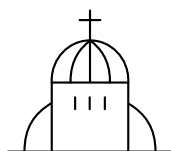


S · E · E

Residential A/S

C/O Øens Virksomhedsadministration ApS
Lergravsvej 59, st.
2300 København S

CVR no. 43 57 71 74



ANNUAL REPORT FOR 2022/23

(1st Financial year)

Adopted at the annual general meeting on

chairman

S · E · E

Residential A/S

ANNUAL REPORT



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of SEE Residential A/S for the financial year 13 October 2022 – 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2023 and of the results of the group and the company operations for the financial year 13 October 2022 – 31 December 2023.

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 should be approved by the company in general meeting.

Copenhagen, 8 May 2024

EXECUTIVE BOARD

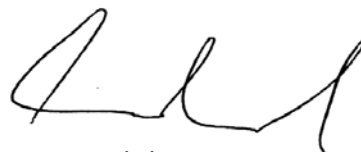
Jens Kindberg
Director

Anders Retz Johansson
Director

SUPERVISORY BOARD

Henrik Deigaard
Chairman

Helle Lund Bjerre



Georgi Kirov

Independent auditor's report

To the shareholder of SEE Residential A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of SEE Residential A/S for the financial year 13 October 2022 – 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2023 and of the results of the group and the parent company's operations for the financial year 13 October 2022 – 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 consolidated financial statements and parent company" section of our report. We are independent of the group 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 ob-

tained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

Independent auditor's report

(continued)

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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

(continued)

- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are responsible for our audit opinion.

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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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.

Hellerup, 8 May 2024
CVR no. 33 25 68 76



Søren Jonassen
State Authorised Public Accountant
MNE no. mne18488

Company details

The company

SEE Residential A/S
C/O Øens Virksomhedsadministration ApS
Lergravsvej 59, st.
2300 København S

Website: www.SEEResidential.com

CVR no.: 43 57 71 74
Reporting period: 13 October 2022 – 31 December 2023
Incorporated: 13 October 2022
Domicile: Copenhagen

Supervisory board

Henrik Deigaard, chairman
Helle Lund Bjerre
Georgi Kirov

Executive board

Jens Kindberg, director
Anders Retz Johansson, director

Auditors

Crowe
Statsautoriseret Revisionsinteressentskab v.m.b.a.
Rygårds Allé 104
2900 Hellerup

Management's review

Business review

The purpose of the company is to be a holding company as well as a related company. The underlying market exposure is residential properties in Southeast Europe (SEE).

Financial review

The group's income statement for the year ended 31 December 2023 shows a profit of TDKK 1.310, and the balance sheet at 31 December 2023 shows equity of TDKK 37.884.

It is the initial reporting year for the Group and the financial year includes extraordinary costs of TDKK 3.307 related to the capital raise funding the Group.

Depreciating the extraordinary cost over an investment period of 10 years will result in a profit after tax of TDKK 4.286 for the Group. This equals a return of 24,8% of the weighted average share capital in 2023.

The share capital of SEE Residential A/S was increased from TDKK 10.900 to TDKK 35.677 in the period 1/1-2023 to 31/12-2023 with a weighted average share capital of TDKK 17.255 in 2023.

Significant events occurring after the end of the financial year

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



2023 Achievements

The year 2023 proved to be transformative for SEE Residential A/S as we embarked on an exciting journey of growth and expansion. The acquisition of our first two rental properties, Antim and Zaichar, signifies a strategic move towards diversifying our portfolio and strengthening our presence in the real estate market. Both properties, meticulously crafted to meet Nordic standards of quality and design, reflect our commitment to offering exceptional living spaces to our tenants.

The successful leasing of Antim, our inaugural acquisition, underscores our operational efficiency and market acumen. Despite the challenges posed by the evolving real estate landscape, the seamless leasing process for Antim demonstrates our ability to adapt and thrive in dynamic environments. Looking ahead, we are confident that Zaichar, slated to commence leasing in the fourth quarter of 2024, will further bolster our rental revenue stream and enhance shareholder value.

In tandem with our expansion into rental activities, we are focused on fortifying our organizational capa-

bilities in Bulgaria. By investing in talent development and fostering a culture of innovation, we aim to build a robust foundation that can support our ambitious growth objectives. Our agile and scalable organizational structure ensures that we are well-positioned to capitalize on emerging opportunities and navigate potential challenges effectively.

