

Dane BidCo ApS

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

CVR No. 36919841

Annual Report 2023

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 27 June 2024

Bjørn Allentoft
Chairman

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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	01.01.2023 - 31.12.2023
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

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

We cooperated 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 Real Estate Services (DRES), both wholly owned companies in the DEAS Group.

The DEAS Group has 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 services and consultancy in connection with real estate.

DEAS A/S, Denmark's leading provider within real estate services (DRES), is active in/offers property management including administration, operation, maintenance; technical, energy, climate and sustainability advisory services; technical real estate & facility services; letting; as well as public-private partnerships (PPPs).

DEAS Asset Management A/S, a leading pan-Nordic investment- and asset manager (DAM), is active within/offers fund-, investment- and asset management, as well as development and transaction- & advisory services.

The DEAS Group has operated from offices in eight Nordic cities and the total portfolio amounted to approximately EUR 38 billion in Asset under Management spread over more than 2,600 properties in all asset classes with a total area of more than 13 million sq m.

An agreement regarding the sale of shares in DEAS A/S, along with certain subsidiaries, has been entered in the second quarter of 2024. The divestment comprises the DEAS Real Estate Services (DRES) business. The DEAS Asset Management (DAM), including Fund Management, business remains within the current ownership, and the Company's strategy is under revision given the new framework conditions.

Environment and Sustainability

The DEAS Group manages a variety of real estate asset classes, and in this way impacts people's everyday lives and well-being. The most important undertaking has been to create value for our investors, tenants and employees: Not only economic value, but also in relation to the environmental sustainability.

The DEAS Group has promoted long-term sustainability in the individual assets, 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 the sustainability in our core services and in the business.

With the sustainability strategy, a framework and direction have been set to promote sustainable change.

For elaboration of our CSR strategy, we refer to our CSR report which can be found on the website deasgroup.com/en/who-we-are/corporate-social-responsibility.

Developments in the year

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

In 2023, revenue for the DEAS Group increased by DKK 2.0 million to DKK 915.1 million, compared with DKK 913.1 million in 2022.

Operating profit before depreciation and amortisation amounted to DKK 98.3 million compared with DKK 100.0 million in 2022.

Profits before tax amounted to DKK -42.2 million, compared with DKK -1.3 million in 2022.

Shareholder's equity at year-end 31.12.2023 amounted to DKK 323.0 million, compared with DKK 373.7 million as per 31.12.2022.

Management's Review

The DEAS Real Estate Service activities impacts the Group's consolidated revenue positively. The operation profit before depreciations and amortisations amounts to DKK 32.0 million which includes one-off external cost of DKK 27.4 million. The profit is also affected by a significant investment activity in development of software products for internal and external use, of which the internal hours spent in 2023 have been significant.

The DEAS Asset Management activities decreased in 2023 due to market conditions with a weak transaction market, low development activities and decreasing property valuations.

With the difficult market conditions and the special circumstances in mind, the year's result is considered satisfactory.

Expectations for 2024

The DEAS Real Estate Services Business, DEAS A/S, is expected to exit the DEAS Group in the third quarter of 2024. Due to this exit, and with the current market conditions of the real estate market, the result for 2024 is expected to be significantly lower for the Group than in 2023.

Capital resources

The liquidity resources as per 31.12.2023 amounts to DKK 64.4 million compared with DKK 88.2 million per 31.12.2022. Based on the expected consideration for the DEAS Real Estate Service activities, which also entails the repayment of the interest-bearing debt, management considers the capital resources to be adequate and sufficient.

Special risks

Business risks

The DEAS Group's most significant business risk is the ability to meet our investors' requirements for, and expectation of, high quality property management, asset management and consulting services.

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

The DEAS Group's most important knowledge resources are our 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, is in focus. It requires training and development of our employees, and the requisite skills and a high level of expertise of the employees. At the same time investing in technology is key for DEAS Group in order to keep up with the development of the real estate market and the requirements of our investors.

DEAS Group complies with The Danish Property Federation's (EjendomDanmark) "Ethical Guidelines for Property Management," and it is a requirement, that all employees are familiar and comply with these guidelines and act accordingly. DEAS Group is also member of DI's Servicenorm (Service Industry's Employer Association (SBA)) and must comply with the demands of the Service Norm, which is monitored by DNV Business Assurance Denmark A/S.

