RSM Danmark

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DK Estate ApS

Frederiksgade 1, 5. 3, 8000 Aarhus C

Company reg. no. 40 64 14 32

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 12 June 2025.

Kim Andersen
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of DK Estate ApS for the financial year 1 January - 31 December 2024.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Aarhus C, 12 June 2025

Managing Director

Kim Andersen

Board of directors

Donald E. Davidson jr.

Independent auditor's report

To the Shareholders of DK Estate ApS

Opinion

We have audited the financial statements of DK Estate ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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

Emphasis of Matter

We refer to note 1 for Management's description of uncertainties in relation to the recognition and measurement of investment property. We agree with Management's description.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on 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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Fredericia, 12 June 2025

RSM Danmark
Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Søren Fricke
State Authorised Public Accountant
mne34262

Company information

The company	DK Estate ApS Frederiksgade 1, 5. 3 8000 Aarhus C Company reg. no. 40 64 14 32 Financial year: 1 January 2024 - 31 December 2024
Board of directors	Donald E. Davidson jr.
Managing Director	Kim Andersen
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
Parent company	Davidson Holding ApS

Management´s review

Description of key activities of the company

The main activity of the company is property investment and development.

Unusual circumstances

No unusual circumstances have affected recognition or measurement.

Uncertainties about recognition or measurement

No material uncertainty has affected the recognition or measurement.

Significant changes in the company's activities and financial matters

As of 1 January 2024, the company har merged with the companies NBV Ejendomme ApS. Comparative figures in the annual report have been adjusted so that it shows the result and balance combined for the 2 companies for the financial year 2023.

The company's shareholders have made capital increases by a total of DKK 7,4 million in the financial year.

There have been no significant changes in activities and financial matters.

Events occurring after the end of the financial year

After the end of the financial year, no events have occurred that could materially affect the financial position of the company.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2024	2023
	Gross profit	**4.328.139**	**5.199.091**
	Value adjustment of investment property	2.581.055	-6.601.556
	Profit before net financials	**6.909.194**	**-1.402.465**
	Other financial income from group enterprises	0	13.920
	Other financial income	11.882	252.387
2	Other financial expenses	-5.345.158	-4.476.953
	Pre-tax net profit or loss	**1.575.918**	**-5.613.111**
	Tax on net profit or loss for the year	-851.984	735.003
	Net profit or loss for the year	**723.934**	**-4.878.108**
	Proposed distribution of net profit:		
	Transferred to retained earnings	723.934	0
	Allocated from retained earnings	0	-4.878.108
	Total allocations and transfers	**723.934**	**-4.878.108**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		2024	2023
	Non-current assets		
4	Investment properties	154.320.001	152.460.000
	Total property, plant, and equipment	154.320.001	152.460.000
	Total non-current assets	**154.320.001**	**152.460.000**
	Current assets		
	Income tax receivables	22.000	0
	Other receivables	2.505.012	834.993
	Prepayments	66.839	0
	Total receivables	2.593.851	834.993
	Cash and cash equivalents	124.078	731.526
	Total current assets	**2.717.929**	**1.566.519**
	Total assets	**157.037.930**	**154.026.519**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2024	2023
	Equity		
	Contributed capital	650.000	500.000
	Retained earnings	39.311.282	31.337.348
	Total equity	**39.961.282**	**31.837.348**
	Provisions		
	Provisions for deferred tax	11.552.145	10.612.249
	Total provisions	**11.552.145**	**10.612.249**
	Liabilities other than provisions		
	Mortgage loans	55.264.274	57.154.428
	Deposits	2.710.323	2.790.573
5	Total long term liabilities other than provisions	57.974.597	59.945.001
5	Current portion of long term liabilities	1.860.000	1.610.000
	Prepayments received from customers	0	672.845
	Trade payables	980.152	398.632
	Payables to group enterprises	349.032	797.709
	Income tax payable	0	373.992
	Other payables	44.360.722	47.778.743
	Total short term liabilities other than provisions	47.549.906	51.631.921
	Total liabilities other than provisions	**105.524.503**	**111.576.922**
	Total equity and liabilities	**157.037.930**	**154.026.519**

