

# PADK Salt 1 ApS

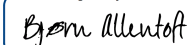
c/o DEAS A/S  
Dirch Passers Allé 76, 2000 Frederiksberg

CVR no. 41 53 52 53

## Annual report 2023

Approved at the Company's annual general meeting on 17 May 2024

Chair of the meeting:

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of PADK Salt 1 ApS 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.


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


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

Frederiksberg, 17 May 2024  
Executive Board:

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Anders Klingbeil

Board of Directors:

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Nathalie Marion-Denise  
Winkelmann  
Chair

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Ingo Hitsch-Klößner

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Albert Cornelius Tol

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Anders Klingbeil

## Independent auditor's report

To the shareholders of PADK Salt 1 ApS

### Opinion

We have audited the financial statements of PADK Salt 1 ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 financial position of the Company 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### 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 as to 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 the 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.

## 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 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 note 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 the 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 assurance conclusion thereon.

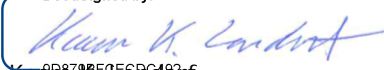
In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially 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 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 the Management's review.

Copenhagen, 17 May 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

DocuSigned by:



Kasper K. Lejndorf  
State Authorised Public Accountant  
mne33819

## Management's review

### Company details

Name	PADK Salt 1 ApS
Address, Postal code, City	c/o DEAS A/S Dirch Passers Allé 76, 2000 Frederiksberg
CVR no.	41 53 52 53
Established	14 July 2020
Registered office	Frederiksberg
Financial year	1 January - 31 December
Board of Directors	Nathalie Marion-Denise Winkelmann, Chair Ingo Hitsch-Klößner Albert Cornelius Tol Anders Klingbeil
Executive Board	Anders Klingbeil
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management commentary

### Business review

The Company's purpose is to operate as holding company by owning investments in enterprises that buy and possess real estate both directly and through a company.

### Financial review

The income statement for 2023 shows a loss of DKK 63,333 thousand against a profit of DKK 45,481 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 52,296 thousand. Management considers the Company's financial performance in the year satisfactory.

As the company's purpose is to invest in companies which owns properties, the Company's business processes and the valuation of investment properties in the Company's subsidiaries is affected by changes in the property market, including the general level of interest rates and economic conditions.

The market situation in the real estate sector is affected by uncertainty, as a result of high inflation and increasing interest rates. However, the company's activities have not been significantly affected by this.

The uncertainty related to interest rates and yields has created a gap between buyers' and sellers' expectation to prices of properties which is reflected in the lower transaction volume for investment properties in late 2023.

This has been reflected in the valuation of the company's investments in group enterprises.

During the year PADK Salt 1 ApS lost the arbitration case regarding the transfer of ownership of the shares in Saltholmsgade ApS and PADK SALT 1 ApS had to pay approximately DKK 16.5 million in additional purchase price for the shares.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2023	2022
	Gross profit/loss	-9,442	-134
	Income from investments in group enterprises	-48,336	50,767
3	Financial expenses	-6,622	-6,643
	Profit/loss before tax	-64,400	43,990
4	Tax for the year	1,067	1,491
	Profit/loss for the year	<u>-63,333</u>	<u>45,481</u>
	Recommended appropriation of profit/loss		
	Net revaluation reserve according to the equity method	-64,198	50,767
	Retained earnings/accumulated loss	865	-5,286
		<u>-63,333</u>	<u>45,481</u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
5	Investments		
	Investments in group enterprises	157,885	227,895
		<u>157,885</u>	<u>227,895</u>
	Total fixed assets	<u>157,885</u>	<u>227,895</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	54	54
	Deferred tax assets	34	2,009
	Corporation tax receivable	0	1,491
	Joint taxation contribution receivable	1,147	0
	Other receivables	91	500
		<u>1,326</u>	<u>4,054</u>
	Cash	7,100	3,591
	Total non-fixed assets	<u>8,426</u>	<u>7,645</u>
	TOTAL ASSETS	<u>166,311</u>	<u>235,540</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	40	40
	Net revaluation reserve according to the equity method	0	64,198
	Retained earnings	52,256	51,391
	Total equity	<u>52,296</u>	<u>115,629</u>
	Liabilities other than provisions		
6	Non-current liabilities other than provisions		
	Payables to group enterprises	110,750	110,750
		<u>110,750</u>	<u>110,750</u>
	Current liabilities other than provisions		
	Trade payables	26	23
	Payables to group enterprises	3,239	9,138
		<u>3,265</u>	<u>9,161</u>
	Total liabilities other than provisions	<u>114,015</u>	<u>119,911</u>
	TOTAL EQUITY AND LIABILITIES	<u>166,311</u>	<u>235,540</u>

- 1 Accounting policies
- 2 Staff costs
- 7 Contractual obligations and contingencies, etc.
- 8 Security and collateral



## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 January 2022	40	18,631	51,477	70,148
Transfer through appropriation of profit	0	50,767	-5,286	45,481
Distributed dividend from group enterprises	0	-5,200	5,200	0
Equity at 1 January 2023	40	64,198	51,391	115,629
Transfer through appropriation of loss	0	-64,198	865	-63,333
Equity at 31 December 2023	40	0	52,256	52,296

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of PADK Salt 1 ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Income statement

##### Gross profit/loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The item includes dividend received from group entities.

##### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

##### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

##### Equity

###### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the group entities' income taxes vis à vis the tax authorities as the group entities pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

##### Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 2 Staff costs

The Company has no employees.

DKK'000	2023	2022
3 Financial expenses		
Interest expenses, group entities	6,625	6,625
Other financial expenses	-3	18
	<u>6,622</u>	<u>6,643</u>
4 Tax for the year		
Estimated tax charge for the year	-3,042	0
Deferred tax adjustments in the year	1,975	-1,491
	<u>-1,067</u>	<u>-1,491</u>

#### 5 Investments

DKK'000	Investments in group enterprises
Cost at 1 January 2023	163,697
Additions	16,526
Cost at 31 December 2023	<u>180,223</u>
Value adjustments at 1 January 2023	64,198
Dividend received	-11,000
Value adjustments for the year	-75,536
Value adjustments at 31 December 2023	<u>-22,338</u>
Carrying amount at 31 December 2023	<u>157,885</u>

#### Group entities

Name	Interest	Equity DKK'000	Profit/loss DKK'000
Saltholmsgade Holding Residential ApS	100.00%	157,885	-31,810

#### 6 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Payables to group enterprises	110,750	0	110,750	110,750
	<u>110,750</u>	<u>0</u>	<u>110,750</u>	<u>110,750</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The Company is jointly taxed with its parent, Ejendomsselskabet PADK-3 ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities.

#### 8 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.