Management's Review

Data ethics

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

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 which we place on other aspects of the business. The DEAS Group does this by applying recognized guiding principles for the use of data in a data-driven world.

The DEAS Group's data ethics policy is owned and enforced by the Executive Board, and can be found on the website deas.dk/da/privatlivspolitik.

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 our 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 the DEAS Group, we aim to base the business activities on the requirements of our investors, knowledge and skills of our employees as well as on a profitable and sustainable foundation. The ambition is that the core services of asset and property 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 our 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.

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.

We refer to our statement on societal responsibilities in our CSR reporting.

Management's Review

Diversity and inclusion

The DEAS Group is in general well-represented by both genders on Management levels although the real estate industry historically has been overrepresented by one gender.

The Management levels are represented by the top level, the shareholder elected Board of Directors, and the Management level 1 and 2 collapsed comprise the Executive Board, other C-level members and the Senior Management group which are the direct reports of the C-level.

Shareholder-elected board members	2023
Total members	5
Underrepresented gender	2 (40%)
Target	40%
Year of fulfilling target	N/A

Management level 1 and 2	2023
Total members	22
Underrepresented gender	10 (45%)
Target	40%
Year of fulfilling target	N/A

Events after the balance sheet date

An agreement regarding the sale of shares in DEAS A/S, along with certain subsidiaries, has been entered in the second quarter of 2024. The divestment comprises the DEAS Real Estate Services (DRES) business. The DEAS Asset Management (DAM), including Fund Management, business remains within the current ownership.

Barring the above-mentioned event, no other significant events are estimated to have an impact on the financial positions of the Group per 31.12.2023.

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.

	2023	2022	2021	2020	2019
Net turnover	915.101	913.097	777.224	657.509	659.711
Operating profit/loss	-8	26.150	12.001	16.030	30.058
Net financial income and expenses	-46.647	-32.362	-10.862	-22.798	-23.749
Profit/loss for the year	-46.614	-9.971	-6.008	-14.005	746
Invested capital including intangible assets	845.529	837.475	760.814	677.179	744.119
Invested capital excluding intangible assets	-17.643	10.203	-119.498	-119.531	-94.074
Investment in tangible fixed assets	12.726	7.014	8.702	5.228	3.429
Total assets	1.128.618	1.109.473	1.160.192	1.104.809	1.102.354
Total equity	322.985	373.691	386.612	392.595	406.600
Long-term liabilities	33.215	541.062	496.139	510.272	517.386
Short-term liabilities	782.288	177.512	267.266	198.525	174.898
Profit margin (%)	0,00	2,86	1,54	2,44	4,56
Return on equity (ROE) (%)	-13,38	-2,62	-1,54	-3,50	0,17
Solvency ratio (%)	28,62	33,68	33,32	35,54	36,88
Avg. number of full-time employees	906	885	814	773	784

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 (%)	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

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 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 01.01.2023 - 31.12.2023.

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, 27 June 2024

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 01.01.2023 - 31.12.2023 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 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023 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.

Independent Auditors' Report

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 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 relevant law and regulation.

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 relevant law and regulation. In our opinion, the Management's review is not materially misstated.

Copenhagen, 27 June 2024

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	2023	2022	2023	2022
		tkr.	tkr.	tkr.	tkr.
Revenue	2	915.101	913.097	8.659	9.851
Work performed by entity		19.412	2.528	0	0
Other operating income	3	8.928	8.438	0	0
Cost of sales		-71.029	-71.366	0	0
Other external expenses	4	-166.440	-149.261	-118	-4.998
Employee benefits expense	5	-607.717	-602.974	-8.247	-9.424
Depreciation and amortisation	6	-98.263	-74.312	0	0
Profit from ordinary operating activities		-8	26.150	294	-4.571
Income from investments in group enterprises and associates	7	4.407	4.911	-168.437	0
Other finance income	8	2.245	1.661	235	566
Finance expences	9	-48.892	-34.023	-43.794	-26.092
Profit from ordinary activities before tax		-42.248	-1.301	-211.702	-30.097
Tax expense on ordinary activities	10	-4.366	-8.670	4.934	4.132
Profit		-46.614	-9.971	-206.768	-25.965

