

**Stock Exchange Announcement of
16 December 2020
and extract of
Annual Report
1 October 2019 - 30 September 2020
(The Company's 47th financial year)**

Investeringselskabet

Luxor A/S

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Annual report 2019/20

16 December 2020

Announcement no. 2 2020/21

The Board of Directors of Investeringsselskabet Luxor A/S has today considered and approved the Company's Annual Report for 2019/20.

The Annual Report:

- The Group's core earnings for 2019/20 amounted to DKK 42.4 million (DKK 29.0 million), which was in line with the most recent profit guidance set out in company announcement no. 1, 2020/21 of 10 November 2020.

Core earnings are calculated as profit for the year before tax adjusted for fair value adjustments of financial assets, interest rate swaps and mortgage loans.

- Consolidated profit before tax was DKK 46.3 million (DKK 19.7 million). After tax for the year of DKK 10.3 million (DKK 4.4 million), the consolidated profit for the year amounted to DKK 36.0 million (DKK 15.3 million).

Consolidated profit before tax exceeded core earnings by DKK 3.9 million, due to:

- A negative amount of DKK 1.1 million from fair value adjustment of securities and market value losses on equities;
- DKK 0.2 million from fair value adjustment of investment properties;
- DKK 4.8 million from fair value adjustment of interest rate swaps and fair value adjustment of amounts owed to mortgage credit institutions and expenses related to the raising of mortgage loans.

Core earnings and profit for the year were not materially impacted by Covid-19.

Dividend:

- The Board of Directors proposes to the annual general meeting that dividend of DKK 25 million (DKK 23 million, or DKK 25 (DKK 23) per share, be distributed, which corresponds to a pay-out ratio of 5.8%.

Q4

- Quarterly core earnings amounted to DKK 11.0 million (DKK 6.6 million).
- Consolidated profit before tax amounted to DKK 10.9 million (DKK 3.8 million).

Expected core earnings for 2020/21:

- For the coming financial year 2020/21, the Group expects core earnings of around DKK 37 million.
- Fair value adjustment of interest rate swaps, which is not included in core earnings, would at 10 December 2020 reduce consolidated profit before tax by DKK 0.2 million.

So far, core earnings have not been affected in any material degree by Covid-19.

The Company's performance is to some extent dependent on the societal impact of Covid-19 and we regularly assess whether adjustments are required in this respect.

For additional information about the Annual Report, please contact Jannik Rolf Larsen, CEO (tel: +45 33325015).

Financial highlights for the Group

OCTOBER – SEPTEMBER

<u>DKKm</u>	<u>2019/20</u>	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	Q4 <u>2019/20</u>	Q4 <u>2018/19</u>
<u>Key figures</u>							
Income	85.9	81.6	69.3	63.7	75.7	21.8	18.3
Gross earnings	75.7	69.0	61.6	54.5	69.2	19.8	15.7
Profit before tax	46.3	19.7	29.6	27.4	29.1	10.9	3.8
Net profit	36.0	15.3	23.3	20.9	22.1	8.4	3.0
Core earnings.....	42.4	29.0	27.1	24.9	31.1	11.0	6.6
Assets.....	912.4	908.3	867.1	846.8	868.6	912.4	908.3
Investment in property, plant and equipment	0.0	0.0	0.3	0.1	0.4	0.0	0.0
Equity	358.9	345.8	353.6	352.3	356.4	358.9	345.8
Proposed dividend for the year.....	25.0	23.0	23.0	22.0	25.0	25.0	23.0
Profit for analytical purposes							
Profit (after tax)	<u>36.0</u>	<u>15.3</u>	<u>23.3</u>	<u>20.9</u>	<u>22.1</u>	<u>8.4</u>	<u>3.0</u>
<u>Financial ratios</u>							
<u>Amounts per DKK 100 share</u>							
Earnings per share (EPS) (DKK).....	36.03	15.26	23.32	20.90	22.6	8.43	2.97
Book value per share in circulation (DKK).....	358.86	345.83	353.57	352.25	356.35	358.86	345.83
Return on equity (% p.a.)	10.22	4.36	6.61	5.90	6.21	9.51	3.45
Equity ratio (%)	39.33	38.07	40.77	41.60	41.03	39.33	38.07
Dividend per share (DKK)*	25.00	23.00	23.00	22.00	25.00	25.00	23.00
<u>Share capital</u>							
Nom. share capital, year end (DKKm) ..	100.00	100.0	100.0	100.0	100.0	100.00	100.00
No. of shares in circulation (DKKm)	100.00	100.0	100.0	100.0	100.0	100.00	100.00
Official stock exchange price per share of DKK 100							
Low.....	334	402	405	333	310	404	402
High.....	484	555	460	440	360	434	416
Year end.....	434	416	426	408	334	434	416
Volume traded on the stock exchange,							
number of shares.....	14,057	11,104	13,249	14,695	16,011	1,970	814
Number of listed shares	825,000	825,000	825,000	825,000	825,000	825,000	825,000