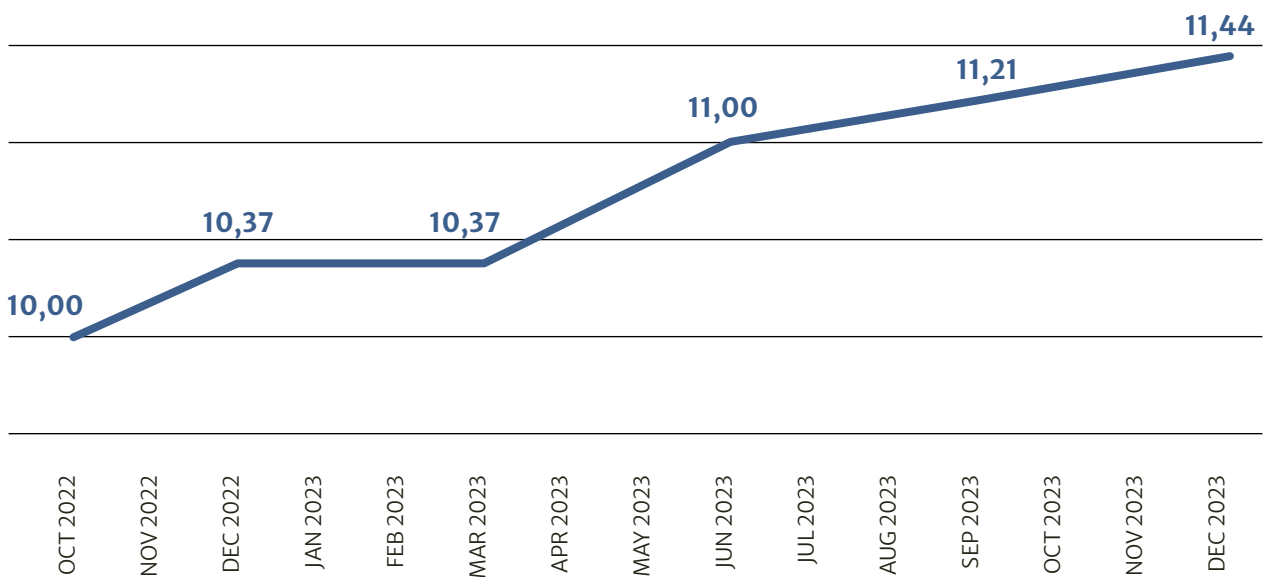
Additionally, the successful completion of a capital expansion initiative in 2023 underscores investor confidence in our vision and strategy. The capital raised will be instrumental in fuelling our growth trajectory, enabling us to pursue strategic acquisitions and execute value-enhancing initiatives with conviction.

As we reflect on the achievements of 2023, we remain steadfast in our commitment to driving long-term value creation for our stakeholders. With a clear strategic roadmap and a dedicated team, we are poised to capitalize on market opportunities and achieve sustainable growth in the years to come.



Stock price

VALUE PER SHARE SEE RESIDENTIAL A/S



The stock price is calculated and reported quarterly based on the value of the underlying properties adjusted for other assets and liabilities. The value of the properties is estimated by an authorized valuation specialist using international valuation standards. Here, the comparative method is applied, where the

valuation is the result of a direct comparison of each property with an analysis of recent sales of similar properties. Other assets and liabilities are recognized based on Danish accounting practices, although expenses related to capital expansions are amortized over an investment period of 10 years.

	TDKK
Parent company equity 31.12.2023	38.101
Extraordinary costs related to capital raise	3.307
Adjustments according to valuation approach described above	-593
Estimated value	40.815
Value per share 31.12.2023 in DKK	11,44