Proposed distribution of results

Balance Sheet as of 31 December

	Note	Group 2023 tkr.	2022 tkr.	Parent 2023 tkr.	2022 tkr.
Assets					
Completed development projects	12	14.965	12.366	0	0
Acquired intangible assets	13	370.079	378.928	0	0
Goodwill	14	402.012	413.416	0	0
Development projects in progress	15	76.116	22.562	0	0
Intangible assets		863.172	827.272	0	0
Fixtures, fittings, tools and equipment	16	9.960	13.203	0	0
Leasehold improvements	17	2.766	1.558	0	0
Property, plant and equipment		12.726	14.761	0	0
Long-term investments in group enterprises	18, 19	0	0	1.033.256	1.201.693
Long-term investments in associates	19, 20	8.982	8.575	0	0
Other long-term receivables	21	0	10.008	0	0
Long-term receivables from owners and management	22	12.227	11.813	0	0
Deposits, investments	23	9.731	9.008	0	0
Investments		30.940	39.404	1.033.256	1.201.693
Fixed assets		906.838	881.437	1.033.256	1.201.693
Raw materials and consumables		1.066	0	0	0
Inventories		1.066	0	0	0
Short-term trade receivables		91.711	83.749	0	0
Contract work in progress		3.292	0	0	0
Short-term receivables from group enterprises		5.297	0	8.660	0
Current deferred tax	24	0	0	5.344	1.730
Short-term tax receivables		0	0	1.319	2.260
Other short-term receivables		25.483	38.899	3.331	6.301
Prepaid expenses	25	14.155	10.902	0	0
Receivables		139.938	133.550	18.654	10.291
Other short-term investments		16.392	6.293	0	0
Short-term investments		16.392	6.293	0	0
Cash and cash equivalents		64.384	88.193	0	0
Current assets		221.780	228.036	18.654	10.291
Assets		1.128.618	1.109.473	1.051.910	1.211.984

Balance Sheet as of 31 December

	Note	Group 2023 tkr.	2022 tkr.	Parent 2023 tkr.	2022 tkr.
Liabilities and equity					
Contributed capital		50	50	50	50
Reserve for loans and collaterals		12.226	11.813	0	0
Reserve for exchange rate adjustments		-3.901	-2.840	0	0
Reserve for current value of hedging		1.884	4.915	1.884	4.915
Retained earnings		312.726	359.753	454.304	661.067
Equity		322.985	373.691	456.238	666.032
Provisions for deferred tax	24	1.667	2	0	0
Other provisions	26	21.678	17.206	0	0
Provisions		23.345	17.208	0	0
Other credit institutions		0	509.031	0	509.031
Other payables		32.854	32.031	748	731
Long-term liabilities other than provisions	27	32.854	541.062	748	509.762
Short-term part of long-term liabilities	27	361	6.220	0	6.220
Debt to other credit institutions		570.000	0	570.000	0
Trade payables		30.614	26.808	2	36
Payables to group enterprises		7.758	8	17.438	24.064
Tax payables		3.187	12.195	0	0
Other payables		137.514	132.281	7.484	5.870
Short-term liabilities other than provisions		749.434	177.512	594.924	36.190
Liabilities other than provisions within the business		782.288	718.574	595.672	545.952
Liabilities and equity		1.128.618	1.109.473	1.051.910	1.211.984
Uncertainty connected with recognition or measurement	1				
Significant events occurring after end of reporting period	28				
Contingent liabilities	29				
Collaterals and assets pledged as security	30				
Rental- and leasing contracts	31				
Related parties	32				

Statement of changes in Equity

Parent

	Contributed capital	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2023	50	4.915	661.067	666.032
Net adjustments of hedging instruments	0	-3.886		-3.886
Profit (loss)	0	0	-206.768	-206.768
Tax on changes in equity	0	855	5	860
Equity 31 December 2023	50	1.884	454.304	456.238

Group

	Contributed capital	Reserve for loans and and losses	Reserve for currency gains and losses	Reserve for current value of hedging	Retained earnings	Total
Equity 1 January 2023	50	11.813	-2.840	4.915	359.753	373.691
Change of investments through net exchange differences	0	0	-1.061	0	0	-1.061
Net adjustments of hedging instruments	0	0	0	-3.886	0	-3.886
Profit (loss)	0	413	0	0	-47.027	-46.614
Tax on changes in equity	0	0	0	855	0	855
Equity 31 December 2023	50	12.226	-3.901	1.884	312.726	322.985