1 Uncertainties concerning recognition and measurement

6 Charges and security

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2023	500.000	0	36.215.456	36.715.456
Retained earnings for the year	0	0	-4.878.108	-4.878.108
Equity 1 January 2024	500.000	0	31.337.348	31.837.348
Cash capital increase	150.000	7.250.000	0	7.400.000
Retained earnings for the year	0	0	723.934	723.934
Transferred to retained earnings	0	-7.250.000	7.250.000	0
	650.000	**0**	**39.311.282**	**39.961.282**

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

Projekt - Commercial property in Vejle

The investment property of DKK 89.9 million is measured at the expected selling price of the building rights when constructing new commercial and residential properties. It is a precondition for this measurement that a building permit is obtained and that the local development plan for the area is changed. An application has been submitted and there is an ongoing dialogue with the authorities.

Management expects that the necessary building permit and change of the local development plan can be obtained before the end of the financial year 2026.

It is estimated that the current rental property with a return of 6% will give a fair value of approx. DKK 50-55 million on the basis of the current net profit of the lease. This is considered to be the alternative use of the property if the necessary building permit and change of the local development plan cannot be obtained.

Projekt - Building site at Århus Airport

The investment property is measured at the expected selling price of the building rights when constructing the parking facility. It is a precondition for this measurement that a building permit is obtained.

Management expects that the necessary building permit and change of the local development plan can be obtained before the end of the financial year 2026.

		2024	2023
2.	**Other financial expenses**		
	Financial costs, group enterprises	28.124	37.996
	Other financial costs	5.317.034	4.438.957
		5.345.158	**4.476.953**

		31/12 2024	31/12 2023
3.	**Other fixtures, fittings, tools and equipment**		
	Additions during the year	74.000	0
	Disposals during the year	-74.000	0
	Cost 31 December	**0**	**0**
	Carrying amount, 31 December	**0**	**0**

Notes

All amounts in DKK.

		31/12 2024	31/12 2023
4.	**Investment properties**		
	Cost 1 January	100.922.496	94.230.257
	Additions during the year	207.033	16.780.659
	Disposals during the year	-2.993.279	-10.088.420
	Cost 31 December	**98.136.250**	**100.922.496**
	Fair value adjustment 1 January	51.537.504	54.472.593
	Adjustments to fair value for the year	4.002.968	-2.935.089
	Adjustment to fair value, assets disposed of	643.279	0
	Fair value adjustment 31 December	**56.183.751**	**51.537.504**
	Carrying amount, 31 December	**154.320.001**	**152.460.000**

Projekt - Commercial property in Vejle
The company's investment properties is 1 commercial property in Vejle, which is expected to rebuilt to new commercial and residential properties.

As per the description of the accounting policies applied, investment properties are measured at fair value (Level 3 in the fair value hierarchy) and, in accordance with the valuation report conducted by valuer Kent Møller, from valuation firm KM Erhverv ApS, on December 3, 2024, measured at fair value as of 31 December 2024.

Valuation is made based on the following assumptions. It is expected that planning permission can be obtained for 28,000 m2 of residential and 7,000 m2 of commercial use. The management has estimated that the market price for building rights for residential is DKK 3,000/m2 and for commercial premises DKK 1,800/m2. In connection with the calculation of the market value, deductions have been made of costs for the district plan and building permits of approx. DKK 6,7 million.

See note 1 for a description of the uncertainty with respect to the recognition and measurement of the investment property of DKK 89.9 million.

Projekt - Building site at Århus Airport
The company owns an investment property consisting of land area of 30,743 m2 close to Aarhus Airport. Management expects that a building permit can be obtained for the construction of a parking facility to serve visitors at Aarhus Airport.

All amounts in DKK.

4. Investment properties (continued)

As per the description of the accounting policies applied, investment properties are measured at fair value (Level 3 in the fair value hierarchy). In accordance with the valuation report conducted by valuer Kent Moeller, from valuation firm KM Erhverv ApS, on March 9, 2025, the investment property is measured at fair value as of December 31, 2024.

Valuation is made based on the following assumptions. A budget has been prepared for the expected revenue of 1,050 parking spaces, assuming an average occupancy rate of 30%. The budget is based on an average weekly price of DKK 312 per parking space and includes an expected return on investment of 9%. The calculated value has been reduced by construction work, which is expected to amount to DKK 31 million.

See note 1 for a description of the uncertainty with respect to the recognition and measurement of the investment property of DKK 8.5 million.