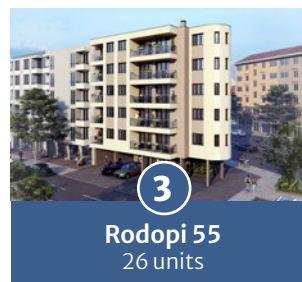
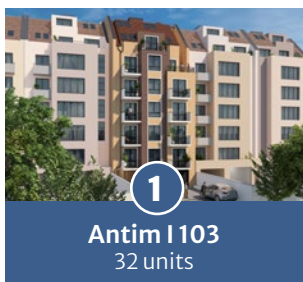
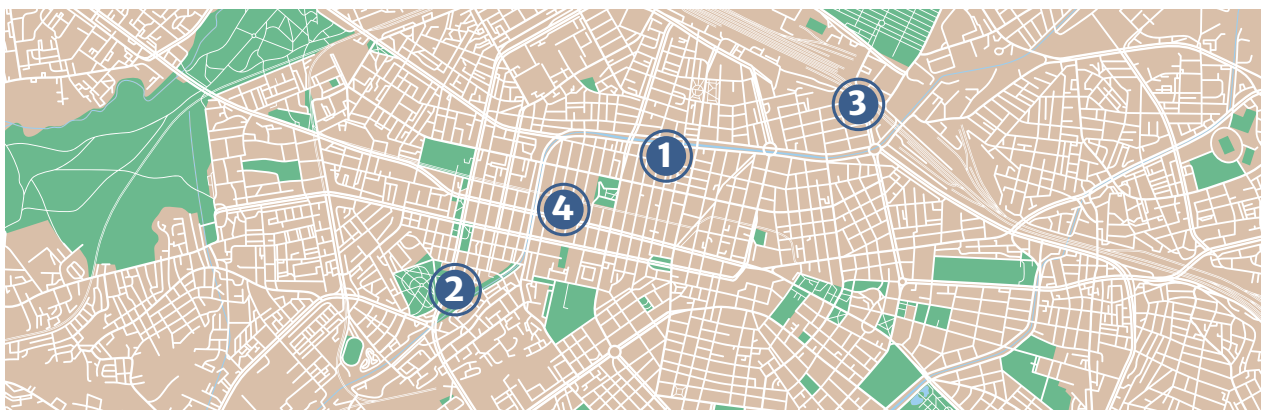
Property Portfolio

SEE Residential A/S owns Antim I 103 and has recently acquired Zaychar 220 with 52 units, which are now to be made ready for being rented out. The next two properties have already been identified, and the construction thereof is expected to commence in 2024. We are on an ongoing basis identifying potential investment properties and we expect to identify new investment properties for our portfolio within the next 24 months.

An average apartment in our current portfolio, centrally located in Sofia, costs DKK 1–2 million. We acquire the apartments vacant, furnish them and lease them ourselves. So far, we achieve a rent factor (the price of the apartment divided by the annual rent) of 20–30x. The development of the rent factor can be transparently tracked via www.globalpropertyguide.com. We aim to find the best possible combination of highest rent on the one hand, and stable, good tenants on the other. The rent factor depends on the location

and size of the apartment. As known from the German market, owner expenses must be deducted to calculate the net yield. However, we work with lease agreements in which we endeavour to ensure that most expenses to be borne by the tenants. Similarly, our lease agreements allow for termination of the lease with the aim of increasing the rent or realizing the value of an apartment through condominium sales.

All properties are centrally located in Sofia, which is equivalent to Copenhagen K. The portfolio consists of a total of 162 rental units. The plan is to grow the rental portfolio to 1.000 units within the next 10 years. As the company ensures that the apartments are demarcated from the start, this also increases a potential sales value if the company ever wishes to divest the portfolio, as the apartments can, for example, be sold individually to private parties or as an entire building to a professional investor.



Market Overview

In the current market, there are only two major rental companies with 100+ apartments available for rent. SEE Residential is currently investing mainly in the centre of Sofia, but our focus is to expand the investments to other growing districts of the city with a positive demographic trend.

Similarly, our target demographic is the average citizen. Therefore, we do not aim to invest in luxury apartments of 200 m², but instead, we target an average apartment size of 75 m². This ensures that the apartments cater to the greatest possible percentage of citizens, which thus minimizes vacancy rates. These fundamental principles set us significantly apart from our competitors, one of which invests in luxury apartments targeted at expats, and the other invests in real estate outside the centre of Sofia.

