

Onyx Denmark Propco K/S

c/o Harbour House
Sundkrogsgade 21
2100 København Ø
Denmark

CVR no. 38 39 89 62

Annual report 2022

The annual report was presented and approved at
the Company's annual general meeting on

7 July 2023

Catalin Vadean

Chairman of the annual general meeting

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Onyx Denmark Propco K/S
Annual report 2022
CVR no. 38 39 89 62

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Onyx Denmark Propco K/S for the financial year 1 January – 31 December 2022.

The annual report has been prepared 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 2022 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2022.

Further, in my opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

I recommend that the annual report be approved at the annual general meeting.

Copenhagen, 7 July 2023

On behalf of Mileway Director Co S.A., being the sole manager of the general partner Onyx Denmark GP S.à r.l.:

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Catalin Vadean

Independent auditor's report

To the shareholder of Onyx Denmark Propco K/S

Opinion

We have audited the financial statements of Onyx Denmark Propco K/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity, cash flow statement 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 Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2022 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 (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.

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 financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 judgement and maintain professional scepticism throughout the audit. We also

Independent auditor's report

- identify and assess the risks of material misstatement of the company 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.
- 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 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.

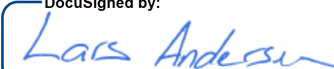
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 7 July 2023


Deloitte

Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56

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Lars Andersen
State Authorised
Public Accountant
mne34506

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Chris Middelhede
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Public Accountant
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Onyx Denmark Propco K/S
Annual report 2022
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Management's review

Company details

Onyx Denmark Propco K/S
c/o Harbour House
Sundkrogsgade 21
2100 København Ø
Denmark

CVR no.:	38 39 89 62
Established:	7 February 2017
Registered office:	Copenhagen
Financial year:	1 January – 31 December

On behalf of Mileway Director Co S.A., being the sole manager of the general partner Onyx Denmark GP S.à r.l.

Catalin Vadean

Auditor

Deloitte
Statsautoriseret Revisionspartnerselskab
Værkmestergade 2, 18.
DK-8000 Aarhus C
CVR no. 33 96 35 56

Management's review

Financial highlights

DKK'000	2022	2021	2020	2019	2018
Key figures					
Gross profit/loss	66,210	59,306	75,592	44,208	45,681
Loss from financial income and expenses	-30,083	-33,197	-37,029	-41,113	-47,455
Profit/loss for the year	260,469	150,207	235,450	370,245	-35,051
Balance sheet					
Total assets	1,950,005	1,755,019	1,620,874	1,383,217	987,934
Equity	884,432	701,963	585,019	349,569	-20,676
Investment in property, plant and equipment	16,937	39,177	3,365	1,603	887
Ratios					
Return on invested capital	1.37%	9.55%	7.20%	4.00%	4.80%
Solvency ratio	45.36%	40.00%	36.09%	25.27%	-2.09%
Return on assets	45.36%	10.89%	18.10%	34.70%	1.20%

The financial ratios have been calculated as follows:

Return on invested capital $\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$

Return on assets $\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$

Management's review

Operating review

Principal activities

The Company's main activity is to hold, develop, manage and sale properties and business related to the same.

Uncertainty regarding recognition and measurement

Management acknowledges that uncertainty remains over the determination of fair value of the investment properties held by the company. To mitigate that risk, an independent qualified valuer has been appointed to issue a report on the market value of the properties. The calculation method used in the report is based on the expected future cash flows for each investment property.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 260,469 thousand as against DKK 150,207 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 884,432 thousand as against DKK 701,963 thousand at 31 December 2021.

