



Pristine Properties ApS

c/o Kristensen Properties A/S, Vesterbro 18, 9000 Aalborg

Company reg. no. 39 28 05 74

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 25 June 2023.

Jack Johannes Richard Nyberg
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Pristine Properties ApS for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Aalborg, 25 June 2023

Executive board

Erik Bo Berggren

Jack Johannes Richard Nyberg

Independent auditor's report

To the Shareholder of Pristine Properties ApS

Opinion

We have audited the financial statements of Pristine Properties ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under 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 2022, and of the results of the Company's operations 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 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.

Independent auditor's report

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.
- 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's Review

Management is responsible for Management's Review.

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

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Aalborg, 25 June 2023

Redmark

Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Alex Hoffmann Kristensen

State Authorised Public Accountant
mne33705

Company information

The company	Pristine Properties ApS c/o Kristensen Properties A/S Vesterbro 18 9000 Aalborg
	Company reg. no. 39 28 05 74 Established: 26 January 2018 Domicile: Aalborg Financial year: 1 January - 31 December
Executive board	Erik Bo Berggren Jack Johannes Richard Nyberg
Auditors	Redmark Godkendt Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg
Bankers	Nordea Danmark, København
Parent company	Pristine WBN Estate Holding AB
Subsidiary	Pristine Invest III ApS, Aalborg

Management's review

Description of key activities of the company

Like previous years, the activities of the group and of Pristine Properties ApS are investments and lease of properties.

Development in activities and financial matters

The net profit for the year is affected by the sale of the two group enterprises, Pristine Invest I ApS and Pristine Invest II ApS.

The management consider the net profit satisfactory.

Income statement 1 January - 31 December

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	-722.984	-3.284
Income from investments in group enterprises	7.393.319	3.460
Other financial income from group enterprises	1.239.440	675
Other financial income	354	0
1 Other financial expenses	-1.112.068	-4.054
Pre-tax net profit or loss	6.798.061	-3.203
Tax on ordinary results	130.966	1.466
Net profit or loss for the year	6.929.027	-1.737
Proposed distribution of net profit:		
Reserves for net revaluation according to the equity method	-127.731.212	3.460
Dividend for the financial year	108.000.000	0
Transferred to retained earnings	26.660.239	0
Allocated from retained earnings	0	-5.197
Total allocations and transfers	6.929.027	-1.737

Balance sheet at 31 December

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Assets		
Non-current assets		
Investments in group enterprises	33.995.337	281.403
Total investments	<u>33.995.337</u>	<u>281.403</u>
Total non-current assets	<u>33.995.337</u>	<u>281.403</u>
Current assets		
Receivables from group enterprises	128.300.451	32.119
Receivable corporate tax	0	1.476
Tax receivables from group enterprises	1.740.873	0
Other debtors	<u>1.558.573</u>	<u>0</u>
Total receivables	<u>131.599.897</u>	<u>33.595</u>
Cash and cash equivalents	<u>9.539</u>	<u>12</u>
Total current assets	<u>131.609.436</u>	<u>33.607</u>
Total assets	<u>165.604.773</u>	<u>315.010</u>

Balance sheet at 31 December

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity and liabilities		
Equity		
Contributed capital	50.000	50
Reserves for net revaluation as per the equity method	27.803.763	153.063
Results brought forward	26.181.165	-479
Proposed dividend for the financial year	108.000.000	0
Total equity	<u>162.034.928</u>	<u>152.634</u>
Liabilities other than provisions		
2 Payables to group enterprises	<u>0</u>	<u>110.000</u>
Total long term liabilities other than provisions	<u>0</u>	<u>110.000</u>
Bank debts	878.056	13.549
Trade creditors	63.000	463
Payables to group enterprises	0	30.196
Corporate tax	1.635.039	0
Other debts	<u>993.750</u>	<u>8.168</u>
Total short term liabilities other than provisions	<u>3.569.845</u>	<u>52.376</u>
Total liabilities other than provisions	<u>3.569.845</u>	<u>162.376</u>
Total equity and liabilities	<u>165.604.773</u>	<u>315.010</u>
3 Charges and security		
4 Contingencies		

Notes

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

	<u>2022</u>	<u>2021</u>
1. Other financial expenses		
Financial costs, group enterprises	953.836	3.767
Other financial costs	<u>158.232</u>	<u>287</u>
	<u>1.112.068</u>	<u>4.054</u>
2. Payables to group enterprises		
Total payables to group enterprises	0	110.000
Share of amount due within 1 year	<u>0</u>	<u>0</u>
Total payables to group enterprises	<u>0</u>	<u>110.000</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

3. Charges and security

As collateral for bank loans in the company and in group enterprises, t.DKK 1.208, security in shares in group entities has been granted. The shares represents a booked value of t.DKK 33.995 at 31 December 2022.

The company has declared to not demand repayment of its receivables in group enterprise, unless the liquidity is sufficient for this. The receivable amounts to t.DKK 20.379 at 31 December 2022.

4. Contingencies

Contingent liabilities

Recourse guarantee commitments:

The company has guaranteed the bank loans of the group enterprises. On 31 December 2022, the total loans of the group enterprises totalled t.DKK 330 and guarantees are capped at t.DKK 2.500.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

Notes

Amounts concerning 2022: DKK.

Amounts concerning 2021: DKK thousand.

4. Contingencies (continued)

Joint taxation (continued)

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The total tax payable under the joint taxation scheme totals TDKK. 936.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Pristine Properties ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Income statement

Gross loss

Gross loss comprises the revenue and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for sales and administration.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a measurement method.

Accounting policies

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises but are not represented in the parent, the following accounting policies have been applied.

Investment property:

- Investment properties are measured at estimated fair value. Consequently, depreciation does not take place on a systematic basis. Fair value adjustment is recognised in the profit or loss of the group enterprise.

Derivatives

- At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively, and in equity.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, Pristine Properties ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.