

# Interim Financial Report

// Half Year 2020



Company:

Park Street Nordicom A/S

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Board of Directors:

Andrew John Essex La Trobe, Chairman

Pradeep Pattem

Ohene Aku Kwabong

Lars-Andreas Nilsen

Anita Nassar

Management:

CEO Pradeep Pattem

Head of Finance David Casado

Auditor:

PriceWaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Main activity:

Park Street Nordicom is a fully integrated European real estate investment and asset management company with offices in Copenhagen and London. It owns and manages a large portfolio of commercial properties located across Denmark.

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## Directors' report

### Result in the period 1 January – 30 June 2020

Park Street Nordicom result analysis primarily uses the term EBVAT (earnings before value adjustments and tax) to measure the Group's operating results.

In the 1st half of 2020, Park Street Nordicom achieved EBVAT of DKK 36.2 million (1st half of 2019: DKK 40.4 million).

The EBVAT achieved in the 1st half of 2020 is DKK 4.2 million lower than the corresponding amount achieved in the 1st half of 2019. The reduction is primarily caused by the reduction of gross profit (DKK -10.7 million) due to a lower revenue on a hotel operated by the Group and slight increase in vacancies. This reduction in profit has been partially compensated by a reduction of overhead costs (DKK 6.0 million) and financial expenses (DKK -0.3 million). The reduction in overhead costs is caused by lower employee expenses (DKK 1.9 million) and a reduction of other external costs (DKK -3.9 million) caused by a change on accounting principles applied from July 1<sup>st</sup>, 2019 and decrease on external advisors expenses.

The Group's equity as at 30th June 2020 was positive at DKK 994.5 million, against DKK 931.1 million as at 31 December 2019. The improvement in the Group's equity is due to the profit of the period.

### Expectations for 2020

Park Street Nordicom did not publish expectations for EBVAT (earnings before value adjustments and tax) for 2020 in the Annual Report 2019 approved on the 23<sup>rd</sup> of April, 2020 due to the uncertainties and potential disruptions generated by Covid-19 related Global Economic Disruption.

Since the publication of the Annual Report 2019 Park Street Nordicom has developed a more extensive knowledge on the implications of Covid-19 in the Company's operations and has, as a result, decided to publish its EBVAT expectations for the period 2020.

Park Street Nordicom expectations for EBVAT at year end 2020 are in the range of DKK 70-75 million which is lower than DKK 83 million obtained by year end 2019. The reduction of the expectations is a direct consequence of the disruptions generated by Covid-19 in form of reduction of the profit generated on the hotel business and delay on filling existing vacant units in the portfolio.

It must be pointed out that a profit of DKK 38.3 million has been generated by selling two properties in the portfolio. Currently, the Company is taking significant positive steps on various projects including our assets in Taastrup, Copenhagen and Odense that will ensure its viability generating a future increase in the property value and Net Operating Income.

### Property buy and sales

In the 1st half of 2020, Park Street Nordicom acquired the following properties:

- Residential unit in Østerbro, Copenhagen

In the 1<sup>st</sup> half of 2020, Park Street Nordicom sold the following properties:

- Sale of a residential unit in Ballerup
- Sale of an office building in Copenhagen

### Organisation and Annual General meeting held on April 23<sup>th</sup> 2020

The Board of Directors of Park Street Nordicom consists of Andrew La Trobe, Pradeep Patten, Ohene Aku Kwabong, Anita Nassar and Lars-Andreas Nilsen.

The number of employees of Park Street Nordicom has reduced from 42 by the end of 2019 to 27 in June 2020.

At the Annual general meeting of Park Street Nordicom A/S held on 23th April 2020, all proposals by the Board of Directors were approved.

Reference is also made to the distributed minutes of the ordinary general meeting on 23h April 2020, please refer to:

<http://www.psnas.com/index.php/generalforsamling/>

## Consolidated financial review

### PROFIT FOR 1st HALF OF 2020

As mentioned in the Director's report the EBVAT in the first half of 2020 is DKK 36.2 million (1st half of 2019: DKK 40.4 million). The reduction is primarily due to a decrease in gross profit partially compensated by a reduction of overhead costs and a reduction of the financial expenses.