The financial ratios have been calculated in accordance with the 'Recommendations & Ratios', January 2018 issued by CFA Society Denmark. Basic and diluted earnings per share have been calculated in accordance with IAS 33.

* Calculated on the basis of proposed dividend.

**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
1 OCTOBER 2019 - 30 SEPTEMBER 2020**

Parent company			Group	
2019/20	2018/19		2019/20	2018/19
DKK'000	DKK'000		DKK'000	DKK'000
63,712	61,797	Financial income	63,712	61,797
3,863	-3,511	Net loss/gain on mortgage deeds.....	3,863	-3,511
<u>1,916</u>	<u>8,522</u>	Fair value adjustment of financial assets.....	<u>-378</u>	<u>6,463</u>
<u>69,491</u>	<u>66,808</u>		<u>67,197</u>	<u>64,749</u>
10,793	9,526	Rental income.....	15,533	13,987
0	0	Other income.....	2,989	2,615
<u>1,800</u>	<u>500</u>	Fair value adjustment of investment properties	<u>200</u>	<u>219</u>
<u>12,593</u>	<u>10,026</u>		<u>18,722</u>	<u>16,821</u>
82,084	76,834	Total income	85,919	81,570
2,293	1,853	Direct costs, securities.....	2,293	1,853
<u>6,133</u>	<u>8,110</u>	Direct costs, properties.....	<u>7,916</u>	<u>10,759</u>
73,658	66,871	Total gross earnings	75,710	68,958
<u>12,922</u>	<u>33,740</u>	Financing costs.....	<u>11,648</u>	<u>32,773</u>
<u>60,736</u>	<u>33,131</u>		<u>64,062</u>	<u>36,185</u>
3,069	3,052	Other external costs.....	3,347	3,299
11,670	10,615	Staff costs	14,064	12,753
<u>332</u>	<u>350</u>	Depreciation and amortisation	<u>395</u>	<u>412</u>
<u>15,071</u>	<u>14,017</u>		<u>17,806</u>	<u>16,464</u>
45,665	19,114	Profit before tax	46,256	19,721
<u>9,547</u>	<u>3,778</u>	Tax on profit for the year	<u>10,229</u>	<u>4,459</u>
<u>36,118</u>	<u>15,336</u>	PROFIT FOR THE YEAR (COMPREHENSIVE INCOME)	<u>36,027</u>	<u>15,262</u>
36.1	15.3	Earnings per share (EPS), A & B shares (DKK)...	36.0	15.3
36.1	15.3	Earnings per share (EPS), A & B shares (DKK) (diluted).....	36.0	15.3

