

Annual Report

For the financial year 1 January - December 31, 2022

NREP A/S

Sub name: Urban Partners A/S

Cvr. nr. 29168709

Southamptongade 4

DK-2150 Nordhavn

The Annual Report was presented and
adopted at the Annual General meeting on
the 7 June 2023

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of NREP A/S for the financial year 1 January to 31 December 2022.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. The Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements gives a true and fair view of the financial position at 31 December 2022 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for 1 January to 31 December 2022.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial matters of the group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company.

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

Nordhavn, 1 June 2023

Executive Board

Claus Schei Mathisen

Henrik Skak Bender

Board of Directors

Mikkel Bülow-Lehnsby
Chairperson

Jim Hagemann Snabe
Vice Chair

Morten Beck Jørgensen

Rasmus Nørgaard

Celia Francis

Independent Auditor's report

To the Shareholders of NREP A/S

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2022 and of the results of the Group's operations and cash flows for the financial year 1 January 2022 to 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2022 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of NREP A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis

of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the Parent 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 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 judgment 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 over-ride 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 1 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Wraae Holm
State Authorised Public Accountant
Mne30141

Qasam Hussain
State Authorised Public Accountant
Mne44159

Company information

The Company

NREP A/S
Subname: Urban Partners A/S
Southamptongade 4
DK-2150 Nordhavn
Website: www.nrep.com

CVR No: 29 16 87 09
Financial period: 1 January - 31 December
Incorporated: 2 November 2005
Financial year: 17th financial year
Municipality of reg. Office: Copenhagen

Board of Directors

Mikkel Bülow-Lehnsby, Chairman
Jim Hagemann Snabe, Deputy Chairman
Celia Francis
Rasmus Nørgaard
Morten Beck Jørgensen

Executive Board

Claus Schei Mathisen
Henrik Skak Bender

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Lawyers

Bruun & Hjejle
Nørregade 21
DK-1165 København K

Bankers

Danske Bank A/S
Strødamvej 46
DK-2100 København Ø

Financial highlights – 5 years

Seen over a five-year period, the development of the group is described by the following financial highlights:

tDKK	Group				
	2022	2021	2020	2019	2018
Profit/loss					
Revenue	1,360,125	630,588	525,303	294,662	249,927
Operating profit/loss	889,348	344,390	359,351	197,198	184,676
Profit/loss before financial income and Expenses	24,891	68,459	90,370	35,990	48,179
Net financials	(11,133)	(5,080)	(11,779)	2,495	(2,996)
Net profit/loss for the year	7,758	82,148	90,152	50,323	33,506
Balance sheet					
Balance sheet total	1,934,922	1,178,705	931,959	403,089	267,154
Equity	730,834	712,985	637,286	191,568	140,734
Cash flows					
Cash flows from:					
- Operating activities	41,749	(139,572)	173,115	35,093	20,611
- Investing activities	(66,074)	(171,183)	(91,447)	(13,454)	(16,278)
- Including investment in property, plant and equipment	(21,682)	(6,454)	(1,649)	(12,288)	(858)
- Financing activities	120,997	(20,617)	361,053	(6,012)	11,314
Change in cash and cash equivalents for the year	96,672	(331,372)	442,721	15,627	15,647
Average number of employees	590	385	230	151	121
Ratios					
Gross margin	65.4%	54.6%	68.4%	66.9%	73.9%
Profit margin	1.8%	10.9%	17.2%	12.2%	19.3%
Return on assets	1.3%	5.8%	9.7%	8.9%	18.0%
Solvency ratio	37.8%	60.5%	68.4%	47.5%	52.7%
Return on equity	1.1%	12.2%	21.8%	30.3%	35.3%

The ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts. The ratios are defined as follows:

Gross margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Management review

Key activities

Urban Partners is a platform of vision-aligned investment verticals shaped around urban problem solving. The company exist to power the progress of cities and citizens by investing to help solve the most pressing urban problems – and does so by uniting insights, stakeholders, and capital. The aspiration is to deliver a long-term positive impact alongside attractive returns.

The platform of Urban Partners holds four vision-aligned investment verticals shaped around urban problem solving. With close to DKK 150 billion under management, the verticals invest in assets, companies, technologies, and solutions:

- **NREP** is a real estate investor committed to driving real change in the industry with a holistic ESG focus. With a successful track record, NREP is known for its ability to reimagine the built environment, including several large-scale neighborhood developments. **NREP manages one of Europe’s largest real estate funds and runs a platform with over 8 million square meters across eight countries. The company’s carbon pledge is one of the most progressive in the industry with a target of becoming Net Zero by 2028.**
- **2150** is a venture capital firm investing in the sustainable reshaping of the broad urban environment. 2150 backs entrepreneurs working at the forefront of the green transition and helps scale the companies and technologies with long-term equitable impact across the whole ‘urban stack’, including how cities are built, designed, constructed, and powered, to the way people live, work and are cared for.
- **Velo Capital** provides flexible real estate credit solutions, helping its customers focus on sustainable assets. With 10 years of alternative real estate credit track record, Velo oversees three active funds with approximately EUR 1 billion Asset under Management, focusing on real estate assets in Germany’s top cities. Velo Capital is currently in the process of launching new credit strategies across Northern Europe, with a keen focus on green financing.
- **Luma Equity**, the newest innovation to our platform, is an impact private equity investor with an ambition to aid the transition to sustainable cities. Building on the combined Urban Partners impact leadership, end-market expertise and network, Luma Equity drives an integrated impact and investment value creation model. Luma Equity will partner with strong management teams in scaling up the required proven green solutions and business models required to reach truly sustainable cities.

Urban Partners was founded in 2005 on a bedrock of strong, Nordic values, originally under the name ‘Nordic Real Estate Partners’. Today, the company has investments in 15 countries, offices in 8 markets and a total of approx. 700 employees. Across verticals, Urban Partners has three current priorities: 1) decarbonize the built environment; 2) (re)generate urban neighborhoods; and 3) pioneer problem-solving partnerships to bridge the gap between interests of people, cities, and capital.

In this Report, Urban Partners is referring to the Group and NREP A/S is referring to the Parent company.

Key development in the year

The income statement of the Group for 2022 shows a surplus off DKK 7.8 million and at 31 December 2022 the balance sheet of the Group shows equity of DKK 730.8 million compared to a Group profit of DKK 82.1 million in 2021 and an equity of DKK 713.0 million at 31 December 2021.

2022 has been a very eventful year for Urban Partners with a several major milestones achieved. Below are some of the main notable events and activities in 2022:

- The perpetual Income+ fund (NIP) raised additional capital, totaling EUR 1.6 billion at second close
- A new partnership was formed with C40 to collaborate on 15-minute city pilots
- Introduction of carbon tax to speed up decarbonization (NREP)
- The company entered Germany with its first real estate equity investment (NREP)

- Jens Stender, Partner, assumed the role of Co-CEO in support of Claus Mathisen, CEO. Also, Rune Kock, Partner, was announced as CEO for the real estate vertical (NREP). Finally, Colin Throssell joined as CFO and Partner

In 2022, Urban Partners onboarded further 216 new employees bringing the total number of employees at end of 2022 to 688, equivalent to average 590 FTE.

The launch of Urban Partners as a brand and platform happened on May 5 2023, and was carried out as a co-registration of the Urban Partners name in Denmark and other markets where co-registrations are possible.

Follow-up on development expectations from last year

Management considers the financial result to be **satisfactory** particularly in light of the general market turmoil that was seen over 2022.

Revenue increased by 116% (DKK 729.5 million) which is higher than the expected 25%. This is mainly due to new funds raised and funds committed investments ended higher than expected which is particularly good in the current market environment. Other administrative expenses increased by 64% (DKK 184.6 million) as a result of the investment in organizational infrastructure and preparation for deploying new capital for our new funds activities to be launched in 2023.

In 2022, Urban Partners welcomed 216 new employees. The number of employees increased with 46% which is higher than the expected 30-40% for the year. Focus has been recruitment of high-level professionals, with particular focus on real estate investment teams and credit business professionals as well as the continued build-up and competency-enhancement of corporate functions to enable the strong growth of Urban Partners in a sustainable manner, with strengthened systems and infrastructure and a maturing control environment

Profit before taxes (excluding depreciation, amortization, impairment losses, financials and promote) ended on DKK 93.6 million which is higher than the expected range of DKK 70-80 million.

Profit before taxes shows a profit of DKK 21.0 million (2021: profit of DKK 52.8 million). The lower result year on year is mainly driven by higher operating expenses

and investment in new business areas which Urban Partners considers to be an investment into higher future profitability such as credit etc.

Targets and expectations for the year ahead

Urban Partners' management expects a higher level of activity during 2023.

With the launch of Urban Partners' new NSF V, fund management fees and other income in 2023 is expected to increase by 5-10% compared to 2022. Whilst additional new fund products are also being considered; however, they are likely to launch later in 2023 or potential as late as 2024 and are therefore anticipated to have limited impact on the 2023 results of the Group.

Costs are expected to increase, as Urban Partners continues to build its organization and will seek to increase the number of employees but in a slower pace than previous years. Urban Partners expects to increase number of employees in a range of 5-10%.

Whilst NREP-related investment in particular are expected to stabilize and deliver solid profitability, investments into new strategies and verticals (eg Luma Equities and Velo Capital) will themselves potentially outpace the revenue stream associated with these areas, such that overall profitability is expected to increase but at a slower rate than would otherwise be the case.

Overall, the result for the coming year is expected to be somewhat higher than in 2022 and in line with the longer-term strategic plans of the Group. Profit before taxes (excluding depreciation, amortization, impairment losses, financials and promote) is expected to be in the range of DKK 70-80 million.

Special risks - operating risks and financial risks

The Group regularly defines, monitors, and manages its external risks (including foreign exchange risk, credit risk, investment risk, liquidity risk, reputation risk et. al.) to align with the risk appetite of its stakeholders.

Market risks

Management fees received from funds are primarily based on the committed or deployed capital. In Management's assessment, the risk profile of the Urban Partners is normal for this Market.

The value assessments of properties, held directly or indirectly through equity investments, are inherently subject to some degree of uncertainty. In order to limit the risk to the greatest extent, all relevant properties have been assessed by external valuers, who are independent of the company.

In 2022 the war had a very limited direct business impact on Urban Partners as the business has no assets in Russia, Belarus, or Ukraine and as it predominantly operates close end funds with fees associated with equity commitments, short term valuation fluctuation does not materially impact income.

The greatest impact from the war has been the rapid construction cost inflation across a broad range of building materials and energy where Russia has been a major supplier. Urban Partners has not had any major delays or direct losses as a result of increased construction costs. As such the war in Ukraine had a moderate impact on the Group's real estate investment activity during 2022 (mainly affecting development projects) but the impact has been manageable.

A further impact and one that we anticipate having ongoing effects in 2023 is the effect from general inflation and increasing interest rates. Urban Partners is experiencing higher interest rates on real estate related leverage and generally greater nervousness from the lending sector to provide credit. This is resulting in lower loan-to-cost (LTC) and loan-to-value (LTV) levels provided by the banks, reducing the return potential for new investments currently.

As a result of these factors, Urban Partners' focus is on securing successful exits for the current investments in the exit pipeline as well as carefully managing the financing risk for new commitments.

Foreign exchange risks

The Group primarily receives management fees in EUR, whereas the Group's expenses are distributed between DKK, SEK, NOK, PLN, GBP and EUR. This implies a risk in respect of exchange fluctuation of which the main part is however covered for operating purposes by matching income and expenses in the same currency. Urban Partners has a dedicated Treasury function which focus on treasury related risk areas.

Interest rate risks

NREP A/S and affiliated companies have little exposure to interest rate risk as external financing is limited to a working capital facility and a mortgage loan.

The Urban Partners Group might be indirectly exposed to interest rate risk through the Funds' performance. Funds have a dedicated policy for their own interest rate risk exposures.

Development activities

During 2022 investments of DKK 12 million were made in development activities. Development projects include investments in digitalization projects and zero carbon activities and few new platforms as well as specific joint ventures with the aim to support the long-term strategy and focus areas of Urban Partners.

External environment

Urban Partners considers effective environmental risk management and sustainability a prerequisite to operate. Additionally, it sees it as an integrated part of ensuring and improving the long-term value-creation of its investments. Effective environmental management not only mitigates potential risks and liabilities, it can also improve net operating income, capital requirements and residual value.

Urban Partners is committed to establishing sustainable relationships with the local stakeholders that are impacted by its business activities. This is to ensure mutual respect and understanding, active partnerships and shared benefits to support the long-term development of individual projects. Well beyond mere regulatory compliance, Urban Partners' ambition is to have a positive impact on the local communities in which we invest.

Urban Partners explicitly includes sustainability as a key component in its investment policy and investment decision-making.

Corporate Social Responsibility

Urban Partners business model is described in the Management Review, under the Key Activities section.

Urban Partners has a policy to take a pioneering role in solving global and local sustainability challenges related to real estate. Urban Partners want to develop better real estate products that enable:

Citizens to live in environmentally sound and healthy houses at all stages of their life. Businesses to run their businesses sustainably by offering environmentally sound and healthy buildings. Environmentally sound and healthy urban development for a prosperous society.

Urban Partners' policies on environmental, social sustainability and health & safety articulate the Urban Partners' strategic commitment to build a prosperous future and are an integral part of Urban Partners' approach to risk management and value creation.

