

**Sundmark Farms K/S  
Strandvejen 125  
2900 Hellerup  
Business Registration No  
42 33 81 09**

**Annual report 2025**

The Annual General Meeting adopted the annual report on January 23, 2026

**Chairman of the General Meeting**

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Name: Søren Damgaard

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## **Company details**

### **Company**

Sundmark Farms K/S  
Strandvejen 125  
2900 Hellerup

Business Registration No: 42 33 81 09

Founded: 13.04.2021

Registered in: Hellerup

Financial year: 1 January 2025 - 31 December 2025

Telephone: +45 20 18 85 87

Internet: [www.IWC.dk](http://www.IWC.dk)

### **General Partner**

Komplementarselskabet Sundmark Farms ApS

### **Investment Manager**

International Woodland Company ApS

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

## **Statement by the General Partner on the annual report**

The General Partner has today considered and approved the annual report of Sundmark Farms K/S for the financial year 01.01.2025 – 31.12.2025.

The annual report is presented in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Limited Partnership's financial position at 31.12.2025 and of the results of its operations and the cash flows for the financial year 01.01.2025 – 31.12.2025.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Hellerup, January 23, 2026

**On behalf of Komplementarselskabet Sundmark Farms ApS**

Dennis Lanther

Lukas Sønderskov Hansen

## **Independent auditor's report**

### **To the shareholder of Sundmark Farms K/S**

#### **Opinion**

We have audited the financial statements of Sundmark Farms K/S for the financial year 01.01.2025 - 31.12.2025, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations for the financial year 01.01.2025 - 31.12.2025 in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's 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.

#### **General Partner's responsibilities for the financial statements**

The General Partner is responsible for the preparation of financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as the General Partner 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, the General Partner is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless the General Partner either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

## Independent auditor's report

### 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Partner.
- Conclude on the appropriateness of the General Partner'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

## Independent auditor's report

### Statement on the management commentary

The General Partner is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, January 23, 2026

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

**Rasmus Grynderup Kiær Steffensen**  
State Authorised Public Accountant  
Identification No (MNE) mne44143

**Mads Sode Heldbo**  
State Authorised Public Accountant  
Identification No (MNE) mne52611

## Management commentary

	<b><u>2025</u></b> <b><u>DKK'000</u></b>	<b><u>2024</u></b> <b><u>DKK'000</u></b>	<b><u>2023</u></b> <b><u>DKK'000</u></b>	<b><u>2022</u></b> <b><u>DKK'000</u></b>	<b><u>2021</u></b> <b><u>DKK'000</u></b>
<b>Financial highlights</b>					
<b>Key figures</b>					
Revenue	8,077	8,041	7,078	7,128	266
Operating profit/(loss) (EBIT)	8,388	52,717	8,235	3,366	(689)
Financial results, net	(2,910)	(1,384)	30	(93)	(14)
Profit/(loss) for the year	5,478	51,333	8,266	3,273	(703)
Equity	301,977	299,499	250,666	246,800	127,127
Investment property	378,800	374,050	248,045	244,587	72,224
Total Assets	382,957	381,124	251,275	247,468	162,130
<b>Ratios</b>					
Liquidity ratio (%)	384%	400%	530%	484%	258%
Solvency ratio (%)	79%	79%	100%	100%	78%
Return on equity (%)	2%	17%	3%	1%	-1%

### Primary activity

Sundmark Farms K/S was established in April 2021 and is managed by International Woodland Company ApS (IWC). The General Partner of Sundmark Farms K/S is Komplementarselskabet Sundmark Farms ApS.

The objectives of the Company are to invest in farmland properties in Denmark and any other business activities related here to.

### Investments

In 2025 the Company has made no new investments.

### Development in activities and finances

Operating income amounts to TDKK 12,936.

Profit for 2025 amounts to a profit of TDKK 5,478, which is in accordance with the expectations.

The implementation of the Agreement on a Green Denmark is not expected to affect the operations of the company in the coming year. Nevertheless, the management acknowledges the potential long-term risks associated with changes to the agricultural sector, which may influence the company's operations and returns in the future.