Events after the balance sheet date

No events have occurred after the balance sheet date that materialy affect the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2022	2021
Revenue		111,210	103,913
Other external costs		<u>-45,000</u>	<u>-44,607</u>
Gross profit		66,210	59,306
Fair value adjustment of investment properties		224,342	124,098
Other financial income		271	21
Other financial expenses	3	<u>-30,354</u>	<u>-33,218</u>
Profit before tax		260,469	150,207
Tax on profit for the year		<u>0</u>	<u>0</u>
Profit for the year	4	<u><u>260,469</u></u>	<u><u>150,207</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Investment properties		<u>1,809,906</u>	<u>1,655,300</u>
Total fixed assets		<u>1,809,906</u>	<u>1,655,300</u>
Current assets			
Receivables			
Trade receivables		2,612	1,617
Receivables from group entities		39,908	18,470
Other receivables		9,195	11,468
Prepayments	6	<u>16,170</u>	<u>12,744</u>
		<u>67,885</u>	<u>44,299</u>
Cash at bank and in hand		<u>72,214</u>	<u>55,420</u>
Total current assets		<u>140,099</u>	<u>99,719</u>
TOTAL ASSETS		<u><u>1,950,005</u></u>	<u><u>1,755,019</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		100	100
Retained earnings		884,332	701,863
Total equity		<u>884,432</u>	<u>701,963</u>
Liabilities			
Non-current liabilities			
	7		
Debt to credit institutions		816,021	834,654
Payables to group entities		142,430	142,370
Other payables		0	1
Deposits		20,298	19,798
		<u>978,749</u>	<u>996,823</u>
Current liabilities			
Debt to credit institutions, current liabilities	7	4,614	2,411
Trade payables		12,976	13,662
Payables to group entities	7	53,472	26,648
Other payables		166	98
Deferred income		2,351	1,809
Deposits	7	13,245	11,605
		<u>86,824</u>	<u>56,233</u>
Total liabilities		<u>1,065,573</u>	<u>1,053,056</u>
TOTAL EQUITY AND LIABILITIES		<u>1,950,005</u>	<u>1,755,019</u>
Average number of full-time employees	2		
Mortgages and collateral	8		
Currency and interest rate risks and the use of derivative financial instruments	9		
Related party disclosures	10		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	100	701,863	701,963
Transferred over the profit appropriation	0	260,469	260,469
Extraordinary dividends paid	0	-78,000	-78,000
Equity at 31 December 2022	100	884,332	884,432

Financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	2022	2021
Profit for the year		260,469	150,207
Fair value adjustemt of investment properties		-224,342	-124,098
Net financials		<u>30,083</u>	<u>33,197</u>
Cash flows from ordinary activities		66,210	59,306
Interest income		271	21
Interest expense		<u>-30,354</u>	<u>-33,218</u>
Cash flows from operating activities		<u>36,127</u>	<u>26,109</u>
Acquisition of property, plant and equipment		-16,937	-39,177
Disposal of property, plant and equipment		<u>86,673</u>	<u>0</u>
Cash flows from investing activities		<u>69,736</u>	<u>-39,177</u>
Shareholders:			
Change in debt to credit institutions		-16,430	3,882
Change in other financing activities		26,884	4,946
Change in receivables		-23,585	5,683
Change in debt		2,062	8,373
Contribution from partners		0	20,437
Contributions to partners		<u>-78,000</u>	<u>-53,700</u>
Cash flows from financing activities		<u>-89,069</u>	<u>-10,379</u>
Cash flows for the year		16,794	-23,447
Cash and cash equivalents at the beginning of the year		<u>55,420</u>	<u>78,867</u>
Cash and cash equivalents at year-end		<u><u>72,214</u></u>	<u><u>55,420</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Onyx Denmark Propco K/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

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

Change in comparative figures

Few reclassifications have been made in the comparison figures to comply with the current year presentation.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future transactions are recognised as other receivables or other payables and in equity until the realisation of the hedged transactions. If the future transaction results in the recognition of assets or liabilities, amounts that were previously recognised in equity are transferred to the cost of the asset or liability. If the future transaction results in income or costs, amounts that were previously recognised in equity are transferred to the income statement for the period when the hedged item affects the income statement.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Revenue

Rental income is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Rental income is net of all types of discounts granted.

Other external costs

Other external costs include costs related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Fair value adjustments of investment properties

Fair value adjustments of investment property comprise the year's changes in the fair value of investment property.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities.

Tax on profit for the year

The Company is not independently liable to tax and consequently tax has not been recognized.

Balance sheet

Property, plant and equipment

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 recognized 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.

The fair value is calculated using the capitalization model as the calculated capital value of the expected cash flows from the individual properties.

The determination of the expected cash flows is based on the budgeted cash flows of the individual property for the coming years, including rental and price increases, as well as a calculated term value that expresses the value of the normalized cash flows that the property is expected to generate after the budget period. The cash flows thus calculated are discounted at present value using a discount factor which is judged to reflect the market's current rate of return for corresponding properties including expected inflation.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of investment properties is subject to an annual test for indications of impairment.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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 comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

The dividends payment for the year is disclosed as a separate item under equity.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

The Company is not independently liable to tax and consequently tax has not been recognized.

