

AEW Kastrup ApS

C/O TMF Denmark A/S
H.C. Andersens Boulevard 38, 3. th.
1553 København V

CVR No. 39537826

Annual Report 2022

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 May 2023

Dorthe Christine Hvidkjaer
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of AEW Kastrup ApS for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented 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 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 31 May 2023

Executive Board

Anders Nyboe Andersen
Manager

Dannie Wai
Manager

Independent Auditors' Report

To the shareholders of AEW Kastrup ApS

Opinion

We have audited the financial statements of AEW Kastrup ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 statement 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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

Independent Auditors' Report

Company's internal control.

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 31 May 2023

BDO STATSAUTORISERET REVISIONSAKTIESELSKAB

CVR-no. 20222670

Martin Dahl Jensen
State Authorised Public Accountant
mne34294

Company details

Company	AEW Kastrup ApS C/O TMF Denmark A/S H.C. Andersens Boulevard 38, 3. th. 1553 København V
CVR No.	39537826
Date of formation	3 May 2018
Financial year	1 January 2022 - 31 December 2022
Executive Board	Anders Nyboe Andersen Dannie Wai
Auditors	BDO STATS-AUTORISERET REVISIONSAKTIESELSKAB Havneholmen 29 1561 København V CVR-no.: 20222670

Management's Review

The Company's principal activities

The company operates as a so-called real estate company within the meaning of the German Capital Investment Act (Kapitalanlagegesetzbuch, "KAGB"); complying with investment restrictions in accordance with the KAGB.

The Company's principal activities consist in rental of commercial properties.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -8,254,284 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 691,709,506 and an equity of DKK 233,921,673.

Material changes in the Company's operations and financial matters

There have not been any material changes in the Company's operations and financial matters.

Accounting Policies

Reporting Class

The annual report of AEW Kastrup ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Accounting Policies

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Fair value adjustment of investment assets and debts

Adjustments of investment assets and debts measured at fair value are recognised as a separate item in the income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Investment property

Investment property comprises investment in land and buildings for the purpose of achieving a return on the invested capital in the form of regular operating income and a capital gain on resale.

On initial recognition, investment properties are measured at cost, which comprises the cost of the property and any directly related expenses.

Investment properties are subsequently measured at their value. The fair value of the properties is reassessed annually based on the return-based valuation model.

The fair value is determined based on the net return on commercial properties located in the same geographical area as the properties. Net return is calculated taking into consideration the existing leases, the state of repair of the properties and the budget for the next year.

Net return is calculated as total rental income less direct costs for property taxes, insurance, maintenance and housing management incurred on the investment properties divided by the carrying amounts of the investment properties less deposits.

Change in fair value are recognised in the income statement under value adjustment of investment properties.

As the investment properties are measured at fair value, they are not depreciated.

Accounting Policies

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Current tax liabilities

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

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Income Statement

	Note	2022 DKK	2021 DKK
Gross profit		19,569,424	5,538,957
Gain/loss from current value adjustments of investment assets		-23,472,614	159,500,000
Profit/loss from ordinary operating activities		-3,903,190	165,038,957
Finance expenses	1	-6,679,225	-12,470,941
Profit/loss from ordinary activities before tax		-10,582,415	152,568,016
Tax expense on ordinary activities	2	2,328,131	-36,196,476
Profit/loss		-8,254,284	116,371,540
 Proposed distribution of results			
Retained earnings		-8,254,284	116,371,540
Distribution of profit/loss		-8,254,284	116,371,540

Balance Sheet as of 31 December

	Note	2022 DKK	2021 DKK
Assets			
Property, work in progress	3	50,772,614	1,191,460
Investment property	4	611,627,386	635,100,000
Property, plant and equipment		662,400,000	636,291,460
Fixed assets		662,400,000	636,291,460
Short-term receivables from group enterprises		0	9,233
Other short-term receivables		9,076,713	0
Prepayments		7,658,942	7,684,739
Receivables		16,735,655	7,693,972
Cash and cash equivalents		12,573,851	11,163,053
Current assets		29,309,506	18,857,025
Assets		691,709,505	655,148,485