Park Street Nordicom's profit is DKK 63.3 million for the 1st half of 2020 compared to DKK 36.5 million in the 1st half of 2019. As indicated in the Director's report the sale of two properties has generated a profit of DKK 38.3 million; while there were no properties sold in the 1st half of 2019.

The gross profit in the 1st half of 2020 is DKK 66.5 million (1st half of 2019: DKK 77.2 million), equivalent to a decrease of DKK 10.7 million due to a lower revenue on a hotel operated by the Group and slight increase in the vacant units.

The Group's overheads were DKK 15.5 million in the 1st half of 2020 against DKK 21.7 million in the 1st half of 2019. As stated in the Director's report the overhead costs are lower due to lower employee expenses (DKK 1.9 million) and a reduction of other external costs (DKK -3.9 million) caused by a change on accounting principles applied from July 1<sup>st</sup>, 2019 and a reduction on external advisors expenses.

Financial expenses were DKK 14.8 million in the 1<sup>st</sup> half of 2020 compared to DKK 15.1 million, equivalent to a decrease of DKK 0.3 million as the bank margins and interest rates are lower compared to the previous year.

### BALANCE SHEET AS AT 30 JUNE 2020

Park Street Nordicom's balance sheet total as at 30 June 2020 was DKK 2,631.2 million, a decrease of DKK 141.5 million on the balance sheet total compared to 31 December 2019. Main reason of the decrease has been the disposal of the two assets mentioned in the Director's Report (DKK 146.7 million).

Group's equity at 30 June 2020 was positive by DKK 994.5 million against DKK 931.1 million as at December 31, 2019. The improvement in the Group's equity is due to the profit of the period.

Liabilities to credit institutions were DKK 1,431.7 million as at 30 June 2020 (31 December 2019: DKK 1,633.4 million), consisting of DKK 1,379.6 million (96%) for non-current liabilities and DKK 52.1 million (4%) for current liabilities. In the 1st half of 2020, financial liabilities decreased by DKK 201.7 million (net). Decrease is caused by repayment of a short term loan (DKK 105 million) and repayment of debt from disposal of assets (DKK 77.5 million).

### CASH FLOWS FOR THE 1st HALF OF 2020

Cash flows from operating activities for the 1st half of 2020 were DKK 28.0 million (1st half of 2019: DKK 48.1 million), equivalent to a decrease of DKK 20.1 million in relation to the same period last year. The increase is due primarily to evolution of the operating capital (decrease of DKK 9.3 million).

Cash flows from investing activities for the 1st half of 2020 were DKK 148.9 million (1st half of 2019: DKK -105.0 million). Cash flows from investing activities were positive due to the sale of the two properties previously mentioned (increase of DKK 185.5 million). The negative effect in the 1st half

of 2019 was caused by the acquisition of three properties (decrease of DKK -101.3 million). The effect on cash flow for the period of improvements to properties was DKK -31.4 million (1st half of 2019: DKK --3.8 million) and consists mainly from works performed on a redevelopment project in Taastrup.

Cash flows from financing activities for the 1st half of 2020 were DKK -201.6 million (1st half of 2019: DKK 68.0 million). Decrease is mainly caused by the repayment of a short term loan (DKK 105 million) and the repayment of debt from disposal of assets (DKK 77.5 million). Remaining payments have been the amortization repayments of existing loans.

The Group's liquid assets amounted to DKK 36.8 million as at 30 June 2020 against DKK 61.6 million as at 31 December 2019.

