

ELF3 Horsens II ApS

c/o CEJ Ejendomsadministration A/S
Meldahls­gade 5
DK-1613 København V

CVR no. 41 95 75 81

Annual report 2023

The annual report was presented and approved at
the Company's annual general meeting on

17 June 2024

Peter Eric Broström
Chairman of the annual general meeting

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Contents

Statement by the Executive Board

Independent auditor's report

Management's review

Company details
Operating review

Financial statements 1 January – 31 December

Income statement
Balance sheet
Statement of changes in equity
Notes

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report for ELF3 Horsens II ApS for the financial year 1 January - 31 December 2023.

The annual report has been 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 assets, liabilities and financial position 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.

Copenhagen, 17 June 2024

Executive Board:

Roland Maria Döhn

Hélène Henning

Karl Rikard Anton Karlström

Peter Eric Broström



Independent auditor's report

To the shareholder of ELF3 Horsens II ApS

Opinion

We have audited the financial statements of ELF3 Horsens II ApS for the financial year 1 January - 31 December 2023, comprising 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 assets, liabilities and financial position 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 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.



Independent auditor's report

- 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 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 June 2024

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Henrik Y. Jensen
State Authorised Public Accountant
mne35442

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Management's review

Company details

ELF3 Horsens II ApS
c/o CEJ Ejendomsadministration A/S
Meldahlsgade 5
DK-1613 København V

CVR no.:	41 95 75 81
Established:	17 December 2020
Registered office:	Copenhagen
Financial year:	1 January - 31 December

Executive Board

Roland Maria Döhn
Hélène Henning
Karl Rikard Anton Karlström
Peter Eric Broström

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Management's review

Operating review

Principal activities

The objective of the Company is to own, develop, rent and manage real estate, directly and indirectly, as well as related business.

Uncertainty regarding recognition and measurement

The Company's investment properties are measured at fair value using the income capitalisation method.

The required return on investment is subject to material accounting estimates where fair value could deviate from the actual value of the investment properties.

Development in activities and financial position

The Company's income statement for 2023 shows a profit of DKK 3,264,726 as against a loss of DKK 3,285,066 in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK 42,465,743 as against DKK 43,165,049 at 31 December 2022.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2023.

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Financial statements 1 January – 31 December

Income statement

DKK	Note	2023	2022
Gross profit		8,482,678	7,465,525
Losses from fair value adjustments of investment property		-2,000,000	-9,000,000
Other financial income		149,126	0
Other financial expenses	3	-2,368,817	-2,416,901
Profit/loss before tax		4,262,987	-3,951,376
Tax on profit/loss for the year	4	-998,261	666,310
Profit/loss for the year		<u>3,264,726</u>	<u>-3,285,066</u>
Proposed profit appropriation/distribution of loss			
Extraordinary dividends distributed in the year		5,514,998	3,720,000
Proposed dividends for the financial year		4,214,000	0
Retained earnings		<u>-6,464,272</u>	<u>-7,005,066</u>
		<u>3,264,726</u>	<u>-3,285,066</u>

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2023	31/12 2022
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Investment property		<u>169,000,000</u>	<u>171,000,000</u>
Total fixed assets		<u>169,000,000</u>	<u>171,000,000</u>
Current assets			
Receivables			
Trade receivables		0	127,320
Receivables from group entities		<u>286,278</u>	<u>0</u>
		<u>286,278</u>	<u>127,320</u>
Cash at bank and in hand		<u>5,058,593</u>	<u>5,854,016</u>
Total current assets		<u>5,344,871</u>	<u>5,981,336</u>
TOTAL ASSETS		<u>174,344,871</u>	<u>176,981,336</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2023	31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,000	50,000
Retained earnings		38,201,743	43,115,049
Proposed dividends for the financial year		4,214,000	0
Total equity		<u>42,465,743</u>	<u>43,165,049</u>
Provisions			
Provisions for deferred tax		18,414,345	18,266,106
Total provisions		<u>18,414,345</u>	<u>18,266,106</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Mortgage debt	6	85,382,454	85,012,529
Payables to group entities		22,902,246	22,902,246
Deposits		4,773,600	4,680,000
		<u>113,058,300</u>	<u>112,594,775</u>
Current liabilities other than provisions			
Trade payables		193,800	550,935
Payables to group entities	6	0	1,550,966
Corporation tax		20,208	588,336
Other payables, including taxes payable		192,475	265,169
		<u>406,483</u>	<u>2,955,406</u>
Total liabilities other than provisions		<u>113,464,783</u>	<u>115,550,181</u>
TOTAL EQUITY AND LIABILITIES		<u>174,344,871</u>	<u>176,981,336</u>