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## **Management commentary (continued)**

### **Uncertainty relating to recognition and measurement**

Sundmark Farms K/S develops and invests in farmland properties to provide stable cash flows, but where transferability and cash flows may to a certain extent still be affected by changes in market conditions. Consequently, the fair value of the investments is based on estimates and a number of assumptions made by the Investment Manager and the General Partner on the balance sheet date.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## Statement of comprehensive income

	<u>Notes</u>	<u>2025 DKK'000</u>	<u>2024 DKK'000</u>
Revenue from contracts with tenants	1	8,077	8,041
Other operating income		55	30
Realised gains/(losses) from divestment of investment property	6	96	0
Fair value adjustments of investment property	6	4,804	48,517
<b>Operating income</b>		<u><b>13,032</b></u>	<u><b>56,588</b></u>
Administrative expenses	3	(4,644)	(3,871)
<b>Operating expenses</b>		<u><b>(4,644)</b></u>	<u><b>(3,871)</b></u>
<b>Operating profit/(loss) (EBIT)</b>		<u><b>8,388</b></u>	<u><b>52,717</b></u>
Financial income	4	4	45
Financial expenses	5	(2,914)	(1,429)
<b>Profit/(loss) for the year</b>		<u><b>5,478</b></u>	<u><b>51,333</b></u>
<b>Other comprehensive income</b>		<u><b>0</b></u>	<u><b>0</b></u>
<b>Comprehensive income</b>		<u><u><b>5,478</b></u></u>	<u><u><b>51,333</b></u></u>

**Balance sheet at 31 December 2025**

	<u>Notes</u>	<u>2025 DKK'000</u>	<u>2024 DKK'000</u>
Investment property	6	378,800	374,050
<b>Investment property</b>		<u><b>378,800</b></u>	<u><b>374,050</b></u>
<b>Non-current assets</b>		<u><b>378,800</b></u>	<u><b>374,050</b></u>
Other receivables	7	197	220
Contract assets		1,337	1,314
<b>Receivables</b>		<u><b>1,534</b></u>	<u><b>1,534</b></u>
<b>Cash and cash equivalents</b>		<u><b>2,623</b></u>	<u><b>5,540</b></u>
<b>Current assets</b>		<u><b>4,157</b></u>	<u><b>7,074</b></u>
<b>Assets</b>		<u><b>382,957</b></u>	<u><b>381,124</b></u>

**Balance sheet at 31 December 2025**

	<u>Notes</u>	<u>2025 DKK'000</u>	<u>2024 DKK'000</u>
Limited partnership capital	8	248,530	248,530
Distributions		(14,200)	(11,200)
Retained earnings		67,647	62,169
<b>Equity</b>		<u><b>301,977</b></u>	<u><b>299,499</b></u>
Mortgage loans	10	79,896	79,827
<b>Non-current liabilities</b>		<u><b>79,896</b></u>	<u><b>79,827</b></u>
Trade and other payables	9	1,084	1,798
<b>Current Liabilities other than provisions</b>		<u><b>1,084</b></u>	<u><b>1,798</b></u>
<b>Liabilities other than provisions</b>		<u><b>80,980</b></u>	<u><b>81,625</b></u>
<b>Equity and liabilities</b>		<u><u><b>382,957</b></u></u>	<u><u><b>381,124</b></u></u>

## Statement of changes in equity

	Limited partnership capital DKK'000	Distributions DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 January 2025	248,530	(11,200)	62,169	299,499
Contribution from Limited Partners	0	0	0	0
Ordinary distributions	0	(3,000)	0	(3,000)
Profit/(loss) for the year	0	0	5,478	5,478
<b>Equity at 31 December 2025</b>	<b>248,530</b>	<b>(14,200)</b>	<b>67,647</b>	<b>301,977</b>
	Limited partnership capital DKK'000	Distributions DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 January 2024	248,530	(8,700)	10,836	250,666
Contribution from Limited Partners	0	0	0	0
Ordinary distributions	0	(2,500)	0	(2,500)
Profit/(loss) for the year	0	0	51,333	51,333
<b>Equity at 31 December 2024</b>	<b>248,530</b>	<b>(11,200)</b>	<b>62,169</b>	<b>299,499</b>

The investors initially committed themselves to contributing DKK 223m (EUR 30m) to farmland investments. At 31 December 2025, the investors have contributed a net amount of DKK 249m (EUR 33.5m). Investors are requested to provide additional capital on a deal-by-deal basis, resulting in contributed capital exceeding the initially committed amount.