### **Uncertainty in connection with recognition and measurement**

In connection with the submission of the interim report, management makes several estimates and assessments regarding the carrying amount of assets and liabilities, including:

- Fair value of investment properties,
- Fair value of domicile properties,
- Impairment test on domicile properties,
- Classification of properties,
- Deferred tax assets and tax liabilities

Where estimates are concerned, there is uncertainty in relation to the stated factors and items. It may be necessary to change previous estimates on account of changes in the factors on which the estimates were based. Reference is made to note 1 to the consolidated financial statements in the Annual report for 2019 for further details on these assessments, estimates and associated uncertainties. New and changed assessments and estimates in the 1st half of 2020 are discussed in note 1 to the interim report.

### **Risk factors**

As mentioned in the Annual report for 2019, the financial management of the Group is geared towards optimising the term structure of liabilities in line with the Group's operations and minimizing the Group's financial risk exposure. It is part of the Group's policy not to conduct speculative transactions by active use of financial instruments, except to manage the financial risks inherent to the Group's core activities.

For further details of the Group's risks and risk management, see the company's Annual report for 2019 ('Risk factors' section).

## Consolidated key figures and financial ratios

<b>Key figures</b>			
<b>Amounts in DKK 1000s</b>	<b>1st half of 2020</b>	<b>1st half of 2019</b>	<b>Full year 2019</b>
<b>Income statement</b>			
Rental income	70,973	75,604	147,518
Total net sales	80,288	91,532	179,454
Gross profit	66,505	77,236	150,093
Profit from primary operations	68,996	55,539	146,021
Financial items	-14,769	-15,137	-29,105
Earnings before value adjustments and tax (EBVAT)	36,187	40,402	83,223
Profit for the period	63,319	36,533	115,053
<b>Statement of financial position</b>			
Investment properties	2,360,399	2,409,340	2,477,996
Investments in property, plant and equipment	34,691	105,064	2,650
Balance sheet total	2,631,357	2,691,218	2,772,843
Interest-bearing debt	1,431,708	1,658,925	1,633,364
Total equity	994,452	847,185	931,133
<b>Statement of cash flows</b>			
Cash flows from operations	27,986	48,146	92,855
Cash flows from investment	148,875	-105,064	-125,488
Cash flows from financing	-201,656	68,031	39,927
<b>Other disclosures</b>			
Non-current liabilities as a proportion of total liabilities (%)	94.1	87.3	89.7
Share capital	67,513	67,513	67,513
Share price, end of period (DKK)	8.20	5.70	6.65
Share price change in points	1.55	-1.20	-0.05
Number of employees in the Group (average)	27	29	32
<b>Financial ratios</b>			
	<b>1st half of 2020</b>	<b>1st half of 2019</b>	<b>Full year 2019</b>
Return on property portfolio (% p.a.)	5.3	6.1	5.8
Average loan rate (% p.a.)	1.9	1.9	1.8
Return margin on property portfolio (% p.a.)	3.4	4.2	4.0
Return on equity (%)	12.7%	8.6%	12.4%
Equity ratio (%)	37.8%	31.5%	33.6%
Net asset value per share, end of period (DKK)	14.8	12.6	13.8
Earnings per share (DKK), end of period (DKK)	1.9	1.1	1.7
Price/net asset value, end of period	0.6	0.5	0.5
Cash flow per share (DKK)	0.8	1.5	1.4

The above financial ratios are calculated in accordance with the definitions in CFA Society Denmark's 'Recommendations & Financial Ratios 2015'. Reference is made to note 33 to the consolidated financial statements in the Annual report for 2019.

## Statement by Board of Directors and Management

The Board of Directors and management have today discussed and adopted the interim report for the period 1 January - 30 June 2020 for Park Street Nordicom A/S.

The interim financial statements, which have not been audited or reviewed by the company's auditor, were submitted in accordance with IAS 34 'Interim Financial Reporting', as adopted by the EU, and Danish disclosure requirements for interim reports for listed companies.

In our opinion, the interim financial statements provide a true and fair view of the Group's assets, liabilities and financial position as at 30 June 2020 and of the profit from the Group's activities and cash flows for the period 1 January - 30 June 2020.

It is also our opinion that the directors' report contains a true and fair account of the development of the Group's activities and financial conditions, the profit for the period and the Group's financial position as a whole, and a description of the significant risks and uncertainty factors that the Group faces.