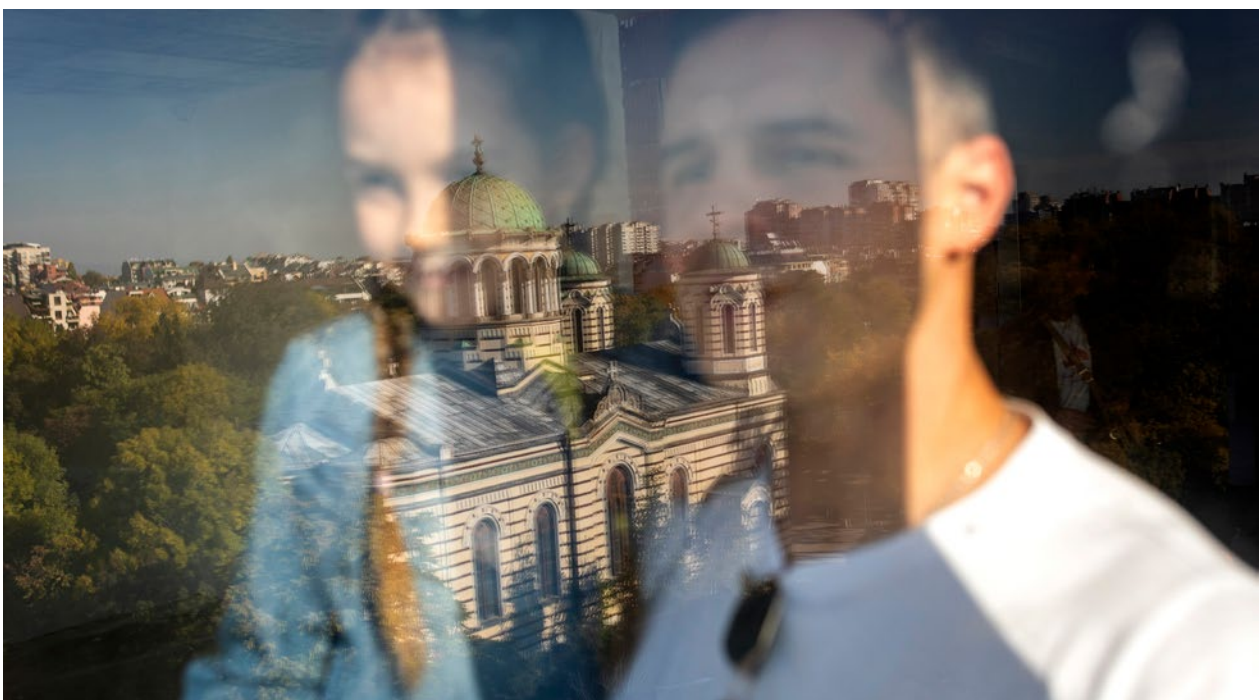
When selecting investment properties, we focus on:

Good infrastructure and access to public transportation

Shopping possibilities

Close to schools and day-care

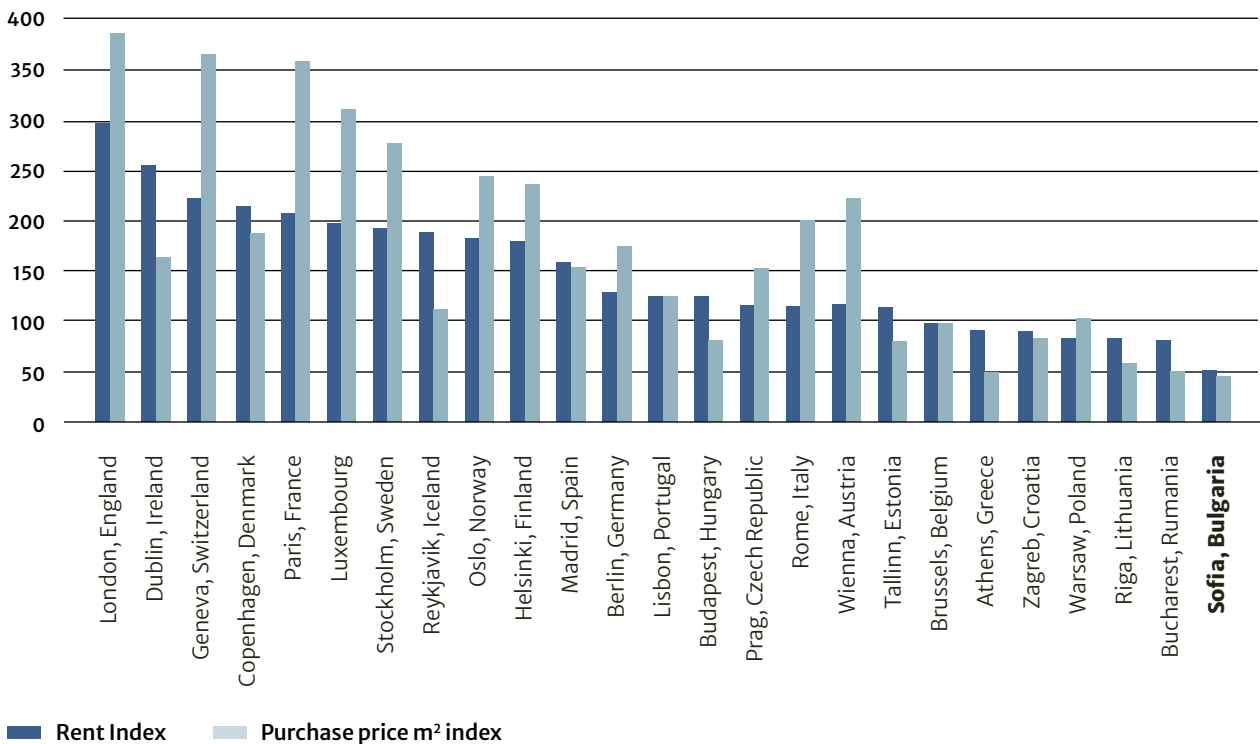
Maximum 5 km from Sofia centre (approx. 20 % most central of the whole of greater Sofia).