## Cash flow statement for 2025

	Notes	<u>2025</u> <u>DKK'000</u>	<u>2024</u> <u>DKK'000</u>
Operating profit/(loss)		8,388	52,717
Realised gains/(losses) from divestment of investment property		(96)	0
Fair value adjustments of investment property		(4,804)	(48,517)
Working capital changes	11	<u>(714)</u>	<u>1,701</u>
<b>Cash flows from ordinary activities</b>		<u><b>2,774</b></u>	<u><b>5,902</b></u>
Financial income and expenses, paid	4, 5	<u>(2,862)</u>	<u>(1,350)</u>
<b>Cash flows from operating activities</b>		<u><b>(2,863)</b></u>	<u><b>(1,350)</b></u>
Purchases of investment properties	6	0	(77,488)
Disposal of investment properties		<u>171</u>	<u>0</u>
<b>Cash flows from investing activities</b>		<u><b>171</b></u>	<u><b>(77,488)</b></u>
Contribution from Limited Partners		0	0
Distributions paid to the Limited Partners		(3,000)	(2,500)
Mortaged raised		<u>0</u>	<u>79,824</u>
<b>Cash flows from financing activities</b>		<u><b>(3,000)</b></u>	<u><b>77,323</b></u>
<b>Increase/(decrease) in cash</b>		<u><b>(2,917)</b></u>	<u><b>4,357</b></u>
Cash beginning of year		<u>5,540</u>	<u>1,183</u>
<b>Cash end of year</b>		<u><b>2,623</b></u>	<u><b>5,540</b></u>

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## Notes

### 1. Revenue from contracts with tenants

Revenue from contracts with tenants comprise contractual rental income relating to investment properties. These contain an irrevocability period and/or a notice of termination by the customer.

The contractual rental income can be allocated as follows:

	<b>2025</b>	<b>2024</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Expiry of irrevocability period within 1 year	8,005	9,082
Expiry of irrevocability period between 1-2 years	8,005	9,063
Expiry of irrevocability period between 2-3 years	8,005	9,008
Expiry of irrevocability period between 3-4 years	8,005	9,008
Expiry of irrevocability period between 4-5 years	7,105	7,448
Expiry of irrevocability period more than 5 years	8,750	10,185
<b>Contractual rental income, total</b>	<b>47,875</b>	<b>53,794</b>
Annual contractual rental income recognized in the statement of comprehensive income	<b>8,077</b>	<b>8,041</b>

### 2. Significant accounting estimates, assumptions and uncertainties

#### Fair value

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the entity uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

Valuations are performed by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued.

These valuations form the basis for the carrying amounts in the financial statements. The Company develops and invests in agricultural investment properties, the market price of which depends both on entity-specific affairs and market conditions, including market rents, interest rates, exchange rates and construction risk within the different investments.

This uncertainty may be higher during periods of high volatility in the real estate markets.

The methods applied in and the assumptions underlying the determination of the fair value in investment properties and receivables are described in note 14 to the financial statements.

## Notes

### 3. Administrative expenses

The Company has no employees.

Administrative expenses include management fee for the period to Komplementarselskabet Sundmark Farms ApS and International Woodland Company ApS, in accordance with the Investment Services Agreement and Articles of Association. For further information about management fee, please refer to note 15.

