

Neue Flora Invest A/S

Koldingvej 2
7190 Billund

CVR no. 39 91 10 86

Annual report for 2023

Adopted at the annual general
meeting on 17 May 2024

chairman of the general meeting

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Accounting policies	7
Income statement 1 January - 31 December	10
Balance sheet 31 December	11
Notes	13

Neue Flora Invest A/S

Statement by management on the annual report

The management has today discussed and approved the annual report of Neue Flora Invest A/S for the financial year 1 January - 31 December 2023.

The annual report is 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair presentation of the matters covered therein.

Management recommends that the annual report should be approved by the shareholder at the annual general meeting.

Billund, 27 March 2024

Executive management

Steen Pedersen

Board of directors

Jesper Ridder Olsen
chairman

Louise Lykke Tox

Michael Steen-Andersen

Lasse Kvist Johansen

Steen Pedersen

Independent auditor's report

To the shareholder of Neue Flora Invest A/S

Opinion

We have audited the financial statements of Neue Flora Invest A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. 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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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' 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 requirements and 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 the 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.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

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.

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 Statements Act. We did not identify any material misstatement of management's review.

Aarhus, 27 March 2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Søren Marquart Alsen
State Authorised Public Accountant
MNE no. mne40040

Neue Flora Invest A/S

Company details

The company

Neue Flora Invest A/S
Koldingvej 2
7190 Billund

CVR no.: 39 91 10 86

Reporting period: 1 January - 31 December 2023

Domicile: Billund

Board of directors

Jesper Ridder Olsen, chairman
Louise Lykke Tox
Michael Steen-Andersen
Lasse Kvist Johansen
Steen Pedersen

Executive management

Steen Pedersen

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Værkmestergade 2
8000 Aarhus

Consolidated financial statements

The company is included in the consolidated financial statements of the ultimate parent company KIRKBI A/S, Billund.

Management's review

Business review

The company's main objective is investment in and operation of properties.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of t.EUR 3,372, and the balance sheet at 31 December 2023 shows equity of t.EUR 90,523.

Accounting policies

The annual report of Neue Flora Invest A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report is presented in euro (EUR).

The exchange rate of EUR was 745.29 DKK/EUR at 31 December 2023 and 743.65 DKK/EUR at 31 December 2022.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less other external expenses.

Revenue

Revenue includes rental income. Revenue is recognised at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Value adjustments of investment properties

Value adjustments of investment properties comprise the year's changes in the fair value of investment properties.

Tax on profit for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income 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 been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Tangible assets

Investment properties

Investment properties comprise investments in land and buildings with an objective of gaining a return on the invested capital in the form of regular operating income and/or capital gains on resale.

On acquisition, investment properties is recognised at cost, comprising the purchase price, including purchase costs. On subsequent recognition investment properties are valued at fair value by use of a return-based valuation model with expected cash flows based on the market rent and a rate of return for each property. The calculated valuation indicates the price to which the property can be traded on market terms between well-informed parties at the balance sheet date. The rate of return is, among other matters, determined based on location, type, the credit quality of tenants, terms of the lease and alternative applications.

Receivables

Receivables are recognised at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired.

Prepayments

Prepayments recognised under current assets comprises expenses incurred concerning subsequent financial years.

Cash

Cash comprises cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is recognised according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is recognised at net realisable value.

Deferred tax is recognised based on the tax regulations and tax rates that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered.

Accounting policies

Liabilities

Liabilities are recognised at amortised cost which usually corresponds to the nominal value.

Foreign currency translation

Transactions in foreign currencies are translated into euro at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into euro 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.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		t.EUR	t.EUR
Gross profit		4,845	4,117
Fair value adjustments of investment properties		-1,303	11,694
Profit before tax		3,542	15,811
Tax on profit for the year		-170	-2,566
Profit for the year		<u>3,372</u>	<u>13,245</u>
 Proposed appropriation of profit			
Retained earnings		3,372	13,245
		<u>3,372</u>	<u>13,245</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> t.EUR	<u>2022</u> t.EUR
Assets			
Investment properties	1	90,000	91,300
Tangible assets		<u>90,000</u>	<u>91,300</u>
Total non-current assets		<u>90,000</u>	<u>91,300</u>
Other receivables		560	130
Corporation tax		1	0
Prepayments		1,102	1,216
Receivables		<u>1,663</u>	<u>1,346</u>
Cash		<u>3,617</u>	<u>5,158</u>
Total current assets		<u>5,280</u>	<u>6,504</u>
Total assets		<u>95,280</u>	<u>97,804</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		t.EUR	t.EUR
Equity and liabilities			
Share capital		67	67
Retained earnings		90,456	87,084
Equity		<u>90,523</u>	<u>87,151</u>
Provision for deferred tax		3,516	3,737
Total provisions		<u>3,516</u>	<u>3,737</u>
Trade payables		21	33
Payables to group enterprises		985	5,959
Corporation tax		0	726
Other payables		235	198
Total current liabilities		<u>1,241</u>	<u>6,916</u>
Total liabilities		<u>1,241</u>	<u>6,916</u>
Total equity and liabilities		<u>95,280</u>	<u>97,804</u>
Investment properties	1		
Contingent liabilities	2		
Assets charged and security	3		

Notes

1 Investment properties

Investment properties are recognised at fair value using a yield of 5 % (2022: 5 %). Maintenance and administration costs correspond to those realised in a normal operating year. If the yield in the calculations increases by 1 % point, the impact on profit before tax would be negative with EUR 15 million.

The investment property of 28,187 m² is located in Hamburg, Germany. The investment property consists of office, retail and cultural tenancies.

There has been a minimal vacancy in the financial year.

2 Contingent liabilities

The company is part of a joint taxation arrangement in which the ultimate parent company, KIRKBI A/S is the management company. Therefore, the company is jointly and severally liable for tax in the group's joint taxation income, etc., including surcharges and interest. Also, the company is jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax, including surcharges and interest, to which the jointly taxed entities are liable. Any subsequent changes in corporate income taxes and withholding taxes may imply that the company becomes liable to pay tax.

Apart from the above, there are no contingent liabilities at the balance sheet date.

3 Assets charged and security

There are no security provided or assets charged at the balance sheet date.