

# Saltholmsgade ApS

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

CVR no. 36 94 13 67

## Annual report 2021

Approved at the Company's annual general meeting on 14 June 2022

Chair of the meeting:

DocuSigned by:  
*Louise Hertz*  
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.....  
Louise Hertz

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## Independent auditor's report

To the shareholders of Saltholmsgade ApS

### Opinion

We have audited the financial statements of Saltholmsgade ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

## Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 14 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Kaare K. Lendorf  
State Authorised Public Accountant  
mne33819

## Management's review

### Company details

|                            |  |
|----------------------------|--|
| Name                       | Saltholmsgade ApS  |
| Address, Postal code, City | c/o DEAS A/S<br>Dirch Passers Allé 76, 2000 Frederiksberg  |
| CVR no.                    | 36 94 13 67  |
| Established                | 29 June 2015   |
| Registered office          | Frederiksberg  |
| Financial year             | 1 January - 31 December  |
| Board of Directors         | Nathalie Marion-Denise Winkelmann, Chair<br>Louise Hertz<br>Keld Jessen<br>Ingo Hitsch-Klößner             |
| Executive Board            | Louise Hertz   |
| Auditors                   | EY Godkendt Revisionspartnerselskab<br>Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg,<br>Denmark |

## Management commentary

### Business review

The Company's objective is to buy and possess real estate and other hereby related activities.

### Recognition and measurement uncertainties

As the Company's purpose is investment in properties, the Company is affected by changes in the property market, including the general level of interest rates and economic conditions. For a description of significant assumptions for the fair value recognition as 31 December 2021, please refer to note 5 and 6.

### Financial review

The income statement for 2021 shows a profit of DKK 18,880 thousand against a profit of DKK 43,551 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 181,067 thousand.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

## Income statement

| Note | DKK'000                                      | 2021   | 2020    |
|------|--|--------|---------|
|      | Gross profit                                 | 11,025 | 1,967   |
|      | Fair value adjustment of investment property | 12,228 | 56,659  |
|      | Profit before net financials                 | 23,253 | 58,626  |
|      | Financial income                             | 0      | 758     |
| 3    | Financial expenses                           | -1,192 | -3,549  |
|      | Profit before tax                            | 22,061 | 55,835  |
| 4    | Tax for the year                             | -3,181 | -12,284 |
|      | Profit for the year                          | 18,880 | 43,551  |
|      | Recommended appropriation of profit          |        |         |
|      | Proposed dividend recognised under equity    | 5,300  | 6,700   |
|      | Retained earnings                            | 13,580 | 36,851  |
|      |  | 18,880 | 43,551  |

## Financial statements 1 January - 31 December

## Balance sheet

| Note | DKK'000                            | 2021           | 2020           |
|------|------------------------------------|----------------|----------------|
|      | ASSETS                             |                |                |
|      | Fixed assets                       |                |                |
| 5    | Property, plant and equipment      |                |                |
| 6    | Investment property                | 357,000        | 344,700        |
|      |                                    | <u>357,000</u> | <u>344,700</u> |
|      | Total fixed assets                 | <u>357,000</u> | <u>344,700</u> |
|      | Non-fixed assets                   |                |                |
|      | Receivables                        |                |                |
|      | Trade receivables                  | 94             | 0              |
|      | Receivables from group enterprises | 2,534          | 2,567          |
|      | Other receivables                  | 621            | 4,078          |
|      | Prepayments                        | 170            | 0              |
|      |                                    | <u>3,419</u>   | <u>6,645</u>   |
|      | Cash                               | 9,742          | 1,897          |
|      | Total non-fixed assets             | <u>13,161</u>  | <u>8,542</u>   |
|      | TOTAL ASSETS                       | <u>370,161</u> | <u>353,242</u> |



## Financial statements 1 January - 31 December

### Balance sheet

| Note | DKK'000                                       | 2021                  | 2020                  |
|------|---|-----------------------|-----------------------|
|      | EQUITY AND LIABILITIES                        |                       |                       |
|      | Equity  |                       |                       |
|      | Share capital                                 | 50,000                | 50,000                |
|      | Retained earnings                             | 125,767               | 112,187               |
|      | Dividend proposed                             | 5,300                 | 6,700                 |
|      | Total equity                                  | <u>181,067</u>        | <u>168,887</u>        |
|      | Provisions                                    |                       |                       |
|      | Deferred tax                                  | 13,246                | 11,578                |
|      | Total provisions                              | <u>13,246</u>         | <u>11,578</u>         |
|      | Liabilities other than provisions             |                       |                       |
| 7    | Non-current liabilities other than provisions |                       |                       |
|      | Mortgage debt                                 | 166,182               | 166,171               |
|      |   | <u>166,182</u>        | <u>166,171</u>        |
|      | Current liabilities other than provisions     |                       |                       |
|      | Trade payables                                | 589                   | 156                   |
|      | Joint taxation contribution payable           | 1,513                 | 0                     |
|      | Deposits                                      | 5,524                 | 3,836                 |
|      | Other payables                                | 870                   | 1,273                 |
|      | Deferred income                               | 1,170                 | 1,341                 |
|      |   | <u>9,666</u>          | <u>6,606</u>          |
|      | Total liabilities other than provisions       | <u>175,848</u>        | <u>172,777</u>        |
|      | <b>TOTAL EQUITY AND LIABILITIES</b>           | <b><u>370,161</u></b> | <b><u>353,242</u></b> |