Future Outlook for Sofia

PROPERTY PRICES IN EUROPE

Index - Brussels = 100



With a real estate market that is significantly behind the rest of the EU in terms of pricing, there is a strong expectation that prices in Sofia will rise dramatically over the coming years in accordance with the city's development. In Copenhagen, the average citizen spends around 60% of their income on housing, while in the EU, this figure ranges from approximately 30%

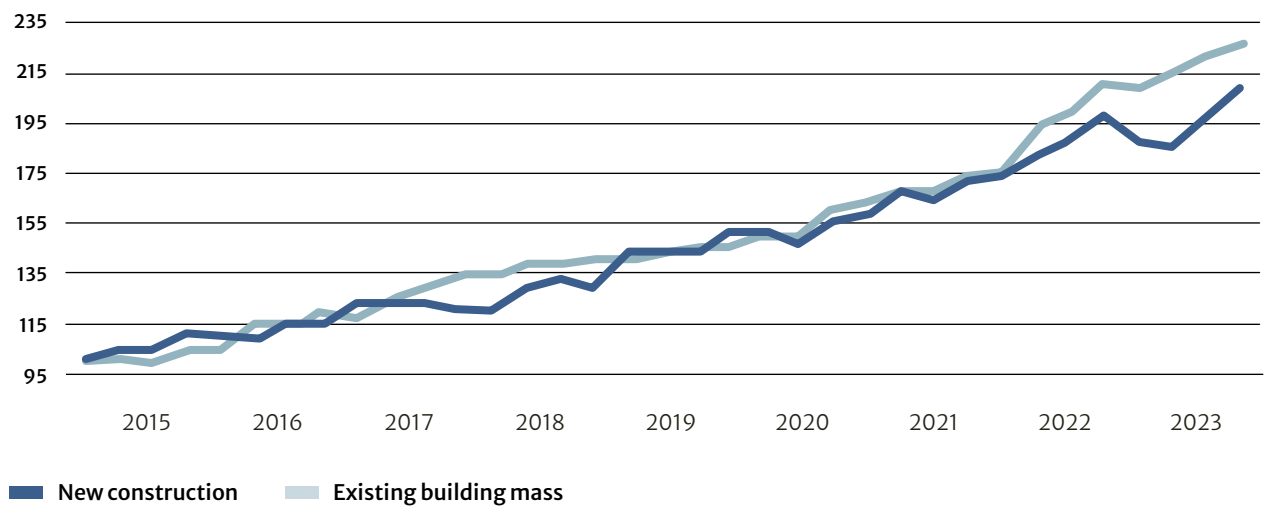
to 60%. In Bulgaria, the average citizen spends around 17% of their income on housing, and this percentage is expected to increase as Sofia develops and the EU continues to invest in Bulgaria. This trend has also been observed in other major cities in the EU, including Budapest, Bucharest, Warsaw, as well as larger Western European cities, and it is still continuing today.

Future Outlook for Sofia

(continued)

PROPERTY PRICES IN SOFIA 2015-2023

Price/sq.m.

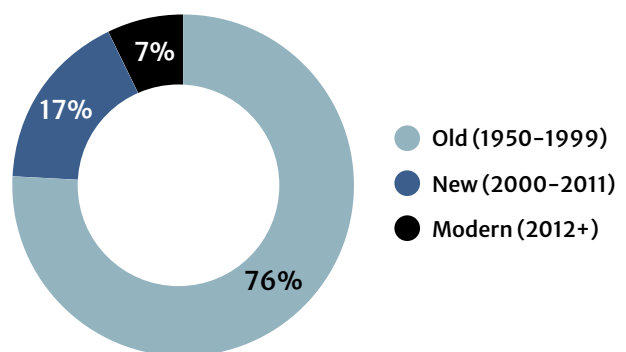


Property prices have increased by more than 50% over the last five years according to the National Statistics Institute, whilst spending on housing as part of income has remained steady at about 14%. This in turn has led to a relatively high level of savings, which is around approximately 9% of the income, thus supporting the property market even further as this facilitates improved access to mortgages.

The figure above highlights the future potential for further replacement developments, as 76% of all housing in Sofia are still categorized as pre-1999 and can therefore be considered for replacement in the foreseeable future. Hence, we expect the demand for modern apartments in the centre of Sofia to continue in the future.