	<b>2025</b> <b>DKK'000</b>	<b>2024</b> <b>DKK'000</b>
<b>Fee to auditors appointed by the Company in general meeting</b>		
Statutory audit services	62	45
Other assurance engagements	0	0
Tax services	0	0
Other services	123	69
	<b>185</b>	<b>108</b>

	<b>2025</b> <b>DKK'000</b>	<b>2024</b> <b>DKK'000</b>
<b>4. Financial income</b>		
Interest income from bank	4	45
<b>Interest income for financial receivables</b>	<b>4</b>	<b>45</b>

	<b>2025</b> <b>DKK'000</b>	<b>2024</b> <b>DKK'000</b>
<b>5. Financial expenses</b>		
Interest expense mortgage loan	2,837	1,395
Amortization on mortgage loan	69	34
Other	8	0
<b>Interest expenses for financial liabilities</b>	<b>2,914</b>	<b>1,429</b>

## Notes

	<b>2025</b>	<b>2024</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>6. Investment properties</b>		
Cost at 1 January	323,413	245,925
Addition	12	77,488
Disposal	(66)	0
<b>Investment properties at cost, 31 December</b>	<b>323,359</b>	<b>323,413</b>
Fair market adjustment, beginning of year	50,637	2,120
Fair market adjustment, for the year	4,804	48,517
Fair market adjustment, end of year	55,441	50,637
<b>Investment properties at fair value, 31 December</b>	<b>378,800</b>	<b>374,050</b>

### Investment properties consists of agricultural properties in Denmark.

The methods applied by the Company to measure investments are evident from note 14 to the financial statements.

	<b>2025</b>	<b>2024</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>7. Other receivables</b>		
Other receivables	197	220

The carrying amount of receivables relates to investments and VAT.

No losses on receivables have been realised, hence no provisions for expected credit loss (ECL) have been recognised in the consolidated financial statements.

### 8. Limited partnership capital

The limited partnership capital has not been divided into classes.

	<b>2025</b>	<b>2024</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>9. Other payables</b>		
Other payables	1,084	1,798

The carrying amount of payables relates to investment properties, legal fees, auditor's fees, travel costs etc. Other payables fall due for payment within 12 months.

## Notes

### 10. Mortgage loans

Loan	Maturity	Fixed / varia- ble	Effective interest rate		Carrying amount	
			2025	2024	2025 DKK'000	2024 DKK'000
DKK, 20,795,000	01.07.2027	Fixed	3,62%	3,62%	20,773	20,752
DKK, 13,320,000	01.07.2027	Fixed	3,62%	3,62%	13,305	13,296
DKK, 9,067,000	01.07.2027	Fixed	3,62%	3,62%	9,054	9,046
DKK, 7,512,000	01.07.2027	Fixed	3,62%	3,62%	7,502	7,496
DKK, 6,400,000	01.07.2027	Fixed	3,62%	3,62%	6,390	6,385
DKK, 5,400,000	01.07.2027	Fixed	3,62%	3,62%	5,392	5,393
DKK, 4,850,000	01.07.2027	Fixed	3,62%	3,62%	4,842	4,838
DKK, 3,048,000	01.07.2027	Fixed	3,62%	3,62%	3,044	3,041
DKK, 3,000,000	01.07.2027	Fixed	3,62%	3,62%	2,995	2,991
DKK, 2,608,000	01.07.2027	Fixed	3,62%	3,62%	2,604	2,602
DKK, 2,000,000	01.07.2027	Fixed	3,62%	3,62%	1,996	1,994
DKK, 2,000,000	01.07.2027	Fixed	3,62%	3,62%	1,996	1,993
<b>Weighted average</b>						
<b>interest rate / total</b>			<b>3,62%</b>	<b>3,62%</b>	<b>79,896</b>	<b>79,827</b>

Mortgage loans are distributed as follows:

	2025 DKK'000	2024 DKK'000
1-5 year	79,896	79,827
> 5 years	0	0
	<b>79,896</b>	<b>79,827</b>

The mortgage loans are irrevocable for a period of 30 years until 2054. However, the loan terms are renegotiated every three years, with the next renegotiation scheduled for 2027.

#### Interest rate risk

Interest rate risk mainly relates to interest-bearing debt with floating interest rates. The company's mortgage debt has a fixed interest rate, where changes in interest rates will not affect earnings. The remaining interest-bearing net debt is not considered to be a significant amount, so moderate changes in interest rates will not have any significant direct effect on earnings.

