



## Scandinavian Hotels A/S

Strandvejen 25  
8000 Aarhus C  
CVR No. 36036524

## Annual report 2023

The Annual General Meeting adopted the annual report on 29.08.2024

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**Finn Bødstrup**

Chairman of the General Meeting

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# Entity details

## Entity

Scandinavian Hotels A/S  
Strandvejen 25  
8000 Aarhus C

Business Registration No.: 36036524  
Registered office: Aarhus  
Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Finn Bødstrup  
Hans Jørgen Malmlose Nyegaard  
Norhan El Galaly  
Tamer Mamdouh Bahgat Elhossamy

## Executive Board

Tamer Mamdouh Bahgat Elhossamy

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Østre Havnepromenade 26, 4th floor  
9000 Aalborg

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Scandinavian Hotels A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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.

Aarhus, 27.08.2024

## Executive Board

**Tamer Mamdouh Bahgat Elhossamy**

## Board of Directors

**Finn Bødstrup**

**Hans Jørgen Malmlose Nyegaard**

**Norhan El Galaly**

**Tamer Mamdouh Bahgat Elhossamy**

# Independent auditor's report

## To the shareholders of Scandinavian Hotels A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of Scandinavian Hotels A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

### 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 consolidated financial statements and the parent financial statements" section of this auditor's 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 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.

### Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which states that the group's Danish companies have experienced liquidity challenges in paying all overdue debts. The group's management is of the opinion that the liquidity challenges are of a temporary nature and will improve in the second half of 2024. Therefore, the financial statements of the group have been prepared on a going concern basis. Our conclusion is unmodified regarding this matter.

### Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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.

Aalborg, 27.08.2024

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

### **Lars Birner Sørensen**

State Authorised Public Accountant  
Identification No (MNE) mne11671

# Management commentary

## Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	47,852	45,051	33,868	17,279	94,666
Operating profit/loss	6,455	10,150	431	(16,785)	20,6020,112
Net financials	(2,327)	(3,057)	(3,404)	(3,611)	-5,427
Profit/loss for the year	208	3,684	(2,907)	(17,088)	5,677
Balance sheet total	440,916	438,334	452,273	467,296	405,274
Investments in property, plant and equipment	8,484	3,591	4,878	5,530	2,104
Equity	206,066	206,177	205,811	208,144	177,339
Equity excl. minority interests	205,897	205,996	205,583	207,940	227,621
Cash flows from operating activities	17,869	18,286	10,093	(4,984)	9,289
Cash flows from investing activities	(9,656)	(3,030)	(3,448)	(11,341)	(2,098)
Cash flows from financing activities	(5,122)	(16,029)	(13,574)	16,175	(10,550)

## Ratios

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

**Primary activities**

The company's activities comprise purchases, sales including share in companies, contributions of subordinated capital in other ways in existing companies or newly established companies in Denmark or abroad and related activities.

**Development in activities and finances**

The income statement for the period 01.01.23 - 31.12.23 shows a profit of DKK 208 against DKK 3,684k for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 206.066k.

The group's Danish companies are financially interconnected, and there have been certain liquidity challenges in paying all overdue debts after the reporting date. There is also a certain uncertainty about the liquidity situation for the rest of 2024. The group's financial statements have been prepared on a going concern basis, as the management believes that the liquidity challenges are of a temporary nature and will improve in the second half of 2024.

**Profit/loss for the year in relation to expected developments**

The earnings expectations for 2023 were a net profit between DKK 4 and 6 million. The realised profit was lower than expected due to lower activity and earnings in Denmark.

**Outlook**

The Group expects a profit for 2024 between DKK 3 and 6 million.

# Consolidated income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>	2	<b>47,296,118</b>	<b>45,050,952</b>
Staff costs	3	(30,680,034)	(22,685,764)
Depreciation, amortisation and impairment losses		(10,108,296)	(12,215,189)
Other operating expenses		(52,652)	0
<b>Operating profit/loss</b>		<b>6,455,136</b>	<b>10,149,999</b>
Other financial income	4	56,666	200,271
Other financial expenses	5	(2,383,298)	(3,257,100)
<b>Profit/loss before tax</b>		<b>4,128,504</b>	<b>7,093,170</b>
Tax on profit/loss for the year		(3,920,844)	(3,409,421)
<b>Profit/loss for the year</b>	6	<b>207,660</b>	<b>3,683,749</b>