While buildings and development provide countless benefits to society, they also have significant environmental impacts. For example, approximately 40 % of the total energy use in the society, can be allocated to the operation of buildings and roughly 40% of global raw material are used in buildings. Urban Partners focus on effective energy use, on reusing and recycling resources with greater effectiveness.

Urban Partners translate the policy into action by striving to ensure that Urban Partners' assets undergo environmental improvement during the ownership. This also include sustainability assessments in the due diligence process and developing a plan for improvement. In developments and new constructions, the company constantly strive to leap-frog and transform existing practices and processes for better environmental outcomes and to pursue opportunities for increasing provision of natural energy. Risk management related to sustainability is a part of the policy.

Urban Partners' activities are exposed to various environmental risks including, but not limited to, physical climate risk and transition risk. Physical risks being storms, floods, heavy rain which are some of the most common physical risks in the Nordics. Transition risks are business-related risks that follow societal and economic shifts toward a low-carbon and more climate-friendly future. These risks can include policy and regulatory risks, technological risks, market risks, reputational risks, and legal risks.

Urban Partners' efforts to contribute to combatting climate change by reducing embodied and operational carbon footprint are highly aligned with Urban Partners' efforts to mitigate such climate change risks.

Urban Partners aspires to achieve a net-zero carbon portfolio by 2028 and we are utilizing multiple levers to get there, both during and after the construction phase, for example: design/build properties to reduce embodied emissions, design/retrofit to reduce in-use energy intensity, increase on-site and off-site renewables and procure energy from renewable sources.

For 2022, Urban Partners results and progress of the Environmental conditions are considered satisfactory. In the future, Urban Partners will continue to focus on this area and the ambition is to reach net zero emissions by 2028 for operational and embodied carbon emissions from real estate assets where Urban Partners has operational control as defined in Urban Partners' decarbonization policy. Urban Partners is committed to take a leading role in the green transition.

Social and personnel conditions

In order to achieve the Urban Partners' long-term objectives and deliver on its purpose, Urban Partners policy is to build a team of different complementary personalities, skills and backgrounds, that work together in a culture where Urban Partners value the differences. Urban Partners seeks a working environment that enables everyone to unleash their full potential and, at the same time, be treated fairly, equally, and respectfully.

Urban Partners translate the policy into action by enforcing a non-discriminatory and fair treatment as a natural principle and value that permeates all business activities. Urban Partners has since inception diligently focused on building a working environment and culture that is characterized by caring, equality, diversity, and respect, and that is free from oppression, discrimination, harassment, and bullying.

Urban Partners is committed to ensure compliance with local labor legislations and requirements in countries of operation. Employee satisfaction is measured on a continuously basis, on several KPI's, including, but not limited to: Leadership, Job satisfaction, Personal development, Commitment, Handling of Covid-19.

The built environment has a profound impact on human health and wellbeing, both physically, mentally, and socially. By especially focusing on human-centric design, healthy materials, and smart integration and co-existence with nature, Urban Partners aspire to create healthy, supportive, beautiful, and diverse communities and environments.

Urban Partners seeks the best possible outcome with the stakeholders and is committed to establishing sustainable relationships to ensure social sustainability of its assets and any development projects. Urban Partners recognizes that, at every stage of development and operation potential, negative effects may occur due to lack of communication and stakeholder engagement. In the short and long terms, good management of communication and relationship with local stakeholders is essential to the business success of the developments and standing assets with potential impacts on local stakeholders.

Urban Partners' activities are exposed to various social and personnel risks including, but not limited to social risk and health and wellbeing. Urban Partners is assessing this risk along with several of other risks, as an integral part of Urban Partners' process from lead stage and initial screenings through to Due Diligence and eventually Investment Committee. The risk assessments flags identified or potential risks that either requires further investigation or requires a next level screening to de-select the opportunity. Identified risks are, in subsequent steps, investigated in more detail to understand if they can be managed/mitigated in a way that meets Urban Partners' underwriting and ESG requirements.

Urban Partners has made their Work Environment and Diversity policy available to all employees on its intranet. All employees are encouraged to regularly review this in order to ensure that Urban Partners meets its legal obligations as well as its moral obligations within the areas of equal treatment.

During 2022, Urban Partners has completed or are in the process of completing residential units of addressing student housing, community-based living, mixed generation communities, senior housing, care homes or rental apartments, as part of Urban Partners' journey to address societal challenges.

For 2022, Urban Partners' results and progress for Social and personnel conditions is considered satisfactory. Urban Partners expect to continuous focus on this area in the future.

Respect for human rights

Urban Partners does not tolerate slavery or human trafficking within its business or supply chains. Urban Partners has implemented an Anti-trafficking and slavery Policy and applies this policy to all employees, temporary workers, contract workers and third parties acting on the Urban Partners' behalf.

Urban Partners makes the policy available to all employees on its intranet, in order to ensure awareness of the topic of slavery and human trafficking and ensure that Urban Partners meets both its legal obligations as well as its moral obligations. All new suppliers or partners must provide assurance that they do not engage in slavery or human trafficking.

The provisions of this policy are subject to compliance with applicable legal requirements in the Urban Partners' countries of operation.

Urban Partners' activities are exposed to various human rights risks including, but not limited to reputational risk of noncompliance.

As a minimum, Urban Partners will meet all local requirements (including but not limited to requirements regarding local community consultation), assess risks and opportunities as part of due diligence and, in addition, proactively engage with relevant local stakeholders to mitigate risks where potential risks are identified.

Urban Partners communicates the policy to employees, suppliers, and contractors to inspire, motivate, create awareness and to actively invite for broad participation.

Urban Partners presents the policy to all onboarding employees and annually to the rest of Urban Partners, in order to ensure awareness of the topic of slavery and human trafficking and ensure that Urban Partners meets both its legal obligations as well as its moral obligations. For 2022, Urban Partners' results and progress for respect for human rights is considered satisfactory. In the future, Urban Partners will continue focus on this area.

Anti-corruption and bribery

Urban Partners is committed to conducting all of its business operations in an honest, fair, transparent and ethical manner. Corruption inhibits economic growth and affects business operations, employment and investments. In order to avoid the negative consequences of corruption, the Urban Partners has

implemented an Anti-Bribery and Corruption Policy, prohibiting any form of corruption and bribery in connection with its business activities.

The Risk and Compliance Committee monitor the implementation of this policy and coordinate periodic training on this policy for the Urban Partners' employees.

Urban Partners' activities are exposed to various anti-corruption and bribery risks including, but not limited to reputational risk and risk of noncompliance.

Urban Partners will, as a minimum meet, all local requirements (including but not limited to requirements regarding local community consultation), will assess risks and opportunities as part of due diligence and will proactively engage with relevant local stakeholders, where potential risks are identified, to mitigate risks.

Urban Partners communicates its policy to employees, suppliers, and contractors to inspire, motivate, create awareness and to actively invite for broad participation.

For 2022, Urban Partners' results and progress for Anti-corruption and bribery is considered satisfactory. Urban Partners will continue to focus on this area in the future.

Account of the gender composition of management

Urban Partners is committed to encourage a working environment that promotes equality, inclusion, and diversity by providing equal opportunity for employment, training, advancement, and development.

Urban Partners has developed a Work Environment and Diversity Policy, in order to promote equality and diversity and is committed to never discriminate employment or remuneration because of race, color, religion, sex, political opinion, national extraction, social origin or any other attribute which bears no relation to the job performed. To further promote workplace awareness, diversity and inclusion, a rainbow/LGBTQIA community has been initiated recently.

Over the past years, Urban Partners has steadily increased the percentage of female talent in the organization, up from 25% in 2016 to 40% today. In recent years, women have joined both Partner group, Advisory board and Board of Directors. However, the

level of female representation is not yet satisfactory in the composition of senior management forums:

Senior management body:

- Board of Directors consists of four men and one woman

Urban Partners' target has not been reached yet but will focus on reaching the target within the next 3 years.

During the financial year, there has been no changes in the board, and therefore no opportunities to change the board composition.

Subsequently in the financial year of 2023 a change has been made to the board, but without changing the composition of the board. The candidates considered were balanced in gender and ultimately led to the election of the candidate most aligned with the profile and experience the company wanted to add to the board at this time.

Other levels of management:

- Executive Leadership Council consists of eight men and one woman
- Operations Management Team consists of three men and four women

In one of the two other levels of management in Urban Partners has equal distribution of men and women.

In order to increase the percentage of the under-represented gender, Urban Partners has implemented different initiatives. For example, Urban Partners has set a goal that at least 40% of all new hires on an annual basis, should consist of the underrepresented gender. A goal that was fulfilled in 2022. Urban Partners' actions includes requirements to external recruiters, internal team leaders etc. to increase diversity.

Data ethics

Urban Partners assess that data ethics is data security, it's the right to privacy for Urban Partners' employees and it's the organization's methods of archiving and documentation.

Urban Partners has developed an Information Security Policy, Privacy Policy and Documentation Policy which all covers the subject data ethics.

Urban Partners' Information Security Policy covers topics like PC's, mobile devices, asset management, access management, encryption, physical security and environmental security, operational security, communication security, acquisition, development and

maintenance of systems, supplier relations, information security incident management, information security aspects of emergency, contingency and recovery management and compliance.

Urban Partners' Privacy Policy covers data gathered before employment, during employment, master data, personal data concerning health, data about next of kin, reprimands, warnings, data about control measures, use of photos, severance service, sources, storage and erasure, other recipients who may process personal data, transfer of personal data to third countries, employee rights, filing of complaints with the national data protection agency, archiving and documentation.

Urban Partners' Documentation Policy covers duties and responsibilities, preservation of information, format of recording, archiving and documentation.

All of these policies are an integral part of Urban Partners' work to secure compliance with applicable laws and regulation in general. This includes setting up internal controls and making sure Urban Partners has sufficient competencies in place by providing training to relevant functions.

Urban Partners is aware of the digital operations resilience act entering ("DORA") into force by 2025. As DORA applies to companies within the financial sector, Urban Partners is currently assessing the necessary measures to be taken into account prior to the implementation of the regulation.

Income statement

tDKK	Note	Group		Parent	
		2022	2021	2022	2021
Revenue	1	1,360,125	630,588	663,782	301,798
Other administrative expenses		(470,777)	(286,198)	(206,353)	(161,872)
Operating profit/loss		889,348	344,390	457,429	139,927
Income from investments in associates related to Urban Partners managed funds	13	2,115	106,272	-	-
Income from investments in other investments related to Urban Partners managed funds	14	(16,629)	144,021	686	-
Staff expenses	2	(802,966)	(501,236)	(376,318)	(238,678)
Depreciation, amor. and impairment losses	6,7,8	(46,977)	(24,988)	(4,882)	(2,397)
Profit/loss before financial income and expenses		24,891	68,459	76,916	(101,148)
Income/loss from investments in subsidiaries	9	-	-	(19,672)	(47,936)
Income/loss from investments in joint ventures	12	(6,397)	(4,144)	(6,397)	(4,144)
Income/loss from investments in associates	13	(285)	170	(471)	451
Income/loss from investments in other investments	14	14,148	158	-	-
Net gain/loss in sale of shares in other investments	14	(221)	(6,779)	-	(1,095)
Financial income	3	5,559	3,431	4,151	4,845
Financial expenses	4	(16,692)	(8,510)	(30,152)	(13,358)
Profit/loss before tax		21,003	52,784	24,375	(162,386)
Tax on profit/loss for the year	5	(13,245)	29,364	(16,102)	22,255
Net profit/loss for the year		7,758	82,148	8,273	(140,131)
Thereof:					
Attributable to the shareholders		3,835	43,995		
Attributable non-controlling interests		3,923	38,153		
		7,758	82,148		
Item that may be reclassified to profit or loss					
Exchange dif. on translation of foreign operations		(4,781)	(3,223)		
Total other comprehensive income		(4,781)	(3,223)		
Total comprehensive income		2,977	78,925		
Thereof:					
Attributable to the shareholders		(927)	40,948		
Attributable non-controlling interests		3,905	37,977		
		2,977	78,925		

Note 1 to 31 form an integral part of these consolidated financial statements.

