	0
Short-term debt	-1.730	-1.160	-1.730	-1.160
Tax loss carryforwards	-5.376	-5.298	0	0
	2	3.955	-1.730	-1.160

22. Prepaid expenses

Prepaid expenses are regarding rent, insurance premiums, subscriptions, education, cars and service agreements.

23. Other provisions

Other provisions include expected costs for 1 and 5 years review of delivered property, tkr. 555 and liabilities to cover claims made against the Group, tkr. 16,651. Hereof tkr. 4,258 (31.12.2021: tkr. 1,650) is expected to be settled within the next 12 months.

Notes

24. Long-term liabilities

Principal repayments due within 1 year are included under current liabilities. Other liabilities are recognised in long-term liabilities. Payables are due in the following order.

Group

	Due between		
	Due within 1 year	1 and 5 year	Due after 5 years
Other credit institutions	10.000	516.073	0
Borrowing costs	-3.780	-7.042	0
Other payables	730	3.361	28.670
	<u>6.950</u>	<u>512.392</u>	<u>28.670</u>

Parent

	Due between		
	Due within 1 year	1 and 5 year	Due after 5 years
Other credit institutions	10.000	516.073	0
Borrowing costs	-3.780	-7.042	0
Other payables	0	0	731
	<u>6.220</u>	<u>509.031</u>	<u>731</u>

25. Significant events occurring after end of reporting period

No circumstances have occurred after the balance sheet date which have a significant impact on the assessment of the Annual Report.

26. Contingent liabilities

The company is part of a Danish joint taxation with Dane TopCo ApS as the management company. The company is therefore liable in accordance with the rules of the Corporation Tax Act from and including the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for any obligations to withhold tax on interest, royalties and dividends for the jointly taxed companies.

The group has offices in all four Nordic countries (Frederiksberg, Aarhus, Aalborg, Oslo, Bergen, Trondheim, Stockholm and Helsinki) and has an obligation to re-establish the offices to a predetermined level (contractually determined), but since no decisions have been made about vacating these locations (timing) and the uncertainty surrounding the calculation of the cost of vacating as well as how these negotiations will take place, it is not possible to calculate the obligation.

27. Collaterals and securities

Parent Company

The company's shares in DEAS Holding A/S have been provided as security for the parent company Dane BidCo ApS' debt to other credit institutions, amounting to mio.kr. 526.1.

The company's bank accounts with a carrying amount of tkr. 0 is pledged as security for the parent company Dane BidCo ApS' debt to other credit institutions, amounting to mio.kr. 526.1.

The company's receivables at group companies with a carrying amount of tkr. 0 are pledged as security for the parent company Dane BidCo ApS' debt to other credit institutions, amounting to mio.kr. 526.1.

The company has in the course of obtaining financing given suretyship statement for certain group companies' liabilities to credit institutions.

The company has given security in its share transfer agreement to Danske Bank A/S.

The company is part of a Danish joint taxation with Dane TopCo ApS as the administrative company. The company is

Notes

therefore held liable in accordance with the danish Corporation Tax Act.

Group

The group's shares in DEAS Holding A/S, DEAS A/S, DEAS Asset Management A/S, DEAS Asset Management Holding Norway AS and DEAS Asset Management Norway AS have been provided as security for Dane BidCo ApS' debt to other credit institutions, amounting to mio.kr. 526.1.

The group's bank accounts with a carrying amount of tkr. 93.375 is pledged as security for Dane BidCo ApS 'debt to other credit institutions, amounting to mio.kr. 526.1.

The group's receivables at group companies with a carrying amount of tkr. 0 are pledged as security for Dane BidCo ApS' debt to other credit institutions, amounting to mio.kr. 526.1.

The group has in the course of obtaining financing given suretyship statement for certain group companies' liabilities to credit institutions.

Dane BidCo ApS has given security in its share transfer agreement to Danske Bank A/S.

DEAS A/S has provided a guarantee for the landlord amounting to tkr. 75.

DEAS A/S has given suretyship statement for Tryg Garanti amounting to mio.kr. 5.9 regarding guarantee of operation provided by Tryg Garanti for Frederikshavn Municipality.

