

# ECF Copenhagen Retail HoldCo ApS

c/o CEJ Ejendomsadministration A/S  
Meldahls­gade 5  
DK-1613 København V

CVR no. 35 80 18 39

**Annual report 1 October 2022 - 30 September 2023**

The annual report was presented and approved at  
the Company's annual general meeting on

23 February 2024

Karl Rikard Anton Karlström  
Chairman of the annual general meeting

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## Statement by the Executive Board

The Executive Board has today discussed and approved the annual report for ECF Copenhagen Retail HoldCo ApS for the financial year 1 October 2022 - 30 September 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 23 February 2024

Executive Board:

\_\_\_\_\_  
Peter Eric Broström

\_\_\_\_\_  
Hélène Henning

\_\_\_\_\_  
Karl Rikard Anton Karlström



## Independent auditor's report

### To the shareholder of ECF Copenhagen Retail HoldCo ApS

#### Opinion

We have audited the financial statements of ECF Copenhagen Retail HoldCo ApS for the financial year 1 October 2022 - 30 September 2023, comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 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 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 responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company 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.



## Independent auditor's report

- 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 the Management's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 23 February 2024

**KPMG**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Henrik Y. Jensen  
State Authorised Public Accountant  
mne35442

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## Management's review

### Company details

ECF Copenhagen Retail HoldCo ApS  
c/o CEJ Ejendomsadministration A/S  
Meldahlsvej 5  
DK-1613 Copenhagen

CVR no.:	35 80 18 39
Established:	12 March 2014
Registered office:	Copenhagen
Financial year:	1 October - 30 September

### Executive Board

Peter Eric Broström  
Hélène Henning  
Karl Rikard Anton Karlström

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø  
CVR no. 25 57 81 98

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## **Management's review**

### **Operating review**

#### **Principal activities**

The objective of the Company is to invest in real estate as well as other related activities.

#### **Material uncertainties regarding going concern**

The Company has lost more than 50% of its share capital and therefor the rules of capital loss in the Danish Companies Act applies. The executive board informed that the Company's equity is expected to be reestablished by the usual course of business of the Company. The executive board further informed that in the opinion of the Executive Board it was not necessary to propose to inject funds to the Company.

On 21 February 2024 Savills IM European Commercial Fund FCP-FIS issued a letter of support, committing to provide the necessary funding to ensure that ECF Copenhagen Retail HoldCo ApS can fulfill their obligations to any third party as they fall due, at least until the annual general meeting in 2025 when the annual report for the year ended 2023/24 will be approved. The Executive Board believes, based on the letter of support, that the Company will have sufficient liquidity to fund the Company's activities at least until the annual general meeting in 2025 when the annual report for the year ended 2023/24 will be approved.

#### **Development in activities and financial position**

The Company's income statement for 2022/23 shows a loss of DKK 73,980,096 as against a loss of DKK 58,060,029 in 2021/22. Equity in the Company's balance sheet at 30 September 2023 stood at DKK -107,244,070 as against DKK -33,263,974 at 30 September 2022.

#### **Events after the balance sheet date**

Subsequent to year end, turbulence in the property market has increased and ongoing deals have been repriced or even abandoned. As a consequence, yields have increased. This will impact the valuation of the subsidiaries.

No other events have occurred after the balance sheet date that may materially affect the Company's financial position.

Moreover, reference is made to note 12, in which the matter is described in further detail.

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## Financial statements 1 October – 30 September

### Income statement

DKK	Note	2022/23	2021/22
<b>Gross loss</b>		-187,976	-91,533
Income from investments in group entities		-68,919,263	-53,459,125
Other financial income	4	11,901,938	10,276,514
Other financial expenses	5	-16,161,356	-14,785,885
<b>Loss before tax</b>		-73,366,657	-58,060,029
Tax on loss for the year	6	-613,439	0
<b>Loss for the year</b>		<u>-73,980,096</u>	<u>-58,060,029</u>
<b>Proposed distribution of loss</b>			
Retained earnings		-73,980,096	-58,060,029
		<u>-73,980,096</u>	<u>-58,060,029</u>

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## Financial statements 1 October – 30 September

### Balance sheet

DKK	Note	30/9 2023	30/9 2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Investments</b>			
Equity investments in group entities	7	24,070,069	47,097,542
Receivables from group entities	8	255,035,674	246,327,464
		<u>279,105,743</u>	<u>293,425,006</u>
<b>Total fixed assets</b>		<u>279,105,743</u>	<u>293,425,006</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		45,393,756	32,191,819
<b>Cash at bank and in hand</b>		3,499,715	4,960,081
<b>Total current assets</b>		<u>48,893,471</u>	<u>37,151,900</u>
<b>TOTAL ASSETS</b>		<u>327,999,214</u>	<u>330,576,906</u>

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## Financial statements 1 October – 30 September

### Balance sheet

DKK	Note	30/9 2023	30/9 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		60,000	60,000
Retained earnings		-107,304,070	-33,323,974
<b>Total equity</b>		<u>-107,244,070</u>	<u>-33,263,974</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Subordinate loan capital	9	<u>370,566,252</u>	<u>315,966,252</u>
<b>Current liabilities</b>			
Trade payables		101,476	54,758
Payables to group entities		63,962,117	47,819,870
Joint taxation contribution		613,439	0
		<u>64,677,032</u>	<u>47,874,628</u>
<b>Total liabilities</b>		<u>435,243,284</u>	<u>363,840,880</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>327,999,214</u>	<u>330,576,906</u>

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## Financial statements 1 October – 30 September

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 October 2022	60,000	-33,323,974	-33,263,974
Transferred over the distribution of loss	0	-73,980,096	-73,980,096
<b>Equity at 30 September 2023</b>	<b>60,000</b>	<b>-107,304,070</b>	<b>-107,244,070</b>

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## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies

The annual report of ECF Copenhagen Retail HoldCo ApS for 2022/23 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of presentation of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Other external costs

Other external expenses comprise administration expenses, etc.

