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# ***AGI-NREP Sydhavnsgade K/S***

Papirmester Allé 20, DK-5250 Odense SV

## **Annual Report for 2022**

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CVR No. 41 32 29 85

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the limited  
partnership  
on 30/6 2023

Nicolai Bruhn Sørensen  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Company information</b>	
Company information	4
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	5
Balance sheet 31 December	6
Statement of changes in equity	8
Notes to the Financial Statements	9

# Management's statement

The Board of Directors has today considered and adopted the Financial Statements of AGI-NREP Sydhavnsgade K/S for the financial year 1 January - 31 December 2022.

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 financial position at 31 December 2022 of the Limited Partnership and of the results of the Limited Partnership operations for 2022.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Odense SV, 30 June 2023

## Board of Directors

Rune Højby Kock

Robin Feddern

Jakob Flymer

Bjarke Windeløv Graae

# Independent Auditor's report

To the limited partners of AGI-NREP Sydhavnsgade K/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Limited Partnership at 31 December 2022 and of the results of the Limited Partnership's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of AGI-NREP Sydhavnsgade K/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 Limited Partnership 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 Limited Partnership'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 Limited Partnership 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.

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 Limited Partnership's internal control.

# Independent Auditor's report

- 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 Limited Partnership'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 Limited Partnership 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.

Hellerup, 30 June 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mikael Johansen

State Authorised Public Accountant

mne23318

Kristian Rath

State Authorised Public Accountant

mne42817

## Company information

<b>The Company</b>	AGI-NREP Sydhavnsgade K/S Papirmester Allé 20 DK-5250 Odense SV  CVR No: 41 32 29 85 Financial period: 1 January - 31 December Incorporated: 27 April 2020 Financial year: 3rd financial year Municipality of reg. office: Odense
<b>Board of Directors</b>	Rune Højby Kock Robin Feddern Jakob Flymer Bjarke Windeløv Graae
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
<b>Bankers</b>	Nordea Vesterbrogade 8, DK-1620 København V

## Income statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
Gross loss		-1,089,434	-541,841
Income from investments in subsidiaries		269,231,387	-1,000,000
Financial expenses	3	-43,744	-24,687
Net profit/loss for the year		<u>268,098,209</u>	<u>-1,566,528</u>

## Distribution of profit

	2022	2021
	DKK	DKK
Proposed distribution of profit		
Reserve for net revaluation under the equity method	268,231,387	0
Retained earnings	-133,178	-1,566,528
	<u>268,098,209</u>	<u>-1,566,528</u>

## Balance sheet 31 December

### Assets

	Note	2022 DKK	2021 DKK
Investments in subsidiaries	4	269,231,387	0
<b>Fixed asset investments</b>		<b>269,231,387</b>	<b>0</b>
<b>Fixed assets</b>		<b>269,231,387</b>	<b>0</b>
Cash at bank and in hand		2,429	41,541
<b>Current assets</b>		<b>2,429</b>	<b>41,541</b>
<b>Assets</b>		<b>269,233,816</b>	<b>41,541</b>



# Balance sheet 31 December

## Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		1,000,000	1,000,000
Reserve for net revaluation under the equity method		268,231,387	0
Retained earnings		-1,870,729	-1,737,551
<b>Equity</b>		<b>267,360,658</b>	<b>-737,551</b>
Trade payables		93,750	148,428
Payables to group enterprises		1,685,657	568,164
Other payables		93,751	62,500
<b>Short-term debt</b>		<b>1,873,158</b>	<b>779,092</b>
<b>Debt</b>		<b>1,873,158</b>	<b>779,092</b>
<b>Liabilities and equity</b>		<b>269,233,816</b>	<b>41,541</b>

Key activities	1
Staff	2
Related parties	5
Accounting Policies	6

## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,000,000	0	-737,551	262,449
Net effect from change of accounting policy	0	0	-1,000,000	-1,000,000
Adjusted equity at 1 January	1,000,000	0	-1,737,551	-737,551
Net profit/loss for the year	0	268,231,387	-133,178	268,098,209
<b>Equity at 31 December</b>	<b>1,000,000</b>	<b>268,231,387</b>	<b>-1,870,729</b>	<b>267,360,658</b>

# Notes to the Financial Statements

## 1. Key activities

The Company's key activity is to directly or indirectly through ownership of investments, corporations or other legal entities or Joint Ventures, to engage in investment activity and/or own and operate real estate and other business which according to the Company's discretion is related.

## 2. Staff

Average number of employees

	2022	2021
	0	0

## 3. Financial expenses

Interest paid to group enterprises  
Other financial expenses

	2022	2021
	DKK	DKK
Interest paid to group enterprises	43,493	24,198
Other financial expenses	251	489
	<b>43,744</b>	<b>24,687</b>

## 4. Investments in subsidiaries

Cost at 1 January  
Cost at 31 December

	2022	2021
	DKK	DKK
Cost at 1 January	1,000,000	1,000,000
Cost at 31 December	1,000,000	1,000,000

Value adjustments at 1 January  
Net profit/loss for the year  
Value adjustments at 31 December

Value adjustments at 1 January	-1,000,000	0
Net profit/loss for the year	269,231,387	-1,000,000
Value adjustments at 31 December	268,231,387	-1,000,000

Carrying amount at 31 December

Carrying amount at 31 December	<b>269,231,387</b>	<b>0</b>
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Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
AGI-NREP III ApS	Odense	40.000	100%

# Notes to the Financial Statements

## 5. Related parties and disclosure of consolidated financial statements

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
NREP Nordic Strategies Fund IV LP	Luxembourg

# Notes to the Financial Statements

## 6. Accounting policies

The Annual Report of AGI-NREP Sydhavnsgade K/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2022 are presented in DKK.

### Changes in accounting policies

The company has changed accounting policies for measuring investments in subsidiaries from cost less writedown to recoverable amount to the equity method. The change has resulted in an increase of the year's result with DKK 269,231k (2021: -1,000k). It has also affected the company's fixed assets with 269,231k (2021: DKK -1,000k) and the total balance sheet with 269,231k (2021: DKK -1,000k). Equity is affected by 269,231k (2021: DKK -1,000k)

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Income statement

#### Other external expenses

Other external expenses comprise expenses for administration etc.

#### Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises of other external expenses.

# Notes to the Financial Statements

## Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Balance sheet

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.