Our development and performance in 2023 have shown that our business model works as intended. The goal in

AGE STRUCTURE OF HOUSING STOCK IN SOFIA



2024 and beyond is to establish the right organization and capital foundation to continue the growth journey through a scalable organization and a growing market with high demand for modern housing.

Organization

The Management is responsible for the daily operations of SEE Residential. In addition, the Management ensures that the Company's bookkeeping follows the applicable rules and regulations, and that the admin-

istration and construction management of the Company's assets is carried out in an appropriate manner together with our own staff and our professional partners.

SUPERVISORY BOARD



HENRIK DEIGAARD
Chairman

Henrik Deigaard was with Nordea as a Senior Private Banker until 2018, where he managed large fortunes for private and business customers.

Since 2018, Henrik has been a project manager within forests and real estate at Dansk Investeringsselskab A/S.

CURRENT EMPLOYMENT
Project director
Forest and Real Estate Investments, Difko A/S



GEORGI KIROV
Board Member

Georgi Kirov joined Colliers International in 2001 and has been the head of his department since 2006. Among other things, he has been responsible for the largest real estate transaction in Bulgaria to date, namely Business Park Sofia, which had a total value of EUR 280 million.

CURRENT EMPLOYMENT
Director
Capital Markets,
Colliers International,
Bulgaria

BOARD MEMBER
The Royal Institute of
Chartered Surveyors,
London



HELLE BJERRE
Board Member

Helle Bjerre has over 30 years of experience from international companies including investments in developing countries as Vice President at IFU. She also has held various positions such as CEO, Senior Vice President, and Director in international companies. She has an in-depth knowledge of sustainable financing, venture capital, and business development.

MANAGEMENT



ANDERS JOHANSSON
CEO

Anders Johansson joined the company in December 2023 as its new CEO. He came from a position as Chief of Fund Management at Koncenton, the largest Danish real estate investor.

Besides his strong skills in fund management and investor relations, Anders has a background as a shipbroker, giving him familiarity with cross-border trade and working relations across different cultures. These qualifications are crucial for the future development of the company and its organization.

Corporate structure and details

SEE Residential A/S ("the Company") is a Danish limited liability company incorporated on 13th of October 2022 under the laws of the Kingdom of Denmark with the company registration number 43577174.

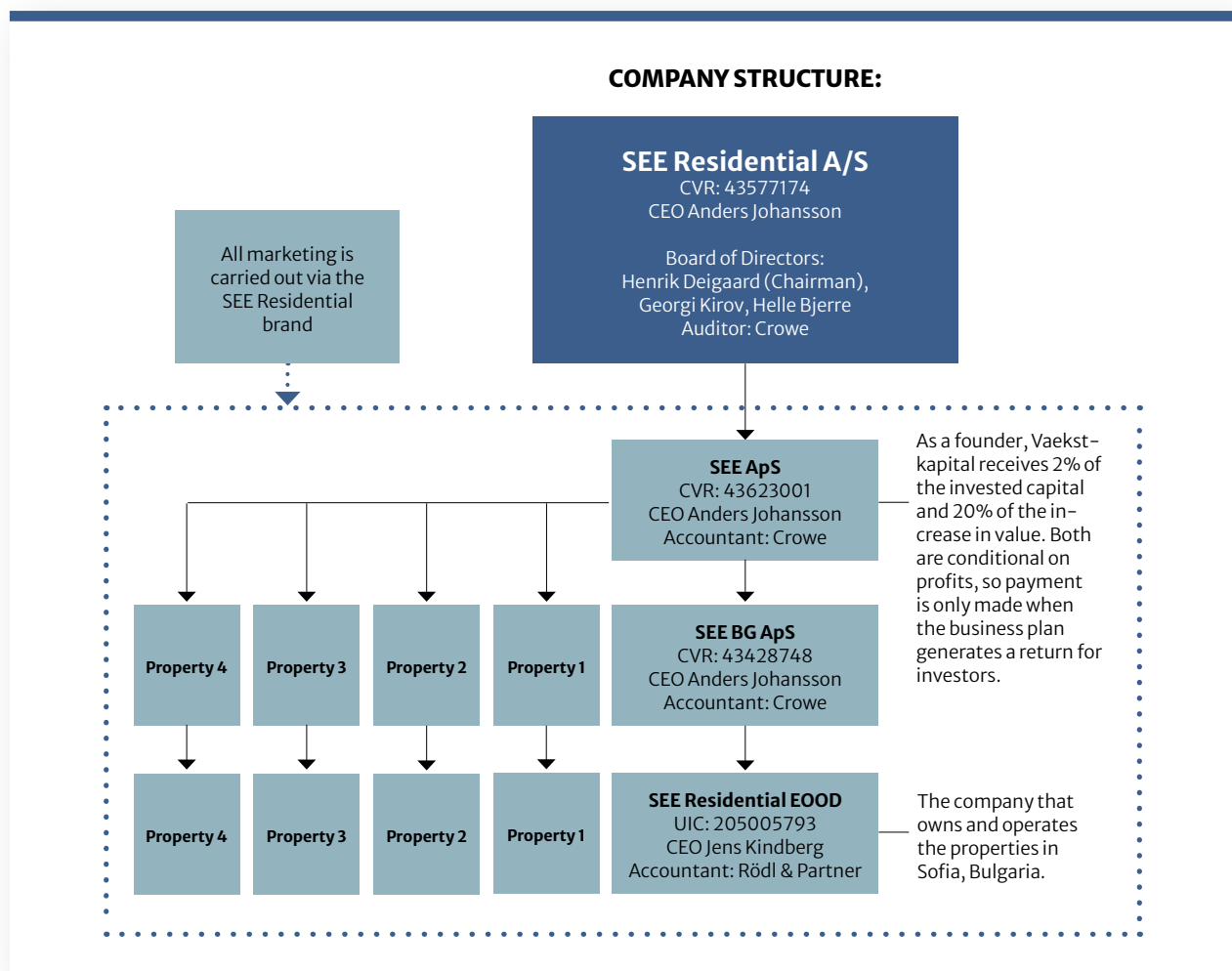
The Company's LEI number is 8945007072KRV4HBP018.

