



Tel.: +45 89 30 78 00  
aarhus@bdo.dk  
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab  
Kystvejen 29  
DK-8000 Aarhus C  
CVR no. 20 22 26 70

**OSKAR OFFICE APS**

**C/O OSKAR GROUP APS, KONGENS NYTORV 28 1., 1050 KØBENHAVN K**

**ANNUAL REPORT**

**1 JANUARY - 31 DECEMBER 2021**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 28 April 2022**

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**Henrik Wessmann Jensen**

*The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.*

**CVR NO. 37 69 19 09**

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**COMPANY DETAILS**

<b>Company</b>	Oskar Office ApS c/o Oskar Group ApS, Kongens Nytorv 28 1. 1050 Copenhagen K
	CVR No.: 37 69 19 09 Established: 13 May 2016 Municipality: Copenhagen Financial Year: 1 January - 31 December
<b>Executive Board</b>	Henrik Wessmann Jensen
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
<b>Bank</b>	Handelsbanken Amaliegade 3 1256 Copenhagen K
	Ringkjøbing Landbobank Torvet 1 6950 Ringkøbing
<b>Law Firm</b>	DLA Piper Oslo Plads 2 2100 Copenhagen Ø

## MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of Oskar Office ApS for the financial year 1 January - 31 December 2021.

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

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2021.

The Management Commentary includes in my opinion a fair presentation of the matters dealt with in the Commentary.

I recommend the Annual Report be approved at the Annual General Meeting.

København K, 28 April 2022

Executive Board

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Henrik Wessmann Jensen

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of Oskar Office ApS

#### Opinion

We have audited the Financial Statements of Oskar Office ApS for the financial year 1 January - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity, cash flows, notes and a summary of significant 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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations and cash flows 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 are independent of the Company 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 statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Management Commentary provides the information required under the Danish Financial Statements Act.

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

Aarhus, 28 April 2022

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Klaus Tvede-Jensen  
State Authorised Public Accountant  
MNE no. mne23304

## MANAGEMENT COMMENTARY

### Principal activities

The main activities are operations within real-estate and other investment activities.

The property - Greater Copenhagen Yards - was acquired in 2018 partly financed by issuance of a long-term bond. The aim is to construct an office house of 24,000 sqm.

During 2021 the work with the municipality on the project "Greater Copenhagen Yards" has been delayed because of Covid-19. Agreed meetings with the municipality have been postponed, which has extended the processing time of respectively clarification on road and construction lines and the property construction.

In addition, several possible office tenants in the periphery of Copenhagen have been waiting, as the effects of Covid-19 on the office market have been uncertain - and thus given the tenants further considerations about their future need for physical office space vs. homework, requirements for space per desk and requirements for indoor climate, etc.

However, the Danish government has cancelled almost all Covid-19 restrictions by the end of 2021 with a positive impact on the real estate market including the office market.

Oskar Group has for some time been in close dialogue with an international consulting group regarding the rental of 5-7,000 m<sup>2</sup> newly built office at Greater Copenhagen Yards in Brøndby and this is ongoing. The potential tenant is in the market for a new and up-to-date office domicile in the Greater Copenhagen area that meets their desire for a more sustainable footprint, a better indoor climate, and a higher degree of flexibility which is exactly in line with Greater Copenhagen Yards.

### Recognition and measurement uncertainty

The investment property is measured at fair value, which is equivalent to the amount at which the property may be sold to an independent buyer at the balance sheet date. The fair value of the property is based on the construction of a 24,000 sqm office house being completed. Thus, the fair value is calculated on the basis of the budgeted net earning and required rate of return of the property as being fully constructed with deduction of non-incurred budgeted renovation and construction costs and usual developer fees. At 31.12.2021, the Company has incurred renovation and construction costs relating to environmental examinations.

Full financing of the construction of the office house is not initiated as it awaits that the ongoing negotiations with tenants are concluded, however management is in dialogue with financing sources and is confident that such financing will be ready when needed.

Net earnings and the rate of return are determined in order to reflect current market levels for comparable properties. For the intended new build office, the net operating income is determined at DKK 1,227 per sqm. and the rate of return is determined at 4,75% which is also based on comparable properties.

This is 0,25 % lower than the annual report for 2020. An increase of the rate of return by 0.5% would reduce the total fair value by approximately DKK 47.800.000. A reduction in the rate of return by 0.5% would increase the total fair value by approximately DKK 59.100.000. Due to the attractive location of the property, the Management does not expect any structural vacancy. The budgeted future cost for renovation and construction, including its funding, determination of the required rate of return, future net earnings and any vacancy are subject to uncertainty.

### Development in activities and financial and economic position

The income for the financial year 1 January 2021 - 31 December 2021 shows a pre-tax profit of 1.474 t.kr. The result of the year is considered satisfactory. The equity shows a balance of 19.205 t.kr by the end of 2021.

### Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

## MANAGEMENT COMMENTARY

### **Financial risk**

The Entity is exposed to common commercial risks associated with property development like availability of financing, development in the office market, in Greater Copenhagen and cyclic trends on the real estate market, and in addition to this exchange risks on debt denominated in SEK, NOK and EUR.

### **Events after the balance sheet date**

In the beginning of 2022 the bond and bank loans were extended until the beginning of 2023.



**INCOME STATEMENT 1 JANUARY - 31 DECEMBER**

	Note	2021 DKK	2020 DKK
<b>GROSS PROFIT</b> .....		<b>28.460</b>	<b>-133.341</b>
Fair value adjustment of investment properties.....		9.657.472	8.112.350
<b>OPERATING PROFIT</b> .....		<b>9.685.932</b>	<b>7.979.009</b>
Other financial income.....		0	76.707
Other financial expenses.....		-8.211.228	-7.298.999
<b>PROFIT BEFORE TAX</b> .....		<b>1.474.704</b>	<b>756.717</b>
Tax on profit/loss for the year.....	1	-324.435	-165.928
<b>PROFIT FOR THE YEAR</b> .....		<b>1.150.269</b>	<b>590.789</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Retained earnings.....		1.150.269	590.789
<b>TOTAL</b> .....		<b>1.150.269</b>	<b>590.789</b>

**BALANCE SHEET AT 31 DECEMBER**

ASSETS	Note	2021 DKK	2020 DKK
Investment properties.....		88.200.000	78.099.999
Property, plant and equipment.....	2	<b>88.200.000</b>	<b>78.099.999</b>
<b>NON-CURRENT ASSETS.....</b>		<b>88.200.000</b>	<b>78.099.999</b>
Trade receivables.....		0	5.000
Receivables from associated enterprises.....		0	2.490.163
Other receivables.....		0	25.200
<b>Receivables.....</b>		<b>0</b>	<b>2.520.363</b>
<b>Cash and cash equivalents.....</b>		<b>194.392</b>	<b>4.509.303</b>
<b>CURRENT ASSETS.....</b>		<b>194.392</b>	<b>7.029.666</b>
<b>ASSETS.....</b>		<b>88.394.392</b>	<b>85.129.665</b>

**BALANCE SHEET AT 31 DECEMBER**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
Share capital.....		8.450.000	8.450.000
Retained earnings.....		10.818.539	9.668.270
<b>EQUITY.....</b>		<b>19.268.539</b>	<b>18.118.270</b>
Provision for deferred tax.....		3.055.435	2.731.000
<b>PROVISIONS.....</b>		<b>3.055.435</b>	<b>2.731.000</b>
Loans raised by the issuance of bonds.....		43.077.832	41.207.272
Bank loan.....		19.000.000	20.000.000
<b>Non-current liabilities.....</b>	<b>3</b>	<b>62.077.832</b>	<b>61.207.272</b>
Trade payables.....		108.141	116.156
Debt to group enterprises.....		3.120.895	2.317.702
Other liabilities.....		19.893	0
Deposit.....		87.500	0
Other payables.....		656.157	639.265
<b>Current liabilities.....</b>		<b>3.992.586</b>	<b>3.073.123</b>
<b>LIABILITIES.....</b>		<b>66.070.418</b>	<b>64.280.395</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>88.394.392</b>	<b>85.129.665</b>
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## EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2021.....	8.450.000	9.668.270	18.118.270
Proposed profit allocation.....		1.150.269	1.150.269
<b>Equity at 31 December 2021 .....</b>	<b>8.450.000</b>	<b>10.818.539</b>	<b>19.268.539</b>

**CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER**

	<b>2021</b> DKK	<b>2020</b> DKK
Operating Profit/loss.....	9.685.932	7.979.010
Fair value adjustment of investment property.....	-9.657.472	-8.112.350
Adjustment of other financial income.....	0	78.149
Adjustment of other financial expenses.....	-6.340.668	-7.300.441
Working capital changes.....	3.439.825	-1.505.518
<b>CASH FLOWS FROM OPERATING ACTIVITY.....</b>	<b>-2.872.383</b>	<b>-8.861.150</b>
Purchase of property, plant and equipment.....	-442.528	-4.987.650
<b>CASH FLOWS FROM INVESTING ACTIVITY.....</b>	<b>-442.528</b>	<b>-4.987.650</b>
Loans Raised.....	0	10.491.584
Repayments of Loans etc.....	-1.000.000	-972.519
<b>CASH FLOWS FROM FINANCING ACTIVITY.....</b>	<b>-1.000.000</b>	<b>9.519.065</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>-4.314.911</b>	<b>-4.329.735</b>
Cash and cash equivalents at 1. januar.....	4.509.303	8.839.038
<b>CASH AND CASH EQUIVALENTS AT 31. DECEMBER.....</b>	<b>194.392</b>	<b>4.509.303</b>
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents.....	194.392	4.509.303
<b>CASH AND CASH EQUIVALENTS, NET DEBT.....</b>	<b>194.392</b>	<b>4.509.303</b>