Cash flow statement

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

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2022</u>	<u>2021</u>
2 Average number of full-time employees		
Average number of full-time employees	0	0
	<u>0</u>	<u>0</u>
3 Other financial expenses		
Interest expense to group entities	6,336	10,032
Other financial costs	24,018	22,800
Fair value adjustments of financial instruments	0	386
	<u>30,354</u>	<u>33,218</u>
4 Proposed profit appropriation		
Extraordinary dividends distributed in the financial year	78,000	53,700
Retained earnings	182,469	96,507
	<u>260,469</u>	<u>150,207</u>
5 Property, plant and equipment		
DKK'000		Investment properties
Cost at 1 January 2022		1,000,442
Additions for the year		16,937
Disposals for the year		<u>-21,712</u>
Cost at 31 December 2022		995,667
Revaluations at 1 January 2022		654,858
Revaluations for the year		185,569
Revaluation disposals		<u>-26,188</u>
Revaluations at 31 December 2022		814,239
Depreciation and impairment losses at 31 December 2022		<u>0</u>
Carrying amount at 31 December 2022		<u>1,809,906</u>

Valuation method and techniques

The fair value of investment properties is determined using the traditional investment/income capitalisation method of valuation. The investment method of valuation involves the capitalisation of the net income stream from the property at a net yield. All calculations have been performed by an external independent valuer.

In establishing the gross income stream the valuer has reflected current rents payable to lease expiry (or break if activated) at which point they have assumed that each unit will be re-let at their opinion of market rent. Where units are vacant a void period has been assumed prior to assuming that the unit will be let at a market rent opinionated by the valuer.

Financial statements 1 January – 31 December

Notes

5 Property, plant and equipment (continued)

In order to arrive at a net income stream certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges.

The net yield applied to capitalise the income stream is derived from analysis of market evidence of investment transactions. Purchaser's costs are deducted from the resultant capital value to arrive at a net market value. Any items of capital expenditure are also deducted.

Future indexation of rents has been allowed for implicitly in the valuation.

The Net Initial Yield are in the interval of 3.08% - 6.76%. An average change of +/- 0.25 percentage points in the required rate of returns mean approx. – 60,188 / + 108,000 t. kr. Changed market value.

Properties

- The Company's investment properties consist of 24 light industrial - and logistic properties, situated in Denmark, 13 properties spread out on Zealand, 1 on Funen, 6 in the Triangle area and south Jutland, 1 in north Jutland and 3 in mid Jutland.
- All vacant units comprise of 14,694.5 sqm out of a total of 340,464.9 sqm, which is 4% of vacancy.
- The properties cover a span of 3,853 sqm - 102,304 sqm, where the smallest is situated in Zealand and the biggest in the Triangle area (Jutland).
- The properties prices start from 2,830 kr. per sqm - 9,358 kr. of which the cheapest is situated in Vojens and the most expensive is in Hvidovre.

Pursuant to current level of vacancy and relatively short WAULTS in Denmark, there is uncertainty of when particular units will be let and at what level of income.

6 Prepayments

Prepayments are mainly related to property related costs.

7 Non-current liabilities

DKK'000	Total debt at 31/12 2022	Repayment, first year	Outstanding debt after five years
Debt to credit institutions	820,635	4,614	0
Payables to group entities	195,902	53,472	0
Deposits	33,543	13,245	7,025
	<u>1,050,080</u>	<u>71,331</u>	<u>7,025</u>

8 Mortgages and collateral

As security for the Company's debt, the Company has provided security in its properties. The value of the properties as of 31 December 2022 is DKK 1,809,906 thousand (2021: DKK 1,655,300 thousand).

Financial statements 1 January – 31 December

Notes

9 Currency and interest rate risks and the use of derivative financial instruments

	2022			
DKK'000	<u>Amount</u>	<u>Value adjustment recognised in equity</u>	<u>Fair value</u>	<u>Remaining term</u>
Derivatives	361	0	627	15 Feb 2023
	<u>361</u>	<u>0</u>	<u>627</u>	

10 Related party disclosures

Onyx Denmark Propco K/S' related parties comprise the following:

Control

Onyx Denmark LP S.á.r.l, 2-4 rue Eugène Ruppert, 2453 Luxembourg.

Onyx Denmark LP S.á.r.l, holds the majority of the contributed capital in the Company.

Related party transactions

DKK'000	<u>2022</u>	<u>2021</u>
Group entities		
Interest expenses	6,336	10,032
Loans	142,430	142,370
Management fees	17,110	10,093