### 11. Working capital changes

	2025 DKK'000	2024 DKK'000
Change in receivables	0	512
Change in payables	(714)	1,189
	<b>(714)</b>	<b>1,701</b>

## Notes

	<b>2025</b>	<b>2024</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>12. Financial instruments</b>		
Other receivables	197	220
Contract assets	1,337	1,314
Cash and cash equivalents	2,623	5,540
<b>Receivables measured at amortised cost</b>	<b>4,157</b>	<b>7,074</b>
Mortgage loans	79,896	79,827
Other payables	1,084	1,798
<b>Financial liabilities measured at amortised cost</b>	<b>80,980</b>	<b>81,625</b>

All financial liabilities except mortgage loans are due for payment within 12 months. Please refer to note 10 for specification of mortgage loans.

Historically, no losses on receivables have been realised, hence no provisions for expected credit loss (ECL) have been recognised in the statement of comprehensive income. The risks of the Company are considered limited.

## 13. Financial risk management

The General Partner is ultimately responsible for the overall risk management within the Company but has delegated the responsibility to the Investment Manager.

The Company pursues an investment strategy approved by the Limited Partners and invests in agricultural investment properties. The Company's risk management processes include identification, measurement, monitoring, reporting and mitigation of the identified risks to minimise the potential negative effects at Company level.

Key financial risk factors and exposure regarding the financial statements for 2025 can be categorised as follows:

## Notes

### 13. Financial risk management (continued)

#### Financial risk factors

##### Liquidity risks

	<b>Less than 1 year DKK'000</b>	<b>Between 1 and 5 years DKK'000</b>	<b>After 5 years DKK'000</b>	<b>Total DKK'000</b>
Other payables	1,084	0	0	1,084
<b>31 December 2025</b>	<b>1,084</b>	<b>0</b>	<b>0</b>	<b>1,084</b>
	<b>Less than 1 year DKK'000</b>	<b>Between 1 and 5 years DKK'000</b>	<b>After 5 years DKK'000</b>	<b>Total DKK'000</b>
Other payables	1,798	0	0	1,798
<b>31 December 2024</b>	<b>1,798</b>	<b>0</b>	<b>0</b>	<b>1,798</b>

The Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company's liquidity risk is considered insignificant as liabilities are payable within one year. In addition, no indication of the Limited Partners' inability to contribute the remaining Company commitment exists as well as future income from investments is expected to settle the outstanding amount.

##### Credit risks

Credit risk relates to the risk of non-performing receivables and impairment of the Company's rent receivables from investments properties.

The maximum credit risk related to other receivables equals the carrying amount. There is no indication of non-performing other receivables at the balance sheet date. Likewise, there is no impairment of other receivables e.g. at the balance sheet date as it is assessed that the debtors will fulfil the individual facility agreements.

Credit risk related to cash and cash equivalent is considered immaterial. Furthermore, all applied bank connections have a high and sound credit rating.

	<b>2025 DKK'000</b>	<b>2024 DKK'000</b>
Other receivables	197	220
Contract assets	1,337	1,314
Cash and cash equivalents	2,623	5,540
<b>Credit risk</b>	<b>4,157</b>	<b>7,074</b>

## Notes

### 13. Financial risk management (continued)

#### Interest rate risk

Interest rate risk mainly relates to interest-bearing debt with floating interest rates. The company's mortgage debt has a fixed interest rate for three years, where changes in interest rates will not affect earnings. The next renegotiation of interest rates is set to 01.07.2027. The remaining interest-bearing net debt is not considered to be a significant amount, so moderate changes in interest rates will not have any significant direct effect on earnings.