#### Income from equity investments in participating interests

The proportionate share of the individual participating interests' profit/loss after tax is recognised in the Parent Company's income statement after elimination of a proportionate share of intra-group gains/losses and amortisation of goodwill.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### Tax on loss for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

#### Balance sheet

##### Investments

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Receivables from group entities are recognised at amortised cost.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax is measured on the basis of the taxation rules and at the taxation rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to

## Financial statements 1 October – 30 September

### Notes

#### 1 Accounting policies

goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Liabilities

Liabilities are measured at amortised cost.

#### 2 Material uncertainty regarding going concern

The Company has lost more than 50% of its share capital and therefor the rules of capital loss in the Danish Companies Act applies. The executive board informed that the Company's equity is expected to be reestablished by the usual course of business of the Company. The executive board further informed that in the opinion of the Executive Board it was not necessary to propose to inject funds to the Company.

On 21 February 2024 Savills IM European Commercial Fund FCP-FIS issued a letter of support, committing to provide the necessary funding to ensure that ECF Copenhagen Retail HoldCo ApS can fulfill their obligations to any third party as they fall due, at least until the annual general meeting in 2025 when the annual report for the year ended 2023/24 will be approved. The Executive Board believes, based on the letter of support, that the Company will have sufficient liquidity to fund the Company's activities at least until the annual general meeting in 2025 when the annual report for the year ended 2023/24 will be approved.

#### 3 Staff costs

	<u>2022/23</u>	<u>2021/22</u>
Average number of full-time employees	0	0

#### 4 Other financial income

DKK	<u>2022/23</u>	<u>2021/22</u>
Interest income from group entities	11,893,040	10,276,514
Other interest income	8,898	0
	<u>11,901,938</u>	<u>10,276,514</u>

## Financial statements 1 October – 30 September

### Notes

#### 5 Other financial expenses

DKK	2022/23	2021/22
Interest paid to group entities	16,142,247	14,724,374
Other interest expenses	19,109	61,511
	<u>16,161,356</u>	<u>14,785,885</u>

#### 6 Tax on loss for the year

DKK	2022/23	2021/22
Current tax for the year	613,439	0
	<u>613,439</u>	<u>0</u>

#### 7 Investments

DKK	Equity investments in group entities
Cost at 1 October 2022	169,911,225
Cost at 30 September 2023	169,911,225
Revaluations at 1 October 2022	-122,813,683
Impairment losses for the year	-68,919,263
Equity investments with negative net asset value written down over receivables	45,891,790
Revaluations at 30 September 2023	-145,841,156
<b>Carrying amount at 30 September 2023</b>	<u>24,070,069</u>

Name/legal form	Registered office	Equity interest	Equity DKK	Profit/loss for the year DKK
Equity investments in group entities:				
ECF Copenhagen Retail 15 ApS	Copenhagen	100%	27,874,582	-6,022,523
ECF Copenhagen Retail 17-19 ApS	Copenhagen	100%	-45,891,790	-46,016,167
ECF Copenhagen Retail 48 ApS	Copenhagen	100%	1,947,118	-11,128,942
			<u>-16,070,090</u>	<u>-63,167,632</u>

## Financial statements 1 October – 30 September

### Notes

#### 8 Other long-term receivables

DKK	Receivables from group entities
Cost at 1 October 2022	246,327,464
Additions	54,600,000
Cost at 30 September 2023	300,927,464
Revaluations at 1 October 2022	0
Impairment losses for the year	-45,891,790
Revaluations at 30 September 2023	-45,891,790
<b>Carrying amount at 30 September 2023</b>	<b>255,035,674</b>

Impairment losses for the year is regarding negative investments in equity investments group entities.

Receivables from group entities consist of loan to ECF Copenhagen Retail 15 ApS of total DKK 5,500 thousand (2021/22: DKK 5,500 thousand), loan to ECF Copenhagen Retail 17-19 ApS of total DKK 215,437 thousand (2021/22: DKK 160,837 thousand), and loan to ECF Copenhagen Retail 48 ApS of total DKK 79,990 thousand (2021/22: DKK 79,990 thousand). The outstanding amount after 5 years is DKK 0 thousand.

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

DKK	30/9 2023	30/9 2022
Subordinate loan capital:		
>5 year	370,566,252	315,966,252
	<u>370,566,252</u>	<u>315,966,252</u>

#### 10 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Company is the administration company of the group of companies subject to the Danish scheme of joint taxation and is unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax, etc.

#### 11 Mortgages and collateral

Receivables from subsidiaries at 30 September 2023 add up to a total of DKK 346,321 thousand and are subordinate loan capital to the Company's subsidiaries. Investments in subsidiaries at 30 September 2023 add up to a total of DKK 23,340 thousand and are collateral to the mortgage debt of the subsidiaries.

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## **Financial statements 1 October – 30 September**

### **Notes**

#### **12 Events after the balance sheet date**

Subsequent to year end, turbulence in the property market has increased and ongoing deals have been repriced or even abandoned. As a consequence, yields have increased. This will impact the valuation of the subsidiaries.

No other events have occurred after the balance sheet date that may materially affect the Company's financial position.