Cash Flow Statement

	2023	2022
	tkr.	tkr.
Profit/Loss for the year	-46.614	-9.971
Depreciation and amortisation	98.263	74.312
Profit from associates after tax	-4.407	-4.911
Interest and similar incomes	-2.245	-1.661
Interest and similar expenses	48.892	34.023
Tax	4.366	8.670
Other provisions	4.472	10.987
Other changes in working capital	-2.441	-48.792
Cash flow from operating activities before financial items	100.286	62.657
Interest received	1.691	863
Interest paid	-36.839	-21.262
Cash flow from ordinary operating activities	65.138	42.258
Income taxes paid/received	-12.591	-2.635
Cash flows from operating activities	52.547	39.623
Purchase of intangible assets	-61.421	-15.454
Purchase of property, plant and equipment	-5.646	-6.970
Sales of property, plant and equipment	51	-843
Purchase of investments	-68.266	0
Dividends	4.250	3.683
Loans	0	-4.680
Business combinations	0	-1.918
Cash flows from investing activities	-131.032	-26.182
Repayment of debt to other credit institutions	-10.000	-67.500
Repayment of other long-term payables	-763	-712
Raising of debt from other credit institutions	60.969	43.937
Raising/repayment of debt to group enterprises	2.438	-10.682
Dividend paid	207	-5.000
Other components of cash flows from financing activities	0	-6.534
Cash flows from financing activities	52.851	-46.491
Net increase (decrease) in cash and cash equivalents	-25.634	-33.050
Exchange rate adjustments	1.825	-4.118
Cash and cash equivalents, beginning balance	88.193	125.361
Cash and cash equivalents, ending balance	64.384	88.193
Cash and cash equivalents specified:		
Cash and cash equivalents	64.384	88.193
Cash and cash equivalents in total	64.384	88.193

Notes

1. Uncertainty connected with recognition and measurements

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.

The main accounting areas where the recognition and measurement can be affected by estimates and subject to uncertainty are:

* Revenue related to contract work in progress (projects) is recognized at the selling price of work performed, based on the stage of completion of the work.

* Provisions for disputes are measured at the best estimate of the related costs to settle liabilities as of the balance sheet date.

* Development projects in progress includes internal resources used for the development, in which there is a significant estimate of their value. Development activities have had a significant increase in the year, compared to former years' costs, and the nature of the development projects have been of a different type, which has included internal costs from other groups of employees, than was the case in former year's development.

The stage of completion, provision for disputes, capitalised internal development costs and expected earnings are based on estimates and expected future events, making them subject to uncertainty.

	Group		Parent	
	2023	2022	2023	2022
2. Revenue				
Fees etc., DRES, Denmark	672.401	643.197	0	0
Fees etc., DAM, Denmark	71.200	86.800	0	0
Fees etc., DAM, Norway	70.100	86.900	0	0
Fees etc., DAM, Sweden	46.800	45.500	0	0
Fees etc., DAM, Finland	54.600	50.700	0	0
	915.101	913.097	0	0
3. Other operating income				
Salary reimbursement	8.928	8.438	0	0
	8.928	8.438	0	0

Notes

	Group		Parent	
	2023	2022	2023	2022
4. Fees for auditors selected on the general meeting				
Statutory audit	1.521	1.405	61	58
Other assurance reports	103	80	0	28
Tax consultancy	0	173	0	0
Other services	1.921	1.554	14	0
	3.545	3.212	75	86

5. Employee benefits expense

Wages and salaries	537.718	536.924	7.528	8.522
Pensions	46.295	41.823	674	852
Social security contributions	19.343	19.094	22	29
Other employee expense	4.361	5.133	23	21
	607.717	602.974	8.247	9.424

Referring to section 98b(3) of the Danish Financial Statements Act, information about the Executive and Supervisory Board remuneration is not disclosed for 2023 and 2022, as the information otherwise will lead to presentation of remuneration for a single member.