Copenhagen, 27 August 2020

### Management

Pradeep Patten  
CEO

### Board of Directors

Andrew John Essex La Trobe  
Chairman

Pradeep Patten

Ohene Aku Kwapong

Anita Nassar

Lars-Andreas Nilsen



## Income statement

Note	Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
3	Net sales	80,288	91,532	179,454
4	Operating expenses	-13,783	-14,297	-29,360
	<b>Gross profit</b>	<b>66,505</b>	<b>77,236</b>	<b>150,093</b>
	Employee benefit expenses	-9,011	-10,984	-20,346
	Other external expenses	-5,151	-9,084	-11,342
	Depreciation, amortisation and impairment	-1,387	-1,629	-6,077
	<b>Operating profit (EBIT)</b>	<b>50,956</b>	<b>55,539</b>	<b>112,328</b>
	Financial income	0	0	0
5	Financial expenses	-14,769	-15,137	-29,105
	<b>Earnings before value adjustments (EBVAT)</b>	<b>36,187</b>	<b>40,402</b>	<b>83,223</b>
6	Adjustment to fair value, net	-5,502	0	62,387
7	Gains realised on the sale of investment properties	38,311	0	411
	<b>Profit before tax</b>	<b>68,996</b>	<b>40,402</b>	<b>146,021</b>
8	Tax on profit for the period	-5,676	-3,868	-30,968
	<b>Profit for the period</b>	<b>63,319</b>	<b>36,533</b>	<b>115,053</b>
	<b>Distributed as follows</b>			
	Parent's shareholders	63,319	36,533	115,053
	<b>Profit for the period</b>	<b>63,319</b>	<b>36,533</b>	<b>115,053</b>
	<b>Earnings per share</b>	<b>1.88</b>	<b>1.08</b>	<b>1.71</b>
	<b>Diluted earnings per share</b>	<b>1.88</b>	<b>1.08</b>	<b>1.71</b>

## Statement of comprehensive income

Note	Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
	<b>Profit for the period</b>	<b>63,319</b>	<b>36,533</b>	<b>115,053</b>
	<b>Other comprehensive income:</b>			
	<i>Items that cannot be reclassified to the income statement:</i>			
	Fair value adjustment of headquarters properties	0	0	6,959
	Tax on fair value adjustment of headquarters properties	0	0	-1,531
	<b>Other comprehensive income after tax</b>	<b>0</b>	<b>0</b>	<b>5,428</b>
	<b>Comprehensive income for the period</b>	<b>63,319</b>	<b>36,533</b>	<b>120,481</b>
	<b>Distributed as follows</b>			
	Parent's shareholders	63,319	36,533	120,481
	<b>Comprehensive income for the period</b>	<b>63,319</b>	<b>36,533</b>	<b>120,481</b>

## Statement of financial position

Note	Amounts in DKK 1000s	30 June 2020	30 June 2019	31 December 2019
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Intangible assets</b>				
	Software	2,776	0	1,784
		<b>2,776</b>	<b>0</b>	<b>1,784</b>
<b>Property, plant and equipment</b>				
	Domiciles	190,820	185,423	190,820
9	Investment properties	2,360,399	2,409,340	2,477,995
	Machinery and equipment	6,006	6,561	6,838
		<b>2,557,225</b>	<b>2,595,896</b>	<b>2,675,653</b>
<b>Financial assets</b>				
	Investment in associates	2,029	0	2,029
	Deferred tax assets	0	179	0
	Deposits	392	392	392
		<b>2,421</b>	<b>571</b>	<b>2,421</b>
	<b>Total non-current assets</b>	<b>2,562,422</b>	<b>2,596,467</b>	<b>2,679,858</b>
<b>Current assets</b>				
	Mortgages and instruments of debt	8,185	8,479	8,335
	Project holdings	1,628	1,628	1,628
	Receivables	16,750	18,361	17,513
	Income tax receivable	559	0	269
	Prepaid expenses and accrued income	5,004	859	3,634
	Cash and short-term deposits	36,809	65,423	61,606
	<b>Total current assets</b>	<b>68,935</b>	<b>94,751</b>	<b>92,985</b>
	<b>Total assets</b>	<b>2,631,357</b>	<b>2,691,218</b>	<b>2,772,843</b>