DEAS A/S has given suretyship statement for Driftsselskabet OPP Svendborg A/S regarding this company's fulfillment of its obligations to OPP Retten i Svendborg P/S.

DEAS A/S has in course of fulfillment of OPP Driftsselskabet Vejle A/S' obligations given suretyship statement for Tryg Garanti amounting to mio.kr. 20 regarding guarantee of operation provided by Tryg Garanti for OPP Vejle P/S. The company has in course of fulfillment of OPP Driftsselskabet Vejle A/S' obligations given suretyship statement for OPP Vejle P/S amounting mio.kr. 10.

DEAS A/S has in course of fulfillment of OPS Skovbakkeskolen A/S' obligations given suretyship statement for Tryg Garanti amounting mio.kr. 6.5 regarding guarantee of operation provided by Tryg Garanti for Odder Kommune.

DEAS A/S has in course of fulfillment of Driftsselskabet OPP Slagelse Sygehus A/S' obligations given suretyship statement for Euler Hermes amounting mio.kr. 0.6 regarding guarantee of operation provided by Euler Hermes for OPP Slagelse Sygehus P/S.

DEAS A/S has in course of fulfillment of OPS Østerbro Skøjtehal A/S' obligations given suretyship statement for Euler Hermes amounting mio.kr. 5.0 regarding guarantee provided by Euler Hermes for København Kommune.

28. Rental- and leasing contracts

	Group		Parent	
	2022	2021	2022	2021
	tkr.	tkr.	tkr.	tkr.
Within 1 year	30.250	27.516	0	134
Between 1 and 5 year	44.031	36.815	0	68
After 5 years	1.549	149	0	0
	75.830	64.480	0	202

The liability above includes rent commitments at the company's office lease. The rental agreement may be terminated at 12 months' notice.

The group leases operating equipment concluded under operating leases. The lease term for operating equipment is typically 3-5 years. None of the leases include contingent rent.

Notes

29. Related parties

The company is included in the Consolidated Financial Statements of the parent company Dane TopCo ApS, Frederiksberg.

	Group		Parent	
	Parent tkr.	Other related parties tkr.	Parent tkr.	Other related parties tkr.
Consultant	0	2.191	0	0
Management fee	0	0	0	9.851
Interest	61	399	61	-132
Receivables	0	11.813	0	0
Liabilities other than provisions	8	0	8	24.055

Related parties with control over Dane BidCo ApS: The company's immediate parent company Dane MidCo ApS, Frederiksberg, which holds the majority of the votes, the intermediate parent company Dane TopCo ApS, Frederiksberg, and the ultimate parent company Dane Luxco S.ár.l., Luxembourg.

Accounting Policies

Reporting Class

The Annual Report of Dane BidCo ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The company has in 2022 changed accounting policy, in the parent company accounts, regarding recognition of long-term investments in group enterprises so that these are recognized at cost less any write-downs, and with income recognition of dividends received. Previously, investments in group enterprises were recognized using the equity method (equity method). The change in accounting policy is performed due to management assesses that it will be more relevant to present direct return on long-term investments in group enterprises in the form of dividends received.

Comparative figures have been adapted to the changed accounting policies. For the years prior that, the uncorrected comparative figures must be adjusted by reversing the result of long-term investments in group enterprises and any dividends received are received in income statement instead.

Effect of the change in accounting policy is stated below:

	Parent 2022 tkr.	2021 tkr.
- Profit from ordinary activities before tax	-15.995 tkr.	39.814 tkr.
- Tax expense on ordinary activities	0 tkr.	0 tkr.
- Profit	-15.995 tkr.	39.814 tkr.
- Balance sheet	239.337 tkr.	305.470 tkr.
- Equity	239.337 tkr.	305.470 tkr.

The effect of changed accounting policy is per 1. January 2022 recognised directly in the equity, cf. statement of changes in equity.

Apart from this, accounting policies remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

On initial recognition, transactions in foreign currencies are translated at the exchange rates prevailing at the date of transaction. Gains and losses occurring due to differences between the transaction date rates and the rates at the date of payment are recognised as an item under Financial Income and Expenses in the Income Statement.

