

# HotelCityB ApS

C/O Bent Friis Pedersen, Fredtoftevej 10, 2980 Kokkedal

Company reg. no. 31 05 04 05

## Annual report

**1 October 2023 - 30 September 2024**

The annual report was submitted and approved by the general meeting on the 31 March 2025.

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Jakov Dolgoj  
Chairman of the meeting



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Notes:

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



## **Management's statement**

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Today, the Managing Director has approved the annual report of HotelCityB ApS for the financial year 1 October 2023 - 30 September 2024.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2024 and of the results of the Company's operations for the financial year 1 October 2023 – 30 September 2024.

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

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

Kokkedal, 31 March 2025

**Managing Director**

Jakov Dolgoj



## Independent auditor's report

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### To the Shareholders of HotelCityB ApS

#### Opinion

We have audited the financial statements of HotelCityB ApS for the financial year 1 October 2023 - 30 September 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2024, and of the results of the Company's operations for the financial year 1 October 2023 - 30 September 2024 in accordance with the Danish Financial Statements Act.

#### Basis for conclusion

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

#### Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## Independent auditor's report

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As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.



## Independent auditor's report

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 31 March 2025

### **Christensen Kjarulff**

Statsautoriseret Revisionsaktieselskab  
Company reg. no. 15 91 56 41

Anders Ingemann Hansen

State Authorised Public Accountant  
mne32726



## Company information

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### **The company**

HotelCityB ApS  
C/O Bent Friis Pedersen  
Fredtoftevej 10  
2980 Kokkedal

Company reg. no. 31 05 04 05  
Established: 6 November 2007  
Domicile: Fredensborg  
Financial year: 1 October 2023 - 30 September 2024

### **Managing Director**

Jakov Dolgoj

### **Auditors**

Christensen Kjærulff  
Statsautoriseret Revisionsaktieselskab  
Østbanegade 123  
2100 København Ø

### **Parent company**

Eyles Assets Limited, Cyprus



## **Management's review**

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### **Description of key activities of the company**

The principal activities of the company are to acquire and develop properties in Berlin.

### **Significant changes in the company's activities and financial matters**

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



## Income statement 1 October - 30 September

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All amounts in EUR.

<u>Note</u>	<u>2023/24</u>	<u>2022/23</u>
<b>Gross profit</b>	<b>593.955</b>	<b>590.502</b>
1 Value adjustment of investment property	2.613.779	-3.160.000
2 Staff costs	0	0
Other financial income	37.009	31.090
3 Other financial expenses	-229.769	-209.823
<b>Pre-tax net profit or loss</b>	<b>3.014.974</b>	<b>-2.748.231</b>
4 Tax on net profit or loss for the year	-644.096	0
<b>Net profit or loss for the year</b>	<b>2.370.878</b>	<b>-2.748.231</b>
<b>Proposed distribution of net profit:</b>		
Transferred to retained earnings	2.370.878	0
Allocated from retained earnings	0	-2.748.231
<b>Total allocations and transfers</b>	<b>2.370.878</b>	<b>-2.748.231</b>



## Balance sheet at 30 September

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All amounts in EUR.

<b>Assets</b>			
<u>Note</u>		<u>2024</u>	<u>2023</u>
<b>Non-current assets</b>			
5	Investment properties	16.210.000	13.596.221
	Total property, plant, and equipment	16.210.000	13.596.221
6	Other receivables	2.488.694	1.988.053
	Total investments	2.488.694	1.988.053
	<b>Total non-current assets</b>	<b>18.698.694</b>	<b>15.584.274</b>
<b>Current assets</b>			
	Trade receivables	20.397	20.397
	Other receivables	268.424	27.999
	Prepayments	76.743	59.496
	Total receivables	365.564	107.892
	Cash and cash equivalents	236.400	420.271
	<b>Total current assets</b>	<b>601.964</b>	<b>528.163</b>
	<b>Total assets</b>	<b>19.300.658</b>	<b>16.112.437</b>



## Balance sheet at 30 September

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All amounts in EUR.