The Company's address is: Lergravsvej 59A
2300 Copenhagen S, Denmark.

Website: www.SEEResidential.com

Dividends

As part of the Company's growth plan, the Company seeks to pay an annual dividend on the share capital by buying back shares if not reinvested in the business. This way, the Company can guarantee investors the opportunity to reinvest dividends as we pay out by buying back shares. Payments will always be contingent on sufficient capital reserves and approval by the general assembly.



Accounting policies

The annual report of SEE Residential A/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

The annual report for 2022/23 is presented in TDKK

As 2022/23 is the company's first reporting period, no comparatives have been presented.

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 group's and the parent company's 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 group's and the parent company's 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 installments 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.

Consolidated financial statements

The consolidated financial statements comprise the parent company SEE Residential A/S and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered participating interests or associates, cf. the group chart.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit/loss and equity is presented separately under appropriation of profit and in a main item under equity.

Accounting policies

(continued)

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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external costs

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Value adjustments of investment properties

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to foreign currency transactions, surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Income from investments in subsidiaries

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Tax on profit/loss 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.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Accounting policies

(continued)

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Useful life

Other fixtures and fittings, tools and equipment 5 years

Assets costing less than DKK 32.000 are expensed in the year of acquisition.

Investment properties

Investment properties comprises investments in land and buildings for purposes 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 measured at cost, comprising the purchase price, including purchase costs.

The cost of self-erected investment properties comprises the purchase price and any costs directly attributable to the acquisition, including purchase costs and indirect expenses relating to labour, materials, components and sub-suppliers, until such time as the asset is available for use.

On subsequent 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 property as investment properties has not given rise to any difficulty.

The fair value reflects the price for which the property should exchange on the balance sheet date between well-informed and willing parties in an arm's length transaction. The determination of fair value involves significant accounting estimates.

In management's assessment, fair values for the current year could be determined based on comparable market transactions. Accordingly, values have been determined based on the sales value, corresponding to the expected selling price of investment properties.

The fair value of investment properties of investment property at 31 December 2023 as assessed by independent real estate appraisers.

The estimates used are based on information and assumptions which management considers reasonable, but which are, inherently, uncertain and unpredictable. Actual events and circumstances are likely to be different from those assumed in the calculations, since anticipated events frequently do not occur as expected. These variations may be material.

Investments in subsidiaries

Fair value is adjusted directly over the equity. Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities fair market value, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries are measured in the parent company financial statements at fair market value.

Accounting policies

(continued)

Net revaluations of investments in subsidiaries are taken to the revaluation reserve according to the fair market method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of SEE Residential A/S is adopted are not taken to the net revaluation reserve.

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

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for net revaluation according to the fair market method

The reserve for net revaluation according to the fair market method in the company's financial statements comprises net revaluation of investments in subsidiaries relative to the cost.