Balance sheet

tDKK	Note	Group		Parent	
		2022	2021	2022	2021
Goodwill		321,847	-	-	-
Software		17,348	-	17,348	-
Other intangible		164,869	7,226	-	-
Development projects in progress		15,525	6,913	15,266	4,993
Intangible assets	6	519,589	14,139	32,614	4,993
Land and buildings	7	1,612	1,185	1,160	1,185
Other fixtures, fittings, tools and equipment	7	19,549	6,344	8,763	2,900
Leasehold improvements	7	6,321	5,090	3,601	4,264
Right-of-use assets	8	64,713	49,363	-	-
Property, plant and equipment total		92,195	61,982	13,525	8,350
Investments in subsidiaries	9	-	-	565,571	106,054
Investments in joint ventures	12	1,727	944	1,727	944
Investments in associates	13	134,952	352,339	13,134	220,513
Receivables from group enterprises	14	-	-	23,888	220
Other investments	14	317,811	281,880	41,280	17,457
Other receivables	14	225,756	13,111	216,219	12,934
Deferred tax asset	5	50,657	33,872	32,481	22,365
Total other non-current assets		730,902	682,146	894,300	380,487
Total non-current assets		1,342,686	758,267	940,439	393,829
Trade receivable	15	206,783	182,002	115,111	68,677
Receivables from group enterprises	15	-	-	415,857	148,679
Other receivables and income tax rec.	15	112,158	50,002	89,091	39,388
Other current financial assets	16	16,601	16,831	11,160	7,156
Cash		256,694	171,603	36	95,190
Total current assets		592,236	420,439	631,255	359,090
Total assets		1,934,922	1,178,705	1,571,694	752,919
Share capital	18	1,366	1,359	1,366	1,359
Equity method reserve		-	-	(32,246)	7,530
Reserve for foreign currency translation		(4,422)	341	-	-
Reserve for development costs		-	-	11,908	3,895
Retained earnings		642,683	623,982	406,359	356,197
Equity attributable to shareholders of parent company		639,627	625,682	387,386	368,980
Minority interests		91,207	87,302	-	-
Equity		730,834	712,985	387,386	368,980
Provisions	26	53,651	51,424	6,794	-
Lease liabilities	8	33,485	30,991	-	-
Deferred tax liabilities	5	85,440	-	26,218	-
Other payables	21	187,518	-	171,494	-
Total non-current liabilities		360,094	82,415	204,506	-
Lease liabilities	8	32,422	19,327	-	-
Credit institutions	21	93,139	51,050	93,139	51,050
Trade payables	20	276,087	62,861	268,113	38,005
Payables to group enterprises		-	-	528,940	199,692
Other payables	21	442,346	250,068	89,609	95,193
Total current liabilities		843,994	383,305	979,802	383,939
Total liabilities		1,204,088	465,721	1,184,308	383,939
Total equity and liabilities		1,934,922	1,178,705	1,571,694	752,919

Statement of changes in Equity

tDKK	Group					Total
	Share capital	Reserve for foreign currency translation	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	
2022						
Equity at 1 January	1,359	341	623,983	625,682	87,302	712,985
Net profit/loss for the year	-	-	3,835	3,835	3,923	7,758
Exchange diff. relating to foreign entities	-	(4,762)	-	(4,762)	(19)	(4,781)
Total comprehensive income for the period	-	(4,762)	3,835	(927)	3,905	2,977
Capital increase	7	-	14,866	14,873	-	14,873
Equity at 31 December	1,366	(4,422)	642,683	639,627	91,207	730,834
2021						
Equity at 1 January	1,359	3,388	579,133	583,880	53,406	637,286
Net profit/loss for the year	-	-	43,995	43,995	38,153	82,148
Exchange diff. relating to foreign entities	-	(3,047)	-	(3,047)	(176)	(3,223)
Total comprehensive income for the period	-	(3,047)	43,995	40,948	37,977	78,925
NCI movement	-	-	4,081	4,081	(4,081)	-
Other movements	-	-	(3,226)	(3,226)	-	(3,226)
Equity at 31 December	1,359	341	623,983	625,682	87,302	712,985

For the year ended December 31, 2022

tDKK	Parent				Total
	Share capital	Equity method reserve	Reserve for development costs	Retained earnings	
2022					
Equity at 1 January	1,359	7,530	3,895	356,197	368,981
Net profit/loss for the year	-	(26,535)	-	34,807	8,273
Exchange rate adj. foreign entities	-	(4,739)	-	-	(4,739)
Capital increase	7	-	-	14,866	14,873
Dividends from subsidiaries	-	-	-	-	-
Other movements associates & JV	-	(8,501)	-	8,501	-
Development costs for the year (net of tax)	-	-	8,013	(8,013)	-
Equity at 31 December	1,366	(32,246)	11,908	406,359	387,386
2021					
Equity at 1 January	1,359	70,717	-	440,081	512,158
Net profit/loss for the year	-	(51,595)	-	(88,532)	(140,131)
Exchange rate adj. foreign entities	-	(3,049)	-	-	(3,049)
Disposal of subsidiaries	-	1,353	-	(1,353)	-
Dividends from subsidiaries	-	(7,000)	-	7,000	-
Other movements associates & JV	-	(2,896)	-	2,896	-
Development costs for the year (net of tax)	-	-	3,895	(3,895)	-
Equity at 31 December	1,359	7,530	3,895	356,197	368,980

Statement of cash flow

tDKK	Note	Group	
		2022	2021
Net profit/loss for the year		7,758	82,148
Adjustments to reconcile profit before tax to net cash flows:			
Financial income	3	(5,559)	(3,431)
Financial expenses	4	16,692	8,510
Depreciation, amortisation and impairment losses	6,7,8	46,977	24,988
Loss (gain) on intangible assets	6	4,238	-
Loss (gain) on disposal property, plant and equipment	7	(258)	(526)
Loss (gain) in sale of shares in other investments		221	6,779
Income from Investments in associates	13	285	(170)
Income from investments in joint ventures	12	6,397	4,144
Income from investment in other investments	14	(14,148)	(158)
Income from investments in associates related to Urban Partners managed funds	13	(2,115)	(106,272)
Income from investments in Urban Partners managed funds	14	16,629	(144,021)
Tax on profit/loss for the year	5	13,245	(29,364)
Changes in net working capital:			
Change in other non-current receivables		(212,645)	(8,523)
Change in receivables and other receivables		(24,228)	(128,649)
Change in other current financial assets		(51,098)	(7,088)
Change in trade payables and other payables		162,203	145,738
Change in non-current other payables		78,201	(14,493)
Provisions		2,227	32,292
Exchange rate realised net	3	2,692	(2,595)
Income tax paid	5	(5,966)	1,118
Net cash flow from operating activities		41,749	(139,572)
Acquisition of subsidiaries, net cash acquired	11	14,697	-
Purchase of intangible assets (including business combinations)	6	(32,062)	(8,866)
Purchase of property, plant and equipment	7	(21,683)	(6,454)
Purchase of investments in associates	13	(33)	(206,925)
Purchase of investments in joint ventures	12	(7,180)	(2,150)
Disposal of investments in associates	13	7,156	(4,228)
Purchase of other non-current financial assets	14	(47,338)	(15,800)
Disposal of other non-current financial assets	14	3,616	25,089
Interest income received	3	392	3,431
Dividend income received	13,14	16,360	44,721
Net cash flow from investing activities		(66,074)	(171,183)
Capital increase	18	14,873	-
Proceed from borrowings from interest bearing loans and borrowings	21	151,406	6,189
Repayment of principal portion of lease liabilities	8	(28,590)	(20,891)
Interest paid	4	(16,692)	(5,915)
Cash flow from financing activities		120,997	(20,617)
Change in cash and cash equivalents		96,672	(331,372)
Cash and cash equivalents at 1 January		171,603	505,459
Exchange adjustment of cash and cash equivalents		(11,581)	(2,484)
Cash and cash equivalents at 31 December		256,694	171,603

Notes to the financial statement

1. Revenue

tDKK	Group							Total
	Corporate	Living	Logistic	Office	D&I	Care	Credit	
2022								
Asset Management Fee	416,137	93,989	115,475	60,302	47,527	28,545	67,380	829,355
Service corporate fee	48,550	82,269	21,716	21,737	37,959	10,987	-	223,218
Other revenue	8,477	299,075	-	-	-	-	-	307,552
Total	473,164	475,333	137,191	82,039	85,486	39,532	67,380	1,360,125
2021								
Asset Management Fee	217,508	59,652	77,269	21,195	38,480	10,755	-	424,859
Service corporate fee	28,557	59,086	24,977	8,545	24,648	8,455	-	154,269
Other revenue	2,217	49,243	-	-	-	-	-	51,460
Total	248,282	167,981	102,247	29,740	63,129	19,211	-	630,588

tDKK	Parent							Total
	Corporate	Living	Logistic	Office	D&I	Care	Credit	
2022								
Asset Management Fee	(3,112)	40,083	17,602	54,398	30,112	7,431	-	146,514
Service corporate fee	11,414	40,160	3,548	21,756	23,448	3,583	-	103,864
Other revenue	13,575	183,193	(86)	-	-	-	-	196,682
Internal Advisory Fee	216,722	-	-	-	-	-	-	216,722
Total	238,599	263,436	21,064	76,154	53,560	10,969	-	663,782
2021								
Asset Management Fee	4,036	29,525	12,564	15,733	29,742	2,253	-	93,854
Service corporate fee	18,253	23,434	4,542	8,545	12,351	2,860	-	69,984
Other revenue	151	-	-	127	-	-	-	277
Internal Advisory Fee	137,683	-	-	-	-	-	-	137,683
Total	160,123	52,959	17,107	24,405	42,092	5,113	-	301,798

Increase in revenue relates to opening and acquisition of new funds, which are in line with NREP Group strategy.

For Group, other revenue mainly relates to income from Platforms.

For Parent, Corporate Asset management fee in 2022 is affected by accruals from 2021 is different allocated.

2. Staff expenses

tDKK	Group		Parent	
	2022	2021	2022	2021
Wages and salaries	597,671	397,527	276,755	205,354
Pensions	52,206	36,683	18,694	12,933
Other social security expenses	40,507	27,493	(689)	(888)
Other staff expenses	112,583	39,532	81,558	21,278
Total	802,966	501,236	376,318	238,678
Average number of employees	590	385	247	171

Other staff expenses include staff recruitment and temporary work.

Key Management Compensation

The key management for the Urban Partners has been defined as the Executive Leader Council and Board of Directors, which consist of 15 persons (2021: 17 persons). The compensation paid or payables to key management for employee services is shown below:

tDKK	Group	
	2022	2021
Wages and salaries	48,857	41,550
Pensions, defined contribution plans	316	793
Total	49,174	42,343
Compensation to the Board of Directors and Executive Management		
Compensation to the Board of Directors	2,082	1,822
Compensation to Executive Board	7,855	6,396
Total Compensation to the Board of Directors and Executive Management	9,937	9,217
Compensation to the Key Management	39,236	34,125
	49,174	42,343

3. Financial Income

tDKK	Group		Parent	
	2022	2021	2022	2021
Dividends on share in other investments	-	-	500	1,164
Interest received from group enterprises	-	-	1,472	558
Exchange gains	2,692	-	-	-
Other interest income	392	467	390	160
Other financial income	2,474	2,964	1,789	2,963
Total	5,559	3,431	4,151	4,845

4. Financial expenses

tDKK	Group		Parent	
	2022	2021	2022	2021
Interest paid to group enterprises	-	-	9,274	7,570
Other interest expenses	15,360	4,806	13,775	3,252
Exchange losses	-	2,595	7,103	2,536
Lease expenses	1,332	1,109	-	-
Total	16,692	8,510	30,152	13,358

Other interest expenses refer to interest on working capital facility, interest on cash management services and other bank charges.

5. Income tax

The major components of income tax expense for the years ended 31 December 2022 and 2021 are:

tDKK	Group		Parent	
	2022	2021	2022	2021
Current tax for the year	-	(1,711)	-	-
Deferred tax for the year	(13,245)	31,074	(16,102)	22,255
Income tax expense - statement of profit/ loss	(13,245)	29,364	(16,102)	22,255

Reconciliation of tax expense and the accounting profit multiplied by Denmark's domestic tax rate for 2022 and 2021:

At Denmark's statutory income tax rate of 22% (2021: 22%)	4,621	11,613	5,363	(35,725)
Tax effects				
Difference in tax rates	-	-	-	-
Non-taxable income	4,928	(55,136)	4,928	(99)
Non-deductible expenses	6,639	12,092	4,807	13,825
Tax exempt dividends	-	-	-	(256)
Other	(2,943)	2,069	1,005	-
Tax effects, total	8,624	(40,976)	10,739	13,470
Tax expenses	(13,245)	29,363	(16,102)	22,255
Effective tax rate	-63%	56%	-66%	-14%
Deferred tax assets				
Provision for deferred tax assets at 1 January	(33,872)	(2,798)	(22,365)	(110)
Amounts recognised in the statement of income for the year	(16,785)	(31,074)	(10,116)	(22,255)
Deferred tax assets at 31 December	(50,657)	(33,872)	(32,481)	(22,365)
Deferred tax liabilities				
Provision for deferred tax liabilities at 1 January	-	-	-	-
Deferred tax liabilities as part of business combination	55,410	-	-	-
Amounts recognised in the statement of income for the year	30,030	-	26,218	-
Deferred tax liabilities at 31 December	85,440	-	26,218	-
Other receivables	26,218	-	26,218	-
Property, plant and equipment	-	158	-	(110)
Other Intangible	55,410	730	-	-
Development projects	-	690	-	-
Tax loss carry-forward	(50,657)	(35,450)	(32,481)	(22,255)
Other	3,812	-	-	-
	34,783	(33,872)	(6,263)	(22,365)
Of which presented as deferred tax assets	50,657	33,872	32,481	22,365
Of which presented as deferred tax liabilities	(85,440)	-	(26,218)	-

6. Intangible assets

tDKK	Group				Total
	Software	Other intangible assets	Development projects in progress	Goodwill	
2022					
Cost at 1 Jan	3,735	13,051	6,913	-	23,699
Additions for the year	17,750	170,972	12,345	321,847	522,914
Disposals for the year	-	(1,137)	(3,101)	-	(4,238)
Transfer	632	-	(632)	-	-
Movements due to currency	-	-	-	-	-
Cost at 31 Dec	22,117	182,886	15,525	321,847	542,375
Impairment losses and amortisation at 1 Jan	(3,735)	(5,825)	-	-	(9,560)
Impairment losses and amortisation for the year	(1,034)	(12,191)	-	-	(13,225)
Movements due to currency	-	-	-	-	-
Impairment losses & amortisation at 31 Dec	(4,769)	(18,017)	-	-	(22,786)
Carrying amount at 31 December	17,348	164,869	15,525	321,847	519,589
2021					
Cost at 1 Jan	21,429	-	11,089	-	32,518
Additions for the year	-	1,953	6,913	-	8,866
Disposals for the year	(17,657)	-	-	-	(17,657)
Transfer	-	11,098	(11,098)	-	-
Movements due to currency	(37)	-	10	-	(27)
Cost at 31 Dec	3,735	13,051	6,913	-	23,699
Impairment losses and amortisation at 1 Jan	(21,111)	-	(3,999)	-	(25,110)
Impairment losses and amortisation for the year	(318)	(1,814)	-	-	(2,132)
Disposals for the year	17,657	-	-	-	17,657
Transfer	-	(4,011)	4,011	-	-
Movements due to currency	37	-	(12)	-	24
Impairment losses & amortisation at 31 Dec	(3,735)	(5,825)	-	-	(9,560)
Carrying amount at 31 December	-	7,226	6,913	-	14,139

Development projects in progress with carrying value of DKK 15.5 million (2021: DKK 6.9 million) holds capitalized costs related to mainly to Software. Other Intangible assets DKK 164.9 million (2021: DKK 0) consists mainly of customer relationships and brand.