## NOTES

	2021 DKK	2020 DKK	Note
<b>Tax on profit/loss for the year</b>			
Adjustment of deferred tax.....	324.435	165.928	1
	<b>324.435</b>	<b>165.928</b>	
 <b>Property, plant and equipment</b>			<b>2</b>
		Investment properties	
Cost at 1 January 2021.....		44.478.381	
Additions.....		442.528	
<b>Cost at 31 December 2021.....</b>		<b>44.920.909</b>	
Revaluation at 1 January 2021.....		33.621.618	
Revaluation of the year.....		9.657.473	
<b>Revaluation at 31 December 2021.....</b>		<b>43.279.091</b>	
<b>Carrying amount at 31 December 2021.....</b>		<b>88.200.000</b>	
Value of recognised assets, excluding revaluation under § 41 (1).....		44.920.909	

Revaluations and impairment losses of the investment property is based on accounting judgements based on market value calculations of the net rent.

As described in the Summary of significant accounting policies, the investment property is measured at fair value, subject to the completion of the planned projects and using the return-based model. The required rate of return for the investment property averages approximately 4,75% at 31 December 2021 compared to last year's required rate of return of 5%. An increase of the required rate of return of 0.5 percentage points would reduce the fair value by approximately DKK 47.800.000 m. A reduction of the required rate of return of 0.5 percentage points would increase the total fair value by approximately DKK 59.100.000.

In the return-based model, the calculated budgeted net profit on the properties amounts to DKK 1,227 per m<sup>2</sup>. The budgeted profit does not include any downward adjustment for vacancy, due to the attractive locations.

The expected total size of the properties is 24.000 m<sup>2</sup>. The property portfolio is composed of commercial rental properties. The property is placed in Copenhagen.

No external valuation expert has been engaged to determine the fair value.

The fair value of the Company's investment property amounts to DKK 88,200k at the balance sheet date, this means a change in the fair value of DKK 9.657k, which has been recognised directly in the income statement.

NOTES

Note

**Long-term liabilities**

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	31/12 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2020 total liabilities
Loans raised by the issuance of bonds.....	43.077.832	0	43.077.832	41.207.272
Bank loan.....	19.000.000	0	0	20.000.000
	<b>62.077.832</b>	<b>0</b>	<b>43.077.832</b>	<b>61.207.272</b>

**Contingencies etc.**

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**Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where Hawk Investments ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

**Charges and securities**

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Non current liabilities of DKK 43,1m, are secured by way of a deposited mortgage deed registered to the mortgagor of nominally DKK 33m on properties.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor of nominally DKK 22m on properties.

The carrying amount of mortgaged properties is DKK 88,2 m at 31.12.2021.

A total guarantee of DKK 36k has been provided towards a third party.

## ACCOUNTING POLICIES

The Annual Report of Oskar Office ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### Rental income

Rental income is accrued to cover the period up to the end of the financial year. Payments charged to cover heating are not included in rental income.

### Other external expenses

Other external expenses include administrative costs, including costs of premises, marketing, and office supplies, etc.

### Fair value adjustment of investments properties

The value adjustment of investments properties is recognised in the Income Statement. Improvements are added to the cost price of the investment assets, and the basis for the value adjustments of the year is the fair value at beginning of the year with addition of acquisitions and improvements.

### Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

## BALANCE SHEET

### Tangible fixed assets

Investment properties are initially recognised at cost, which comprise the purchase price and possible direct costs related to the properties. The investment properties are subsequently recognised at fair value corresponding to the market value of the properties. Changes in the fair market value are recognised in the Income Statement

Properties under construction are recognised at cost.

The fair value of investment properties is assessed by means of a return-based valuation model according to which the value is calculated on the basis of the returns from operating the investment properties and an individually determined requirement for returns.

Subsequent costs are added to the purchase price of the investment properties, when it is likely that the payment will lead to future economic benefits to the Company. Other costs of repairs and maintenance are recognised in the Income Statement on payment.

Profit or loss from sale of tangible fixed assets is stated as the difference between the sales price less costs of sale and the carrying amount at the date of sale. Profits or losses are recognised in the Income Statement.



## ACCOUNTING POLICIES

### Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

### Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.

## CASH FLOW STATEMENT

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

### Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

### Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

### Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

### Cash and cash equivalents:

Cash and cash equivalents include bank overdraft and cash in hand.