#### Market risks

In the event of an economic slowdown, there is a risk that a weakening of the property market may adversely affect Sundmark Farms. In the rental market this can generally mean that leases are terminated due to lack of liquidity at the tenant and the demand for leases generally decreases, and that Sundmark Farms therefore experiences declining rental rates. In the longer term, this may lead to a weakening of the rental conditions, including pressure on the level of rental income that can be achieved for each lease. At the same time, a financial slowdown increases the risk that Sundmark Farms customers and other parties to the agreement will not be able to honor their obligations, including the payment of rent. Overall, an economic slowdown and a weakening of the property market can lead to falling earnings, increasing yield and thereby decreasing market value of Sundmark Farms property. Sundmark Farms have their investment property spread out in Denmark with property in north Jutland, west Sealand, south Sealand and south Jutland.

Further, as Sundmark Farms solely is focusing on Danish agricultural properties, it is subject to changes in European Union's Common Agricultural Policy and subsidies.

#### Capital management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for limited partners and to maintain an optimal capital structure to reduce the cost of capital.

The Company strategy allows the Investment manager to use gearing ratio within 0% to 35% based on Danish mortgage loans. The Company is currently maintaining a gearing ratio of 21%.

#### Climate risk

The company recognises that climate-related risks, including extreme weather events and flooding, pose significant challenges to its agricultural farming areas. However, due to the inherent difficulty in accurately estimating the financial impact of these risks, they have not been factored into the fair value measurements of the agricultural farming areas. Management is actively monitoring the development of climate-related risks and their potential effects on the company's assets. Despite this, the current fair value assessments are based on market data and exclude speculative adjustments for climate risks. The company remains committed to reassessing these valuations as more reliable data becomes available.

## Notes

### 14. Fair value hierarchy for investment property

The fair value of the investments is measured on a quarterly basis, or more frequently if significant changes occur.

The Investment manager has implemented procedures and methodology to ensure that the valuation is carried out consistently over time and across investments.

#### Methods applied in and assumptions underlying the determination of fair values of investments

The investment properties (Level 3 in the fair value hierarchy) are valued on a quarterly basis.

Each property is valued ('full valuation') by an external professional valuar annually. The full valuation is updated by the external valuar 6 months later. In the quarters in between the external valuations IWC prepares an internal desktop valuation. The external valuations are based on the professional valuar's in-dept knowledge of the local farmland property markets. The internal desktop valuations are based on comparable sales based on public property transaction data. The Company aims to have for one quarter ( $\frac{1}{4}$ ) of the investments a full external valuation each quarter to spread external valuations over the year. The first full external valuation is carried out approximately 6 months after acquisition (pending the valuation cycle). From acquisition until the first external valuation the properties are measured at cost.

For investments where the comparable sales method is not feasible due to insufficient data or uncertainty of comparability the fair value of each investment property has been estimated by applying methods that best reflect the risks and the stage of each investment, e.g. assumptions related to rent per hectare farmland, inflation rates, yield requirements in % and discount rate.

#### Fair value hierarchy for investment property measured at fair value in the balance sheet

Below, financial instruments measured at fair value are classified using the fair value hierarchy:

- Quoted prices in active markets for identical instruments (Level 1)
- Quoted prices in active markets for similar assets or liabilities or other valuation methods under which all material inputs are based on observable market data (Level 2)
- Valuation techniques under which any material inputs are not based on observable market data (Level 3)

It is the Company's policy to incorporate the classification of financial assets (changes/transfers between levels 1 and 3) in the financial statements if their classification changes during the financial year. There have not been any transfers between the levels during the financial year and all investments are classified as Level 3 investments.

## Notes

### 14. Fair value hierarchy for investment property (continued)

#### Material unobservable inputs for Level 3

Investment property measured at fair value in the balance sheet are based on valuation techniques that include material unobservable input. Material unobservable inputs mean in this context that the valuation is dependent on a return requirement that contains several components that cannot be observed on trading markets, for example project-specific risks and illiquidity prices. The primarily unobservable input in the valuation is the price per hectare.