The carrying value of DKK 486.7 (2021: DKK 7 million) million in intangible assets (goodwill and other intangibles) is mainly related to the acquisition of Flins Capital Partners GmbH and the Oak group of companies where NREP acquired control in 2022.

Impairment test of goodwill

Goodwill is monitored by management for the cash generating unit (“CGU”) to which the goodwill has been allocated. Reference is made to note 11 for the details of the acquisition.

Urban Partners tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount is determined as the present value of expected future cash flows (value-in-use), which requires the use of management estimates and judgements. The value-in-use calculations are based on the management approved budget for 2023 and forecast for 2024-2027 with a calculated terminal value thereafter.

The cashflows applied in the **budget period reflects Management’s best estimate** of future cash flows from Management fees and other cash inflows from the business acquired, which also includes the assumption of continued expansion and investments in new Funds as planned as part of the acquisition. The cash outflows reflect the best estimate of costs of operating the business acquired including the cost supporting the contemplated growth.

Cash flows beyond the five-years budget period are expected to grow with the rate stated below. The growth rate is consistent with forecasts included in the industry reports specific to the industry where the CGU operates.

In calculating the present value, the discount rate applied reflects the risk-free interest rate with the addition of risks relating to the CGU, such as the market and financial exposures.

Key assumptions affecting the future cash flows of the CGU is as follows:

- Investment Management fees from launch of new funds AF IV and AF V is included in the impairment test. Fund raise of capital will be in alignment with management expectations for the period 2024-2027
- Revenue from Cash Yield fee is based on the performance of the underlying loans in Fund AF I which generates cash return in excess of a threshold which is paid to investors in the fund on a yearly basis
- Long-term growth-rate: 1%
- WACC (pre-tax): 13% which reflect specific risks of the CGU

The impairment test has presented an enterprise value above the carrying value and management is confident that the intangible assets are solid and do not require write off or adjustment of the accounted value.

tDKK	Parent		
	Software	Development projects in progress	Total
2022			
Cost at 1 January	3,735	4,993	8,728
Additions for the year	17,750	12,336	30,086
Disposals for the year	-	(1,431)	(1,431)
Transfer	632	(632)	-
Cost at 31 December	22,117	15,266	37,383
Impairment losses & amortisation at 1 Jan	(3,735)	-	(3,735)
Impairment losses & amortisation for the year	(1,034)	-	(1,034)
Disposals for the year	-	-	-
Impairment losses & amortisation at 31 Dec	(4,769)	-	(4,769)
Carrying amount at 31 December	17,348	15,266	32,614
2021			
Cost at 1 January	20,298	-	20,298
Additions for the year	-	4,993	4,993
Disposals for the year	(16,563)	-	(16,563)
Cost at 31 December	3,735	4,993	8,728
Impairment losses & amortisation at 1 Jan	(19,980)	-	(19,980)
Impairment losses & amortisation for the year	(318)	-	(318)
Disposals for the year	16,563	-	16,563
Impairment losses & amortisation at 31 Dec	(3,735)	-	(3,735)
Carrying amount at 31 December	-	4,993	4,993

Development projects in progress holds capitalized costs related to mainly to Software.

7. Property, plant and equipment

tDKK	Group			Total
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	
2022				
Cost at 1 January	1,250	13,727	7,846	22,823
Additions for the year	550	18,349	2,922	21,821
Disposals for the year	-	(2,014)	(66)	(2,081)
Transfer	-	-	-	-
Movements due to currency	-	(302)	(36)	(338)
Cost at 31 December	1,800	29,760	10,665	42,224
Impairment losses and depreciation at 1 Jan	(65)	(7,383)	(2,756)	(10,204)
Additions for the year	-	-	-	-
Disposals for the year	-	1,757	66	1,823
Depreciation for the year	(123)	(4,746)	(1,661)	(6,530)
Movements due to currency	-	161	7	168
Transfer	-	-	-	-
Impairment losses and depreciation at 31 Dec	(188)	(10,211)	(4,344)	(14,743)
Carrying amount at 31 December	1,612	19,549	6,321	27,482
2021				
Cost at 1 January	1,250	12,089	8,081	21,420
Additions for the year	-	2,608	3,846	6,454
Disposals for the year	-	(2,277)	(2,816)	(5,093)
Transfer	-	1,265	(1,265)	-
Movements due to currency	-	42	-	42
Cost at 31 December	1,250	13,727	7,846	22,823
Impairment losses and depreciation at 1 Jan	(40)	(6,691)	(2,920)	(9,651)
Additions for the year	-	(1,094)	(159)	(1,253)
Disposals for the year	-	1,751	2,816	4,567
Depreciation for the year	(25)	(2,570)	(1,197)	(3,792)
Movements due to currency	-	1,296	(1,296)	-
Transfer	-	(76)	(0)	(76)
Impairment losses and depreciation at 31 Dec	(65)	(7,383)	(2,756)	(10,204)
Carrying amount at 31 December	1,185	6,344	5,090	12,619

tDKK	Parent			
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
2022				
Cost at 1 January	1,250	5,407	6,732	13,388
Additions for the year	-	8,288	735	9,023
Disposals for the year	-	-	-	-
Transfer	-	-	-	-
Cost at 31 December	1,250	13,695	7,467	22,411
Impairment losses and depreciation at 1 Jan	(65)	(2,507)	(2,467)	(5,039)
Depreciation for the year	(25)	(2,424)	(1,399)	(3,848)
Disposals for the year	-	-	-	-
Transfer	-	-	-	-
Impairment losses and depreciation at 31 Dec	(90)	(4,931)	(3,866)	(8,887)
Carrying amount at 31 December	1,160	8,764	3,600	13,525
2021				
Cost at 1 January	1,250	2,816	8,081	12,147
Additions for the year	-	1,326	2,732	4,057
Disposals for the year	-	-	(2,816)	(2,816)
Transfer	-	1,265	(1,265)	-
Cost at 31 December	1,250	5,407	6,732	13,388
Impairment losses and depreciation at 1 Jan	(40)	(2,816)	(2,920)	(5,776)
Depreciation for the year	-	-	2,816	2,816
Disposals for the year	(25)	(987)	(1,067)	(2,079)
Transfer	-	1,296	(1,296)	-
Impairment losses and depreciation at 31 Dec	(65)	(2,507)	(2,467)	(5,039)
Carrying amount at 31 December	1,185	2,900	4,264	8,350

8. Leases

The Group has entered leases on land, properties, cars and equipment. The remaining lease period for land and buildings is mainly 3 years and is related to offices and residential premises in Denmark, Sweden, Finland, Norway and Luxemburg. The non-cancellable lease period for cars is typically between 12 and 48 months. In general car leases do not include any extension options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group has recognized the following amounts relating to leases:

tDKK	Group		Total
	Right of use buildings	Right of use other fixtures and fittings, tools and equipment	
Cost at 1 January 2021	68,750	2,904	71,653
Additions	20,610	271	20,881
Transfers and amendments	-	-	-
Disposals	-	(749)	(749)
Exchange differences	(424)	(161)	(585)
Cost at 31 December 2021	88,936	2,265	91,200
Additions	44,370	231	44,601
Transfers and amendments	-	-	-
Disposals	(3,950)	(869)	(4,819)
Exchange differences	(3,157)	(93)	(3,250)
Cost at 31 December 2022	126,199	1,534	127,733
Depreciation			
Depreciation at 1 January 2021	(22,172)	(1,105)	(23,277)
Depreciation charge for the year	(19,255)	(721)	(19,976)
Impairment & Amendments	700	-	700
Disposals	-	553	553
Exchange differences	156	7	163
Depreciation at 31 December 2021	(40,571)	(1,266)	(41,837)
Depreciation charge for the year	(25,822)	(694)	(26,516)
Amendments	(375)	101	(275)
Disposals	3,294	769	4,063
Exchange differences	1,499	47	1,546
Depreciation At 31 December 2022	(61,976)	(1,044)	(63,019)
Carrying amount at 31 December 2022	64,223	490	64,713
Carrying amount at 31 December 2021	48,364	999	49,363

The carrying amounts of lease liabilities and the movement during the period is as follows:

tDKK	<u>Group</u> Lease liabilities
At 1 January 2021	48,997
Additions - new leases	20,881
Disposals	(312)
Amendments	-
Repayment of lease debt	(20,891)
Interest	1,109
Exchange	534
At 31 December 2021	50,318
Additions - new leases	44,367
Disposals	(46)
Amendments	-
Repayment of lease debt	(28,590)
Interest	1,332
Exchange	(1,474)
At 31 December 2022	65,907
Short term at 31 December 2022	32,422
Long term at 31 December 2022	33,485
Short term at 31 December 2021	19,327
Long term at 31 December 2021	30,991

9. Investments in subsidiaries

tDKK	<u>Parent</u>	
	2022	2021
Cost at 1 January	68,066	33,173
Additions for the year	499,465	35,379
Disposal for the year	-	(486)
Cost at 31 December	567,531	68,066
Value adjustments at 1 January	11,884	68,514
Exchange adjustment	(4,739)	(3,049)
Net profit/loss for the year	(19,672)	(47,934)
Disposals during the year	-	1,353
Dividend to the Parent Company	-	(7,000)
Value adjustments at 31 December	(12,527)	11,884
Equity investments with negative net asset value amortised over receivables	10,567	26,103
Carrying amount at 31 December	565,571	106,054

Additions for the year, consist of capital injections in newly registered entities (DKK 179 thousand) and capital injections in existing entities (DKK 55,777 thousand).