<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	16.779	16.779
Retained earnings	9.598.053	7.227.175
<b>Total equity</b>	<b>9.614.832</b>	<b>7.243.954</b>
<b>Provisions</b>		
Provisions for deferred tax	1.414.304	770.208
<b>Total provisions</b>	<b>1.414.304</b>	<b>770.208</b>
<b>Liabilities other than provisions</b>		
Other mortgage debt	6.137.054	0
Other payables	740.753	0
7 Total long term liabilities other than provisions	6.877.807	0
7 Current portion of long term liabilities	658.410	7.363.580
Trade payables	12.836	19.660
Payables to group enterprises	681.593	681.593
Other payables	40.876	33.442
Total short term liabilities other than provisions	1.393.715	8.098.275
<b>Total liabilities other than provisions</b>	<b>8.271.522</b>	<b>8.098.275</b>
<b>Total equity and liabilities</b>	<b>19.300.658</b>	<b>16.112.437</b>

9 Disclosures on fair value

8 Charges and security



## Statement of changes in equity

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All amounts in EUR.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 October 2022	16.779	9.975.406	9.992.185
Retained earnings for the year	0	-2.748.231	-2.748.231
Equity 1 October 2023	16.779	7.227.175	7.243.954
Retained earnings for the year	0	2.370.878	2.370.878
	<b>16.779</b>	<b>9.598.053</b>	<b>9.614.832</b>



## Notes

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All amounts in EUR.

	<u>2023/24</u>	<u>2022/23</u>
<b>1. Value adjustment of investment property</b>		
Value adjustment arising from change in required rate of return	<u>2.613.779</u>	<u>-3.160.000</u>
	<b><u>2.613.779</u></b>	<b><u>-3.160.000</u></b>
<b>2. Staff costs</b>		
Average number of employees	<u>1</u>	<u>1</u>
<b>3. Other financial expenses</b>		
Other financial costs	<u>229.769</u>	<u>209.823</u>
	<b><u>229.769</u></b>	<b><u>209.823</u></b>
<b>4. Tax on net profit or loss for the year</b>		
Adjustment of deferred tax for the year	856.338	0
Adjustment of deferred tax for previous years	<u>-212.242</u>	<u>0</u>
	<b><u>644.096</u></b>	<b><u>0</u></b>
<b>5. Investment properties</b>		
Cost 1 October 2023	10.621.187	10.603.829
Additions during the year	<u>0</u>	<u>17.358</u>
<b>Cost 30 September 2024</b>	<b><u>10.621.187</u></b>	<b><u>10.621.187</u></b>
Fair value adjustment 1 October 2023	2.975.034	6.135.034
Adjustments to fair value for the year	<u>2.613.779</u>	<u>-3.160.000</u>
<b>Fair value adjustment 30 September 2024</b>	<b><u>5.588.813</u></b>	<b><u>2.975.034</u></b>
<b>Carrying amount, 30 September 2024</b>	<b><u>16.210.000</u></b>	<b><u>13.596.221</u></b>



## Notes

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All amounts in EUR.

### 5. Investment properties (continued)

The company's investment property consists of 1 commercial property used as a 3-star Hotel with a total size of 4.895 m<sup>2</sup> in Berlin, Germany. The property was built in 1996. In 2010, a major renovation took place. In 2014 and 2017/18 several rooms and the lobby were modernized as well the establishment of a restaurant/café area, and the number of rooms has increased to a total of 116 rooms. The entire property including parking lot are leased to a hotel manager and a restaurateur.

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

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

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

	30/9 2024	30/9 2023
Rate of return, commercial, location (country, region, etc.) (%)	4,25	4
Vacancy rate, commercial, location (country, region, etc.) (%)	0	0
Rent per square meter for residential properties (EUR)	5.130	5.130

A valuation expert has participated in the valuation of the properties, resulting in a total fair value of EUR 16,2 million, equivalent to 100 % of the total fair value of the properties.