## Statement of financial position

Note	Amounts in DKK 1000s	30 June 2020	30 June 2019	31 December 2019
<b>LIABILITIES</b>				
<b>Equity</b>				
	Share capital	67,513	67,513	67,513
	Revaluation reserve	51,177	47,312	51,177
	Share Premium	289,260	289,260	289,260
	Accumulated profit	586,502	443,100	523,182
10	<b>Total equity</b>	<b>994,452</b>	<b>847,185</b>	<b>931,133</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
	Deferred tax	152,430	120,606	152,430
12	Credit institutions	1,379,556	1,480,035	1,478,691
	Deposits	7,678	9,837	21,435
		<b>1,539,664</b>	<b>1,610,478</b>	<b>1,652,556</b>
<b>Current liabilities</b>				
	Provisions for liabilities	400	400	400
12	Credit institutions	52,152	178,890	154,673
	Trade and other payables	6,616	4,292	4,987
	Income tax payable	5,744	9,196	25
	Deposits	28,471	29,508	19,819
	Other liabilities	3,858	11,269	9,250
		<b>97,241</b>	<b>233,555</b>	<b>189,154</b>
	<b>Total liabilities</b>	<b>1,636,905</b>	<b>1,844,033</b>	<b>1,841,710</b>
	<b>Total equity and liabilities</b>	<b>2,631,357</b>	<b>2,691,218</b>	<b>2,772,843</b>

## Statement of equity

Amounts in DKK 1000s	Share capital	Revaluation reserve	Accumulated profit	Share Premium	Proposed dividend	Equity Total
<b>Statement of equity for 2020:</b>						
<b>Equity as at 1 January 2020</b>	<b>67,513</b>	<b>51,177</b>	<b>523,183</b>	<b>289,260</b>	<b>0</b>	<b>931,133</b>
<b>Comprehensive income for the period</b>						
Profit for the period	0	0	63,319	0	0	63,319
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>63,319</b>	<b>0</b>	<b>0</b>	<b>63,319</b>
<b>Other adjustments</b>						
Depreciation of revalued value of domiciles	0	0	0	0	0	0
<b>Total other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity as at 30 June 2020</b>	<b>67,513</b>	<b>51,177</b>	<b>586,502</b>	<b>289,260</b>	<b>0</b>	<b>994,452</b>
<b>Statement of equity for 2019:</b>						
<b>Equity as at 1 January 2019</b>	<b>67,513</b>	<b>47,312</b>	<b>406,567</b>	<b>289,260</b>	<b>0</b>	<b>810,652</b>
<b>Comprehensive income for the period</b>						
Profit for the period	0	0	115,053	0	0	115,053
Fair value adjustment of domicile	0	6,959	0	0	0	6,959
Tax on other comprehensive income	0	-1,531	0	0	0	-1,531
Other comprehensive income during the financial year	0	5,428	0	0	0	5,428
<b>Comprehensive income for the period</b>	<b>0</b>	<b>5,428</b>	<b>115,053</b>	<b>0</b>	<b>0</b>	<b>120,481</b>
<b>Other adjustments</b>						
Depreciation of revalued value of domiciles	0	-1,563	1,563	0	0	0
<b>Total other adjustments</b>	<b>0</b>	<b>-1,563</b>	<b>1,563</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity as at 31 December 2019</b>	<b>67,513</b>	<b>51,177</b>	<b>523,183</b>	<b>289,260</b>	<b>0</b>	<b>931,133</b>