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital		Votes and ownership	
		2022	2021	2022	2021
UMEUS ManCo ApS	Nordhavn, DK	DKK 50,003	DKK 50,002	100%	100%
Woods Office OpCo ApS	Nordhavn, DK	DKK 650,001	DKK 650,000	100%	100%
Komp. NREP Copenhagen Resi. Fund 1 ApS	Nordhavn, DK	DKK 80,000	DKK 80,000	100%	100%
Den Studios Denmark ApS	Nordhavn, DK	DKK 50,003	DKK 50,002	100%	100%
NNSF IV IP CIV GP ApS	Nordhavn, DK	DKK 40,001	DKK 40,001	100%	100%
Komplementarselskabet NREP NSF IV Invest ApS	Nordhavn, DK	DKK 40,001	DKK 40,001	100%	100%
Komplementarselskabet NREP Income+ Investment ApS	Nordhavn, DK	DKK 40,001	DKK 40,001	100%	100%
NREP Income+ Investment K/S	Nordhavn, DK	DKK 0	DKK 0	100%	100%
NREP NSF IV Investment K/S	Nordhavn, DK	DKK 0	DKK 0	0%	100%
JULI Living DK ApS	Nordhavn, DK	DKK 40,000	DKK 40,000	100%	100%
NREP NSF V Investment K/S	Nordhavn, DK	DKK 0	DKK 0	100%	100%
2150 ApS	Nordhavn, DK	DKK 40,000	DKK 40,000	60%	60%
2150 Invest K/S	Nordhavn, DK	DKK 100	DKK 100	3%	60%
2150 Fund CIV K/S	Nordhavn, DK	EUR 0	EUR 0	0%	100%
Komplementarselskabet 2150 CIV ApS	Nordhavn, DK	DKK 40,000	DKK 40,000	60%	60%
Komplementarselskabet 2150 Investment ApS	Nordhavn, DK	DKK 40,000	DKK 40,000	60%	60%
2150 Fund II CIV K/S	Nordhavn, DK	DKK 0,00	-	60%	-
2150 Nordic I ApS	Nordhavn, DK	DKK 80,000	DKK 80,000	0%	60%
2150 Concrete K/S	Nordhavn, DK	DKK 100	-	60%	-
Komplementarselskabet 2150 Investment II ApS	Nordhavn, DK	DKK 40,000	-	60%	-
Komplementarselskabet 2150 concrete ApS	Nordhavn, DK	DKK 40,000	-	60%	-
Komplementarselskabet 2150 Fund II CIV ApS	Nordhavn, DK	DKK 40,000	-	60%	-
Komplementarselskabet NREP NSF V Invest ApS	Nordhavn, DK	DKK 40,000	DKK 40,000	100%	100%
2150 Invest II K/S	Nordhavn, DK	DKK 100	-	60%	-
NREP AS	Oslo, NO	NOK 120,000	NOK 100,800	100%	100%
NREP Ventures Co 2 AS	Oslo, NO	NOK 30,000	NOK 30,000	100%	100%
NREP Income+ InvestCo 124 AS	Oslo, NO	NOK 30,000	NOK 30,000	100%	100%
NREP Income+ InvestCo 125 AS	Oslo, NO	NOK 30,000	NOK 30,000	100%	100%
Umeus Norway AS	Oslo, NO	NOK 30,000	-	100%	-
NREP AB	Stockholm, SE	SEK 100,000	SEK 100,000	100%	100%
NREP InvestCo 65 AB	Stockholm, SE	EUR 6,500	EUR 6,500	62%	62%
NREP Income+ Investment AB	Stockholm, SE	EUR 6,500	EUR 6,500	100%	100%
2150 CarbonCure AB	Stockholm, SE	EUR 25,000	EUR 25,000	0%	100%
NREP NSF III Investco 126 AB (NREP NSF IV Investment MidCo AB)	Stockholm, SE	EUR 6,500	EUR 6,500	100%	100%
NREP NSF V Investment AB	Stockholm, SE	EUR 6,500	EUR 6,500	100%	100%
NREP Poland sp. z o.o.	Warsaw, PL	PLN 2,683,900	PLN 5,000	100%	100%
Noli Studios Poland z o. o.	Warsaw, PL	PLN 4,160,000	PLN 470,000	100%	100%
NREP Germany GmbH	Frankfurt, GE	EUR 25,000	EUR 25,000	100%	100%
2150 Advisory Germany GmbH	Frankfurt, GE	EUR 25,000	EUR 25,000	60%	60%
Flins Capital Partners GMBH	Munich, GE	EUR 25,000	-	100%	-
NREP Oy	Helsinki, FI	EUR 2,500	EUR 2,500	50%	50%
Noli Studios Finland Oy	Helsinki, FI	EUR 2,500	EUR 2,500	100%	100%
Noli Studios Finland Staff Pool Oy	Helsinki, FI	EUR 2,500	EUR 2,500	100%	100%
Juli Living Finland Oy	Helsinki, FI	EUR 0	EUR 0	100%	100%

Name	Place of registered office	Share capital		Votes and ownership	
		2022	2021	2022	2021
NREP Corporation UK Limited	London, UK	GBP 1	GBP 1	100%	100%
2150 UK Ltd	London, UK	GBP 1	GBP 1	60%	60%
NREP NSF V Feeder 1 GP Limited	London, UK	GBP 1	-	100%	-
NREP LPF MLP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
NREP LPF GP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
NREP Management Company S.à.r.l.	Luxembourg	EUR 125,000	EUR 125,000	100%	100%
NREP Domus S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
Nordic Strategies Fund II GP S.à.r.l.	Luxembourg	EUR 12,500	EUR 12,500	100%	100%
NREP Nordic Strategies Fund III GP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
NREP Nordic Strategies Fund IV GP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
NREP Nordic Strategies Fund V GP S.à.r.l.	Luxembourg	EUR 20,000	EUR 20,000	100%	100%
NREP Income+ Fund GP S.à.r.l.	Luxembourg	EUR 20,000	EUR 20,000	100%	100%
NREP Income+ Fund RE GP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
2150 GP I Sarl	Luxembourg	EUR 12,000	EUR 12,000	60%	60%
NREP Fund Feeder GP S.à.r.l.	Luxembourg	EUR 12,000	EUR 12,000	100%	100%
NREP NSF V Feeder 2 GP	Luxembourg	EUR 12,000	-	100%	-
Oak Scsp	Luxembourg	EUR 0	-	100%	-
Oak Investment Scsp	Luxembourg	EUR 2	-	100%	-
OAK General Partner S.à.r.l.	Luxembourg	EUR 23,530	-	100%	-
AF IV General Partner S.à.r.l.	Luxembourg	EUR 12,000	-	100%	-
AF I General Partner S.à.r.l.	Luxembourg	EUR 12,500	-	100%	-
AF II General Partner S.à.r.l.	Luxembourg	EUR 12,500	-	100%	-
AF III General Partner S.à.r.l.	Luxembourg	EUR 12,000	-	100%	-
AF V General Partner S.à.r.l.	Luxembourg	EUR 12,000	-	100%	-
2150 GP II Sarl	Luxembourg	EUR 12,000	-	60%	-
2150 GP Opportunity Fund I S.à.r.l.	Luxembourg	EUR 12,000	-	60%	-
2150 GP concrete I Sarl	Luxembourg	EUR 12,000	-	60%	-
NREP Atlantis GP S.à.r.l.	Luxembourg	EUR 12,000	-	100%	-
NREP B.V	Netherlands	EUR 50,000	-	100%	-

10. Partially owned subsidiaries

Proportion of equity interest held by non-controlling interests:

Name	Country of operation	Group	
		2022	2021
NREP Oy	Helsinki, Finland	50%	50%
NREP InvestCo 65 AB	Stockholm, Sweden	62%	62%
2150 Aps	Nordhavn, Denmark	60%	60%

	Group	
	2022	2021
Accumulated balances of non-controlling interest		
NREP Oy	27,444	39,560
NREP InvestCo 65 AB	24	27
2150 ApS	12,598	14,562
Profit allocated to non-controlling interest		
NREP Oy	(5,457)	1,837
NREP InvestCo 65 AB	(2)	(6)
2150 ApS	(1,939)	2,829

Summarized statement of profit or loss:

	Group		
	NREP Oy	NREP InvestCo 65 AB	2150 Aps
2022			
Revenue	118,267	-	24,133
Administrative and other expenses	(128,487)	-	(30,386)
Net finance cost	(258)	(6)	176
Profit before tax	(10,478)	(6)	(6,078)
Income tax	(479)	-	1,231
Net profit	(10,957)	(6)	(4,847)
Total comprehensive income			
Attributable to non-controlling interests	(5,457)	(2)	(1,939)
Dividends paid to non-controlling interests	-	-	-
2021			
Revenue	101,526	-	21,857
Administrative & other expenses	(97,626)	(11)	(12,622)
Net finance cost	(212)	(6)	(170)
Profit before tax	3,688	(17)	9,066
Income tax	-	-	(1,994)
Net profit	3,688	(17)	7,071
Total comprehensive income			
Attributable to non-controlling interests	1,837	(6)	2,829
Dividends paid to non-controlling interests	6,944	-	-

Summarised statement of financial position:

tDKK	Group		
	NREP Oy	NREP InvestCo 65 AB	2150 ApS
2022			
Total assets	55,109	64	31,494
Total equity	(9,722)	57	2,264
Equity attributable to:			
Equity holders of parent	(4,880)	35	1,359
Non-controlling interest	(4,842)	21	906
2021			
Total assets	80,201	70	36,405
Total equity	1,029	63	7,111
Equity attributable to:			
Equity holders of parent	517	39	4,267
Non-controlling interest	513	24	2,845

11. Business Combinations

The Group acquired control of an equity interest in a leading real estate credit specialist business consisting of Flins Capital Providers (FCP) and the Oak fund setup (Oak) from M3 Capital Partners during the year ended December 31, 2022.

On the 17th of November 2021 the purchase was executed through a partnership between Urban Partners, MAA Invest AS and Atrium Beteiligungs GmbH. On 1st April 2022 the Group took control over FCP and Oak.

When acquiring shares the Group acquired a group of entities, including all commitments and employees and the integrated organization to perform its activities independently and be able to create revenues for the Group - which constitute the business.

The acquisition was accounted for as a business combination. Therefore, all transferred assets and liabilities of FCP and Oak were valued at fair value at the final acquisition date.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchased consideration	tDKK
Cash paid in 2021	206,778
Contingent consideration	236,732
Total	443,510

Significant estimate: contingent consideration

The Contingent consideration is based on the assumption that EBITDA for the acquired entities is above EUR 6,6 million for the financial year 2023 where the earn-out cap will be reached.

The fair value of the contingent consideration of DKK 236,732 thousand was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 4.1% and assumed probability-adjusted EBITDA of above EUR 6,6 million in 2023 for the acquired entities.

The assets and liabilities recognised as a result of the acquisition are as follows:

tDKK	Fair value
Facilities and equipment	138
Prepayments	323
Other current assets	3,617
Cash and cash equivalents	14,697
Liabilities	(10,389)
Net identifiable assets acquired	8,386
Add: Goodwill	321,847
Add: Customer relationships	167,976
Add: Brand	1,029
Less: Deferred tax liabilities	(55,728)
Net assets acquired	443,509

The goodwill is attributable to the acquired business. It will not be deductible for tax purposes. There were no acquisitions qualifying for a business combination in the year ending 31 December 2021.

tDKK	Group	
	2022	2021
Purchase consideration – cash		
Flow of cash to acquire subsidiary, net of cash acquired*	-	-
Less: Balances acquired		
Cash and cash equivalents	14,697	-
Net cash - investing activities	14,697	-

*During 2022 there has been a change in voting rights which give NREP control as per April 1st, 2022. In 2022 there has been no additional payment.

If the purchase of Flins Capital Providers and the Oak fund setup had been consolidated from 1st January 2022, the impact on the profit would have been tDKK 11,014.

12. Investments in Joint Ventures

tDKK	Parent	
	2022	2021
Cost at 1 January	9,445	7,295
Additions	7,180	2,150
Cost at 31 December	16,625	9,445
Value adjustments at 1 January	(8,501)	(4,358)
Net profit/loss for the year	(6,397)	(4,144)
Value adjustments at 31 December	(14,898)	(8,501)
Carrying amount at 31 December	1,727	944

Investments in Joint Ventures for 2022 are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
NREP-TF ApS	Nordhavn, DK	DKK 60,000	50%
Plushusene Management ApS	Horsens, DK	DKK 1,500,000	50%

13. Investments in associates

tDKK	Group		Parent	
	2022	2021	2022	2021
Cost at 1 January	244,767	42,464	216,360	13,670
Exchange adjustment	(2,120)	(394)	-	-
Additions for the year	33	206,925	19	206,900
Disposals for the year	(7,156)	(4,228)	-	(4,210)
Transfers for the year	(206,783)	-	(206,778)	-
Other adjustments	(149)	-	(149)	-
Cost at 31 December	28,593	244,767	9,452	216,360
Value adjustments at 1 January	107,572	21,779	4,152	2,203
Exchange adjustment	1,950	158	1	36
Share of result Urban Partners managed funds net of payments	2,115	106,272	-	-
Share of result other	(285)	170	(471)	452
Dividends	(9,982)	(22,232)	-	(140)
Transfer	(1,963)	-	-	-
Other adjustments	6,952	1,424	-	1,601
Value adjustments at 31 December	106,359	107,572	3,682	4,152
Carrying amount at 31 December	134,951	352,339	13,134	220,513

Investments in associates for 2022 and 2021 are specified as follows:

	Place of registered office	Share capital		Votes and ownership	
		2022	2021	2022	2021
Investment in Urban Partners Fund					
NREP Co-Investment Nordhavn K/S	DK	DKK 12,000,000	DKK 12,000,000	48%	48%
Komp. NREP Co-Investment Nordhavn ApS	DK	DKK 60,000	DKK 60,000	48%	48%
Ejendomsselskabet Hellebro A/S	DK	DKK 17,500,000	DKK 17,500,000	20%	20%
NREP InvestCo 3 AB	SE	SEK 100,000	SEK 100,000	23%	23%
NREP InvestCo 28 AB	SE	SEK 50,000	SEK 50,000	0%	32%
NREP InvestCo 15 AB	SE	EUR 6,500	EUR 6,500	39%	39%
NREP InvestCo 31 AB	SE	SEK 50,000	SEK 50,000	0%	25%
NREP InvestCo 14 AB	SE	EUR 6,500	EUR 6,500	36%	36%
NREP NSF III InvestCo 84 AB	SE	EUR 6,500	EUR 6,500	25%	25%
NREP InvestCo 95 AB	SE	EUR 17,333	EUR 17,333	33%	33%
NREP InvestCo 63 AB	SE	EUR 6,500	EUR 6,500	30%	30%
NREP NSF III InvestCo 94 AS	NO	NOK 35,548	NOK 35,548	29%	29%
NREP InvestCo 44 AS	NO	NOK 99,425	NOK 99,425	22%	22%
NREP NSF IV Investment S.à.r.l	LUX	EUR 28,500	EUR 28,500	42%	42%
Flins Capital Partners GmbH	GE	EUR 25,000	EUR 25,000	0%	48%