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2023	50,000	43,115,049	0	43,165,049
Transferred over the profit appropriation	0	-6,464,272	9,728,998	3,264,726
Extraordinary dividend paid	0	0	-5,514,998	-5,514,998
Contribution from group	0	1,550,966	0	1,550,966
Equity at 31 December 2023	50,000	38,201,743	4,214,000	42,465,743

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of ELF3 Horsens II ApS for 2023 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Income statement

Revenue

Rental revenue from operating leases is recognised as income on a straight line basis over the lease period. When the Company provides incentives to its tenants, the cost of incentives is recognised over the lease period on a straight line basis.

Other operating income

Other operating income comprises items secondary to the activities of the entity.

Other external costs

Other external costs comprise costs incurred during the year as a result of the rental of the Company's property and administration.

Losses from fair value adjustments of investment property

Fair value adjustment of investment properties comprises the year's changes in the fair value of investment properties.

Financial income and expenses

Financial income and expenses comprise interest income and expense, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

ELF3 Horsens ApS is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

Balance sheet

Investment property

Investment properties comprise properties held to earn rentals, held for capital appreciation or both.

On initial recognition, investment properties are measured at cost including purchase price and directly related costs. The carrying amount also includes costs for improvements if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the year in which they arise.

The properties are valued using the income capitalisation method where a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate. The calculated value is adjusted with expected future change in rental value, voids, capital expenses and other special circumstances.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

2 Staff costs

DKK	2023	2022
Average number of full-time employees	<u>0</u>	<u>0</u>

3 Other financial expenses

DKK	2023	2022
Interest paid to group entities	1,145,112	1,145,111
Other interest expenses	853,385	918,081
Exchange losses	395	0
Other financial expenses	369,925	353,709
	<u>2,368,817</u>	<u>2,416,901</u>

4 Tax on profit/loss for the year

DKK	2023	2022
Current tax for the year	754,424	588,336
Deferred tax adjustment for the year	148,239	-1,254,646
Adjustment of tax concerning previous years	95,598	0
	<u>998,261</u>	<u>-666,310</u>

Financial statements 1 January – 31 December

Notes

5 Property, plant and equipment

DKK	Investment property
Cost at 1 January 2023	91,269,308
Cost at 31 December 2023	91,269,308
Revaluations at 1 January 2023	79,730,692
Revaluations	-2,000,000
Revaluations at 31 December 2023	77,730,692
Carrying amount at 31 December 2023	169,000,000

Key assumptions:

The property totalling 20,916 sqm. is located in Horsens and is used for logistic. In the valuation of the property, an exit yield of 5.35% has been applied.

Sensitivity analysis:

An increase of the exit yield by 0.25 percentage points would reduce the properties' value by DKK 7 million and a decrease in the exit yield by 0.25 percentage points would increase the properties' value by DKK 8 million at the balance sheet date.

6 Non-current liabilities other than provisions

DKK	31/12 2023	31/12 2022
Mortgage debt:		
1-5 year	0	85,012,529
>5 year	85,382,454	0
	<u>85,382,454</u>	<u>85,012,529</u>
Payables to group entities:		
0-1 year	0	1,550,966
>5 year	22,902,246	22,902,246
	<u>22,902,246</u>	<u>24,453,212</u>
Deposits:		
>5 year	4,773,600	4,680,000
	<u>4,773,600</u>	<u>4,680,000</u>
Total financial debts	<u>113,058,300</u>	<u>114,145,741</u>
The financial debts are recognized in the balance sheet as follows:		
Long-term debt	113,058,300	112,594,775
Short-term debt	0	1,550,966
	<u>113,058,300</u>	<u>114,145,741</u>

ELF3 Horsens II ApS
Annual report 2023
CVR no. 41 95 75 81

Financial statements 1 January – 31 December

Notes

7 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is subject to the Danish scheme of joint taxation with ELF3 Horsens ApS as the administrative company. The Company has unlimited liability and is jointly and severally liable with the other jointly taxed companies for the total corporation tax, etc.

8 Mortgages and collateral

As security for bank debt of DKK 85,382 thousand, the Company has provided collateral in land and buildings with a carrying amount of DKK 169,000 thousand at 31 December 2023.

9 Related parties

ELF3 Horsens II ApS' related parties comprise the following:

Control

Savills Investment Management KVG GmbH, Rotfeder-Ring 7, 60327 Frankfurt am Main, Deutschland.

Savills Investment Management KVG GmbH holds the majority of the contributed capital in the Company.