

# UNITY Aarhus ApS

C/O Citco (Denmark) ApS  
Nybrogade 12,  
1203 København K

CVR No. 12580290

## Annual Report 2022

34. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 6 July 2023

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Ole Meier Sørensen  
Chairman

## UNITY Aarhus ApS

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## **Management's Statement**

The board of executives have today discussed and approved the Annual Report of UNITY Aarhus ApS for the financial year 1 January 2022 - 31 December 2022.

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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Copenhagen, 6 July 2023

### **Executive Board**

Ole Meier Sørensen  
CEO

Caspar Schultz  
CEO

## Independent Auditors' Report

### To the shareholders of UNITY Aarhus ApS

#### **Opinion**

We have audited the financial statements of UNITY Aarhus ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an 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 financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

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.

#### **Material uncertainty related to going concern**

We wish to draw attention to note 6 in the financial statements where management assess the Company's ability to continue as a going concern due to a need for refinancing in 2023. The need for refinancing described in note 6, indicates a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. We have not modified our opinion in respect of this matter.

#### **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 as Management considers 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 either liquidate the Company or suspend 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 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 the financial statements.

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

## Independent Auditors' Report

- \* 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 note disclosures, and whether the financial statements rerepresent 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 6 July 2023

### EY Godkendt Revisionspartnerselskab

Kaare Kristensen Lendorf  
State Authorised Public Accountant  
mne33819

## UNITY Aarhus ApS

### Company details

<b>Company</b>	UNITY Aarhus ApS C/O Citco (Denmark) ApS Nybrogade 12, 1203 København K
CVR No.	12580290
Date of formation	1 November 1988
Registered office	København
Financial year	1 January 2022 - 31 December 2022
<b>Executive Board</b>	Ole Meier Sørensen Caspar Schultz
<b>Auditors</b>	EY Godkendt Revisionspartnerselskab Dirch Passers Alle 36 2000 Frederiksberg

## Management's Review

### The Company's principal activities

The Company's principal activities consist in a business with real estate and other business that is connected to this.

### Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -37.675.362 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 708.167.821 and an equity of DKK -33.366.560.

Management is aware that more than 50% of the company's capital has been lost and has turned negative. The equity is expected to be restored through earnings in the upcoming financial year and, if necessary, through capital injections.

The parent company Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF has provided a letter of support to the company, in which the parent company Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF declares its commitment to stand behind the company's obligations as and when they fall due within the period of at least 12 months from the date of signing the consolidated financial statements of Aberdeen European Residential Opportunities Fund SCSp SICAV for the year ended 31 December 2022, through any necessary contributions, thereby ensuring the continued operations of the subsidiary.

Based on this support letter and the management's assessment of the company's prospects for future earnings, it is the management's view that the company can continue its operations, and therefore, the annual financial statements have been prepared on a going concern basis.

### Going concern

UNITY Aarhus ApS have entered a project development credit facility with Nykredit which at the financial year ended 31 December 2022 is recognized as a liability to DKK 360.5 million. The full outstanding amount of the credit facility is due for repayment during 2023.

The Company plans to refinance the loan with Nykredit so that it is converted into long term Danish mortgage bond financing. Nykredit have indicated to be positive regarding a refinancing and negotiations are in progress. However, no agreement has been reached yet.

In addition, the parent Fund's liquidity position at the end of May 2023 was EUR 53.4 million, and the fund is in the process of selling various assets. Furthermore, the Fund have approximately EUR 19.0 million of undrawn investor commitments that could be called.

The liquidity at the fund's possession will, if required, be used for repayments/partial repayments of the loan facility.

With current assumptions regarding the fair value of the completed investment property it is assessed that a refinancing will secure sufficient liquidity to repay the short term loans.

Reference is made to note 6 for more details.

### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

## Accounting Policies

### Reporting Class

The annual report of UNITY Aarhus ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The annual report is presented in Danish kroner.

### Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are 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 term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Income statement

### Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue and other external expenses.

### Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.



## Accounting Policies

### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

### Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

## Equity

### Dividends

Proposed dividend for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

## Accounting Policies

### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

### Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

UNITY Aarhus ApS

Income Statement

	Note	2022 kr.	2021 kr.
<b>Gross profit</b>		<b>-5.372.206</b>	<b>-2.148.941</b>
Employee benefits expense	1	-4.332.468	-1.658.185
<b>Profit from ordinary operating activities</b>		<b>-9.704.674</b>	<b>-3.807.126</b>
Other finance income		63.222	0
Finance expenses	2	-29.113.179	-7.570.773
<b>Profit from ordinary activities before tax</b>		<b>-38.754.631</b>	<b>-11.377.899</b>
Tax expense on ordinary activities	3	1.079.269	-993.991
<b>Profit</b>		<b>-37.675.362</b>	<b>-12.371.890</b>
<b>Proposed distribution of results</b>			
Retained earnings		-37.675.362	-12.371.890
<b>Distribution of profit</b>		<b>-37.675.362</b>	<b>-12.371.890</b>

UNITY Aarhus ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Property, plant and equipment in progress	4	686.761.240	367.053.506
<b>Property, plant and equipment</b>		<b>686.761.240</b>	<b>367.053.506</b>
<b>Fixed assets</b>		<b>686.761.240</b>	<b>367.053.506</b>
Other short-term receivables		1.440.275	567.024
<b>Receivables</b>		<b>1.440.275</b>	<b>567.024</b>
<b>Cash and cash equivalents</b>		<b>19.966.306</b>	<b>28.851.204</b>
<b>Current assets</b>		<b>21.406.581</b>	<b>29.418.228</b>
<b>Assets</b>		<b>708.167.821</b>	<b>396.471.734</b>

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		200.000	200.000
Retained earnings		-33.566.560	4.108.802
<b>Equity</b>		<b>-33.366.560</b>	<b>4.308.802</b>
Provisions for deferred tax		0	1.079.270
<b>Provisions</b>		<b>0</b>	<b>1.079.270</b>
Mortgage debt		55.390.813	56.298.328
Debt to other credit institutions		0	71.622.488
Payables to group enterprises		272.476.465	228.049.683
<b>Long-term liabilities other than provisions</b>	5	<b>327.867.278</b>	<b>355.970.499</b>
Short-term part of long-term liabilities		761.461	764.000
Mortgage debt		360.550.212	0
Trade payables		47.813.124	34.269.204
Payables to group enterprises		4.304.000	0
Other payables		238.306	79.959
<b>Short-term liabilities</b>		<b>413.667.103</b>	<b>35.113.163</b>
<b>Liabilities other than provisions within the business</b>		<b>741.534.381</b>	<b>391.083.662</b>
<b>Liabilities and equity</b>		<b>708.167.821</b>	<b>396.471.734</b>
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## UNITY Aarhus ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	200.000	4.108.802	4.308.802
Profit (loss)	0	-37.675.362	-37.675.362
<b>Equity 31 December 2022</b>	<b>200.000</b>	<b>-33.566.560</b>	<b>-33.366.560</b>

The share capital has remained unchanged for the last 5 years.