14. Other financial assets

tDKK	Group		Parent		
	Other non-current investments	Other non-current receivables	Non-current receivables from group enterprises	Other non-current investments	Other non-current receivables
2022					
Cost at 1 January	94,419	13,111	26,323	25,336	12,934
Exchange adjustments	(5,361)	0	-	-	-
Additions for the year	47,342	215,826	47,990	23,822	206,465
Disposals for the year	(3,616)	(3,180)	(39,859)	-	(3,180)
Other adjustments	-	-	-	-	-
Transfer for the year	5	-	-	-	-
Cost at 31 December	132,788	225,756	34,454	49,158	216,219
Value adjustments at 1 January	187,461	-	-	-	-
Exchange adjustment	1,139	-	-	-	-
Fair value adjustment, Urban Partners managed funds net of payments	(16,629)	-	-	687	-
Fair value adjustment other	14,148	-	-	-	-
Dividends	(6,377)	-	-	(687)	-
Transfer	1,963	-	-	-	-
Other adjustments	3,318	-	-	-	-
Value adjustments at 31 December	185,023	-	-	-	-
Impairment at 1 January	-	-	26,104	7,878	-
Exchange adjustment	-	-	-	-	-
Impairment losses for the year	-	-	(15,537)	-	-
Impairment losses released in connection with disposals	-	-	-	-	-
Impairment at 31 December	-	-	10,567	7,878	-
Carrying amount at 31 December	317,811	225,756	23,887	41,280	216,219

tDKK	Group		Parent		
	Other non-current investments	Other non-current receivables	Non-current receivables from group enterprises	Other non-current investments	Other non-current receivables
2021					
Cost at 1 January	105,748	4,588	31,598	10,457	2,242
Exchange adjustments	(1,598)	0	-	-	-
Additions for the year	15,579	12,197	19,962	14,883	12,371
Disposals for the year	(25,089)	-	(25,237)	(4)	-
Other adjustments	(221)	(4,340)	-	-	(1,679)
Transfer for the year	-	666	-	-	-
Cost at 31 December	94,419	13,111	26,323	25,336	12,934
Value adjustments at 1 January	65,535	-	-	-	-
Exchange adjustment	235	-	-	-	-
Fair value adjustment, Urban Partners managed funds net of payments	144,021	-	-	-	-
Fair value adjustment other	158	-	-	-	-
Dividends	(22,488)	-	-	-	-
Other adjustments	(0)	-	-	-	-
Value adjustments at 31 December	187,461	-	-	-	-
Impairment at 1 January	-	-	1,760	7,878	-
Exchange adjustment	-	-	-	-	-
Impairment losses for the year	-	-	24,344	-	-
Impairment losses released in connection with disposals	-	-	-	-	-
Impairment at 31 December	-	-	26,104	7,878	-
Carrying amount at 31 December	281,880	13,111	219	17,457	12,934

Other non-current investments represent investments that do not meet the definition of associates, joint

ventures, or subsidiaries. These investments are accounted for at fair value through profit and loss.

15. Receivables

tDKK	Group		Parent	
	2022	2021	2022	2021
Trade receivables	206,783	182,002	115,111	68,677
Receivables from group enterprises	-	-	415,857	148,679
Other current receivables	112,158	50,002	89,091	39,388
Income tax receivable	-	-	-	-
Total receivables	318,941	232,005	620,059	256,743

Trade receivables

Allocation of net trade receivables by maturity period are as follows:

tDKK	Group		Parent	
	2022	2021	2022	2021
Up to 30 days	116,077	91,968	51,958	14,847
Between 31 and 90 days	61,853	51,012	48,219	32,675
Between 91 and 365 days	28,852	39,022	14,933	21,155
Net receivables at 31 December	206,782	182,002	115,111	68,677

The expected credit loss is based on a provision matrix, which considers the Groups historic credit losses combined with forward looking information that is expected to affect the loss rates. The Group has no history of significant credit losses on receivables. Due to the substance in and the agreements for receivables combined with the historic low credit loss rate, the expected credit loss on rent and services charge receivables is immaterial.

Receivables are written off when they are assessed as uncollectible.

Trade receivables are primarily related to asset management fees charged from Urban Partners to NREP fund assets and fund limited partners.

Other current receivables

Other current receivables consist of receivables from employees, affiliated companies and accrued rental income.

The Group considers that the carrying amount of trade and other receivables approximate their fair value. There is no concentration of credit risk with respect to specific receivables.

16. Prepayments / Other current financial assets

Other current assets include mainly prepayments. The prepayments relate to prepaid insurance, platform

licenses, other accounting and consultancy fees for the funding of Urban Partners Group managed funds.

17. Share base payment

As per 31 December 2022, the Group has one outstanding share-based incentive plan.

Description of the plan

At the general assembly 10th of August 2020, Urban Partners has approved the implementation of a warrant program for certain partners and employees of the Urban Partners as well as the issuance of 18,076 warrants. The warrants to which the participants subscribe do not carry a right to vote, receive dividends or any other rights associated to a shareholder.

On 10th August 2020 18,076 warrants were granted. The key features of the warrants granted under the plan are as follows:

- Each participant may subscribe a number of warrants against a cash payment of DKK 88.61 per warrant. The price of DKK 88.61 is assumed to be the fair value of the warrant at grant date
- Issued warrants vest equally in four tranches, being 1 January 2021, 1 January 2022, 1 January 2023 and 1 January 2024 (final date of vesting)
- If the participant exists Urban Partners prior to the final date of vesting, any unvested warrants will lapse without further notice or compensation
- At exercise, each warrant may be converted into 1 share in Urban Partners with a nominal value of DKK 1 against a cash payment of DKK 1,108, irrespectively of the time of vesting or exercise.

- The warrants may be exercised in a period of thirty days from the relevant date of vesting (1 January 2021/2022/2023/2024), although any unvested warrants shall be vested no later than three months from the final date of vesting (1 January 2024).

18,076 warrants are still outstanding as of December 31, 2022.

Accounting for Share-Based Payment

The warrants are issued in addition to the normal remuneration of the employee and constitute an incentive for the partners and employees to remain in the employment of Urban Partners. A direct measurement of the services by the participants is measured at the fair value of the warrants granted. In 2020, the partners and employee paid DKK 88.61 per warrant and this value represent the fair value of the warrants at grant date. Therefore, there is no specific fair value gain given to the employees at grant date and by that no cost to recognise.

Movements during the year (in unit):

	Group	
	Number of option (in units)	Weighted average exercise price in DKK per warrant
Outstanding 1 January 2021	18,076	1,108
Granted during 2021	-	-
Forfeited during 2021	-	-
Exercised during 2021	-	-
Expired during 2021	-	-
Outstanding 31 December 2021	18,076	1,108
Granted during 2022	-	-
Forfeited during 2022	-	-
Exercised during 2022	-	-
Expired during 2022	-	-
Outstanding 31 December 2022	18,076	1,108

The weighted average remaining contractual life for the warrants outstanding as of 31 December 2022 is 2 years (3 years in 2021).

The weighted average fair value of warrants granted during the year was DKK 0 in 2022 and DKK 0 in 2021.

Year ended December 31, 2022	Group
	Plan 2022
Number of warrants granted	18,076
Weighted average fair values at the measurement date per warrant (DKK)*	1,108
Dividend yield	4.0%
Risk-free interest rate	0.0%
Expected life of warrants (years)	4
Weighted average share price (EUR) per share	148.50
Exercise price (EUR)	148.50
Model used	Actual transaction

*DKK equivalent of EUR 148.0 has been based on EUR/DKK rate of 7.4584 (30. April 2020)

Market price per share is based on the actual share transaction with third party in August 2020. No volatility has been established on future equity.

The warrants have been purchased at fair value, why no expense has been recognised in staff costs regarding the incentive program.

18. Share capital

Dividends

The Board of Directors has not proposed dividend for 2022 (2021: DKK 0)

Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new

shares or sell assets to reduce debt. The Group manages alternative investment funds and is therefore under the supervision of the Swedish Financial Supervisory Authority with regard to activities in its Swedish entity NREP AB. The capital as defined by management on 31 December 2022 and 2021 consists of total equity of the Group plus net debt of the Group, as shown on the face of the consolidated balance sheet.

Capital increase

In 2022 new shares was issued resulting in a capital increase of DKK 7 thousand (2021: DKK 0).

The share capital has developed as follows:

tDKK	Group				
	2022	2021	2020	2019	2018
Share capital at 1 January	1,359	1,359	1,000	1,000	1,000
Capital increase	7	-	359	-	-
Capital decrease	-	-	-	-	-
Share capital at 31 December	1,366	1,359	1,359	1,000	1,000

Number of shares outstanding:

Shares ('000)	Parent	
	2022	2021
Shares issued at 1 January	1,359	1,359
Shares issued during the year	7	-
Total number of shares	1,366	1,359
Holding of Treasury shares	-	-
Total number of outstanding shares at 31 December	1,366	1,359

19. Proposed distribution of profit, Parent

tDKK	Parent	
	2022	2021
Reserve for net revaluation under the equity method	(26,535)	(51,595)
Retained earnings	34,807	(88,535)
Total	8,273	(140,131)

20. Trade Payables

Trade payables are non-interest bearing and are normally settled on current month +30-day terms.

21. Financial assets and liabilities

i. Interest-bearing loans and borrowings

tDKK	Group		Parent	
	2022	2021	2022	2020
Long-term part	109,317	-	109,317	-
Short-term part	93,139	51,050	93,139	51,050
Carrying amount at 31 December	202,456	51,050	202,456	51,050

As of December 31, 2022, the group has borrowing facilities available. The undrawn borrowing facilities available on 31 December 2022 amounted to DKK 204.3 million (2021 – DKK 201.8 million). Uncommitted bank

borrowing facilities are normally reaffirmed by the bank annually, although they can theoretically be withdrawn at any time.

ii. Other payable

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. The debt falls due for payment as specified below:

tDKK	Group		Parent	
	2022	2021	2022	2021
Between 1 and 5 years	78,201	-	62,177	-
Long-term part	78,201	-	62,177	-
Other short-term payables	442,346	250,068	89,609	95,193
Short-term part	442,346	250,068	89,609	95,193
Carrying amount at 31 December	520,547	250,068	151,787	95,193

Short-term other payables consist of cost related to trade payables and staff, such as vacation pay, social security, pension contribution and bonus. The increase in short term payables, between 2021 and 2022, was a result of increased activity and number of employees in NREP A/S Group and fund related accruals.

iii. Movements

The movements of financial liabilities are as follows:

tDKK	Group			
	Beginning of year	Cash flows	Non-cash changes	End of year
2022				
Current borrowings	51,050	151,406	-	202,456
Total	51,050	151,406	-	202,456
2021				
Non-current borrowings - disclosed as liabilities associated with asset held for sale / distribution				
Current borrowings	44,861	6,189	-	51,050
Total	44,861	6,189	-	51,050

iv. Fair value

The Group measures the fair value of its financial assets and financial liabilities using a fair value hierarchy. A financial instrument's classification within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Three levels of inputs may be used to measure fair value. The different levels of the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observables for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability

The following is a comparison, by class, of the carrying amounts and fair values of the financial assets and

liabilities, other than those with carrying amounts that are reasonable approximation of fair value:

Both for Group and the Parent, management assessed that the fair value of cash and cash equivalents, trade accounts receivable, trade accounts payable, accrued compensation and benefits, and other accruals approximate their respective carrying values due to their short-term maturities.

The fair values of the Group's interest-bearing loan are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. Their fair values are the same as the carrying amounts.

The other non-current investments and the carried interest portion of the associates are measured at fair value through the consolidated statement of comprehensive income.

tDKK	Group			
	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans and receivables at amortised cost:				
Trade receivables	206,783	206,783	182,002	182,002
Other current and non-current receivables	337,914	337,914	63,113	63,113
Cash and cash equivalents	256,694	256,694	171,603	171,603
Financial assets at fair value through profit/loss:				
Associates	134,951	134,951	352,339	352,339
Other non-current investments	317,811	317,811	281,880	281,880
Financial assets	1,254,154	1,254,154	1,050,937	1,050,937
Carried at amortised cost:				
Credit institutions	93,139	93,139	51,050	51,050
Trade payables	276,087	276,087	62,861	62,861
Other payables	442,346	442,346	250,068	250,068
Provisions	53,651	53,651	51,424	51,424
Financial liabilities	865,223	865,223	415,402	415,402

tDKK	Parent			
	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans and receivables at amortised cost:				
Trade receivables	115,111	115,111	68,677	68,677
Other current and non-current receivables	305,311	305,311	52,322	52,322
Current and non-current receivables from group enterprises	439,745	439,745	148,898	148,898
Cash and cash equivalents	36	36	95,190	95,190
Financial assets at fair value through profit/loss:				
Associates	13,134	13,134	220,513	220,513
Other non-current investments	41,280	41,280	17,457	17,457
Financial assets	914,617	914,617	603,058	603,058
Carried at amortised cost:				
Interest bearing loans and borrowings	(93,139)	(93,139)	(51,050)	(51,050)
Trade payables	(268,113)	(268,113)	(38,005)	(38,005)
Other payables	(261,104)	(261,104)	(95,193)	(95,193)
Payables to group enterprises	(528,940)	(528,940)	(199,692)	(199,692)
Financial liabilities	(1,151,296)	(1,151,296)	(383,939)	(383,939)

tDKK	Group			Total
	Quoted prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Other non-current investments and associates (with shares or underlying shares measures at fair value)	-	-	452,762	452,762
Carrying amount 31 December 2022	-	-	452,762	452,762
Other non-current investments and associates (with shares or underlying shares measures at fair value)	-	-	634,219	634,219
Carrying amount 31 December 2021	-	-	634,219	634,219

The following table presents the change in level 3 items for the years ended 31 December 2022 and 31 December 2021:

tDKK	Group	
	2022	2021
Opening at 1 January	634,219	235,526
Additions associates related to Urban Partners managed funds	33	206,925
Transfers and other adjustments associates related to Urban Partners managed funds	(207,305)	(3,039)
Income from investments in associates related to Urban Partners managed funds	2,115	106,272
Income from investments in other associates	(285)	170
Dividends from investments in associates related to Urban Partners managed funds	(9,982)	(22,232)
Additions from investments related to Urban Partners managed funds	47,342	15,579
Transfers and other adjustments investments related to Urban Partners managed funds	(4,517)	(26,673)
Income from investments in other investments related to Urban Partners managed funds	(16,629)	144,021
Income from investments in other investments	14,148	158
Dividends from investments in associates related to Urban Partners managed funds	(6,377)	(22,488)
Closing balance 31 December	452,762	634,219

22. Financial risk management

The Group is subject to the following market risks:

- Market risks
- Foreign exchange risks
- Interest rate risk
- Liquidity risk
- Credit risk

The Group regularly defines, monitors, and manages its external risks (including foreign exchange risk, credit

risk, investment risk, liquidity risk, reputation risk et. al.) to align with the risk appetite of its stakeholders.