Average no. of employees	906	885	3	5
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6. Depreciations and amortisations

Development projects	5.114	4.543	0	0
Acquired intangible assets	31.333	29.567	0	0
Goodwill	33.935	32.028	0	0
Fixtures, fittings, tools and equipment	6.954	6.353	0	0
Leasehold improvements	532	978	0	0
Impairment of tangible and intangible assets	20.314	0	0	0
Profit/loss on sale of equipment	81	843	0	0
	98.263	74.312	0	0

7. Income from investments in group enterprises and associates

Share of profit in associations	4.407	4.911	0	0
Impairment losses	0	0	-168.437	0
	4.407	4.911	-168.437	0

8. Other finance income

Interests shareholderloan	413	399	235	0
Interests group companies	49	60	0	566
Exchange rate adjustments	112	0	0	0
Other financial income	1.671	1.202	0	0
	2.245	1.661	235	566

Notes

	Group		Parent	
	2023	2022	2023	2022
9. Finance expenses				
Interests group companies	64	0	626	638
Securities adjustments	0	149	0	0
Exchange rate adjustments	3.843	6.611	0	0
Borrowing costs	4.495	2.928	4.426	2.852
Other finance expenses	40.490	24.335	38.742	22.602
	48.892	34.023	43.794	26.092
10. Tax expense				
Current tax for the year	4.417	12.317	-1.320	-3.647
Adjustment to prior year tax	39	146	0	85
Adjustment to prior year deferred tax	0	-1.765	0	0
Deferred tax for the year	-90	-2.028	-3.614	-570
	4.366	8.670	-4.934	-4.132
11. Distribution of profit				
Proposed extraordinary dividend	0	5.000	0	5.000
Reserve for loans and collaterals	413	399	0	0
Retained earnings	-47.027	-14.570	-206.768	-30.965
	-46.614	-9.171	-206.768	-25.965

Notes

	Group		Parent	
	2023	2022	2023	2022
12. Completed development projects				
Cost at the beginning of the year	34.101	26.174	0	0
Change due to a foreign currency translation adjustment	0	-19	0	0
Addition in connection with purchase of enterprise	0	2.456	0	0
Addition during the year	6.032	4.766	0	0
Disposal during the year	-51	0	0	0
Transfers during the year to other items	1.835	724	0	0
Cost at the end of the year	41.917	34.101	0	0
Amortisation at the beginning of the year	-21.735	-17.196	0	0
Change due to foreign currency translation adjustment	-52	3	0	0
Amortisation for the year	-5.114	-4.542	0	0
Impairment losses for the year	-51	0	0	0
Amortisation at the end of the year	-26.952	-21.735	0	0
Carrying amount at the end of the year	14.965	12.366	0	0
13. Acquired intangible assets				
Cost at the beginning of the year	515.452	519.625	0	0
Change due to a foreign currency translation adjustment	-2.345	-4.173	0	0
Addition during the year	41.251	0	0	0
Cost at the end of the year	554.358	515.452	0	0
Amortisation at the beginning of the year	-136.524	-107.427	0	0
Change due to foreign currency translation adjustment	310	205	0	0
Amortisation for the year	-31.335	-29.302	0	0
Impairment losses for the year	-16.730	0	0	0
Amortisation at the end of the year	-184.279	-136.524	0	0
Carrying amount at the end of the year	370.079	378.928	0	0

Acquired intangible assets relate to customer contracts in obtained in connection with the acquisition of Aberdeen Standard Investments' Nordic real estate asset management business. Aberdeen Standard Investments has chosen to in-house its asset management activities as of 01.07.2024. The expected useful life of the company's customer relationships has thus been reduced from the assessed 10 to 3 years, causing an impairment of their value.

Notes

	Group		Parent	
	2023	2022	2023	2022
14. Goodwill				
Cost at the beginning of the year	611.772	612.990	0	0
Change due to a foreign currency translation adjustment	-684	-1.218	0	0
Addition during the year	26.890	0	0	0
Cost at the end of the year	637.978	611.772	0	0
Amortisation at the beginning of the year	-198.356	-166.452	0	0
Change due to foreign currency translation adjustment	-142	71	0	0
Amortisation for the year	-33.935	-31.975	0	0
Impairment losses for the year	-3.533	0	0	0
Amortisation at the end of the year	-235.966	-198.356	0	0
Carrying amount at the end of the year	402.012	413.416	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.