#### Hectare prices

The Investment properties consist of primarily agricultural farming areas. In Denmark these areas are traded based on the hectare prices. The prices are dependent on where in the country the property is located, on the quality of soil, on field size and potential harvest yield. Hectare prices on the investment properties are in the range of 160 DKK'000 to 410 DKK'000.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>2025</b>				
Investment property	0	0	378,800	378,800
<b>Financial assets measured at fair value through profit or loss</b>	<b>0</b>	<b>0</b>	<b>378,800</b>	<b>378,800</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>2024</b>				
Investment property	0	0	374,050	374,050
<b>Financial assets measured at fair value through profit or loss</b>	<b>0</b>	<b>0</b>	<b>374,050</b>	<b>374,050</b>

For 2025 the fair value of investment property is based on the internal valuation process by the management, which is further complimented by externally valuation reports prepared in the fourth quarter. Based on this there has been made a sensitivity analysis on non-observable input.

## Notes

### 14. Fair value hierarchy for investment property (continued)

#### Sensitivity analysis

The fair value of the investment property is affected by the development in the Return On Capital (ROC). A decrease or increase in the material unobservable input will have a direct effect on the valuation of the Investment properties.

A change in the unobservable inputs used will have the following effects on the fair value of the Investment property:

	<b>2025</b> <b>DKK'000</b>	<b>2024</b> <b>DKK'000</b>
A change in ROC of + 0.5% will affect the fair value with:	(65,896)	(64,713)
A change in ROC of – 0.5% will affect the fair value with:	<u>114,809</u>	<u>101,048</u>

### 15. Related parties

#### Related parties with a controlling interest

The Limited Partnership has a single investor with a controlling interest. See note 17.

	<b>2025</b> <b>DKK'000</b>	<b>2024</b> <b>DKK'000</b>
<b>Related party transactions</b>		
The General Partner receives a fee for its liability towards Sundmark Farms K/S as per the Articles of Association		
<b>Payment to the General Partner</b>	<u>2</u>	<u>2</u>
IWC (the Investment manager) is considered a related party of the Company due to direct or indirect control and transactions		
<b>Management fee</b>	<u>1,821</u>	<u>1,505</u>

There are no other key relationships, which are considered material to the financial statements.

### 16. Contingent liabilities

The Company has no contingent liabilities.

### 17. Investors

The Limited Partnership has registered the following Limited Partners as holding more than 5% of the voting rights or nominal value of the contributed capital:

<b>Limited Partner</b>	<b>Residence</b>	<b>Ownership percentage</b>
SDG Den Farmland B.V	Beethovenstraat 300, 1077WZ Amsterdam	100%

## Notes

### **18. Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

### **19. Authorisation of the annual report for issue**

At the meeting held on January 23, 2026, the General Partner authorised this annual report for issue on January 23, 2026.

The annual report will be submitted to the Limited Partnership's Limited Partners for adoption at the Annual General Meeting on January 23, 2026.

## Notes

### 20. Accounting policies

#### Reporting class

The financial statements of Sundmark Farms K/S have been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

All of the new and amended Standards and Interpretations which are relevant to the Company, and which came into force with effect for financial years beginning 01.01.2025 have been applied when preparing the financial statements.

These Standards have not had an impact on the Company's Annual Accounts.

There are no other Standards, Interpretations or amendments to existing Standards that are not yet effective that would be expected to have an impact on the Fund.

Sundmark Farms K/S is a Limited Partnership based in Denmark.

The financial statements are presented in Danish Kroner (DKK), which is the functional currency of the Company.

The financial statements are presented on the basis of going concern.

The financial statements are presented on the basis of historical cost, except for the investment property, which are measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

All amounts in the financial statements are presented in whole DKK thousand. Every figure is rounded off separately and, for that reason, minor differences between the stated totals and the sum of underlying figures may occur.

Judgements made by the General Partner in the application of IFRS Accounting Standards that have had significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

## Notes

### 20. Accounting policies (continued)

#### Defining materiality

If a line item is not individually material, it is aggregated with other items and notes of a similar nature in the financial statements or in the notes. There are substantial disclosure requirements throughout IFRS Accounting Standards. Disclosures required by IFRS Accounting Standards are provided unless the information is considered immaterial to the economic decision-making of the users of these financial statements or not applicable.

The most significant accounting policies are set out overleaf.

