



## Stoneweg EREIT Danish Properties K/S

Axeltorv 6, 5. th  
1609 København V  
CVR No. 43383167

## Annual report 2024

The Annual General Meeting adopted the  
annual report on 24.04.2025

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**Klaus Erik Lambert Larsen**  
Chairman of the General Meeting

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# Entity details

## Entity

Stoneweg EREIT Danish Properties K/S  
Axeltorv 6, 5. th  
1609 København V

Business Registration No.: 43383167  
Registered office: København  
Financial year: 01.01.2024 - 31.12.2024

## Executive Board

Klaus Erik Lambert Larsen  
Simon Garing  
Aleksander Dolapchiev

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management

The Executive Board has today considered and approved the annual report of Stoneweg EREIT Danish Properties K/S for the financial year 01.01.2024 - 31.12.2024.

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 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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, 24.04.2025

## Executive Board

**Klaus Erik Lambert Larsen**

**Simon Garing**

**Aleksander Dolapchiev**

# Independent auditor's extended review report

**To the shareholders of Stoneweg EREIT Danish Properties K/S**

## **Conclusion**

We have performed an extended review of the financial statements of Stoneweg EREIT Danish Properties K/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

## **Basis for conclusion**

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## **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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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

Management is responsible for the management commentary.

Our conclusion 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 extended review 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 extended review 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 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.

Copenhagen, 24.04.2025

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Tim Kjær-Hansen**

State Authorised Public Accountant  
Identification No (MNE) mne23295

# Management commentary

## Primary activities

Cromwell EREIT Danish Properties KS' (the « Entity ») purpose is to invest in commercial properties and through active management to optimize the operation.

The entity has 1 asset in greater Copenhagen, which is Sognevej 25, Brøndbyvester

## Description of material changes in activities and finances

Profit for the year to DKK 2,745 thousand, including a positive value adjustment of DKK 1,258 thousand.

Management considers the results for satisfactory.

Continuing of Russian invasion of Ukraine in February 2022 has led to many disruptive and destabilizing consequences on the world market. The Entity does not have tenants or vendors that have a direct connection to Russia or Ukraine and directly impact seem to be limited in connection to the ongoing conflict. Development in construction cost has follow more normal pattern for 2024, where inflation has been on a more a more normal level compared to previous years.

Throughout 2024 its impact on global markets and trade amplified, also in Denmark where all of the Entity's properties are located which has a directly or indirectly impact on cost for material, increasing cost of goods, heating, electricity due to the war in Ukraine and the same time uncertainty of US taxes on goods, which can have an impact on our tenants business. Due to these factors, it is difficult to predict the possible future financial impact.

However, the Entity is relatively well-positioned to handle the uncertainty given its positive cash flow, which is reflected in its DKK 3.1 mio. cash holdings as well as its minor liabilities.

Based on the above, the Entity is expected to be able to meet its obligations as they come due.

## Uncertainty relating to recognition and measurement

The properties are measured and recognized in the balance sheet at value based on an assessment made by an established, independent real estate appraiser. As to the uncertainty regarding recognition and measurement of investment properties, please see note 1 to the financial statements.

## Events after the balance sheet date

No events have occurred

# Income statement for 2024

	Notes	2024 DKK	2022/23 DKK
Revenue		7,921,321	12,816,516
Other external expenses		(3,628,271)	(3,182,884)
<b>Gross profit/loss</b>		<b>4,293,050</b>	<b>9,633,632</b>
Other financial income		111,851	152,941
Other financial expenses	2	(2,918,099)	(3,801,439)
<b>Profit/loss before fair value adjustments and tax</b>		<b>1,486,802</b>	<b>5,985,134</b>
Fair value adjustments of investment property		1,258,437	(21,482,394)
<b>Profit/loss for the year</b>		<b>2,745,239</b>	<b>(15,497,260)</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		2,745,239	(15,497,260)
<b>Proposed distribution of profit and loss</b>		<b>2,745,239</b>	<b>(15,497,260)</b>

# Balance sheet at 31.12.2024

## Assets

	Notes	2024 DKK	2022/23 DKK
Investment property		127,600,000	116,000,000
<b>Property, plant and equipment</b>	3	<b>127,600,000</b>	<b>116,000,000</b>
<b>Fixed assets</b>		<b>127,600,000</b>	<b>116,000,000</b>
Trade receivables		426,055	662,058
Other receivables		84,679	276,147
Prepayments		218,029	221,750
<b>Receivables</b>		<b>728,763</b>	<b>1,159,955</b>
<b>Cash</b>		<b>3,137,599</b>	<b>1,233,614</b>
<b>Current assets</b>		<b>3,866,362</b>	<b>2,393,569</b>
<b>Assets</b>		<b>131,466,362</b>	<b>118,393,569</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2024 DKK</b>	<b>2022/23 DKK</b>
Contributed capital		1,006	1,002
Retained earnings		65,143,782	51,831,408
<b>Equity</b>		<b>65,144,788</b>	<b>51,832,410</b>
Prepayments received from customers		2,518,203	2,303,100
Payables to group enterprises		62,632,917	61,896,899
<b>Non-current liabilities other than provisions</b>	<b>4</b>	<b>65,151,120</b>	<b>64,199,999</b>
Prepayments received from customers		438,238	425,474
Trade payables		604,308	1,221,285
Other payables		127,908	714,401
<b>Current liabilities other than provisions</b>		<b>1,170,454</b>	<b>2,361,160</b>
<b>Liabilities other than provisions</b>		<b>66,321,574</b>	<b>66,561,159</b>
<b>Equity and liabilities</b>		<b>131,466,362</b>	<b>118,393,569</b>
Uncertainty relating to recognition and measurement	1		
Employees	5		
Group relations	6		

