
Ejendomsselskabet Fiolstræde ApS

c/o Cobblestone A/S, Gammel Køge Landevej , 57,3, DK-2500
Valby

Annual Report for 2023

CVR No. 38 14 81 09

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 14/8 2024

Mette Pii
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Ejendomselskabet Fiolstræde ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Valby, 14 August 2024

Executive Board

Mette Pii
CEO

Board of Directors

Christopher Scott Harrison Penny Marianne Kildahl Olsen
Chairman

Independent Auditor's report

To the shareholder of Ejendomsselskabet Fiolstræde ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Ejendomsselskabet Fiolstræde ApS for the financial year 1 January - 31 December 2023, which comprise 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 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.

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 Company's internal control.

Independent Auditor's report

- 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.

Hellerup, 14 August 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Qasam Hussain

State Authorised Public Accountant

mne44159

Company information

The Company	Ejendomsselskabet Fiolstræde ApS c/o Cobblestone A/S Gammel Køge Landevej , 57,3 DK-2500 Valby CVR No: 38 14 81 09 Financial period: 1 January - 31 December Incorporated: 25 October 2016 Financial year: 7th financial year Municipality of reg. office: Copenhagen
Board of Directors	Christopher Scott Harrison Penny, chairman Marianne Kildahl Olsen
Executive Board	Mette Pii
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit/loss before value adjustments		1,845,306	-2,816,312
Value adjustments of assets held for investment	3	-41,100,000	-16,800,000
Gross profit/loss after value adjustments		-39,254,694	-19,616,312
Depreciation and impairment losses of property, plant and equipment	5	-767,065	-767,065
Profit/loss before financial income and expenses		-40,021,759	-20,383,377
Financial income	6	686,247	37,876
Financial expenses	7	-10,007,701	-1,287,708
Profit/loss before tax		-49,343,213	-21,633,209
Tax on profit/loss for the year	8	3,842,331	4,759,306
Net profit/loss for the year		-45,500,882	-16,873,903
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-45,500,882	-16,873,903
		-45,500,882	-16,873,903

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Investment properties	9	134,100,000	175,200,000
Other fixtures and fittings, tools and equipment	10	9,971,852	10,738,917
Property, plant and equipment		144,071,852	185,938,917
Fixed assets		144,071,852	185,938,917
Trade receivables		41,541	0
Receivables from group enterprises		1,472,318	2,954,454
Other receivables		0	2,765,304
Receivables		1,513,859	5,719,758
Cash at bank and in hand		217,223	3,263,992
Current assets		1,731,082	8,983,750
Assets		145,802,934	194,922,667

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		1,100,000	1,100,000
Retained earnings		31,853,915	77,354,797
Equity		32,953,915	78,454,797
Provision for deferred tax	11	5,150,792	8,993,123
Provisions		5,150,792	8,993,123
Credit institutions		85,923,849	85,783,764
Payables to group enterprises		21,096,184	19,987,191
Long-term debt	12	107,020,033	105,770,955
Trade payables		231,271	1,076,215
Other payables		446,923	627,577
Short-term debt		678,194	1,703,792
Debt		107,698,227	107,474,747
Liabilities and equity		145,802,934	194,922,667
Capital Resources	1		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	1,100,000	77,354,797	78,454,797
Net profit/loss for the year	0	-45,500,882	-45,500,882
Equity at 31 December	1,100,000	31,853,915	32,953,915

Notes to the Financial Statements

1. Capital Resources

The Company has obtained a letter of financial support from the parent company SOF-12 Skt. Petri BidCo ApS to ensure sufficient liquidity until at least 30 June 2025.

On this basis, Management assesses that the capital resources are sufficient, and the Annual Report is therefore presented under the assumption of going concern.

2. Key activities

The Company objects are to, directly or through possession of shares in other companies, own or operate real estate as well as other businesses, which in the opinion of the Board of Directors is connected hereto.