Balance Sheet as of 31 December

	Note	2022 DKK	2021 DKK
Liabilities and equity			
Share capital		1,050,100	1,050,100
Retained earnings		232,871,574	241,125,857
Equity		233,921,674	242,175,957
Provisions for deferred tax		76,261,419	78,589,550
Provisions		76,261,419	78,589,550
Debt to banks		314,809,355	314,809,355
Payables to group enterprises		52,900,000	8,449,498
Long-term liabilities other than provisions	5	367,709,355	323,258,853
Trade payables		521,404	6,789,092
Payables to group enterprises		8,357,782	0
Other payables		2,717,291	2,004,680
Deposits, liabilities other than provisions		2,220,581	2,330,353
Short-term liabilities other than provisions		13,817,058	11,124,125
Liabilities other than provisions within the business		381,526,413	334,382,978
Liabilities and equity		691,709,505	655,148,485
Collaterals and assets pledges as security	6		
Liabilities under off-balance sheet leases	7		
Related parties	8		

Statement of changes in Equity

	Share capital	Retained earnings	Total
Equity 1 January 2022	1,050,100	241,125,857	242,175,957
Profit (loss)	0	-8,254,284	-8,254,284
Equity 31 December 2022	1,050,100	232,871,573	233,921,673

The share capital has remained unchanged for the last 5 years.

Notes

1. Finance expenses

	2022	2021
	DKK	DKK
Finance expenses arising from group enterprises	1,306,082	6,095,673
Other finance expenses	5,373,143	6,375,268
	6,679,225	12,470,941

2. Tax expense

	2022	2021
	DKK	DKK
Adjustments for deferred tax	-2,328,131	36,196,476
	-2,328,131	36,196,476

3. Property, work in progress

	2022	2021
	DKK	DKK
Cost at the beginning of the year	1,191,460	1,191,460
Addition during the year, incl. improvements	49,581,154	0
Cost at the end of the year	50,772,614	1,191,460
Carrying amount at the end of the year	50,772,614	1,191,460

4. Investment property

	2022	2021
	DKK	DKK
Cost at the beginning of the year	291,774,541	291,774,541
Cost at the end of the year	291,774,541	291,774,541
Fair value adjustments at the beginning of the year	343,325,459	183,825,459
Adjustments for the year	-23,472,614	159,500,000
Fair value adjustments at the end of the year	319,852,845	343,325,459
Carrying amount at the end of the year	611,627,386	635,100,000

The property is located in Kastrup, and mainly consist of commercial leases within logistics.

The valuation is based on the German valuation methodology combining the 'tangible asset value method' and the 'income capitalization method' considering a discount rate of 3,50% including inflation, a yearly net cash flow of aprox. 37,6mDKK and an occupancy rate of aprox. 40%. The valuation take into account the current maintenance standard of the property.

The property is currently under development where all building rights will be utilised.

Notes

5. Long-term liabilities

	Due after 1 year DKK	Due within 1 year DKK	Due after 5 years DKK
Debt to banks	314,809,355	0	0
Payables to group enterprises	52,900,000	0	0
	<u>367,709,355</u>	<u>0</u>	<u>0</u>

6. Disclosure of collaterals and assets pledges as security

Bank debt is secured by mortgages in properties amounting to TDKK 272.500 (2021:TDKK 317.500).

The carrying amount of mortgaged properties is TDKK 662.400 (2021: TDKK 635.100).

7. Liabilities under leases

The company has an obligation regarding ground lease of TDKK 5.321 (2021: TDKK 6.348).

8. Related parties

The Company is part of the consolidated report of the group company, SOKA-BAU Europafonds, Düsseldorf.

9. Staff expenses

The company has no employees.