Ejendomsselskabet PADK-3 ApS

c/o Cobblestone A/S, Gammel Køge Landevej 57, 3.
2500 Valby
Denmark

CVR no. 38 41 18 45

Annual report for the period 1 January – 31 December 2019

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

20 May 2020

chairman

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ejendomsselskabet PADK-3 ApS for the financial year 1 January – 31 December 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Copenhagen 20 May 2020
Executive Board:

Louise Hertz

Board of Directors:

Nathalie Winkelmann Chairman	Timm Anton Grün	Keld Jessen

Louise Hertz

Independent auditor's report

To the shareholders of Ejendomsselskabet PADK-3 ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Ejendomsselskabet PADK-3 ApS for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2019 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 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. 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 consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 users made on the basis of these consolidated financial statements and parent company 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.

Independent auditor's report

We also

— identify and assess the risks of material misstatement of the consolidated financial statements and parent 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group and the Company to cease to continue as a going concern.

— evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

— obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company 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 consolidated financial statements and the parent company 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.

Copenhagen, 20 May 2020
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Michael Tuborg
State Authorised
Public Accountant
mne24621

Management's review

Company details

Ejendomsselskabet PADK-3 ApS
c/o Cobblestone A/S, Gammel Køge Landevej 57, 3.
2500 Valby
Denmark

CVR no.:	38 41 18 45
Established:	3 February 2017
Financial year:	1 January – 31 December

Board of Directors

Nathalie Winkelmann, Chairman
Timm Anton Grün
Keld Jessen
Louise Hertz

Executive Board

Louise Hertz

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen
Denmark

Annual general meeting

The annual general meeting will be held on 20 May 2020.

Management's review

Financial highlights for the Group

DKK'000	2019	2018	2017
Key figures			
Gross profit	22,828	18,101	9,279
Profit/loss from financial income and expenses	-19,516	-16,083	-20,131
Profit for the year	17,284	27,325	7,397
Total assets	950,265	930,984	844,810
Equity	225,522	208,238	180,912
Investment in property, plant and equipment	10,441	237,431	139,986
Cash flows from operating activities	23,924	12,754	146,287
Cash flows from investing activities	-6,669	-46,713	-779,678
Cash flows from financing activities	-9,458	47,636	679,306
Total cash flows	7,797	13,677	45,915
Ratios			
Return on equity	4.0%	7.0%	4.1%
Solvency ratio	23.7%	22.4%	21.4%
Rate of return	4.4%	5.8%	3.2%

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". The financial ratios have been calculated as follows:

Return on equity $$\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$$

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

Rate of return $$\frac{\text{Ordinary operating profit/loss x 100}}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

The Group's principal activities

The objective of the Group is to acquire real estate properties for investment purposes through holding companies.

Uncertainty regarding recognition and measurement

The investment properties is measured at fair value using a DCF-model and assumptions and estimates relating to yields, vacancy etc. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the investment property.

Development in activities and financial position

The Parent Company's income statement for the year shows a profit of DKK 17,284 thousand, and the balance sheet at 31 December 2019 shows equity of DKK 225,522 thousand.

The Group's income statement for the year shows a profit of DKK 17,284 thousand, and the balance sheet at 31 December 2019 shows equity of DKK 225,522 thousand.

Management finds the result for the year satisfactory.

Events after the balance sheet date

After the balance sheet date, the virus COVID-19 has been declared a pandemic by the WHO, which affects the world and our society, including the real estate business.

Because of this, it is possible that the Company will be affected by COVID-19 from reduced rental income.

At the current stage, it is impossible to quantify the effect from COVID-19 as no one knows how this will impact the society, including the Companies' tenants on the long-term basis.

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

Outlook

For 2020, Management expects a result of the year for the Parent Company and Group at the same level as for 2019.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

		Group		Parent Company	
DKK'000	Note	2019	2018	2019	2018
Gross loss		22,828	18,101	-2,895	-327
Operating loss		22,828	18,101	-2,895	-327
Income from equity investments in group entities		0	0	32,091	39,531
Financial income		17	17	0	1
Fair value adjustment of investment properties		18,972	36,174	0	0
Financial expenses	3	-19,533	-16,100	-9,693	-5,888
Profit before tax		22,284	38,192	19,503	33,317
Tax on profit/loss for the year	4	-5,000	-10,867	-2,219	-5,992
Share of profit for the year		17,284	27,325	17,284	27,325

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent Company	
DKK'000	Note	2019	2018	2019	2018
ASSETS					
Fixed assets					
Property, plant and equipment	6				
Investment properties		882,800	870,472	0	0
Investments	7				
Equity investments in group entities		0	0	429,458	413,367
Total fixed assets		882,800	870,472	429,458	413,367
Current assets					
Receivables					
Trade receivables		0	263	0	0
Receivables from group entities		0	0	7,955	0
Other receivables		76	153	0	0
Corporation tax		0	504	0	0
		76	920	7,955	0
Cash at bank and in hand		67,389	59,592	17,098	5,925
Total current assets		67,465	60,512	25,053	5,925
TOTAL ASSETS		950,265	930,984	454,511	419,292