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

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

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

13 October 2022 – 31 December 2023

	Note	GROUP 2022/23 TDKK	PARENT COMPANY 2022/23 TDKK
Gross profit		-380	3.387
Staff costs	1	-511	-100
Profit/loss before amortisation/depreciation and impairment losses		-891	3.287
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-8	0
Profit/loss on activities before fair value adjustments		-899	3.287
Fair value adjustments of investment properties		5.946	0
Profit/loss before net financials		5.047	3.287
Financial income	2	21	2.230
Financial costs	3	-4.177	-3.307
Profit/loss before tax		891	2.210
Tax on profit/loss for the year	4	-595	0
Profit/loss before minority interests		296	2.210
Minority interests' share of net profit/loss of subsidiaries		1.014	0
Profit/loss for the year		1.310	2.210
Recommended appropriation of profit/loss			
Retained earnings		1.310	2.210
		<u>1.310</u>	<u>2.210</u>

Balance sheet

at 31 December 2023

	Note	GROUP 2022/23 TDKK	PARENT COMPANY 2022/23 TDKK
Assets			
Investment properties		75.799	0
Other fixtures and fittings, tools and equipment		30	0
Tangible assets	5	75.829	0
Total non-current assets		75.829	0
Receivables from subsidiaries		0	35.312
Other receivables		12	1
Prepayments		7	7
Receivables		19	35.320
Cash at bank and in hand		3.892	3.648
Total current assets		3.911	38.968
Total assets		79.740	38.968

Balance sheet

at 31 December 2022

	Note	GROUP 2022/23 TDKK	PARENT COMPANY 2022/23 TDKK
Equity and liabilities			
Share capital		35.677	35.677
Retained earnings		2.423	2.424
Non-controlling interests		-216	0
Equity		37.884	38.101
Provision for deferred tax		4.443	0
Provisions relating to investments in subsidiaries		0	863
Total provisions		4.443	863
Other payables		8.934	0
Total non-current liabilities		8.934	0
Other payables		37.413	4
Total current liabilities		37.413	4
Total liabilities		37.413	4
Total equity and liabilities		79.740	38.968
Contingent liabilities	6		
Mortgages and collateral	7		

Statement of changes in equity

GROUP

	Share capital	Share premium account	Retained earnings	Non-controlling interests	Total
Equity at 13 October 2022	400	0	0	0	400
Cash capital increase	35.277	1.113	0	0	36.390
Other equity movements	0	0	0	798	798
Net profit/loss for the year	0	0	1.310	-1.014	296
Transfer from share premium account	0	-1.113	1.113	0	0
Equity at 31 December 2023	35.677	0	2.423	-216	37.884

PARENT COMPANY

	Share capital	Share premium account	Retained earnings	Total
Equity at 13 October 2022	400	0	0	400
Cash capital increase	35.277	1.113	0	36.390
Other equity movements	0	0	-899	-899
Net profit/loss for the year	0	0	2.210	2.210
Transfer from share premium account	0	-1.113	1.113	0
Equity at 31 December 2023	35.677	0	2.424	38.101

Notes

	GROUP	PARENT COMPANY
	2022/23	2022/23
	TDKK	TDKK
1 Staff costs		
Wages and salaries	511	100
	511	100
Number of fulltime employees on average	3	1
2 Financial income		
Interest received from subsidiaries	0	2.209
Other financial income	21	21
	21	2.230
3 Financial costs		
Other financial costs	4.177	3.307
	4.177	3.307
4 Tax on profit/loss for the year		
Current tax for the year	595	0
	595	0

Notes

(continued)

GROUP	Investment properties
5 Assets measured at fair value	TDKK
Cost at 13 October 2022	0
Additions for the year	69.853
Cost at 31 December 2023	<u>69.853</u>
Revaluations at 13 October 2022	0
Revaluations for the year	5.946
Revaluations at 31 December 2023	<u>5.946</u>
Carrying amount at 31 December 2023	<u><u>75.799</u></u>

The fair value of our real estate portfolio is measured based on external valuations of the individual property. The external valuation of the real estate is carried out by an authorized valuation specialist in the market in which the real estate is located and it is based on international valuation standards using the comparative method, where the valuation is the result of a direct comparison of the valued asset with an analysis of recent sales and/or offers of similar assets to arrive at an indication of their most likely value.

6 Contingent liabilities

The parent company is jointly taxed with its danish group entities. The entities are jointly and severally liable for danish income taxes as well as withholding taxes on dividends, interest and royalties payable by the group of jointly taxed entities.

7 Mortgages and collateral

The company has no pledges or collateral.