Other rental properties

The company's investment properties consist of 4 residential properties in Fredericia and Vejle, 1 residential/commercial property in Vejle and 1 apartment in Århus.

As per the description of the accounting policies applied, investment properties are measured at fair value (Level 3 in the fair value hierarchy) using a return-based model.

The fair value measurement is carried out for each individual property based on the property's detailed budget for the upcoming operating year, adjusted for fluctuations that are characterized as one-time events.

The rate of return is determined based on market statistics, completed transactions, and management’s knowledge of market conditions, generally. In setting the rate of return, various factors are taken into consideration, such as property type (residential, office, retail, etc.), location, age, condition, lease terms, and creditworthiness, among others.

The significant assumptions for the determined fair value are as follows:

	31/12 2024	31/12 2023
Rate of return, residential, Fredericia and Vejle	5,5%	5,5%
Rate of return, residential/commercial, Vejle	6,5%	6,5%
Rate of return, residential, Århus	2,5%	2,5%
Vacancy rate, recidential, Fredericia and Vejle	5%	5%
Vacancy rate, other investment properties	1%	1%
Residential properties are valued at an average rate of, Fredericia and Vejle (DKK/m2)	15.250	15.067

All amounts in DKK.

4. Investment properties (continued)

Commercial properties are valued at an average rate of, Vejle (DKK/m2)	6.797	6.373
Residential properties are valued at an average rate of (DKK/m2), Århus	35.088	35.088

Sensitivity analysis

The fair value of the investment properties total DKK 55.950 as at 31 December 2024. The determined fair value is an estimate made by management based on available information and current future expectations. The sensitivity of the average rate om return can be illustrated thus: a rise in the rate of return of 0.5 percentage point per property would result in a decrese in the fair value by DKK 49.880. A decrese in the rate of return of 0.5 percentage point per property would result in an increse in fair value by DKK 60.113.

5. Long term labilities other than provisions

	Total payables 31 Dec 2024	Current portion of long term payables	Long term payables 31 Dec 2024	Outstanding payables after 5 years
Mortgage loans	57.124.274	1.860.000	55.264.274	47.560.000
Deposits	2.710.323	0	2.710.323	2.710.323
	59.834.597	**1.860.000**	**57.974.597**	**50.270.323**

6. Charges and security

As collateral for mortgage loans, DKK 57.124.274, security has been granted on land and buildings representing a carrying amount of DKK 141.820.000 at 31 December 2024.

All amounts in DKK.

7. Contingencies

Contingent liabilities

None.

Joint taxation

With Davidson Holding ApS, company reg. no 40 93 45 61 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

Accounting policies

The annual report for DK Estate ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Business combinations (Merged)

Business combinations (the uniting-of-interests method)

The Company is as of January 2024 merged with the companies NBV Ejendomme ApS, which has led to no change i equity and the assets have changed from 59,884 t.kr. to 154,027 t.kr.

In case of intercompany business combinations, the uniting-of-interests method is applied. By this method, the 2 companies are united at carrying amounts, and differences are not identified.

The application of the uniting-of-interests method means that the business combination is implemented as if the the 2 enterprises always were united by modification of comparative figures.

Income statement

Gross profit

Gross profit includes costs related to investment properties as well as other external costs.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment. Income from the heating account is recognised in the statement of financial position as a balance with lessees.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs. Costs concerning the heating accounts are recognised in the statement of financial position as a balance with lessees.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investment properties

At the initial recognition, investment properties are measured at cost, comprising the cost price of the property and any directly related costs.

Accounting policies

Investment properties are subsequently measured at fair value, corresponding to the amount for which the individual property is estimated to be able to sell for on the balance sheet date to an independent buyer. The fair value is calculated using a return-based model based on the budgeted net earnings for the following year, restated according to normal earnings and by applying a required rate of return reflecting the market's actual required rate of return of similar properties. The value is adjusted for factors that are not reflected in normalized earnings, such as actual rent loss due to vacancy, major refurbishment work, etc. Compared to the latest financial year, the methods of measurement used have not been changed.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognized in the income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value. Therefore, no systematic depreciations are made over the useful life of the investment property.

Value adjustments are recognized in the income statement under the item "Value adjustments of property".

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments

Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, DK Estate ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.