

United Denmark 2023 Propco I ApS

c/o Harbour House
Sundkrogsgade 21
2100 København Ø
Denmark

CVR no. 29 69 68 88

Annual report 2023

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

31 July 2024

Thomas Frederick Medom Lauritsen
Chairman of the annual general meeting

Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	6
Company details	6
Operating review	7
Financial statements 1 January – 31 December	8
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of United Denmark 2023 Propco I 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, 31 July 2024
Executive Board:

Thomas Frederick Medom
Lauritsen

Emil Kløcker Mørck Olsen

Allison Lynette Breland

Independent auditor's report

To the shareholder of United Denmark 2023 Propco I ApS

Independent auditor's report on the financial statements

Opinion

We have audited the financial statements of United Denmark 2023 Propco I 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 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 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.
- 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 Statements Act. We did not identify any material misstatement of the Management's review.

Independent auditor's report

Report on other legal and regulatory requirements

Violation of criminal law or tax duty and subsidy legislation

During the year, the company has prepared incorrect VAT returns and reported VAT late, which is inconsistent with VAT legislation, whereby the management may incur liability.

Aarhus, 31 July 2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56

Chris Middelhede
State Authorised
Public Accountant
mne45823

United Denmark 2023 Propco I ApS
Annual report 2023
CVR no. 29 69 68 88

Management's review

Company details

United Denmark 2023 Propco I ApS
c/o Harbour House
Sundkrogsgade 21
2100 København Ø
Denmark

CVR no.:	29 69 68 88
Established:	7 July 2006
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Executive Board

Thomas Frederick Medom Lauritsen
Emil Kløcker Mørck Olsen
Allison Lynette Breland

Auditor

Deloitte
Statsautoriseret Revisionspartnerselskab
Værkmestergade 2, 18.
DK-8000 Aarhus C
CVR no. 33 96 35 56

Management's review

Operating review

Principal activities

The Company's main activity is to hold, develop manage, and sell properties and business related to the same.

Uncertainty regarding recognition and measurement

Management acknowledges that uncertainty remains over the determination of fair value of the investment properties held by the company. To mitigate that risk, an independent qualified valuer has been appointed to issue a report on the market value of the properties. The calculation method used in the report is based on the expected future cash flows for each investment property.

Development in activities and financial position

The Company's income statement for 2023 shows a profit of DKK 106,473,471 as against DKK 15,660,991 in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK 502,092,113 as against DKK 415,618,642 at 31 December 2022.

Events after the balance sheet date

No events have occurred after the balance sheet date that materialy affect the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2023	2022
Gross profit		<u>11,564,109</u>	<u>13,460,936</u>
Profit before financial income and expenses		11,564,109	13,460,936
Income from equity investments in group entities		40,075,839	379,206
Fair value adjustment of investment properties		72,467,446	5,504,872
Other financial income	3	7,021,145	2,683,909
Other financial expenses	4	<u>-6,213,552</u>	<u>-2,057,685</u>
Profit before tax		124,914,987	19,971,238
Tax on profit for the year	5	<u>-18,441,516</u>	<u>-4,310,247</u>
Profit for the year		<u><u>106,473,471</u></u>	<u><u>15,660,991</u></u>
Proposed profit appropriation			
Reserve for net revaluation under equity method		40,075,839	379,206
Proposed dividends for the year		0	20,000,000
Extraordinary dividends distributed in the financial year		0	20,000,000
Retained earnings		<u>66,397,632</u>	<u>-24,718,215</u>
		<u><u>106,473,471</u></u>	<u><u>15,660,991</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2023	31/12 2022
ASSETS			
Fixed assets			
Property, plant and equipment	6		
Investment properties		391,000,000	317,370,000
Investment properties in progress		<u>0</u>	<u>273,718</u>
		<u>391,000,000</u>	<u>317,643,718</u>
Investments	7		
Equity investments in group entities		<u>221,657,552</u>	<u>88,707,592</u>
Total fixed assets		<u>612,657,552</u>	<u>406,351,310</u>
Current assets			
Receivables			
Trade receivables		732,553	1,606,868
Receivables from group entities		63,899,763	147,806,130
Other receivables		336,347	1,140,172
Prepayments		<u>7,207</u>	<u>11,432</u>
		<u>64,975,870</u>	<u>150,564,602</u>
Cash at bank and in hand		<u>4,294,884</u>	<u>14,259,221</u>
Total current assets		<u>69,270,754</u>	<u>164,823,823</u>
TOTAL ASSETS		<u><u>681,928,306</u></u>	<u><u>571,175,133</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2023	31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		10,000,000	10,000,000
Reserve for net revaluation under equity method		92,115,496	52,039,657
Retained earnings		399,976,617	333,578,985
Proposed dividends for the financial year		0	20,000,000
Total equity		502,092,113	415,618,642
Provisions			
Provisions for deferred tax		36,204,351	18,629,974
Total provisions		36,204,351	18,629,974
Liabilities other than provisions			
Non-current liabilities other than provisions			
Debt to credit institutions	8	0	123,886,728
Deposits		4,098,590	0
		<u>4,098,590</u>	<u>123,886,728</u>
Current liabilities other than provisions			
Debt to credit institutions, current liabilities	8	0	1,879,153
Trade payables		1,615,148	1,025,255
Payables to group entities		131,243,747	1,291,621
Corporation tax		2,207,167	1,340,028
Other payables		1,535,370	1,047,216
Deposits		2,931,820	6,456,516
		<u>139,533,252</u>	<u>13,039,789</u>
Total liabilities other than provisions		143,631,842	136,926,517
TOTAL EQUITY AND LIABILITIES		681,928,306	571,175,133
Average number of full-time employees	2		
Contractual obligations, contingencies, etc.	9		
Mortgages and collateral			