# Consolidated balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Goodwill		1,956,168	2,934,869
<b>Intangible assets</b>	7	<b>1,956,168</b>	<b>2,934,869</b>
Land and buildings		416,123,260	415,343,868
Other fixtures and fittings, tools and equipment		6,217,266	7,558,620
<b>Property, plant and equipment</b>	8	<b>422,340,526</b>	<b>422,902,488</b>
Deposits		144,698	141,186
<b>Financial assets</b>	9	<b>144,698</b>	<b>141,186</b>
<b>Fixed assets</b>		<b>424,441,392</b>	<b>425,978,543</b>
Raw materials and consumables		1,017,722	1,144,707
<b>Inventories</b>		<b>1,017,722</b>	<b>1,144,707</b>
Trade receivables		7,499,605	4,803,849
Other receivables		1,984,602	3,513,334
Tax receivable		428,411	440,000
<b>Receivables</b>		<b>9,912,618</b>	<b>8,757,183</b>
<b>Cash</b>		<b>5,544,578</b>	<b>2,453,783</b>
<b>Current assets</b>		<b>16,474,918</b>	<b>12,355,673</b>
<b>Assets</b>		<b>440,916,310</b>	<b>438,334,216</b>

**Equity and liabilities**

	Notes	2023 DKK	2022 DKK
Contributed capital	10	550,000	550,000
Revaluation reserve		147,367,410	135,390,634
Retained earnings		57,979,764	70,055,476
<b>Equity belonging to Parent's shareholders</b>		<b>205,897,174</b>	<b>205,996,110</b>
<b>Equity belonging to minority interests</b>		<b>168,651</b>	<b>181,226</b>
<b>Equity</b>		<b>206,065,825</b>	<b>206,177,336</b>
Deferred tax	11	76,053,209	75,797,825
<b>Provisions</b>		<b>76,053,209</b>	<b>75,797,825</b>
Mortgage debt		108,487,419	119,548,980
Lease liabilities		434,905	690,989
Payables to owners and management		7,898,098	11,273,123
Other payables		566,890	594,365
<b>Non-current liabilities other than provisions</b>	12	<b>117,387,312</b>	<b>132,107,457</b>
Current portion of non-current liabilities other than provisions	12	11,294,965	11,256,176
Bank loans		6,828,601	1,714,978
Lease liabilities		0	42,070
Payables to other credit institutions		4,966,006	401,095
Prepayments received from customers		621,688	133,787
Trade payables		8,505,661	6,174,046
Tax payable		2,529,774	1,264,592
Other payables		6,409,233	2,899,737
Deferred income	13	254,036	365,117
<b>Current liabilities other than provisions</b>		<b>41,409,964</b>	<b>24,251,598</b>
<b>Liabilities other than provisions</b>		<b>158,797,276</b>	<b>156,359,055</b>
<b>Equity and liabilities</b>		<b>440,916,310</b>	<b>438,334,216</b>
Going concern	1		
Assets charged and collateral	15		
Subsidiaries	16		

# Consolidated statement of changes in equity for 2023

	Contributed capital DKK	Revaluation reserve DKK	Retained earnings DKK	Equity belonging to Parent's shareholders DKK	Equity belonging to minority interests DKK
Equity beginning of year	550,000	135,390,634	70,055,476	205,996,110	181,226
Exchange rate adjustments	0	0	(312,356)	(312,356)	0
Other entries on equity	0	0	0	0	(6,815)
Transfer to reserves	0	11,976,776	(11,976,776)	0	0
Profit/loss for the year	0	0	213,420	213,420	(5,760)
<b>Equity end of year</b>	<b>550,000</b>	<b>147,367,410</b>	<b>57,979,764</b>	<b>205,897,174</b>	<b>168,651</b>
					<b>Total DKK</b>
Equity beginning of year					206,177,336
Exchange rate adjustments					(312,356)
Other entries on equity					(6,815)
Transfer to reserves					0
Profit/loss for the year					207,660
<b>Equity end of year</b>					<b>206,065,825</b>