15. Development projects in progress

Cost at the beginning of the year	22.562	12.598	0	0
Addition during the year	55.389	11.646	0	0
Disposal during the year	0	-958	0	0
Transfers during the year to other items	-1.835	-724	0	0
Cost at the end of the year	76.116	22.562	0	0
Carrying amount at the end of the year	76.116	22.562	0	0

Notes

	Group		Parent	
	2023	2022	2023	2022
16. Fixtures, fittings, tools and equipment				
Cost at the beginning of the year	42.074	35.390	0	0
Change due to a foreign currency translation adjustment	-36	-60	0	0
Addition during the year	3.787	6.744	0	0
Disposal during the year	-32.308	0	0	0
Cost at the end of the year	13.517	42.074	0	0
Depreciation at the beginning of the year	-28.871	-22.541	0	0
Change due to foreign currency translation adjustment	-40	6	0	0
Depreciation for the year	-6.954	-6.336	0	0
Reversal of depreciation of disposed assets	32.308	0	0	0
Depreciation at the end of the year	-3.557	-28.871	0	0
Carrying amount at the end of the year	9.960	13.203	0	0
17. Leasehold improvements				
Cost at the beginning of the year	9.572	9.302	0	0
Addition during the year	1.858	270	0	0
Disposal during the year	-536	0	0	0
Cost at the end of the year	10.894	9.572	0	0
Depreciation at the beginning of the year	-8.014	-7.036	0	0
Depreciation for the year	-532	-978	0	0
Reversal of impairment losses and amortisation of disposed assets	418	0	0	0
Depreciation at the end of the year	-8.128	-8.014	0	0
Carrying amount at the end of the year	2.766	1.558	0	0

Notes

	Group		Parent	
	2023	2022	2023	2022
18. Long-term investments in group enterprises				
Cost at the beginning of the year	0	0	1.201.693	1.201.693
Cost at the end of the year	0	0	1.201.693	1.201.693
Impairment losses	0	0	-168.437	0
Value adjustments at the end of the year	0	0	-168.437	0
Carrying amount at the end of the year	0	0	1.033.256	1.201.693

A reassessment of the investments has been made and an impairment loss is recognised.

19. 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	602.040	13.756
			602.040	13.756

Associates

Name	Registered office	Share held in	Equity	Profit
		%		
OPS Frederikshavn Byskole A/S	Frederiksberg	50,00	7.543	3.123
Driftsselskabet OPP Vejle A/S	Frederiksberg	50,00	5.978	3.728
OPS Skovbakkeskolen A/S	Frederiksberg	50,00	1.869	1.431
Driftsselskabet OPP Slagelse				
Sygehus A/S	Frederiksberg	50,00	650	134
OPS Østerbro Skøjtehal A/S	Frederiksberg	50,00	1.426	399
Driftsselskabet OPP Svanemøllen A/S	Frederiksberg	50,00	475	-25
			17.941	8.790

20. Long-term investments in associates

Cost at the beginning of the year	3.491	3.491	0	0
Addition during the year	250	0	0	0
Cost at the end of the year	3.741	3.491	0	0
Value adjustments at the beginning of the year	5.084	3.548	0	0
Share of profit in subsidiaries	4.407	4.912	0	0
Dividend	-4.250	-3.376	0	0
Value adjustments at the end of the year	5.241	5.084	0	0
Carrying amount at the end of the year	8.982	8.575	0	0

Notes

	Group		Parent	
	2023	2022	2023	2022
21. Other long-term receivables				
Cost at the beginning of the year	10.008	4.989	0	0
Addition during the year, incl. improvements	0	5.019	0	0
Disposal during the year	-10.008	0	0	0
Cost at the end of the year	0	10.008	0	0
Carrying amount at the end of the year	0	10.008	0	0
	tkr.	tkr.	tkr.	tkr.
22. Long-term receivables from owners and management				
Cost at the beginning of the year	11.813	11.414	0	0
Addition during the year	414	399	0	0
	12.227	11.813	0	0
23. Deposits, investments				
Cost at the beginning of the year	9.008	8.758	0	0
Change due to a foreign currency translation adjustment	5	-70	0	0
Addition during the year	718	1.214	0	0
Disposal during the year	0	-894	0	0
Cost at the end of the year	9.731	9.008	0	0
24. Deferred tax				
Deffered tax at the beginning of the year	2	3.955	-1.730	-1.160
Change due to a foreign currency translation adjustment	-82	-112	0	0
Acquisition of enterprise	140	0	0	0
Deffered tax for the year	-90	-1.685	-3.614	-570
Adjustment to prior year	1.697	-2.156	0	0
Balance at the end of the year	1.667	2	-5.344	-1.730
Deferred tax relates to:				
Intangible assets	13.815	10.169	0	0
Property, plant and equipment	1.412	-2.939	0	0
Current assets	-2.562	-122	0	0
Long-term debt	-2.641	-1.730	-2.562	0
Short-term debt	-302	0	-2.782	-1.730
Other provisions	-8.055	-5.376	0	0
	1.667	2	-5.344	-1.730

Deferred tax assets are recognised provided that the tax loss carryforwards are utilized within a period of 1-3 years.