Receivables, debt and other monetary items denominated in a foreign currency are translated at the rate at the balance sheet date. The difference between the rate at the balance sheet date and the rate at the time when the receivable or payable occurred or was recognised in the latest Financial Statements is recognised in the Income Statement under Financial Income and Expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated into a monthly average rate of exchange and the balance sheet items are translated into the rates of exchange at the balance sheet date. Currency translation differences that occur when translating foreign subsidiaries' equity at the beginning of the year at the rates of exchange at the balance sheet date and when translating Income Statements from average rates at the rates of exchange at the balance sheet date are recognised directly in equity.

Translation adjustment of balances with separate foreign subsidiaries that is considered a part of the total investment in the subsidiary is recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments entered to assure net investments in foreign subsidiaries are recognised directly in equity.

Accounting Policies

Consolidated Financial Statements

The Consolidated Financial Statements comprise the parent company Dane BidCo ApS and subsidiaries in which Dane BidCo ApS directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

The acquisition method is used to purchase new enterprises whereby the newly acquired enterprises' identified assets and liabilities are measured at fair value at the date of acquisition.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Revenue

Income from delivery of services is recognised as revenue as the service is delivered.

Cost of sales

Cost of sales comprise expenses incurred to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Completed development projects	5 years
Concessions, patents, licenses, trademarks and other similar rights	10-20 years
Goodwill	10-20 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	10 years

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Income from equity investments in group enterprises

Income from equity investments comprises dividends received from group enterprises in so far as they do not exceed the accumulated earnings in the group enterprise during the ownership period.

Result of equity investments in associates

The proportionate shares of the associates' profit/loss after tax are recognised in both the group's and parent company's Income Statement after elimination of the proportionate share of intercompany profit/loss.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Tax on net profit/loss for the year

The parent company is subjected to the Danish rules on compulsory joint taxation of the group's Danish subsidiaries. Subsidiaries are included in the joint taxation from the time when they are included in the consolidation in the Consolidated Financial Statement until they leave the consolidation.

The current Danish corporation tax is distributed by settling the joint taxation contributions between the jointly taxed enterprises in proportion to their taxable income. In this connection, enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use these losses to reduce their own tax profit.

Tax for the year which comprises the current corporation tax for the year and any changes in deferred tax, including as a consequence of a change to the tax rate, is recognised by the part attributable to the profit/loss for the year and directly in equity by the part attributable to items directly in equity.

Accounting Policies

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity. The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance Sheet

Intangible assets

Acquired goodwill is measured at cost on initial recognition and subsequently at cost less accumulated amortisation and impairment losses.

Other intangible assets, including licenses and acquired rights etc., are measured at cost less accumulated amortisation and impairment losses.

Tangible assets

Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Depreciation based on cost reduced by any scrap value is calculated on a straight-line basis over the expected useful lives of the assets.

Period of depreciation and scrap value is determined at the date of acquisition and is annually reassessed.

Depreciations is discontinued if the scrap value is estimated higher than the carrying amount.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

In cases where useful life is different, the cost of the tangible asset is split in separate component which are separately depreciated.

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. Dividends that exceed accumulated earnings of the group enterprise during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

Investments in associates

Investments in associates are recognised in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at tkr. 0, and any amounts receivable from those enterprises are written down by the parents share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accounting Policies

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Equity

Dividends

Proposed dividends for the year are recognised as a separate item under equity.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Other provisions

Other provisions include expected costs for 1 and 5 years review of delivered property. Provisions are recognised when the company has a legal or actual obligation and it is probable that redemption will result in a consumption of the company financial resources.

Provisions that are expected to be settled later than one year from the balance sheet date are measured at the present value of the expected payments. Other provisions are measured at net realisable value.

Financial liabilities

Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest expense over the term of the loan.

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

Leasing

Leasing agreements are classified as financial leasing when the agreement substantially transfers all the risk and rewards of the ownership of the leased asset. Other lease agreements are classified as operating leasing.

Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

Accounting Policies

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.