# Consolidated cash flow statement for 2023

	Notes	2023 DKK	2022 DKK
Operating profit/loss		6,455,136	10,149,999
Amortisation, depreciation and impairment losses		10,108,296	12,215,189
Working capital changes	14	4,706,014	(582,154)
<b>Cash flow from ordinary operating activities</b>		<b>21,269,446</b>	<b>21,783,034</b>
Financial income received		56,666	812,794
Financial expenses paid		(2,330,646)	(3,869,624)
Taxes refunded/(paid)		(1,126,592)	(440,000)
<b>Cash flows from operating activities</b>		<b>17,868,874</b>	<b>18,286,204</b>
Acquisition etc. of property, plant and equipment		(9,655,609)	(3,699,080)
Sale of property, plant and equipment		0	668,986
<b>Cash flows from investing activities</b>		<b>(9,655,609)</b>	<b>(3,030,094)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>8,213,265</b>	<b>15,256,110</b>
Repayments of loans etc.		(5,122,470)	(16,029,350)
<b>Cash flows from financing activities</b>		<b>(5,122,470)</b>	<b>(16,029,350)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>3,090,795</b>	<b>(773,240)</b>
Cash and cash equivalents beginning of year		2,453,783	3,227,023
<b>Cash and cash equivalents end of year</b>		<b>5,544,578</b>	<b>2,453,783</b>
Cash and cash equivalents at year-end are composed of:			
Cash		5,544,578	2,453,783
<b>Cash and cash equivalents end of year</b>		<b>5,544,578</b>	<b>2,453,783</b>

# Notes to consolidated financial statements

## 1 Going concern

The group's Danish companies are financially interconnected, and there have been certain liquidity challenges in paying all overdue debts after the reporting date. There is also a certain uncertainty about the liquidity situation for the rest of 2024. The group's financial statements have been prepared on a going concern basis, as the management believes that the liquidity challenges are of a temporary nature and will improve in the second half of 2024.

## 2 Gross profit/loss

Gross profit/loss includes compensation received during COVID-19 as other operating income totalling DKK 0k (2022: DKK 2,221k). The compensation amounts are composed of the following schemes:

Compensation for fixed costs: DKK 0k (2022: DKK 1,605k).

Payroll compensation: DKK 0k (2022: DKK 616k).

## 3 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	28,004,899	20,811,189
Pension costs	2,394,901	1,670,649
Other social security costs	280,234	203,926
	<b>30,680,034</b>	<b>22,685,764</b>

Average number of full-time employees	<b>60</b>	<b>94</b>
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	<b>Remuneration of management 2023 DKK</b>	<b>Remuneration of management 2022 DKK</b>
Total amount for management categories	1,880,085	1,853,551
	<b>1,880,085</b>	<b>1,853,551</b>

According to section 98B(3) no.2 of the Danish Financial Statement Act, remuneration to management has been disclosed together under one category, because it would otherwise lead to an individual's remuneration being disclosed.

**4 Other financial income**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	3,254	4,398
Exchange rate adjustments	21	1,340
Other financial income	53,391	194,533
	<b>56,666</b>	<b>200,271</b>

**5 Other financial expenses**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	2,214,854	2,927,486
Exchange rate adjustments	138	20
Other financial expenses	168,306	329,594
	<b>2,383,298</b>	<b>3,257,100</b>

**6 Proposed distribution of profit/loss**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Retained earnings	207,660	3,683,749
	<b>207,660</b>	<b>3,683,749</b>

**7 Intangible assets**

	<b>Goodwill</b>
	<b>DKK</b>
Cost beginning of year	23,341,046
<b>Cost end of year</b>	<b>23,341,046</b>
Amortisation and impairment losses beginning of year	(20,406,177)
Amortisation for the year	(978,701)
<b>Amortisation and impairment losses end of year</b>	<b>(21,384,878)</b>
<b>Carrying amount end of year</b>	<b>1,956,168</b>

## 8 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	355,294,182	46,825,121
Exchange rate adjustments	0	(535,817)
Additions	6,507,017	1,977,446
Disposals	0	(686,560)
<b>Cost end of year</b>	<b>361,801,199</b>	<b>47,580,190</b>
Revaluations beginning of year	204,797,622	0
<b>Revaluations end of year</b>	<b>204,797,622</b>	<b>0</b>
Depreciation and impairment losses beginning of year	(144,747,936)	(39,266,501)
Depreciation for the year	(5,787,518)	(2,304,240)
Reversal regarding disposals	59,893	207,817
<b>Depreciation and impairment losses end of year</b>	<b>(150,475,561)</b>	<b>(41,362,924)</b>
<b>Carrying amount end of year</b>	<b>416,123,260</b>	<b>6,217,266</b>
Carrying amount if asset had not been revalued	211,325,638	6,217,266
Recognised assets not owned by Entity	0	518,989