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent Company	
DKK'000	Note	2019	2018	2019	2018
EQUITY AND LIABILITIES					
Equity					
Contributed capital		51	51	51	51
Share premium		-78,000	170,234	0	170,234
Reserve for net revaluation under equity method		16,000	0	72,184	58,477
Retained earnings		287,471	37,953	153,287	-20,524
Total equity		225,522	208,238	225,522	208,238
Provisions					
Provisions for deferred tax		33,167	30,690	6,707	4,650
Total provisions		33,167	30,690	6,707	4,650

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group 2019	Group 2018	Parent Company 2019	Parent Company 2018
Liabilities other than provisions					
Non-current liabilities other than provisions	8				
Mortgage loans		371,433	377,767	0	0
Payables to shareholders		267,800	176,280	192,000	100,480
		639,233	554,047	192,000	100,480
Current liabilities other than provisions					
Current portion of non-current liabilities		501	169	0	0
Trade payables		802	2,326	0	0
Payables to group entities		0	0	7,421	275
Corporation tax		3,133	1,709	163	0
Other payables	9	6,883	103,041	3,906	96,501
Payables to shareholders		27,068	16,478	18,792	9,148
Deposits		13,956	14,286	0	0
		52,343	138,009	30,282	105,924
Total liabilities other than provisions		691,576	692,056	222,282	206,404
TOTAL EQUITY AND LIABILITIES		950,265	930,984	454,511	419,292
Proposed profit appropriation	5				
Contractual obligations, contingencies, etc.	10				
Related party disclosures	11				

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

	Group			
DKK'000	Contributed capital	Share premium	Retained earnings	Total
Equity at 1 January 2019	51	170,234	37,953	208,238
Transferred over the profit appropriation	0	0	17,285	17,285
Transfer from share premium account	0	-170,234	170,234	0
Equity at 31 December 2019	51	0	225,472	225,523

	Parent Company				
DKK'000	Contributed capital	Share premium	Reserve for net revaluation under equity method	Retained earnings	Total
Equity at 1 January 2019	51	170,234	58,477	-20,524	208,238
Transferred over the profit appropriation	0	0	29,707	-12,422	17,285
Transfer from share premium account	0	-170,234	0	170,234	0
Distributed dividends from investments in subsidaries	0	0	-16,000	16,000	0
Equity at 31 December 2019	51	0	72,184	153,288	225,523

Consolidated financial statements and parent company financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	Group 2019	Group 2018
Profit befire tax for the year		22,284	38,192
Other adjustments of non-cash operating items		2,743	0
Fair value adjustment of investment properties		-15,553	-25,805
Interest income		-17	-17
Interest expense		19,533	16,100
Cash flows from operations before changes in working capital		28,990	28,470
Changes in working capital	12	1,148	457
Cash flows from ordinary activities		30,138	28,927
Interest income		17	17
Interest expense		-5,278	-16,100
Changes in deffered tax		0	-90
Taxes paid		-953	0
Cash flows from operating activities		23,924	12,754
Acquisition of investment properties		-20,005	-76,654
Disposal of property, plant and equipment		13,666	29,941
Changes in deposits		-330	0
Cash flows from investing activities		-6,669	-46,713
External financing:			
Increase in payables to credit institutions		-6,002	-13,240
Increase in payables to group entities		91,520	82,831
Share capital		0	2,645
Offset in purchase price due		0	-24,600
Paid share purchase price		-94,976	0
Cash flows from financing activities		-9,458	47,636
Cash flows for the year		7,797	13,677
Cash and cash equivalents at the beginning of the year		59,592	45,915
Cash and cash equivalents at year end		67,389	59,592

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Ejendomsselskabet PADK-3 ApS for 2019 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 consolidated financial statements and parent company financial statements are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which evidence matters existing at the balance sheet date.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company and subsidiaries in which directly or indirectly holds more than 50% of the votes or in some other way exercises control over.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Income statement

Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other external costs

Other external costs comprise costs incurred during the year as a result of the rental of the Company's properties and administration.

Fair value adjustments of investment properties

Fair value adjustments of investment properties comprises fair value adjustments related to properties and gain and losses from sale of apartments and are recognised in the income statement.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

Financial income and expenses

Financial costs comprise interest expenses, exchange rate adjustments, amortisation expenses and other financial costs.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year, and directly in equity at the amount attributable to entries directly in equity.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Investment properties

Investment property comprises property that is held to earn rentals, held for capital appreciation or both.

Initially, investment property is measured at cost including purchase price and directly related costs. The carrying amount also includes costs for improvements if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the year in which they arise.

The fair value of completed investment property is determined using a discounted cash flow (DCF). Under the DCF-method, a property's fair value is estimated using explicit assumptions about the risks and yields over the asset's life, including an exit or terminal value. This involves the projection of a series of cash flows and to do this, an appropriate, market-derived discount rate is applied to establish the present value of the income stream.

The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal, re- letting, redevelopment, or refurbishment.