The valuation of Urban Partners' co-investments in Urban Partners managed funds is inherently linked to the valuation of real estate properties in the fund portfolios. The value of investment property is subject to market conditions and is estimated with some degree of uncertainty. All real estate properties have been valued by independent external valuers.

i. Market risks

Management fees received from funds are primarily based on the committed or deployed capital. In

Management's assessment, the risk profile of the Urban Partners Group is normal for this Market.

The value assessments of properties held directly or indirectly through equity investments are inherently subject to some degree of uncertainty. In order to limit the risk as much as possible, all relevant properties have been assessed by external valuers, who are external parties independent of the company.

The fair value of the properties has been determined on discounted cash flows using equivalent yields between 3.6% and 8.2% depending on the type and location of the property. These inputs include:

- Future rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing lease,

ii. Foreign exchange risks

The Group primarily receives management fees in EUR, whereas the Group's expenses are distributed on DKK, SEK, NOK, EUR and PLN. This implies a risk in respect of

other contracts or external evidence such as current market rents for similar properties.

- Discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows.
- Estimated vacancy rates based on current and expected future market conditions after expiry of any current lease.
- Maintenance costs including necessary investments to maintain functionality of the property for its expected useful life.
- Capitalisation rates based on actual location, size and quality of the properties and taking into account market data at the valuation date.
- Terminal value taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

exchange fluctuation of which the main part is however covered for operating purposes by matching income and expenses in the same currency.

	Group						Total
	DKK	EUR	NOK	SEK	GBP	PLN	
2022							
Trade receivable and other receivable	204,684	71,649	16,063	12,160	482	13,904	318,941
Investment in other financial assets	308,325	44,704	566	188,086	1,633	253	543,567
Cash and cash equivalents	22,845	223,826	1,752	(128)	(75)	8,475	256,694
Total Financial assets	535,854	340,179	18,381	200,118	2,040	22,631	1,119,202
Intangible assets	515,394	4,196	-	-	-	-	519,589
Property, plant & equip, total	13,525	4,833	2,547	1,919	4,466	193	27,482
Right-of-use assets	64,713	-	-	-	-	-	64,713
Investment in associates & JV	134,310	100	83	2,186	-	-	136,678
Deferred tax assets	36,663	1,516	5,538	6,941	-	-	50,657
Prepayments	11,764	1,554	201	3,083	-	-	16,601
Total Non-Financial assets	776,367	12,198	8,368	14,128	4,466	193	815,720
Total Assets	1,312,221	352,376	26,748	214,246	6,506	22,824	1,934,922
Credit institutions	93,139	-	-	-	-	-	93,139
Trade and other payables	539,264	264,312	21,571	70,911	4,023	5,870	905,951
Provisions	14,385	10,827	172	20,059	8,207	-	53,651
Lease liabilities	65,907	-	-	-	-	-	65,907
Total Financial liabilities	712,695	275,139	21,744	90,970	12,230	5,870	1,118,648
Tax liabilities	78,463	6,976	-	-	-	-	85,440
Total Non-Financial liabilities	78,463	6,976	-	-	-	-	85,440
Total liabilities	791,159	282,115	21,744	90,970	12,230	5,870	1,204,088
Net currency position	521,063	70,261	5,005	123,276	(5,724)	16,954	730,834

tDKK	Group						
	DKK	EUR	NOK	SEK	GBP	PLN	Total
2021							
Trade receivable and other receivable	111,963	65,862	17,412	33,840	410	2,517	232,005
Investment in other financial assets	105,981	35,350	139	153,345	-	177	294,991
Cash and cash equivalents	141,600	23,621	956	(154)	4,447	1,134	171,603
Total Financial assets	359,545	124,833	18,506	187,031	4,857	3,827	698,598
Intangible assets	8,274	5,865	-	-	-	-	14,139
Property, plant & equip, total	8,350	2,027	154	2,072	-	16	12,619
Right-of-use assets	49,363	-	-	-	-	-	49,363
Investment in associates & JV	350,554	100	87	2,542	-	-	353,283
Deferred tax assets	23,795	958	93	9,026	-	-	33,872
Prepayments	7,280	6,184	261	3,106	-	-	16,831
Total Non-Financial assets	447,616	15,133	595	16,747	-	16	480,107
Total Assets	807,161	139,966	19,101	203,778	4,857	3,843	1,178,705
Credit institutions	51,050	-	-	-	-	-	51,050
Trade and other payables	156,013	91,785	11,478	46,157	3,461	570	309,464
Provisions	-	867	-	50,557	-	-	51,424
Lease liabilities	50,319	-	-	-	-	-	50,319
Total Financial liabilities	257,381	92,652	11,478	96,713	3,461	570	462,256
Tax liabilities	2,585	347	-	-	533	-	3,465
Total Non-Financial liabilities	2,585	347	-	-	533	-	3,465
Total liabilities	259,966	92,999	11,478	96,713	3,994	570	465,721
Net currency position	547,195	46,967	7,623	107,065	862	3,273	712,984

iii. Interest rate risks

NREP A/S and affiliated companies have little exposure to interest rate risk as external financing is limited to a working capital facility with a variable interest of +2,5% of BOR.

The Urban Partners Group might be indirectly exposed to interest rate risk through the Funds' performance. Funds have a dedicated policy for their own interest rate risk exposures.

iv. Liquidity risk

The Group manages its liquidity risk by monitoring the changes in working capital and by ensuring adequate funding. Based on the Group's cash management principle, the Group's cash is accumulated in dedicated bank accounts. Risk analysis and designing of risk management plans are conducted at the top management level. The Group's liquidity risk policy is based on a conservative approach, whose main objective is to secure the safeguarding of the cash flows generated from the operations to ensure sufficient

The Fund's interest rate risks principally arise from long-term and short-term borrowings. Borrowings issued at variable rates expose the Funds to cash flow interest rate risk. To manage this, the Funds have entered into interest rate swaps and interest rate caps. For the interest rate swaps the Funds agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount. Interest rate caps cap the floating interest at a specific rate.

liquidity enabling timely settlement of the liabilities undertaken.

At 31 December 2022 the Group has a committed undrawn borrowing facility of DKK 204.3 (EUR 27.5) that may be available for future operating activities and to settle capital commitments. The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

tDKK	Group			Total
	Less than 1 year	Between 1 and 5 years	More than 5 years	
End 2022				
Leases	32,422	24,487	8,998	65,907
Credit institutions	93,139	-	-	93,139
Other payables	442,346	226,980	-	669,326
Trade payables	276,087	-	-	276,087
Total	843,994	251,467	8,998	1,213,776
End 2021				
Leases	19,327	21,853	9,139	50,319
Credit institutions	51,050	-	-	51,050
Other payables	245,730	-	-	245,730
Trade payables	62,861	-	-	62,861
Total	378,968	21,853	9,139	409,960

v. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group has no significant concentrations of credit risk.

Credit risk arises from cash and cash equivalents held at banks, trade receivables and other receivables. Credit risk is managed on a group basis. The Group does not monitor the credit quality of trade and other receivables on an

ongoing basis. Cash balances are held only with financial institutions with a Moody's or Fitch credit rating of Aa3 or above, except in cases where amounts are immaterial.

Credit risk arises principally from other receivable, trade receivables and cash and cash equivalents.

NREP A/S monitors credit risk of any financial counterparty on an annual basis and performs initial financial due diligence.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

tDKK	Group	
	2022	2021
Trade receivables	206,783	182,002
Other receivables	112,158	50,002
Other non-current receivables	225,756	13,111
Cash and Cash Equivalents	256,694	171,603

Cash and cash equivalents and deposits were placed with financial institutions whose ratings are as follows:

tDKK			Group	
			2022	2021
Financial Institution	Rating Agency	Rating		
BBH *	Fitch	A+	47,373	9,376
Danske Bank	Moody's	A1	42,261	147,553
Nordea Bank	Moody's	Aa3	17,094	11,864
RBSI	Moody's	P1	93,501	-
Commerzbank	Moody's	A1	25,500	-
ING	Moody's	A1	23,491	-
Other banks	Moody's/Fitch	-	7,474	2,810
			256,694	171,603

* Acting as an intermediary for HSBC, Nordea Bank Denmark, and Nordea Bank Norway

The ratings for financial institutions with which the Group does business in multiple countries are the same for all locations of that institution.

Further details on the Group's credit risk and the related expected credit loss for rent and service charge receivables and debt investments are included in note 15 respectively.

23. Related parties

The following transactions were carried through with related parties:

tDKK	Group	
	2022	2021
Transaction with TBL Holding ApS:		
Accounts Payables	-	15
Transaction with AGE Holding AB:		
Loans granted/received/Loans repaid	7,437	-
Other income	1	-
Transactions with other related parties:		
Account Receivables	41,420	104,343
Accounts Payables	(3,711)	(46,257)
Other income	3,360	(99,509)
Other expenses	(2,323)	(1,745)

tDKK	Parent	
	2022	2021
Transactions with other related parties:		
Loans granted/received/repaid	(90,762)	(88,507)
Subsidiaries	(108,414)	(100,326)
Joint Ventures	13,934	7,930
Associates	2,095	985
Other	1,623	2,904
Accounts Receivables	296,191	131,309
Subsidiaries	275,904	77,156
Joint Ventures	20,285	5,459
Associates	2	-
Other	-	48,694
Accounts Payables	(339,831)	(89,268)
Subsidiaries	(336,121)	(89,268)
Joint Ventures	(3,711)	-
Associates	-	-
Other	-	-
Interest received	1,862	718
Subsidiaries	1,472	558
Joint Ventures	300	95
Associates	31	11
Other	59	54
Interest paid	(9,274)	(7,570)
Subsidiaries	(9,274)	(7,570)
Joint Ventures	-	-
Associates	-	-
Other	-	-
Revenue	382,746	251,971
Subsidiaries	380,820	139,019
Joint Ventures	1,925	(1,533)
Associates	-	-
Other	-	114,485
Other expenses	(160,694)	(4,895)
Subsidiaries	(158,371)	(4,717)
Joint Ventures	(2,322)	-
Associates	-	-
Other	-	(178)

As regards to the Key Management Compensation reference is made to note 2 staff expenses.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

- Two Degrees UP ApS, Højmarksvej 26, 8270 Højbjerg
- Doughnut Capital UP ApS, Højmarksvej 26, 8270 Højbjerg
- NREP Partner Holding ApS, Højmarkvej 26, 8270 Højbjerg
- NREP Partners Investment ApS, Højmarkvej 26, 8270 Højbjerg
- Novo Holdings A/S, Tuborg Havnevej 19, 2900 Hellerup

24. Contingent assets, liabilities and other financial obligations

Group

The Group companies are jointly and separately liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report. NREP A/S is the management company of the joint taxation purposes for the Danish joint taxation. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Group has entered into binding commitments to invest further EUR 5,4m into 2150 Urban Tech Fund.

The Group guarantees as a surety guarantor as a party to the obligations that NREP-TF ApS assumes in accordance with the Tunnelfabrikken Consortium Agreement.

Parent

NREP A/S has issued a letter of comfort for selected subsidiary companies in order to be in compliance with going concern requirement.

NREP A/S holds tDKK13,487 of operating lease liability that relates to office leases as at the end of 2022.

25. Audit Fee

tDKK	Group		Parent	
	2022	2021	2022	2021
Audit fee, PWC	2,399	3,256	1,294	1,818
Other non-audit fees	534	230	286	55
Tax advisory fee	435	207	435	82
Total receivables	3,368	3,693	2,015	1,955

26. Provision

Provision relates to Restructuring and VAT.

Since December 2020, Urban Partners has been in a dispute with the tax Authorities in Sweden concerning

VAT treatment. In 2023 Urban Partners finally received a ruling which was in line with the expectations and provision.