## 9 Financial assets

	Deposits DKK
Cost beginning of year	141,186
Exchange rate adjustments	3,512
<b>Cost end of year</b>	<b>144,698</b>
<b>Carrying amount end of year</b>	<b>144,698</b>

## 10 Contributed capital

	Number	Par value DKK	Nominal value DKK	Recorded par value DKK
A shares	11,000	1	11,000	11,000
B shares	539,000	1	539,000	539,000
	<b>550,000</b>		<b>550,000</b>	<b>550,000</b>

## 11 Deferred tax

	<b>2023</b>	<b>2022</b>
<b>Changes during the year</b>	<b>DKK</b>	<b>DKK</b>
Beginning of year	75,797,825	75,416,322
Recognised in the income statement	255,384	381,503
<b>End of year</b>	<b>76,053,209</b>	<b>75,797,825</b>

## 12 Non-current liabilities other than provisions

	Due within 12 months	Due within 12 months	Due after more than 12 months	Outstanding after 5 years
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>
	<b>DKK</b>	<b>DKK</b>	<b>DKK</b>	<b>DKK</b>
Mortgage debt	11,294,965	11,256,176	108,487,419	69,659,639
Lease liabilities	0	0	434,905	434,905
Payables to owners and management	0	0	7,898,098	7,898,098
Other payables	0	0	566,890	485,804
	<b>11,294,965</b>	<b>11,256,176</b>	<b>117,387,312</b>	<b>78,478,446</b>

## 13 Deferred income

Deferred income comprises of income received for recognition in subsequent financial years.

## 14 Changes in working capital

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Increase/decrease in inventories	126,985	(295,160)
Increase/decrease in receivables	(1,611,426)	1,305,435
Increase/decrease in trade payables etc.	6,190,455	(1,592,429)
	<b>4,706,014</b>	<b>(582,154)</b>

## 15 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

The carrying amount of properties is DKK 415,344k.

Mortgage deeds registered to the mortgagor of DKK 291,421k are provided as security for commitments with credit institutions

**16 Subsidiaries**

	<b>Registered in</b>	<b>Corporate form</b>	<b>Ownership %</b>	<b>Equity DKK</b>	<b>Profit/loss DKK</b>
Helnan Phønix Hotel A/S	Aalborg	A/S	100%	48,402,406	(4,623)
Helnan Marselis Hotel A/S	Aarhus	A/S	100%	127,846,233	4,996,273
Scandinavian International Hotels A/S	Aarhus	A/S	100%	28,533,455	(3,306,105)
Helnan Hotel Management	Egypt	SAE	99,5%	3,979,786	541,342
Helnan International Hotels Company	Egypt	Branch	100%	949,820	201,742
Helnan Chellah Hotel	Morocco	SA	99%	15,451,200	(847,578)

# Parent income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>		<b>(330,577)</b>	<b>(83,441)</b>
Income from investments in group enterprises		524,528	3,808,831
Other financial income	2	150,009	82,592
Other financial expenses	3	(218,289)	(128,487)
<b>Profit/loss before tax</b>		<b>125,671</b>	<b>3,679,495</b>
Tax on profit/loss for the year		87,749	28,454
<b>Profit/loss for the year</b>	4	<b>213,420</b>	<b>3,707,949</b>

# Parent balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Investments in group enterprises		205,943,105	205,736,695
Other receivables		224	0
<b>Financial assets</b>	5	<b>205,943,329</b>	<b>205,736,695</b>
<b>Fixed assets</b>		<b>205,943,329</b>	<b>205,736,695</b>
Receivables from group enterprises		6,302,965	4,157,050
Deferred tax	6	200,346	112,596
Tax receivable		260,897	440,000
<b>Receivables</b>		<b>6,764,208</b>	<b>4,709,646</b>
<b>Cash</b>		<b>19,705</b>	<b>221,651</b>
<b>Current assets</b>		<b>6,783,913</b>	<b>4,931,297</b>
<b>Assets</b>		<b>212,727,242</b>	<b>210,667,992</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK</b>	<b>2022</b> <b>DKK</b>
Contributed capital		550,000	550,000
Reserve for net revaluation according to equity method		155,992,330	156,310,448
Retained earnings		49,349,084	49,135,664
<b>Equity</b>		<b>205,891,414</b>	<b>205,996,112</b>
Trade payables		55,000	55,000
Payables to group enterprises		6,780,828	4,577,537
Tax payable		0	39,343
<b>Current liabilities other than provisions</b>		<b>6,835,828</b>	<b>4,671,880</b>
<b>Liabilities other than provisions</b>		<b>6,835,828</b>	<b>4,671,880</b>
<b>Equity and liabilities</b>		<b>212,727,242</b>	<b>210,667,992</b>
Going concern	1		
Contingent liabilities	7		
Assets charged and collateral	8		
Non-arm's length related party transactions	9		