The valuations were performed by Sadolin Albæk, an accredited independent value with a recognised and relevant professional qualification and recent experience of the location and category of the investment property being valued. The valuation model applied is in accordance with that recommended by the International Valuation Standards Committee. These valuation models are consistent with the principles in IFRS 13.

Equity investments in group entities

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of equity investments in group entities is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Equity

Dividends

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

Net revaluation reserve according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in subsidiaries in proportion to cost.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Liabilities other than provisions

Payables to credit institutions are recognised at cost at the date of borrowing, equivalent to proceeds received less transaction costs paid.

Subsequently, these financial liabilities are meaured at amoritsed cost.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group'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 Group'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 Group'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 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.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

2 Fair value adjustments of investment properties

	Group		Parent Company	
DKK'000	2019	2018	2019	2018
Value adjustment of properties	15,553	25,805	0	0
Gain on sale of properties	3,383	10,369	0	0
	18,936	36,174	0	0

3 Financial expenses

	Group		Parent Company	
DKK'000	2019	2018	2019	2018
Interest expense to group entities	9,644	5,883	9,644	5,883
Other financial costs	9,889	10,217	49	5
	19,533	16,100	9,693	5,888

4 Tax on profit/loss for the year

	Group		Parent Company	
DKK'000	2019	2018	2019	2018
Current tax for the year	2,881	1,715	163	0
Deferred tax for the year	2,119	3,161	2,056	0
Adjustment of deferred tax concerning previous year	0	5,992	0	5,992
	5,000	10,868	2,219	5,992

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

5 Proposed profit appropriation

	Group		Parent Company	
DKK'000	2019	2018	2019	2018
Reserve for net revaluation under equity method	0	0	29,707	39,531
Retained earnings	17,284	27,325	-12,423	-12,206
	17,284	27,325	17,284	27,325

6 Investment properties

	Group
DKK'000	Investment properties
Cost at 1 January 2019	645,519
Additions for the year	10,441
Disposals for the year	-9,532
Cost at 31 December 2019	646,428
Revaluations at 1 January 2019	224,953
Revaluations for the year	15,553
Reversal of revaluations	-4,134
Revaluations at 31 December 2019	236,372
Carrying amount at 31 December 2019	882,800

The Limited Partnership's investment properties are located in Copenhagen, Gentofte and Aarhus. The seven properties are mainly used for residential purposes.

Assumptions
IIn the valuation of the properties, the following key assumptions have been applied:
- 2 properties are valued under the assumption of a continued rental situation applying an exit yield between 3.25% and 3.75%.
- 4 properties are valued under the assumption of a sale of flats applying a price per sqm in the range of DKK 33.9 – 41.0 thousand.

Sensitivity analysis
For the properties valued under the assumption of a continued rental situation the fair value amounts to DKK 637 mio. with an exit yield of 3.25 – 3.75%. An increase of the exit yield by 0.25 percentage points would reduce the property value by DKK 42.8 mio. A decrease of the yield by 0.25 percentage points would increase the property value by DKK 49.5 mio.

For the properties valued under the assumption of a sale of flats the fair value amounts to DKK 246 mio. with a price per sqm in the range of DKK 33.9 – 41.0 thousands. A decrease in the price per sqm of 5.0% would reduce the property value by DKK 12.3 mio. An increase in the price per sqm of 5.0% would increase the property value by DKK 12.3 mio.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

7 Investments

DKK'000	Parent Company Equity investments in group entities
Cost at 1 January 2019	354,890
Additions for the year	2,384
Cost at 31 December 2019	357,274
Revaluations at 1 January 2019	58,477
Dividends to the Parent Company	-16,000
Revaluations for the year, net	29,707
Revaluations 31 December 2019	72,184
Carrying amount at 31 December 2019	429,458

8 Non-current liabilities other than provisions

DKK'000	Debt at 31/12 2019	Repayment, first year	Outstanding debt after five years
Mortage loans	371,934	501	370,751
Shareholder loan	267,800	0	267,800
	639,734	501	638,551

9 Other payables

	Group		Parent Company	
DKK'000	2019	2018	2019	2018
Outstanding purchase price	3,808	96,400	3,808	96,400
Other	3,074	10,305	99	101
Other payables at 31 December	6,882	106,705	3,907	96,501

10 Contractual obligations, contingencies, etc.

Mortgages and collateral

As collateral for its mortgage debt, DKK 371,934 thousand, the Group has provided collateral in investment properties with a carrying amount of DKK 882,800 thousand at 31 December 2019.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

11 Related party disclosures

Ejendomsselskabet PADK-3 ApS' related parties comprise the following:

Control

Universal-Investment-Luxembourg S.A, 15, Rue De Flaxweiler, 6776, Grevenmacher, Luxembourg

Universal-Investment-Luxembourg S.A holds the majority of the contributed capital in the Company.

Related party transactions

Related party transactions comprise shareholder loan and interest on shareholder loan. We refer to note 3 and 8.

12 Change in working capital

	Group	
DKK'000	2019	2018
Change in receivables	341	-130
Change in trade and other payables	807	587
	1,148	457