27. Subsequent event

Beginning in March 2023, there was a degree of turmoil in the banking sector, notably impacting lenders such as Silicon Valley Bank and a handful of other largely US based banking institutions with some contagion to the broader global banking market. The Group had no direct exposure to those lenders that have been impacted and as such there has been no impact on its operations and performance. Whilst there were a limited number of indirect exposures to impacted institutions, through

tenants and portfolio company investments etc these were resolved without impact to the Group or its investments and strategies. The Group continues to assess the suitability of its ongoing banking relationships in view of any potential ongoing contagion risk, as per normal course of business, but is currently operating with a heightened state of vigilance in this regard.

The Group had its final close for its fifth Value Add Real estate investment fund, NSF5 in May 2023. The final close

was at a level of EUR 3.65 billion equity commitments making this the largest vintage of the Groups flagship value-add series and the largest ever European Value Add Real Estate Fund. The level of commitments exceeded Management's expectations and provides a strong basis for the Group to perform strongly over 2023, as a result of higher than initially anticipated management fees associated with this strategy. Management also see this as confirmation of the Group's ability to continue to

28. General Information

Urban Partners is a vertically integrated real estate product innovator, developer, investor and operator that seeks to make real estate better. Urban Partners takes a multi-stakeholder approach and leverages its multidisciplinary team to develop real estate and real estate anchored businesses that create long-term value for tenants, investors and the wider communities in which Urban Partners invests.

Further Urban Partners backs tech entrepreneurs with constructive capital so they can reimagine and reshape the urban environment as a VC firm in investing in sustainable urban tech solutions through the 2150 brand.

Urban Partners also provides specialist financing within the build environment.

29. Basis of Preparation

The Consolidated Financial Statements of the Urban Partners Group for 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in EU and additional Danish

30. Accounting Policies for the Group

Statement of compliance

The financial statements of the Group for 2022 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and additional Danish disclosure requirements.

The Group and Parent Company Financial Statements for 2022 are presented in tDKK.

attract capital to its investment strategies, despite challenging global fundraising environment owing to its proven strategies, pipeline, geographical focus and ESG leadership and thereby to continue to grow and expand the Group's activities

Rickard Tobias Svensson Dahlberg has step out the Board of Directors and is replaced by Jim Hagemann Snabe.

NREP A/S was established on 2 November 2005 and operates as a North European investment group focusing on identifying, assessing, and executing property related investment platforms mainly in the Scandinavian region.

The investment objective of these platforms is to pursue investments in real estate, either through equity or debt instruments in Denmark, Finland, Norway, Sweden, Poland, and Germany with the intention of delivering strong risk adjusted returns. These platforms typically focus primarily on suburban areas around all capital cities as well as the main regional cities, targeting attractive locations in supply constrained areas in order to maintain high occupancy levels and the ability to increase rental income over time.

NREP A/S has its registered office at DK-2150 Nordhavn, Denmark.

disclosure requirements. The financial Statements of NREP A/S (the Parent Company) have been prepared in accordance with the Danish Financial Statements Act.

Comprehensive Income and Cash Flow Statement

The Group has elected to present a single statement of comprehensive income and presents its expenses by nature. The Group reports cash flows from operating activities using the indirect method. Financial income received from joint ventures and associates etc., and financial expenses paid on loans is presented within financing activities in the cash flow statement. The acquisitions and disposals of investments are disclosed as cash flows from investing activities because this most appropriately reflects the Groups business activities.

Preparation of the Consolidated Financial Statements

The consolidated financial statements include the accounts of NREP A/S, and all subsidiaries controlled by NREP A/S. Control is assumed when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to NREP A/S. They are deconsolidated from the date that control ceases. In assessing control, potential voting rights that are substantive, are considered.

Enterprises in which the Group has shared control is classified as joint ventures.

Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends, and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Funds

Each Urban Partners fund, being composed of one or more limited Partnerships (or the equivalent) is managed by a general partner and/or a manager (jointly "Fund Manager"). The Fund Manager is a direct or indirect subsidiary of NREP A/S. The authority and powers of the Fund Manager are defined in the Limited Partnership Agreement (or similar).

Determining whether or not a Fund Manager should consolidate its managed funds is based on judgement of whether the Fund Manager is acting as a principal or an agent to the fund for accounting purposes. The assessment of the NREP A/S Groups expected level of return is based on the funds' performance, i.e. the variable returns. Should a fund generate variable return NREP A/S Group would be entitled to between 8 and 31 percent of the variable return, which is not considered to meet the control criterion in IFRS on link between power and return. Instead, NREP A/S Group is considered to be

an agent in relation to the fund investors, for accounting purposes and, accordingly the funds are not consolidated.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. This is generally the case where the group holds between 20% and 50% of the voting rights.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within "Income from investments in associates related to Urban Partners managed funds", "Income from investments in associates" or "Income from investments in joint venture" in the statement of profit or loss. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the

group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of NREP A/S.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Translation policies

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in DKK, which is NREP A/S functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are recognised in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into DKK at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

The Group measures non-financial assets such as investment properties and investment in shares owned directly or indirectly, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is

significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted financial assets, and for non-recurring measurement, such as assets held for sale in discontinued operations. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

External valuers are involved for valuation of significant assets, such as investment properties or investment in equity on an unquoted financial market. Involvement of external valuers is determined annually by the Group.

Revenue from contracts with customers

IFRS 15 Revenue from Contracts with Customers ("IFRS 15"), specifies how and when revenue should be recognized and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in IFRS 15. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The company recognizes revenue when it transfers control of a product or service to a customer. The company recognizes revenue from the following major sources:

Asset Management Fee

The company's primary asset management revenue streams, which include base management fees, incentive fees (including incentive distributions and performance fees), are satisfied over time.

The company earns base management fees in accordance with contractual arrangements with our long-term private funds, perpetual strategies, and public securities' investment vehicles. Fees are typically equal to a percentage of fee-bearing capital within the respective fund or entity and are accrued quarterly. These fees are earned over the period of time that the management

services are provided and are allocated to the distinct services provided by the company during the reporting period.

Service corporate fee

Service corporate fee revenue stream relate to services not included in the asset management fee agreement that the Group performs on behalf of the funds it manages. The revenues arising these services are recognized on a time spend basis.

Other

Other revenues relate to the hospitality operations which is generated by providing accommodation, food and beverage and leisure facilities to hotel guests. Revenue from accommodation is recognized over the period that the guest stays at the hotel; food and beverage revenue as well as revenue from leisure activities is recognized when goods and services are provided. Further it includes variable considerations that are considered highly probable that a reversal will not take place in the future.

Income from interests in associates and other investments related to Urban Partners Managed funds

Income from interest in associates and other investments related to Urban Partners Managed funds comprise a fair value movement of the other investments directly or indirectly held by the Group.

The carried interest income is calculated taking into account the required performance conditions and distribution agreements with each Fund as a whole.

Other administrative expenses

Other administrative expenses comprise expenses for premises, sales as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll-related expenses.

Pension

The Group makes contributions to defined contribution pension plans. The contributions are recognized in the consolidated statement of comprehensive income as incurred.

Share base compensation

Warrants were issued to certain partners and employees of the Group. The warrants are equity-settled share-based payment transactions as they may only be settled by shares in NREP A/S. The costs related to the warrants are recognized over the vesting period of four years. The participants must make certain payments for receiving the warrants, which is assumed to equal the fair value of the issued warrants. The costs related to the warrant are offset by the payments received from the participant, creating a nil impact on the consolidated statement of comprehensive income.

The fair value of the employee services received in exchange for the warrants is determined at the grant date.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment, intangible assets and goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expense determined on an amortised cost basis and exchange rate adjustments.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	50 years
Other fixtures and fittings, tools, and equipment	3-5 years
Leasehold improvements	20 years

Depreciation period and residual value are reassessed annually.

Intangible assets

Finite life intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses and are amortized on a straight-line basis over their estimated useful lives, which range between 2 to 12 years. Amortization is recorded within depreciation and amortization in the Statements of comprehensive income.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. Intangible assets under development and Goodwill are tested for impairment annually.

Impairment non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is

determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Refer to note 8.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the

assessment of an option to purchase the underlying asset.

Assets held for distribution / sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Income taxes

Current tax receivables and liabilities

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets and liabilities

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

The Group only has financial assets subsequently measured at amortised cost or at FVTPL. The financial assets at FVTPL are included in the other non-current investment in note 14.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired. The Company's financial assets are the following:

Financial assets at amortised cost are mainly trade receivables, the other current financial assets consist of prepaid expenses concerning rent, insurance premiums,

subscriptions and interest as well as the long-term loans to affiliated companies included in other non-current financial assets.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes investments in equity instruments that do not meet the criteria of a subsidiary or an associate. These investments, included in other non-current financial assets (note 14) are presented at fair value, including the fair value of the carried interests. The profit or loss arising from the fair valuation as well as the carried interest calculation are presented in financial income and "income from carried interests" respectively.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the

maximum amount of consideration that the Group could be required to repay.

Impairment

The Group calculates an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The expected credit loss is based on a provision matrix, which considers the Group's historic credit losses combined with forward looking information that is expected to affect the loss rates. The Group has no history of significant credit losses on receivables. Due to the substance in and the agreements for receivables combined with the historic low credit loss rate, the expected credit loss on rent and services charge receivables is immaterial.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings with credit institutions.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The Company does not have financial liabilities at fair value through profit and loss.

For the financial liabilities at amortised cost, after initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings. For more information, refer to note 21.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks subject to an insignificant risk of changes in value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-interests in the acquiree. For each business combination, the Group elects whether to

measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill on acquisition, qualifying as business combinations, is initially measured at cost being the difference between the cost of the business acquisition and the fair value of its identifiable assets, liabilities and contingent liabilities.

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the

depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Amendments to the following standards:

IFRS 1 – The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

IFRS 9 – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 – The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Reference to the Conceptual Framework – Amendments to IFRS 3 - Amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and to add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognized at the acquisition date.

The above amendments are effective for reporting periods beginning on or after 1 January 2022. They are not expected to have a material impact on the Group.

Standards issued but not yet effective

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts

(IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

A specific adaptation for contracts with direct participation features (the variable fee approach)

A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Fund is currently assessing

the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Definition of Accounting Estimates (Amendments to IAS 8)

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group’s accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments are applicable to annual periods beginning on or after 1 January 2023.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are not expected to have a material impact on the Group.

31. Critical accounting estimates and judgements

The Group makes accounting estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates and assumptions applied are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical estimates, judgements and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to note 8 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Management has made the following judgments when applying accounting policies:

Shares are classified as equity investments if the Group does not have an obligation to sell the shares at cost or an amount lower than fair value if the Investors elect another Fund Manager. If the Group has such an obligation, such shares are considered contingent consideration arrangement related to the services delivered under the Investment Management agreements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value

Interests in other financial assets managed by Urban Partners owned directly by the Group or indirectly through an associate.

Investments in associates and other investments includes shares owned directly or indirectly which are measured at fair value.

Valuation of some of the shares are subject to significant accounting estimates as the valuation is based on the performance of the Urban Partners Managed Fund exceeding a predetermined hurdle rate, which is in turn driven by the risk factors of the fund including financial capacity of tenants to pay rent, market conditions in terms of supply and demand of buildings / rental space, Urban Partners ability to buy / sell buildings at low / high valuation respectively at the right cycles of the fund investment cycle, independent valuations or better are obtained on sale, vacancy rates, renegotiation terms of rental and financing arrangements, FX rates stability as FX risk is not hedged in the fund, compliance with loan covenants, taxation rules stability and the discount rate applicable to forecasted carried interest flows.

Properties in investments in associates and other non-current investments

Properties held by entities in which the Group hold an equity interest through investments in associates or non-controlling interests are normally measured at fair value. The fair value of investment properties is determined by Urban Partners and assessed by independent valuers using acknowledged valuation techniques. The models used for valuing investment properties can include the net present value of estimated future cash flows, the capitalisation of expected yields approach, and/or recent transactions of comparable properties. The determination of the inputs in the valuation calculations requires management to make judgments and estimates.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to intangibles with indefinite useful lives recognised by the Group.

Management has reviewed the development projects and assessed the possibilities for realising a profitable business basis. These assessments have been used to assess the need of impairment of activated project costs. The assessment did not lead to impairments.

Leases - Estimating the incremental borrowing rate

When the Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value

to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

32. Accounting policies for the Parent Company

The accounting policies of the Parent Company are the same as for the Group except as described below:

The financial statements of the Parent company have been prepared in accordance with the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Parent Company Financial Statements for 2022 are presented in tDKK.

The income statement is presented according to the nature of expenses. To obtain a true and fair view of the investment management activities of company, fair value changes and dividend from entities holding investments in the funds managed by Urban Partners is presented as a separate line item within profit before financial items. Further, income from associates holding such investments is presented as a separate item within profit before financial items.

The balance sheet is presented in a current/non-current order.

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

Revenue

The Parent Company has chosen to use IFRS15 as interpretation for revenue recognition. Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for under the equity method. Undistributed reserves in subsidiaries are recognised in a separate reserve within equity.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0 and it is assessed whether receivables should be considered uncollectible. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other non-current investments

Investment in other non-current assets is measured at cost.

Receivables

Receivables are measured at amortised cost.

The Parent Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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.

Leases

The Parent Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Parent Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Parent Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash Flow Statement

With reference to section 86 paragraph 4 of the Danish Financial Statements Act, no Cash Flow Statement for the Parent Company are prepared.