#### Significant accounting judgements and estimates

As part of the preparation of the financial statements, the Investment Manager and the General Partner made a number of accounting judgements which affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. The most significant accounting judgements are evident from note 2 to the financial statements.

#### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably. Assets are derecognised in the balance sheet when it is no longer probable that future economic benefits will flow to the Company.

Purchase and sale of financial assets and liabilities are recognised in the balance sheet at the commitment date.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of an event before or on the balance sheet date, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably. Liabilities are derecognised in the balance sheet when it is no longer probable that economic benefits will have to be given up to settle the liability.

On initial recognition, assets and liabilities are measured at cost, however, investment assets are measured at fair value on initial recognition, typically equalling cost exclusive of directly incurred expenses (direct transaction costs). Measurement subsequent to initial recognition is affected as described below for each financial statement item. Allowance is made for events occurring from the balance sheet date to the date of presentation of the annual report, and which confirm or invalidate affairs and conditions existing at the balance sheet date.

Income is recognised in the statement of comprehensive income when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Notes

### 20. Accounting policies (continued)

#### Foreign currency translation

Items included in the financial statements of the Company are measured in the currency of the primary economic environment in which the Company operates (the “functional currency”). The financial statements of the Company are presented in the currency unit (DKK, Danish kroner), which is the Company’s functional currency.

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

#### Statement of comprehensive income

##### Revenue recognition

Revenue includes rental income. Rental income from operating leases is recognised on a straight-line basis over the lease term. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company’s activities.

##### Income/(loss) from investment property

Income from investment property companies comprises gains/(losses) from divestments and fair value changes.

Realised gains/losses from divestment of investment property are stated as the difference between the selling price or disposal consideration and the carrying amount of the portfolio companies at the time of sale or disposal, respectively.

##### Administrative expenses

All expenses are recognised in the statement of comprehensive income on the accrual basis.

Administrative expenses comprise expenses incurred during the financial year not directly related to the Company’s investment activities.

General due diligence costs and general administration etc including management fees have been expensed by the amounts attributable to this financial year.

##### Financial income and expenses

Financial income and expenses comprise interest income and various expenses including amortization, and net exchange rate adjustments on transactions in foreign currencies.

Interest income and interest expenses are stated on an accruals basis using the principal interest rate.

## Notes

### 20. Accounting policies (continued)

#### Income taxes

Under current Danish law governing the Company, it is not independently taxable because the Company's profit/loss for the year is included in the Limited Partners' taxable income.

#### Balance sheet

##### Investment properties

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions. Changes in fair values are recognised in the income statement. Investment properties are derecognised when they have been disposed of.

The fair value is calculated equivalent to an estimated fair value that is determined based on market information and generally accepted valuation techniques, including benchmarking, DCF or other relevant methods, which are considered to provide the best estimate of the fair value.

For further information about the measurement of fair values, please refer to note 14.

Sundmark Farms use of external independent valuer for valuation of fair value of the investment properties.

##### Other receivables

Other receivables are measured at amortized cost, usually equaling nominal value.

##### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

##### Cash and cash equivalents

Cash comprises cash in bank deposits.

##### Mortgage loans

Mortgage loans are initially recognized at fair value (typically the proceeds received) net of any transaction costs incurred. In subsequent periods, the liabilities are measured at amortized cost, so that the difference between the cost (proceeds) and the nominal value is recognized in the statement of comprehensive income for the year as interest expense over the term of the loan, using the effective interest rate method.

##### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

## Notes

### 20. Accounting policies (continued)

#### Cash flow statement

The cash flow statement of the Company is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Company's cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items and working capital changes.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of investments.

Cash flows from financing activities comprise cash changes in the size or composition of the contributed capital and cash payment of distributions to the Limited Partners.

Cash comprises cash in bank deposits.

#### Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios		Calculation formula	Ratios reflect
Liquidity ratio (%)	=	$\frac{\text{Current assets} \times 100}{\text{Current liabilities other than provisions}}$	The entity's financial strength.
Solvency ratio (%)	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The entity's financial strength.
Return on equity (%)	=	$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$	The entity's profitability.