### Sensitivity analysis

The fair value of the investment properties total EUR 16.210.000 as at 30 September 2024. The determined fair value is an estimate made by management based on available information and current future expectations, as well as an experts valuation. The sensitivity of the average rate of return can be illustrated thus: a rise in the rate of return of 0.5 percentage point per property would result in a decrease in the fair value by EUR 610.000. A decrease in the rate of return of 0.5 percentage point per property would result in an increase in fair value by EUR 670.000.



## Notes

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All amounts in EUR.

	<u>30/9 2024</u>	<u>30/9 2023</u>
<b>6. Other receivables</b>		
Cost 1 October 2023	1.988.053	1.789.456
Additions during the year	521.038	218.994
Transfers	-20.397	-20.397
<b>Cost 30 September 2024</b>	<b><u>2.488.694</u></b>	<b><u>1.988.053</u></b>
<b>Carrying amount, 30 September 2024</b>	<b><u>2.488.694</u></b>	<b><u>1.988.053</u></b>
The following is specified:		
Other long-term receivables	2.223.670	1.702.631
Long-term trade receivables	265.024	285.422
	<b><u>2.488.694</u></b>	<b><u>1.988.053</u></b>

## 7. Long term liabilities other than provisions

	<u>Total payables 30 Sep 2024</u>	<u>Current portion of long term payables</u>	<u>Long term payables 30 Sep 2024</u>
Mortgage debt	533.250	533.250	0
Other mortgage debt	6.262.214	125.160	6.137.054
Other payables	740.753	0	740.753
	<b><u>7.536.217</u></b>	<b><u>658.410</u></b>	<b><u>6.877.807</u></b>

## 8. Charges and security

As collateral for mortgage loans of 533 t.EUR, a 8.500 t.EUR, security has been granted on land and buildings representing a carrying amount of 16.210 t.EUR at 30 September 2024.



## Notes

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All amounts in EUR.

### 9. Disclosures on fair value

	<b><u>Investment property</u></b>
Fair value at 30 September 2024	<u>5.588.813</u>
Unrealised change in fair value of the year recognised in the statement of financial activity	<u>2.613.779</u>



## Accounting policies

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

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

### **Recognition and measurement in general**

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

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

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

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

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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

### **Foreign currency translation**

Transactions in foreign currency are translated by using the average exchange rate for the financial year. Exchange rate differences are recognised in the income statement under the financial item net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.



## Accounting policies

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### Income statement

#### **Gross profit**

Gross profit comprises the lease income, external costs and property costs.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment. Lease income is measured at fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs which are not charged directly from the lessee.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

#### **Value adjustment of investment property**

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

#### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency.

#### **Tax on net profit or loss for the year**

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

### Statement of financial position

#### **Investment properties**

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



## Accounting policies

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

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

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

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

### **Impairment loss relating to non-current assets**

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

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

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

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

### **Receivables**

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



## Accounting policies

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Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### **Prepayments**

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

### **Cash and cash equivalents**

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

### **Income tax and deferred tax**

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

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

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

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

### **Liabilities other than provisions**

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

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

**Jakov Dolgoj**



Direktør

IP-adresse: 109.40.242.211:59707

Dato for underskrift: 31-03-2025 17:26:34 CEST (+02:00)

Underskrevet med esignatur EasySign



**Anders Ingemann Hansen**

Navn returneret af MitId: Anders Ingemann Hansen

Revisor

På vegne af Christensen Kjærulff Statsautoriseret  
Revisionsaktieselskab

ID: 6d7bce96-ce62-43b2-9f7d-3648380bb824

IP-adresse:

Dato for underskrift: 01-04-2025 06:46:32 CEST (+02:00)

Underskrevet med MitId



**Jakov Dolgoj**



Dirigent

IP-adresse: 91.41.225.81:43420

Dato for underskrift: 01-04-2025 17:02:00 CEST (+02:00)

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