## Statement of cash flows

Note	Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
	<b>Operating profit (EBIT)</b>	<b>50,956</b>	<b>55,539</b>	<b>112,328</b>
	Adjustment for illiquid operating items, etc.	1,387	1,629	5,677
	Change in other operating capital	-9,342	6,115	9,987
	<b>Cash flows concerning primary operations</b>	<b>43,002</b>	<b>63,283</b>	<b>127,991</b>
	Financial income received	0	0	0
	Financial expenses paid	-14,769	-15,137	-29,105
	Paid Corporate Tax	-247	0	-6,031
	<b>Total cash flow from operating activities</b>	<b>27,986</b>	<b>48,146</b>	<b>92,855</b>
	<b>Cash flow from investing activities</b>			
	Improvements to investment properties	-31,399	-3,751	-19,257
	Sales of investment properties	185,005	0	1,900
	Purchase of intangible assets	-1,439	0	-2,172
	Purchases of other property, plant and equipment	-3,293	-101,314	-103,930
	Acquisition of associates	0	0	-2,029
	<b>Total cash flow from investing activities</b>	<b>148,875</b>	<b>-105,064</b>	<b>-125,488</b>
	<b>Cash flow from financing activities</b>			
	Proceeds from assumption of liabilities to credit institutions	0	95,000	95,000
	Repayment of liabilities to credit institutions	-124,146	-26,969	-55,073
	Repayment of debt from disposal of assets	-77,510	0	0
	<b>Total cash flow from financing activities</b>	<b>-201,656</b>	<b>68,031</b>	<b>39,927</b>
	<b>Total cash flow for the period</b>	<b>-24,795</b>	<b>11,112</b>	<b>7,295</b>
	Liquid assets as at 1 January	61,605	54,310	54,310
	<b>Liquid assets at the end of the period</b>	<b>36,809</b>	<b>65,422</b>	<b>61,605</b>
	<b>Liquid assets at the end of the period</b>			
	Cash and short term deposit	<b>36,809</b>	<b>65,422</b>	<b>61,605</b>
	<b>Liquid assets at the end of the period</b>	<b>36,809</b>	<b>65,422</b>	<b>61,605</b>

## Notes

### Note 1 - Accounting policies, accounting estimates and risks, etc.

#### Accounting policies

The interim report was submitted in accordance with IAS 34 'Interim Financial Reporting', as adopted by the EU, and Danish disclosure requirements for interim reports for listed companies. No interim financial statements were prepared for the Parent. The interim report is presented in Danish kroner (DKK), which is the functional currency of the Parent.

Apart from the below, the accounting policies are unchanged in relation to the Annual report for 2019. Reference is made to note 33 to the consolidated financial statements in Park Street Nordicom's Annual report for 2019 for a full description of the accounting policies used.

#### Changes to accounting policies

Park Street Nordicom has implemented the changes on IFRS standards and interpretative contributions that enter into force for 2020. None of these changes affected recognition and measurement in 2020.

#### Accounting assessments and estimates

No significant new accounting assessments or changes to accounting estimates have been made in the interim report for the 1st half of 2020 in relation to the Annual report for 2019. For a description of significant accounting assessments and estimates, see note 1 to the consolidated financial statements in the Annual report for 2019.

### Note 2 - Seasons

As in previous years, the Group's activities were not affected by seasonal or cyclical fluctuations in the interim period.

### Note 3 - Net sales

<b>Amounts in DKK 1000s</b>	<b>1st half of 2020</b>	<b>1st half of 2019</b>	<b>Full year 2019</b>
Rental income	70,973	75,604	147,518
Sales of other services	9,004	15,568	31,295
Total sales of services	79,977	91,172	178,814
Interest income, mortgages and instruments of debt	311	361	640
	<b>80,288</b>	<b>91,532</b>	<b>179,454</b>

## Note 4 - Operating expenses

Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
Operating expenses, investment properties	12,016	11,731	24,037
Operating expenses, other services	1,767	2,565	5,323
	<b>13,783</b>	<b>14,297</b>	<b>29,360</b>