Notes

	2022 kr.	2021 kr.	
<b>1. Employee benefits expense</b>			
Wages and salaries	4.220.841	1.067.901	
Post-employment benefit expense	97.767	105.000	
Social security contributions	13.860	2.651	
Other employee expense	0	482.633	
	<b>4.332.468</b>	<b>1.658.185</b>	
Average number of employees	3	2	
<b>2. Finance expenses</b>			
Finance expenses arising from group enterprises	16.508.408	0	
Other finance expenses	12.604.771	7.570.773	
	<b>29.113.179</b>	<b>7.570.773</b>	
<b>3. Tax expense</b>			
Current tax expense	0	-2.503.137	
Adjustments for deferred tax	-1.079.269	0	
Adjustments for current tax of prior period	0	3.497.128	
	<b>-1.079.269</b>	<b>993.991</b>	
<b>4. Property, plant and equipment in progress</b>			
Cost at the beginning of the year	376.915.322	124.974.250	
Addition during the year, incl. improvements	319.707.734	251.941.072	
<b>Cost at the end of the year</b>	<b>696.623.056</b>	<b>376.915.322</b>	
Depreciation and amortisation at the beginning of the year	-9.861.816	-9.861.816	
<b>Impairment losses and amortisation at the end of the year</b>	<b>-9.861.816</b>	<b>-9.861.816</b>	
<b>Carrying amount at the end of the year</b>	<b>686.761.240</b>	<b>367.053.506</b>	
<b>5. Long-term liabilities</b>			
	<b>Due within 1 year kr.</b>	<b>Due within 1-5 year kr.</b>	<b>Due after 5 years kr.</b>
Mortgage debt	761.891	3.036.094	52.354.719
Payables to group enterprises	0	272.476.465	0
	<b>761.891</b>	<b>275.512.559</b>	<b>52.354.719</b>

## Notes

### 6. Uncertainties relating to going concern

UNITY Aarhus ApS have entered a project development credit facility with Nykredit which at the financial year ended 31 December 2022 is recognized as a liability to DKK 360.5 million. The full outstanding amount of the credit facility is due for repayment during 2023.

The Company plans to refinance the loan with Nykredit so that it is converted into long term Danish mortgage bond financing. Nykredit have indicated to be positive regarding a refinancing and negotiations are in progress. However, no agreement has been reached yet.

In addition, the parent Fund's liquidity position at the end of May 2023 was EUR 53.4 million, and the fund is in the process of selling various assets. Furthermore, the Fund have approximately EUR 19.0 million of undrawn investor commitments that could be called.

The liquidity at the fund's possession will, if required, be used for repayments/partial repayments of the loan facility.

With current assumptions regarding the fair value of the completed investment property it is assessed that a refinancing will secure sufficient liquidity to repay the short term loans.

There is material uncertainty related to the going concern assumption, which casts significant doubt on the Company's ability to continue, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course.

### 7. Contingent liabilities

The company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsettled corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for AEROF Denmark Holding ApS. Any subsequent corrections to the corporate tax and withholding taxes can lead to a higher liability for the company.

### 8. Collaterals and securities

As security for debt to mortgage banks and other lenders, 659.700.000 DKK, a mortgage has been granted on land and buildings. The property under construction has a booked value of 686.761.240 DKK as of December 31, 2022.

### 9. Related parties

The company is included in the consolidated report for the parent company Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF.

The consolidated report for Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF can be requested at the following address:

35a Avenue John F. Kennedy  
L1855 Luxembourg



## Caspar Schultz

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Navnet returneret af dansk MitID var:

Caspar Schultz

Direktør

ID: a6ee246c-b500-40bc-8e2e-497f5421db26

Tidspunkt for underskrift: 07-07-2023 kl.: 09:55:40

Underskrevet med MitID



## Ole Meier Sørensen

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Navnet returneret af dansk MitID var:

Ole Meier Sørensen

Direktør

ID: e8a1d6c4-613f-4deb-b854-c53fc7c2b1be

Tidspunkt for underskrift: 07-07-2023 kl.: 17:29:09

Underskrevet med MitID



## Ole Meier Sørensen

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Navnet returneret af dansk MitID var:

Ole Meier Sørensen

Dirigent

ID: e8a1d6c4-613f-4deb-b854-c53fc7c2b1be

Tidspunkt for underskrift: 07-07-2023 kl.: 17:29:09

Underskrevet med MitID



## Kaare Kristensen Lendorf

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Navnet returneret af dansk NemID var:

Kaare Kristensen

Revisor

ID: 73827337

Tidspunkt for underskrift: 10-07-2023 kl.: 09:49:02

Underskrevet med NemID

NEM ID