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NA Properties ApS

Ormhøjgårdvej 9, 8700 Horsens

CVR no. 42 85 77 93

Annual Report

15 November 2021 – 30 April 2022

The Annual Report was presented and approved at the Annual General Meeting of the company on 11 July 2022



Lars Brøgger
Chairman

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Statement by management on the annual report

The Board of Directors and the Executive Board have today discussed and approved the annual report of NA Properties ApS for the financial year 15 November 2021 - 30 April 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 company's financial position at 30 April 2022 and of the results of the company's operations for the financial year 15 November 2021 - 30 April 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

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

Horsens, 30 June 2022

Executive Board:



Klavs Pedersen
CEO

Independent auditor's report

To the shareholders of NA Properties ApS

Opinion

We have audited the financial statements of NA Properties ApS for the financial year 15 November 2021 - 30 April 2022, 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 company's financial position at 30 April 2022 and of the results of the company's operations for the financial year 15 November 2021 - 30 April 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 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 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 made 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 the 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 Statements Act. We did not identify any material misstatement of management's review.

Odense, 30 June 2022

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Søren Smedegaard Hvid
State Authorised Public Accountant
Mne31450



Henrik Carstensen
State Authorised Public Accountant
Mne47765

Management's review

Company details

Name	NA Properties ApS
Address, postal code, city	Ormhøjgårdvej 9, 8700 Horsens, Denmark
CVR.no.	42 85 77 93
Registered office	Horsens
1. Financial year	15 November 2021 – 30 April 2022
Financial year	1 May – 30 April
Executive board	Klavs Pedersen
Auditors	EY Godkendt Revisionspartnerselskab
Bankers	Nordea

Management's review

Business activities

The Company's main activities are rental of properties.

Business and Financial review

The Company's income statement for the year ended 30 April 2022 shows a profit before tax of DKK 1,077 thousand, and the balance sheet at 30 April 2022 shows equity of DKK 4,408 thousand.

Management regards the result of NA Properties ApS for the financial year 2021/2022 as satisfactory.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the Company's financial position.

Financial statements

Income statement

For the period 15 November - 30 April

Note	DKK'000	2021/2022
	Gross margin	1,736
	Depreciation of investment properties	-533
	Loss before financial income and expenses	1,203
2	Finance expenses	-126
	Profit/loss before tax	1,077
3	Tax on profit/loss for the year	-237
	Net profit/loss for the year	840
	Proposed distribution of profit	
	Proposed dividend for the year	0
	Retained earnings	840
		840

Financial statements

Balance sheet at 30 April

Note	DKK'000	30 April 2022
	Assets	
4	Landing Buildings	30,467
	Fixed asset investments	30,467
	Total fixed assets	30,467
	Trade receivables	38
	Receivables from group entities	342
	Other receivables	10
	Receivables	390
	Cash	1,482
	Total current assets	1,872
	Total assets	32,339
	Equity and liabilities	
	Equity	
5	Share capital	50
	Retained earnings	4,358
	Total equity	4,408
	Provisions	
	Deferred tax liabilities	138
6	Mortgage debt	27,353
	Total provisions	27,491
	Long-term debt	27,491
	Trade payables	15
	Income tax payable	99
	Other payables	326
	Short-term debt	440
	Total liabilities	27,931
	Total equity and liabilities	32,339
7	Contingent assets, liabilities and other financial obligations	
8	Related parties and ownership	

Financial statements

Statement of changes in equity

DKK'000	Share capital	Share premium	Retained earnings	Total
Equity at 15 November 2021	50	3,518	0	3,568
Transfer	0	-3,518	3,518	0
Net profit for the year	0	0	840	840
Equity at 30 April 2022	50	0	4,358	4,408

Financial statements

Notes

1 Accounting policies

The annual report of NA Properties ApS for 2021/2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B and elective choice of certain provisions applying to reporting class C entities.

The annual report for 2021/2022 is presented in DKK'000.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Rental income is recognized on a straight-line basis over the rental period.

Other external expenses

Other external expenses include the year's expenses relating to the company's core activities, including administration.

Gross margin

In the income statement other operating income and other external expenses are presented as gross margin, disclosure according to §32 of the Danish Financial Statements Act.

Financial statements

Notes

1 Accounting policies (continued)

Amortisation, depreciation and impairment losses

The item comprises depreciation of investment properties.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	25 years
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The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, exchange gains and losses of financial assets and liabilities.

Tax on profit/loss for the year

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.

Balance sheet

Property, plant and equipment

Property, plant and equipment comprise land and buildings, leasehold improvements, production equipment, machinery and other fixtures, fittings, tools and equipment. Property, plant and equipment are measured at cost less accumulated depreciation and write-downs.

The cost of self constructed assets includes the cost of direct materials and labour, etc. directly used in the production process and a portion of the relating production overheads.

Impairment of fixed assets

The carrying amount of intangible fixed assets, property, plant and equipment and investments in subsidiaries and associates is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Financial statements

Notes

1 Accounting policies (continued)

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Land is not depreciated.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

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 is impaired, an impairment loss for that individual asset is recognised.

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, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Cash

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

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

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 measured 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 assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Financial statements

Notes

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Other liabilities are measured at net realisable value.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements

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2 Financial expenses

DKK'000

Other finance expenses

15 November 2021
- 30 April 2022

126

126

3 Tax on profit/loss for the year

DKK'000

Estimated tax charge for the year

Deferred tax for the year

15 November 2021
- 30 April 2022

99

138

237

4 Tangible Fixed assets

DKK'000

Cost at 15 November 2021

Additions for the year

Cost at 30 April 2022

Impairment losses and depreciation at 15 November 2021

Depreciation for the year

Impairment losses and depreciations at 30 April 2022

Carrying amount 30 April 2022

Land and buildings

0

31,000

31,000

0

533

533

30,467

5 Equity

The share capital consists of:

50,000 shares of DKK 1 nominal value each

Nominal value

50

50

There have been no changes in the share capital since the establishment in 2021/2022.

Financial statements

Notes

6 Long-term debt

DKK'000	Debt at 15 November 2021	Debt at 30 April 2022	Payment within 1 year	Payment between 1 – 5 years	Debt after 5 years
Mortgage debt	0	27,353	0	3,863	23,489
	0	27,353	0	3,863	23,489

7 Contingent assets, liabilities and other financial obligations

Recourse and non-recourse guarantee commitments

The company is jointly taxed with its parent company, AX V Nissens III ApS (management company), and is jointly and severally liable with the other jointly taxed entities for the payment of income taxes as well as withholding taxes on interest, royalties and dividends.

8 Charges and securities

As security for mortgage debt totaling DKK 27,353 thousand, the Company has granted charges on land and buildings, carried at DKK 30,467 thousand at 30 April 2022.

9 Related parties and ownership

Controlling interest

NA International A/S

K. Nissen International A/S, Horsens, Denmark

AX V Nissens ApS, Horsens, Denmark

AX V Nissens I ApS, Horsens, Denmark

AX V Nissens II ApS, Horsens, Denmark

AX V Nissens III ApS, Horsens, Denmark

Consolidated financial statements

The Company is included in the group annual report of

Ultimate:

AX V Nissens III ApS, CVR no. 38 64 73 50

Immediate:

K. Nissen International A/S, Horsens, CVR no. 70 60 69 17