## Note 5 - Financial expenses

Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
Interest expenses, liabilities to credit institutions measured at amortized cost	13,897	15,051	29,022
Other interest costs and fees	0	86	4
Borrowing costs	872	0	80
	<b>14,769</b>	<b>15,137</b>	<b>29,105</b>

## Note 6 - Adjustment to fair value, net

Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
Fair value adjustment, investment properties	-5,502	0	62,387
	<b>-5,502</b>	<b>0</b>	<b>62,387</b>

## Note 7 - Realized gains on the sales of investment properties

Amounts in DKK 1000s	1st half of 2020	1st half of 2019	Full year 2019
Sales totals, investment properties	185,005	0	2,310
Book value of properties when sold, etc.	-146,694	0	-1,899
	<b>38,311</b>	<b>0</b>	<b>411</b>

## Note 8 - Tax

The tax expense recognised in the income statement for the accounting period was calculated based on the net profit before tax and an estimated effective tax rate for the Group for 2020.



## Note 9 - Investment properties

Amounts in DKK 1000s	30 June 2020	30 June 2019	31 December 2019
Book value as at 1 January	2,477,996	2,304,615	2,304,614
Cost incurred for improvements	31,399	3,751	19,257
Adjustment to fair value, net	-5,502	0	62,387
Acquisition of properties	3,200	101,314	96,478
Depreciation of fixed assets	0	-554	-2,840
Retirement on sale	-146,694	0	-1,900
Transfer to/from Machinery and equipment	0	214	0
<b>Total book value</b>	<b>2,360,399</b>	<b>2,409,340</b>	<b>2,477,996</b>

During 2020 Park Street Nordicom has acquired a residential unit an already existing property located in Copenhagen.

## Note 10 – Share Capital

Amounts in DKK 1000s	30 June 2020	30 June 2019	31 December 2019
Share capital opening period	67,513	67,513	67,513
Share capital increase	0	0	0
<b>Share capital closing period</b>	<b>67,513</b>	<b>67,513</b>	<b>67,513</b>

The share capital consists of 67,513,372 shares of DKK 1 (31 December 2019: 67,513,372 shares of DKK 1). No shares have special rights. The shares are fully paid.

Park Street Asset Management Ltd. and Park Street NordAc Sarl own 100% of the nominal class B share capital and 55.89% of the nominal class A share capital and a total of 92.14% (and a corresponding percentage of the votes) of the total nominal share capital of the Company.

## Note 11 - Contingent liabilities and assets

There have been no significant changes in contingent liabilities or assets since the Annual report for 2019, to which reference is made.

## Note 12 – Credit Institutions

The evolution of the long and short-term liabilities with credit institutions is specified as follows:

	30 June 2020	31 December 2019
<b>Amounts in DKK 1000s</b>		
Non-current financial liabilities with credit institutions	1,478,691	1,540,073
Current financial liabilities with credit institutions	154,673	50,843
<b>Financial liabilities with credit institutions at 1 January</b>	<b>1,633,364</b>	<b>1,590,916</b>
Repayment of liabilities to credit institutions	-124,146	-55,073
Proceeds from assumption of liabilities to credit institutions	0	95,000
Mortgage and bank debt converted into equity	0	0
Repayment of debt from disposal of assets	-77,510	0
Accrued financial expenses	0	2,520
<b>Financial liabilities with credit institutions end of period</b>	<b>1,431,708</b>	<b>1,633,364</b>
Non-current financial liabilities with credit institutions	1,379,556	1,478,691
Current financial liabilities with credit institutions	52,152	154,673
<b>Total financial liabilities with credit institutions end of period</b>	<b>1,431,708</b>	<b>1,633,364</b>

## Note 13 – Subsequent Events

As part of the strategy of disposal of non core assets Park Street Nordicom has completed on July 1<sup>st</sup>, 2020 the sale of a gas station in the Greater Copenhagen area for a price slightly above the book value. An additional residential unit in an existing property of the group has been acquired in August 2020 in Copenhagen, Østerbro

From the balance sheet date until the date of presentation of this interim report no additional significant events have occurred that have a significant influence on the assessment of the interim report.