# Parent statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Reserve for net revaluation according to the equity method DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	550,000	156,310,448	49,135,664	205,996,112
Exchange rate adjustments	0	(318,118)	0	(318,118)
Profit/loss for the year	0	0	213,420	213,420
<b>Equity end of year</b>	<b>550,000</b>	<b>155,992,330</b>	<b>49,349,084</b>	<b>205,891,414</b>

# Notes to parent financial statements

## 1 Going concern

The group's Danish companies are financially interconnected, and there have been certain liquidity challenges in paying all overdue debts after the reporting date. There is also a certain uncertainty about the liquidity situation for the rest of 2024. The group's financial statements have been prepared on a going concern basis, as the management believes that the liquidity challenges are of a temporary nature and will improve in the second half of 2024.

## 2 Other financial income

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	146,755	78,726
Other interest income	3,254	0
Other financial income	0	3,866
	<b>150,009</b>	<b>82,592</b>

## 3 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	218,289	89,756
Other interest expenses	0	38,731
	<b>218,289</b>	<b>128,487</b>

## 4 Proposed distribution of profit and loss

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Retained earnings	213,420	3,707,949
	<b>213,420</b>	<b>3,707,949</b>

## 5 Financial assets

	<b>Investments in group enterprises DKK</b>
Cost beginning of year	45,617,418
<b>Cost end of year</b>	<b>45,617,418</b>
Revaluations beginning of year	160,119,277
Exchange rate adjustments	(318,118)
Amortisation of goodwill	(1,161,017)
Revaluations for the year	1,685,545
<b>Revaluations end of year</b>	<b>160,325,687</b>
<b>Carrying amount end of year</b>	<b>205,943,105</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

## 6 Deferred tax

	<b>2023 DKK</b>	<b>2022 DKK</b>
Tax losses carried forward	200,346	112,597
<b>Deferred tax</b>	<b>200,346</b>	<b>112,597</b>

<b>Changes during the year</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Beginning of year	112,597	84,143
Recognised in the income statement	87,749	28,453
<b>End of year</b>	<b>200,346</b>	<b>112,596</b>

### Deferred tax assets

Deferred tax relates to tax losses carried forward.

## 7 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

## 8 Assets charged and collateral

### Collateral provided for group enterprises

The Entity has provided guarantees the group enterprises', Helnan Marselis Hotel A/S and Helnan Phønix Hotel A/S, debt with Nykredit Bank. Bank loans of group enterprises amounts to DKK 133,456k.

Furthermore, the Entity also provides security for all recevabels from group enterprices, with Helnan Marselis Hotel A/S and Helnan Phønix Hotel A/S.

### **9 Non-arm's length related party transactions**

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

## **Income statement**

### **Gross profit or loss**

Gross profit or loss comprises revenue, other operating income, costs of raw materials and consumables and external expenses.

### **Revenue**

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### **Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds .

### **Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Property costs**

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

### **Staff costs**

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

### **Other operating expenses**

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

### **Income from investments in group enterprises**

Income from investments in group enterprises comprises dividends etc. received from the individual group enterprises in the financial year.

### **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, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

## **Balance sheet**

### **Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The estimated useful life of goodwill is 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Land and buildings are measured at cost plus revaluation, and for buildings, less accumulated depreciation and impairment losses. Revaluation is calculated on the basis of regular, independent fair value measurements.

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost plus revaluation and minus estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Buildings	35-50 years
Other fixtures and fittings, tools and equipment	3-20 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Investments in group enterprises**

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. Useful lives are reassessed annually.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

**Receivables**

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

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's

taxable income, adjusted for prepaid tax.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Minority interests**

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

### **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.

### **Lease liabilities**

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

### **Other financial liabilities**

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

### **Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

### **Deferred income**

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

### **Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities,

purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.