Notes

25. Prepaid expenses

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

26. Other provisions

Other provisions include obligations and liabilities due to claims made against the Group. Of the provisions, DKK 6.0 million (31.12.2022: DKK 4.3 million) is expected to be settled within the next 12 months.

Notes

27. 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 within 1 year	Due between 1 and 5 year	Due after 5 years
Other payables	361	4.123	28.731
	<u>361</u>	<u>4.123</u>	<u>28.731</u>

Parent

	Due within 1 year	Due between 1 and 5 year	Due after 5 years
Other payables	0	0	748
	<u>0</u>	<u>0</u>	<u>748</u>

28. 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.

29. 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.

30. 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 DKK 526.1 million.

The company's bank accounts with a carrying amount of DKK 0.0 million is pledged as security for the parent company Dane BidCo ApS' debt to other credit institutions, amounting to DKK 526.1 million.

The company's receivables at group companies with a carrying amount of DKK 0.0 million are pledged as security for the parent company Dane BidCo ApS' debt to other credit institutions, amounting to DKK 526.1 million.

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

Group

Notes

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 DKK 526.1 million.

The group's bank accounts with a carrying amount of DKK 93.4 million is pledged as security for Dane BidCo ApS' debt to other credit institutions, amounting to DKK 526.1 million.

The group's receivables at group companies with a carrying amount of DKK 0.0 million are pledged as security for Dane BidCo ApS' debt to other credit institutions, amounting to DKK 526,1 million.

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 DKK 0.1 million.

DEAS A/S has given suretyship statement for Tryg Garanti amounting to DKK 5.9 million 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 DKK 20.0 million 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 DKK 10.0 million.

DEAS A/S has in course of fulfillment of OPS Skovbakkeskolen A/S' obligations given suretyship statement for Tryg Garanti amounting DKK 6.5 million 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 DKK 0.6 million 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 DKK 5.0 million regarding guarantee provided by Euler Hermes for København Kommune.

31. Rental- and leasing contracts

	Group		Parent	
	2023	2022	2023	2022
	tkr.	tkr.	tkr.	tkr.
Within 1 year	22.449	30.250	0	0
Between 1 and 5 years	68.788	44.031	0	0
After 5 years	79.937	1.549	0	0
	171.174	75.830	0	0

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

32. 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	2.776	0	0
Management fee	0	0	0	8.660
Interest	64	413	-16	-610
Receivables	0	12.227	0	8.660
Liabilities other than provisions	7.759	-5.297	7.759	9.680

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.à.r.l., Luxembourg.

Accounting Policies

Reporting Class

The Annual Report of Dane BidCo ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year. In the current year, service contracts have been recognised, as per the percentage of completion method according to IAS 18.

According to The Danish Financial Statement Act § 80; activities which are supposed to be sold are to be presented separately in the profit and loss statement, and in the balance sheet. Account balances are to be presented in one line and disclosed in a note. Due to divestment of the DRES activities in 2024 and that the DAM activities, which have been for sale, and now await a new strategy that has to be developed, which can entail a future sale, management has assessed that § 80 should be disregarded, as a presentation according to § 80 (moving the profit and loss and balance presentation into the notes) does not provide new material information to the Financial Statement.

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.

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.

Accounting Policies

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.

Accounting Policies

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.

Income Statement

Revenue

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

Work performed by entity

Work performed by entity regards salaries and related cost capitalised as development projects.

Other operating income

Other operating income regards employee remuneration etc.

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.

Accounting Policies

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.

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).

Accounting Policies

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.

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realisable value.

Accounting Policies

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

Advertising from promotional costs and costs of negotiating contracts are expensed incurred.

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.

Accounting Policies

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.

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.