# Statement of changes in equity for 2024

	<b>Contributed capital DKK</b>	<b>Share premium DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	1,002	0	51,831,408	51,832,410
Increase of capital	4	10,567,135	0	10,567,139
Transferred from share premium	0	(10,567,135)	10,567,135	0
Profit/loss for the year	0	0	2,745,239	2,745,239
<b>Equity end of year</b>	<b>1,006</b>	<b>0</b>	<b>65,143,782</b>	<b>65,144,788</b>

# Notes

## 1 Uncertainty relating to recognition and measurement

Regarding the practical use of the accounting policies specified, Management has made a significant accounting estimate based on an external value assessment of the portfolio.

At 31 December 2024, the property have been recognised at a fair value of DKK 128 million.

At 31 December 2024, the portfolio has been recognised based on external and independent experts' assessment to get the most accurate fair value in a non-forced transaction between two independent parties.

The most important factor in the fair value calculation is the rate of return. An increase in the rate of return will lead to a decrease in the fair value and, on the other hand, a decrease in the rate of return will mean an increase in the fair value. At present, the market is very volatile. For the sensitivity when calculating the fair value of the investment properties see note 3.

Investment properties are measured at fair value. The fair value is calculated using established valuation techniques (RICS valuation model - red book).

## 2 Other financial expenses

	<b>2024</b>	<b>2022/23</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	2,760,320	3,506,649
Other interest expenses	7,744	6,657
Exchange rate adjustments	150,035	288,133
	<b>2,918,099</b>	<b>3,801,439</b>

## 3 Property, plant and equipment

	<b>Investment property DKK</b>
Cost beginning of year	137,482,394
Additions	10,341,563
<b>Cost end of year</b>	<b>147,823,957</b>
Fair value adjustments beginning of year	(21,482,394)
Fair value adjustments for the year	1,258,437
<b>Fair value adjustments end of year</b>	<b>(20,223,957)</b>
<b>Carrying amount end of year</b>	<b>127,600,000</b>

### Assumptions when calculating the fair value of investment properties

The investment properties are measured at fair value. The fair value is calculated using established valuation techniques (the RICS valuation model - red book). An independent valuation expert has been engaged to value the properties.

The investment properties consist of warehouses and office buildings located in the metropolitan area.

The total fair value of DKK 127,600 thousand has been calculated by the following assumptions.

- Average equivalent yield is 7% (2023 7,68%)
- The budget period consists of 10 years and a termination period.
- The increase in market rent is set at 2%.
- The expected idle rent/structural vacancy is a percentage of income between 0% and 6%

#### Sensitivity when calculating the fair value of the investment properties

At 31 December 2024, the market value has been assessed using an individually fixed rate of return between 6,5% and 7,5%. The average rate of return can be calculated at 7,0%.

Changes in the estimate of the rate of return on the investment properties will affect the value of the investment properties recognised in the balance sheet and the value adjustment recognised in the income statement.

<b>Changes in the average rate of return:</b>	<b>-0,5%</b>	<b>Basis</b>	<b>0,5%</b>
Rate of return	6,5%	7,0%	7,5%
Fair value	137,415	127,600	119,093
Change in fair value	9,815	0	(8,507)

The valuation of the year has resulted in a revaluation of DKK 1,258 thousand.

#### 4 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2024 DKK</b>
Prepayments received from customers	2,518,203
Payables to group enterprises	62,632,917
	<b>65,151,120</b>

#### 5 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

#### 6 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Stoneweg European Real Estate Investment Trust, Singapore, Asia

# 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.

## Non-comparability

The accounting periods are not comparable because the previous year was the first year of audit, covering an extended period from 01.07.2022 to 31.12.2023 (18 months).

## 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.

## Income statement

### Revenue

Revenue is rental income from renting out properties is recognized in the income statement for the period to which the income relates.

Rental income is measured at fair value and calculated excl. VAT and discounts.

### 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

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

**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, payables and transactions in foreign currencies, amortisation of financial liabilities etc.

**Balance sheet****Investment property**

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by applying the yield-based model as the calculated value in use of expected cash flows from each property. The calculation is based on budgeted net earnings for the next year that has been adjusted to normal earnings, and using a required yield rate that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

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.

**Prepayments**

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

**Cash**

Cash comprises cash in hand and bank deposits.

**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.