BALANCE SHEET AT 30 SEPTEMBER 2020

ASSETS

Parent company			Group	
2019/20	2018/19		2019/20	2018/19
DKK'000	DKK'000		DKK'000	DKK'000
10,453	10,642	Domicile properties	10,453	10,642
146	289	Fixtures, fittings, tools and equipment	280	486
10,599	10,931	Property plant and equipment	10,733	11,128
129,700	127,900	Investment properties	191,600	191,400
129,700	127,900	Investment properties	191,600	191,400
79,199	79,905	Investments in subsidiaries	0	0
692,567	687,984	Securities	692,567	687,984
771,766	767,889	Financial assets	692,567	687,984
0	238	Deferred tax	0	0
912,065	906,958	Non-current assets	894,900	890,512
6,018	6,278	Other receivables	6,749	7,063
1,417	996	Prepayments	1,497	1,081
7,435	7,274	Receivables	8,246	8,144
8,539	8,687	Cash and cash equivalents	9,283	9,659
15,974	15,961	Current assets	17,529	17,803
928,039	922,919	ASSETS	912,429	908,315

BALANCE SHEET AT 30 SEPTEMBER 2020

EQUITY AND LIABILITIES

Parent company			Group	
2019/20	2018/19		2019/20	2018/19
DKK'000	DKK'000		DKK'000	DKK'000
100,000	100,000	Share capital	100,000	100,000
9,123	6,829	Fair value reserve, subsidiaries	0	0
25,000	23,000	Proposed dividend	25,000	23,000
224,886	216,062	Retained earnings	233,856	222,829
359,009	345,891	Equity	358,856	345,829
6,987	0	Deferred tax	13,285	6,253
64,810	71,232	Mortgage credit institutions	91,938	86,723
18,457	22,761	Interest rate swaps	19,230	23,775
750	77	Other payables	935	97
91,004	94,070	Non-current liabilities	125,388	116,848
6,192	6,212	Mortgage credit institutions	8,779	8,381
405,820	425,559	Credit institutions	405,820	425,559
2,316	2,488	Deposits	4,281	4,363
55,516	42,382	Amounts owed to subsidiaries	0	0
2,718	618	Income tax	2,718	618
5,269	4,842	Other payables	6,383	5,837
0	290	Interest rate swaps	0	290
195	567	Deferred income	204	590
478,026	482,958	Current liabilities	428,185	445,638
569,030	577,028	Liabilities	553,573	562,486
928,039	922,919	EQUITY AND LIABILITIES	912,429	908,315

STATEMENT OF CASH FLOWS FOR THE PERIOD 1 OCTOBER 2019 - 30 SEPTEMBER 2020

Parent company		Group	
2019/20 DKK'000	2018/19 DKK'000	2019/20 DKK'000	2018/19 DKK'000
Cash flow from operating activities			
54,772	53,771	54,772	53,771
336	377	336	377
0	0	2,989	2,615
10,793	9,763	15,542	14,247
-15,621	-16,252	-16,337	-16,859
-22,930	-21,239	-27,180	-26,510
16	0	16	0
0	-201	0	-201
-1,096	-1,746	-1,096	-1,746
26,270	24,473	29,042	25,694
Cash flows from operating activities			
Cash flows from investing activities			
-145,671	-152,637	-145,671	-152,637
153,492	119,811	153,492	119,811
22,080	13,283	0	0
191	1,159	359	1,262
0	0	0	-1,681
30,092	-18,384	8,180	-33,245
Cash flows from investing activities			
Cash flows from financing activities			
-19,739	2,880	-19,739	2,880
0	47,124	15,465	54,975
-6,195	-26,059	-9,883	-28,129
-7,213	-8,043	0	0
-23,000	-23,000	-23,000	-23,000
-363	0	-441	-51
-56,510	-7,098	-37,598	6,675
Cash flows from financing activities			
-148	-1,009	-376	-876
8,687	9,696	9,659	10,535
Net change in cash and cash equivalents			
8,539	8,687	9,283	9,659
Cash and cash equivalents at year end			