
H.C. Ørsted's Vej 65-69 K/S

Havnegade , 25,2, DK-1058 København K

Annual Report for 2023

CVR No. 43 27 37 79

The Annual Report was
presented and adopted
at the Annual General
Meeting of the limited
partnership
on 27/6 2024

Maja Hesselberg
Chairman of the
general meeting



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Management's statement

The Board of Directors has today considered and adopted the Annual Report of H.C. Ørsted's Vej 65-69 K/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 financial position at 31 December 2023 of the Limited Partnership and of the results of the Limited Partnership operations for 2023.

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

Copenhagen K, 27 June 2024

Board of Directors

Lars Paul Hansen-Resch

Morten Sennecker Schultz

Maja Hesselberg

Independent Auditor's report

To the limited partners of H.C. Ørsteds Vej 65-69 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 2023 and of the results of the Limited Partnership's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of H.C. Ørsteds Vej 65-69 K/S for the financial year 1 January - 31 December 2023, 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, 27 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

René Otto Poulsen

State Authorised Public Accountant

mne26718

Qasam Hussain

State Authorised Public Accountant

mne44159

Company information

The Company

H.C. Ørsteds Vej 65-69 K/S
Havnegade , 25,2
1058 København K

CVR No: 43 27 37 79

Financial period: 1 January - 31 December

Incorporated: 19 May 2022

Financial year: 2nd financial year

Municipality of reg. office: København K

Board of Directors

Lars Paul Hansen-Resch
Morten Sennecker Schultz
Maja Hesselberg

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK 12 months	DKK 7 months
Gross profit before value adjustments		6,139,333	3,476,509
Value adjustments of assets held for investment		-15,810,249	95,904,119
Gross profit after value adjustments		-9,670,916	99,380,628
Financial income	3	27,410	0
Financial expenses	4	-3,041,883	-1,520,370
Net profit/loss for the year		-12,685,389	97,860,258
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-12,685,389	97,860,258
		-12,685,389	97,860,258

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Investment properties		199,699,346	215,500,000
Property, plant and equipment	5	199,699,346	215,500,000
Fixed assets		199,699,346	215,500,000
Other receivables		135,465	3,072,305
Prepayments		92,137	92,643
Receivables		227,602	3,164,948
Cash at bank and in hand		10,575,862	719,447
Current assets		10,803,464	3,884,395
Assets		210,502,810	219,384,395

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		200	200
Retained earnings		85,174,869	97,860,258
Equity		85,175,069	97,860,458
Payables to group enterprises		121,035,054	117,995,055
Deposits		2,939,285	2,511,935
Long-term debt	6	123,974,339	120,506,990
Trade payables		51,873	105,397
Payables to group enterprises	6	0	1,330
Other payables	6	1,301,529	910,220
Short-term debt		1,353,402	1,016,947
Debt		125,327,741	121,523,937
Liabilities and equity		210,502,810	219,384,395
Key activities	1		
Staff	2		
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	200	97,860,258	97,860,458
Net profit/loss for the year	0	-12,685,389	-12,685,389
Equity at 31 December	200	85,174,869	85,175,069

Notes to the Financial Statements

1. Key activities

The Company's key activity is to own, develop and rent out the property on H.C. Ørsted's Vej 65-69 along with any other activities which, in the opinion of the management, is related to this.

2. Staff

Average number of employees

	2023	2022
	0	0

3. Financial income

Other financial income

	2023 DKK 12 months	2022 DKK 7 months
	27,410	0
	27,410	0

4. Financial expenses

Interest paid to group enterprises

Other financial expenses

Exchange loss

	2023 DKK 12 months	2022 DKK 7 months
	267	138
	3,040,557	1,520,232
	1,059	0
	3,041,883	1,520,370

Notes to the Financial Statements

5. Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January	119,595,881
Additions for the year	9,595
Cost at 31 December	<u>119,605,476</u>
Value adjustments at 1 January	95,904,119
Revaluations for the year	-15,810,249
Value adjustments at 31 December	<u>80,093,870</u>
Carrying amount at 31 December	<u>199,699,346</u>

Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The fair value is calculated by using generally accepted valuation methods (DCF calculations) based on management's assessment of future cash flow, return requirements etc. The fair value adjustment for the year has been recognised in the Income Statement.

The fair value of H.C. Ørsteds Vej 65-69 has been calculated based on the following assumptions:

	2023	2022
	DKK	DKK
The fair value of investment properties amounts to	199,699,346	215,500,000
Value adjustment, income statement	-15,810,249	95,904,119
WACC	6,01%	5,67%
Budget period	10	10
Exit Yield	4,01%	3,67%
Growth in terminal period	0%	0%

The fair value of investment properties at 31 December 2023 has been assessed by an independent appraiser.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material.

The DCF-model contains a number of elements, based on the management's estimate regarding the current market conditions, which includes rate of return. A change in the rate of return with 0,25%-points will result in a change of MDKK 12.5 of the fair value of the investment property.

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Long-term debt		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Payables to group enterprises		
After 5 years	121,035,054	117,995,055
Long-term part	121,035,054	117,995,055
Within 1 year	0	1,330
	<u>121,035,054</u>	<u>117,996,385</u>
Deposits		
After 5 years	0	0
Between 1 and 5 years	2,939,285	2,511,935
Long-term part	2,939,285	2,511,935
Within 1 year	0	0
	<u>2,939,285</u>	<u>2,511,935</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
7. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Land and buildings with a carrying amount of	199,699,346	215,500,000

Notes to the Financial Statements

8. Accounting policies

The Annual Report of H.C. Ørsted Vej 65-69 K/S for 2023 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 2023 are presented in DKK.

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 Limited partnership, 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 Limited partnership, 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. Gains and losses 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.

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

Rental income

Revenue from rental income is recognised in the income statement at amounts relating to the financial year when revenue can be measured reliably and it is probable that the economic benefits will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales and office staff, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Notes to the Financial Statements

Financial income and expenses

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

Tax on profit/loss for the year

The company is not independently liable to tax and consequently tax has not been recognized.

Balance sheet

Property, plant and equipment

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed assets comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and suppliers up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of properties are recognised in cost over the construction period.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

In Management's opinion the classification of the properties as investment properties did not cause any difficulties.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

The valuation is not based on the statement from an external assessor.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

Discounted Cash Flow model

The fair value of investment properties has been determined at 31 December 2022 by using a Discounted Cash Flow model under which expected future cash flows are discounted to present value. The calculations are based on property budgets for the coming years. Allowance has been made for developments in rentals, vacancies, operating expenses, maintenance and administration, etc. The individual, budgeted cash flows are discounted at an individually fixed discount rate added a terminal value. The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, etc if they are not shown separately in the balance sheet.

The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, etc if they are not shown separately in the balance sheet.

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.

Notes to the Financial Statements

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Financial liabilities

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.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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