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Reserve for net revaluation under equity method	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2023	10,000,000	52,039,657	333,578,985	20,000,000	415,618,642
Ordinary dividends paid	0	0	0	-20,000,000	-20,000,000
Transferred over the profit appropriation	0	40,075,839	66,397,632	0	106,473,471
Equity at 31 December 2023	10,000,000	92,115,496	399,976,617	0	502,092,113

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of United Denmark 2023 Propco I 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.

Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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 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

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Gross profit reflects an aggregation of revenue, other operating income, and other external costs.

Revenue

Rental income is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Rental income is net of all types of discounts granted.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of property, plant and equipment.

Other external costs

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

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income from equity investments in group entities

Income from equity investments in subsidiaries includes the proportional share of the individual companies' result after full elimination of internal gains and losses.

Fair value adjustment of investment properties

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

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities.

Tax on profit for the year

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.

Balance sheet

Investment properties

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognized in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

The fair value is calculated using the capitalization model as the calculated capital value of the expected cash flows from the individual properties.

The determination of the expected cash flows is based on the budgeted cash flows of the individual property for the coming years, including rental and price increases, as well as a calculated term value that expresses the value of the normalized cash flows that the property is expected to generate after the budget period. The cash flows thus calculated are discounted at present value using a discount factor which is judged to reflect the market's current rate of return for corresponding properties including expected inflation.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Investments

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

Impairment of fixed assets

The carrying amount of investment properties and equity investments in group entities is subject to an annual test for indications of impairment.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables 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.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

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

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Equity

Dividends

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

Net revaluation reserve according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in group entities in proportion to cost.

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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

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 cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. 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 net amortised costs.

Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

DKK	2023	2022	
2 Average number of full-time employees			
Average number of full-time employees	0	0	
3 Other financial income			
Interest income from group entities	3,434,625	2,683,543	
Other financial income	3,586,520	366	
	<u>7,021,145</u>	<u>2,683,909</u>	
4 Other financial expenses			
Interest expense to group entities	1,784,256	269,028	
Other financial costs	4,429,296	1,788,657	
	<u>6,213,552</u>	<u>2,057,685</u>	
5 Tax on profit for the year			
Current tax for the year	867,139	1,340,028	
Deferred tax for the year	17,574,377	2,970,219	
	<u>18,441,516</u>	<u>4,310,247</u>	
6 Property, plant and equipment			
DKK	Investment properties	Investment properties in progress	Total
Cost at 1 January 2023	272,914,802	273,718	273,188,520
Additions for the year	498,298	390,538	888,836
Transfers for the year	664,256	-664,256	0
Cost at 31 December 2023	<u>274,077,356</u>	0	<u>274,077,356</u>
Revaluations at 1 January 2023	44,455,198	0	44,455,198
Revaluations for the year	72,467,446	0	72,467,446
Revaluations at 31 December 2023	<u>116,922,644</u>	0	<u>116,922,644</u>
Carrying amount at 31 December 2023	<u>391,000,000</u>	<u>0</u>	<u>391,000,000</u>

Valuation method and techniques

The fair value of investment properties is based on a newly completed transaction between two independent parties. The valuation is supported by traditional investment/income capitalization method of valuation.

Financial statements 1 January – 31 December

Notes

6 Property, plant and equipment (continued)

In order to arrive at a net income stream certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges. The NOI amounts DKK 20 million.

Future indexation of rents has been allowed for implicitly in the valuation.

The average Net Yield is 5.0%. A change of +/- 0.25 percentage points in the Net Yield mean approx. DKK -19 million / +21 million in changed market value.

Properties

The Company's investment properties consist of a logistics property located in Glostrup, Denmark and five logistics properties located in Hvidovre, Denmark.

All vacant units comprise of 9,181 sqm out of a total of 66,784 sqm, which is 14% of vacancy.

Pursuant to current level of vacancy and relatively short WAULTS in Denmark, there is uncertainty of when particular units will be let and at what level of income.

7 Investments

DKK				Equity investments in group entities
Cost at 1 January 2023				36,667,935
Additions for the year				92,874,121
Cost at 31 December 2023				129,542,056
Revaluations at 1 January 2023				52,039,657
Profit for the year				40,097,397
Depreciation of goodwill				-21,558
Revaluations 31 December 2023				92,115,496
Carrying amount at 31 December 2023				221,657,552

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit/loss for the year
Subsidiaries:			DKK	DKK
United Denmark 2023 Propco II ApS	Copenhagen	100%	221,657,552	40,097,397
			221,657,552	40,097,397

Financial statements 1 January – 31 December

Notes

8 Non-current liabilities

DKK	Total debt at 31/12 2023	Repayment, first year	Outstanding debt after five years
Deposits	7,030,410	2,931,820	0
	<u>7,030,410</u>	<u>2,931,820</u>	<u>0</u>

9 Contractual obligations, contingencies, etc.

Contingent liabilities

The Entity participates in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.