	<u>2023</u>	<u>2022</u>
	DKK	DKK
3. Value adjustments of investment assets		
Value adjustment of investment property, cf. note 9	-41,100,000	-16,800,000
	<u>-41,100,000</u>	<u>-16,800,000</u>
	<u>2023</u>	<u>2022</u>
4. Staff		
Average number of employees	1	1
	<u>2023</u>	<u>2022</u>
	DKK	DKK
5. Depreciation and impairment losses of property, plant and equipment		
Depreciation of property, plant and equipment	767,065	767,065
	<u>767,065</u>	<u>767,065</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Financial income		
Interest received from group enterprises	8,808	37,876
SWAP Interest	670,133	0
Other financial income	7,306	0
	<u>686,247</u>	<u>37,876</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
7. Financial expenses		
Interest paid to group enterprises	258,597	1,287,408
Interest on bank loans	6,476,122	0
Fair value movement of SWAP	2,770,238	0
Other financial expenses	502,744	300
	<u>10,007,701</u>	<u>1,287,708</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
8. Income tax expense		
Deferred tax for the year	-3,842,331	-4,759,306
	<u>-3,842,331</u>	<u>-4,759,306</u>

Notes to the Financial Statements

9. Assets measured at fair value

	Investment properties
	DKK
Cost at 1 January	159,927,242
Cost at 31 December	159,927,242
Value adjustments at 1 January	15,272,758
Revaluations for the year	-41,100,000
Value adjustments at 31 December	-25,827,242
Carrying amount at 31 December	134,100,000

Assumptions underlying the determination of fair value of investment properties

The fair value of investment properties at 31 December 2023 has been assessed by an independent assessor.

The fair value of Investment properties has been calculated based on the following assumptions:

	2023	2022
	DKK	DKK
Budget period	10 years	10 years
Exit Yield	5.6%	5.36%
Initial Yield	5.25 - 7.5%	4.75 - 7.5%
Growth in terminal period	2,0%	2,0%

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.

Sensitivity in determination of fair value of investment properties

In the fair value assessment as of December 31, 2023, an individually determined capitalization rate of 5.25 - 7.5% has been applied.

Changes in estimates of the required rate of return for the investment property will affect the recognized value of the investment property in the balance sheet as well as the valuation adjustment in the income statement.

Changes in	-0.25%	Base	0.25%
	DKK	DKK	DKK
Rate of return	-0.25	0	0.25
Fair value	136,913,000	134,100,000	131,800,000
Change in fair value	2,813,000	0	-2,300,000

Notes to the Financial Statements

10. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	15,341,310
Cost at 31 December	15,341,310
Impairment losses and depreciation at 1 January	4,602,393
Depreciation for the year	767,065
Impairment losses and depreciation at 31 December	5,369,458
Carrying amount at 31 December	9,971,852

11. Provision for deferred tax

	2023	2022
	DKK	DKK
Deferred tax liabilities at 1 January	8,993,123	13,752,429
Amounts recognised in the income statement for the year	-3,842,331	-4,759,306
Deferred tax liabilities at 31 December	5,150,792	8,993,123

12. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

	2023	2022
	DKK	DKK
After 5 years	0	83,400,256
Between 1 and 5 years	85,923,849	2,383,508
Long-term part	85,923,849	85,783,764
Within 1 year	0	0
	85,923,849	85,783,764

Notes to the Financial Statements

	2023	2022
	DKK	DKK
12. Long-term debt		
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	21,096,184	19,987,191
Long-term part	21,096,184	19,987,191
Within 1 year	0	0
	<u>21,096,184</u>	<u>19,987,191</u>

13. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

At 31 December 2023, mortgage deeds of a nominal value of DKK 186 million in the Company's investment property with a carrying value of DKK 134 million have been pledged as security for the bank debt, which at year-end amounts to DKK 86 million.

Other contingent liabilities

With SOF-12 Skt. Petri Bidco ApS, company reg. no 41949775 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The Company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the Company's liabilities.

Notes to the Financial Statements

14. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

SOF-12 Skt. Petri Bidco ApS. owns 100% of the shares in Ejendomsselskabet Fiolstræde ApS.

The Company is included in the Consolidated Financial Statements for the Parent Company:

<u>Name</u>	<u>Place of registered office</u>
SOF-12 Skt. Petri Bidco ApS	Gammel Køge Landevej 57, 3. DK-2500 Valby

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

15. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

16. Accounting policies

The Annual Report of Ejendomsselskabet Fiolstræde ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Income statement

Gross profit/loss

Net revenue is recognized excluding VAT and with deductions for discounts and rent reductions for tenants.

Gross profit is calculated with reference to section 32 of the Danish Financial Statements Act as a summary of net sales.

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

Notes to the Financial Statements

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on profit/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.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance sheet

Property, plant and equipment

Investment properties

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 assets 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.

Interest expenses on loans contracted directly for financing the construction of properties are recognised in cost over the construction period.

When the fair value can be measured reliably, the property is measured at fair value less cost to complete.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

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 investment properties has been assessed by the independent assessor firm CBRE at 31 December 2023

Notes to the Financial Statements

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 31 December 2023 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.

Other property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-20 years
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Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Notes to the Financial Statements

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.