

Ap Copenhagen Eta Glow ApS

Nybrogade 12
1203 København K
CVR No. 42913871

Annual report 01.10.2023 - 30.09.2024

The Annual General Meeting adopted the
annual report on 11.04.2025

Ole Meier Sørensen

Chairman of the General Meeting

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Entity details

Entity

Ap Copenhagen Eta Glow ApS
Nybrogade 12
1203 København K

Business Registration No.: 42913871
Registered office: København
Financial year: 01.10.2023 - 30.09.2024

Executive Board

Caspar Schultz
Ole Meier Sørensen

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
CVR No.: 33771231

Statement by Management

The Executive Board has today considered and approved the annual report of Ap Copenhagen Eta Glow ApS for the financial year 01.10.2023 - 30.09.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2024 and of the results of its operations for the financial year 01.10.2023 - 30.09.2024.

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

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

Copenhagen, 11.04.2025

Executive Board

Caspar Schultz

Ole Meier Sørensen

Independent auditor's report

To the shareholders of Ap Copenhagen Eta Glow ApS

Opinion

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.

We have audited the financial statements of Ap Copenhagen Eta Glow ApS for the financial year 01.10.2023 - 30.09.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 11.04.2025

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
CVR No. 33771231

Morten Jørgensen
State Authorised Public Accountant
Identification No (MNE) mne32806

Management commentary

Primary activities

The company's purpose is to own, develop, rent and sell real estate and related business.

Description of material changes in activities and finances

The income statement of the Company for 2023/24 shows a loss of DKK 37,155,845, of which value adjustments amount to DKK (31,500,000), and at 30 September 2024 the balance sheet of the Company shows negative equity of DKK 9,497,201.

Capital resources

The company has lost more than half of the share capital. The share capital is expected to be reestablished through debt conversion on the debt to Aberdeen Property Deninvest Alpha ApS. We refer to the statement in note 1.

Uncertainty relating to recognition and measurement

The management must draw the attention to the fact that due to the general uncertainty on the property market, there is an uncertainty related to the value assessment and hereby to the recognition and measurement in the annual report as at 30 September 2024.

The valuation of the Company's investment property of DKK 268,000,000 is based on an independent valuation report from an internationally recognized firm of chartered surveyors, prepared as of 30 September 2024.

Events after the balance sheet date

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

Income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss		8,264,592	7,998,234
Fair value adjustments of investment property		(31,500,000)	(39,000,000)
Operating profit/loss		(23,235,408)	(31,001,766)
Other financial income	2	677,413	0
Other financial expenses	3	(5,526,379)	(5,515,783)
Profit/loss before tax		(28,084,374)	(36,517,549)
Tax on profit/loss for the year	4	(9,071,471)	8,178,044
Profit/loss for the year		(37,155,845)	(28,339,505)
Proposed distribution of profit and loss			
Retained earnings		(37,155,845)	(28,339,505)
Proposed distribution of profit and loss		(37,155,845)	(28,339,505)

Balance sheet at 30.09.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Investment property		268,000,000	299,500,000
Property, plant and equipment	5	268,000,000	299,500,000
Fixed assets		268,000,000	299,500,000
Receivables from group enterprises		5,591,967	0
Deferred tax		0	7,633,813
Other receivables		3,676,272	2,694,908
Prepayments		142,345	458,898
Receivables		9,410,584	10,787,619
Cash		5,249,266	14,414,438
Current assets		14,659,850	25,202,057
Assets		282,659,850	324,702,057

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital		50,000	50,000
Retained earnings		(9,547,201)	27,608,644
Equity		(9,497,201)	27,658,644
Mortgage debt		164,700,212	164,629,639
Deposits		3,314,728	3,350,103
Payables to group enterprises		109,594,276	112,128,454
Joint taxation contribution payable		0	779,124
Non-current liabilities other than provisions	6	277,609,216	280,887,320
Current portion of non-current liabilities other than provisions	6	7,163,351	13,119,484
Trade payables		1,562,159	0
Joint taxation contribution payable		2,786,164	569,382
Other payables		2,232,595	1,622,328
Deferred income		803,566	844,899
Current liabilities other than provisions		14,547,835	16,156,093
Liabilities other than provisions		292,157,051	297,043,413
Equity and liabilities		282,659,850	324,702,057
Uncertainty related to going concern	1		
Contingent liabilities	7		
Assets charged and collateral	8		

Statement of changes in equity for 2023/24

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	27,608,644	27,658,644
Profit/loss for the year	0	(37,155,845)	(37,155,845)
Equity end of year	50,000	(9,547,201)	(9,497,201)

Notes

1 Uncertainty related to going concern

The company has lost more than half of the share capital. The share capital is expected to be re-established through debt conversion, on the debt to the parent company, in 2025. The parent company has issued a letter of support with commitment to provide necessary liquidity to ensure that the company will be able to fulfil its obligations as they are due. On this basis, management have assessed that the entity has sufficient capital to continue as going concern.