- 1 Accounting policies
- 2 Staff costs
- 8 Contractual obligations and contingencies, etc.
- 9 Collateral
- 10 Related parties

## Financial statements 1 January - 31 December

## Statement of changes in equity

| DKK'000                                  | Share capital | Retained earnings | Dividend proposed | Total   |
|--|---------------|-------------------|-------------------|---------|
| Equity at 1 January 2020                 | 50,000        | -3,164            | 0                 | 46,836  |
| Capital increase                         | 0             | 78,500            | 0                 | 78,500  |
| Transfer through appropriation of profit | 0             | 36,851            | 6,700             | 43,551  |
| Equity at 1 January 2021                 | 50,000        | 112,187           | 6,700             | 168,887 |
| Transfer through appropriation of profit | 0             | 13,580            | 5,300             | 18,880  |
| Dividend distributed                     | 0             | 0                 | -6,700            | -6,700  |
| Equity at 31 December 2021               | 50,000        | 125,767           | 5,300             | 181,067 |

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Saltholmsgade ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Income statement

##### Revenue

Revenue (rent) is recognized in the income statement, when the company has achieved final rights for the sale. Revenue is recognized linear over the terms of the contracts.

##### Gross profit

The items revenue, expenses, property and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

##### Expenses, property

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

##### Equity

###### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Payables to credit institutions

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, mortgage debt is measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

#### Other payables

Other payables are measured at net realisable value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

#### Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 2 Staff costs

The Company has no employees.

| DKK'000                              | 2021         | 2020          |
|--------------------------------------|--------------|---------------|
| 3 Financial expenses                 |              |               |
| Other financial expenses             | 1,192        | 3,549         |
|                                      | <u>1,192</u> | <u>3,549</u>  |
| 4 Tax for the year                   |              |               |
| Estimated tax charge for the year    | 1,513        | 0             |
| Deferred tax adjustments in the year | 3,340        | 12,284        |
| Tax adjustments, prior years         | -1,672       | 0             |
|                                      | <u>3,181</u> | <u>12,284</u> |

#### 5 Property, plant and equipment

| DKK'000                             | Investment<br>property |
|-------------------------------------|------------------------|
| Cost at 1 January 2021              | 288,041                |
| Additions                           | 72                     |
| Cost at 31 December 2021            | <u>288,113</u>         |
| Revaluations at 1 January 2021      | 56,659                 |
| Value adjustments for the year      | 12,228                 |
| Revaluations at 31 December 2021    | <u>68,887</u>          |
| Carrying amount at 31 December 2021 | <u>357,000</u>         |

Note 9 provides more details on security for loans, etc. as regards property, plant and equipment.

#### 6 Investment property

##### *Fair value estimation*

The fair value of investment property has been estimated for every single property by discounting the expected, future cash flows, using a relevant discount factor. Expected future cash flows are based on budgets, approved by management, for the coming 10-year period and an estimated terminal value for the remaining life of the property concerned. The discount factor comprises the risk-free interest rate and a risk premium for the property concerned.

Cushman & Wakefield is as independent valuer consulted for purposes of estimating the fair values.

## Financial statements 1 January - 31 December

### Notes to the financial statements

The most significant fair value assumptions are:

Residential area (total): 8,721 sqm  
 Vacancy based on area: 0.00 %  
 Net initial yield: 3.60%  
 Exit yield: 3.40%  
 Average rent: 1,803 DKK/sqm/year (actual rent)  
 Operating and maintenance costs: 389 DKK/sqm/year (estimated)

Parking (total): 53 units  
 Vacancy based on units: 18.90%  
 Average rent: 11,420 DKK/unit/year (actual rent)

#### 7 Non-current liabilities other than provisions

| DKK'000       | Total debt at<br>31/12 2021 | Repayment,<br>next year | Long-term<br>portion | Outstanding debt<br>after 5 years |
|---------------|-----------------------------|-------------------------|----------------------|-----------------------------------|
| Mortgage debt | 166,182                     | 0                       | 166,182              | 166,182                           |
|               | 166,182                     | 0                       | 166,182              | 166,182                           |

#### 8 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, PADK Salt 1 ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities.

#### 9 Collateral

As securities for the Company's mortgage debt, assets worth a total of t.DKK 357,000 have been pledged as collateral or otherwise charged.

#### 10 Related parties

Information about consolidated financial statements

| Parent                               | Domicile   | Requisitioning of the parent<br>company's consolidated<br>financial statements |
|--------------------------------------|------------|--|
| Universal-Investment-Luxembourg S.A. | Luxembourg | Rue de Flaxweiler 15,<br>L-6776 Grevenmacher,<br>Luxembourg                    |