2 Other financial income

	2023/24	2022/23
	DKK	DKK
Financial income from group enterprises	316,526	0
Other financial income	360,887	0
	677,413	0

3 Other financial expenses

	2023/24	2022/23
	DKK	DKK
Financial expenses from group enterprises	3,694,326	3,698,813
Other financial expenses	1,832,053	1,816,970
	5,526,379	5,515,783

4 Tax on profit/loss for the year

	2023/24	2022/23
	DKK	DKK
Current tax	1,437,658	779,124
Change in deferred tax	7,509,596	(8,957,168)
Adjustment concerning previous years	124,217	0
	9,071,471	(8,178,044)

5 Property, plant and equipment

	Investment property DKK
Cost beginning of year	332,484,750
Cost end of year	332,484,750
Fair value adjustments beginning of year	(32,984,750)
Fair value adjustments for the year	(31,500,000)
Fair value adjustments end of year	(64,484,750)
Carrying amount end of year	268,000,000

Assumptions underlying the determination of fair value of investment properties

Investeringsejendomme are measured at fair value. The determination of fair value is based on a DCF model, and Management uses accounting estimates when determining the fair value. The use of accounting estimates implies that the statement of fair value is subject to some uncertainty. The fair value is stated based on assumptions that Management considers probable and realistic. Management reassesses assumptions on a current basis, and any changes to the assumptions are reflected in the fair value.

The property is located at the address: Store Kongensgade 100, 1264 København K, Denmark.

The key assumptions applied when determining the fair value are stated below:

	2023/24	2022/23
Maintenance cost per sqm	56 DKK	56 DKK
Property type	Residential	Residential
Administrative expenses in % of rental income	5,00%	5,00%
Inflation	2,00%	2,00%
Rate of return	3,75%	3,40%

6 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK	Outstanding after 5 years 2023/24 DKK
Mortgage debt	0	0	164,700,212	0
Deposits	0	0	3,314,728	3,314,728
Payables to group enterprises	7,163,351	13,119,484	109,594,276	0
	7,163,351	13,119,484	277,609,216	3,314,728

7 Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income. The total corporate tax payable appears in the annual report for Aberdeen Property Deninvest Alpha ApS, which is the management company in relation to the jointly tax. The Group companies are jointly and severally liable for both withholding taxes on dividends, interest and royalties. Any subsequent corrections in relation to the corporate taxes and withholding taxes may result in the company's liability amounting to a larger amount.

8 Assets charged and collateral

The following assets have been placed as security with mortgage credit institutes:

Investment property with a carrying amount of DKK 268,000,000 (2022/23: DKK 299,500,000)

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

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

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Gross profit or loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Revenue

Rental income is recognised on a straight line-basis over the term of the lease.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Fair value adjustments of investment property

Fair value adjustments of investment property comprise adjustments for the financial year of the Entity's investment properties measured at fair value at the balance sheet date.

Other external expenses

Expenses concerning investment properties primarily include operating expenses for the year.

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investment property

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed investment properties comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and suppliers up until the time when the asset is ready for use.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment

properties are recognised in the income statement.

In Management's opinion the classification of the properties as investment properties did not cause any difficulties.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

The fair value of certain investment properties has been assessed by the independent assessor firm Newsec at 30 September 2024.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

Discounted Cash Flow model

The fair value of investment properties has been determined at 30 September 2024 for each property by using a Discounted Cash Flow model under which expected future cash flows are discounted to present value. The calculations are based on property budgets for the coming years. Allowance has been made for developments in rentals, vacancies, operating expenses, maintenance and administration, etc. The individual, budgeted cash flows are discounted at an individually fixed discount rate added a terminal value. The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, deposits, etc if they are not shown separately in the balance sheet.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the onaccount taxation scheme are recognised in the income statement in financial income and expenses.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.