Grant Thornton

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Company reg. no. 30 54 19 87

Annual report

1 March 2023 - 29 February 2024

The annual report was submitted and approved by the general meeting on the 23 September 2024.

Benoît Marie M. Quertemont
Chairman of the meeting

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

Management's statement

Today, the Executive Board has approved the annual report of 18 bis Rue d'Anjou Paris VIII ApS for the financial year 1 March 2023 - 29 February 2024.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 29 February 2024 and of the results of the Company's operations for the financial year 1 March 2023 – 29 February 2024.

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

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

København Ø, 23 September 2024

Executive board

Sebastien Boudreau

Benoit Marie M. Quertemont

Independent auditor's report

To the Shareholder of 18 bis Rue d'Anjou Paris VIII ApS

Opinion

We have audited the financial statements of 18 bis Rue d'Anjou Paris VIII ApS for the financial year 1 March 2023 - 29 February 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 29 February 2024, and of the results of the Company's operations for the financial year 1 March 2023 - 29 February 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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

Material Uncertainty Related to Going Concern

We would like to point out that there is significant uncertainty that may cast doubt on the company's ability to continue as a going concern. We refer to note 1 of the financial statements, which states that the company is involved in an ongoing tax dispute with the French tax authorities regarding previous income years.

Our opinion is not modified as a result of this matter.

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.

Independent auditor's report

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Copenhagen, 23 September 2024

Grant Thornton
Certified Public Accountants
Company reg. no. 34 20 99 36

Morten Grønbek
State Authorised Public Accountant
mne34491

Company information

The company	18 bis Rue d'Anjou Paris VIII ApS c/o Harbour House Sundkrogsgade 21 2100 København Ø	
	Company reg. no.	30 54 19 87
	Established:	29 February 2008
	Domicile:	Copenhagen
	Financial year:	1 March - 29 February
Executive board	Sebastien Boudreau Benoit Marie M. Quertemont	
Auditors	Grant Thornton, Godkendt Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Parent company	Foncière du Triangle d'Or ApS	

Management´s review

Description of key activities of the company

The company's main activity consists in any kind of financial investment, including, but not limited to buy, own, rent, manage and sell real estate, and any other similar business in accordance with the decision of the executive board.

Uncertainties about recognition or measurement

The company's property is primarily development property and it is therefore difficult to provide a reliable basis for the valuation as the present operational result does not reflect the market value of the property. The measurement of the company's property is therefore subject to uncertainty.

Development in activities and financial matters

The gross loss for the year totals EUR -58.000 against EUR -64.000 last year. Income from ordinary activities after tax totals EUR -1.188.000 against EUR 184.000 last year. The management considers the results as expected.

Tax issues

The company have an ongoing tax dispute with the French tax authorities regarding previous income years. Negotiations are ongoing with the French tax authorities regarding the final claim, including interest and fines. A provision has been recognized in the annual report based on a legal assessment.

Uncertainties relating to going concern

As a consequence of the above, the company has received a letter of support from the parent company, valid until February 28, 2025. It should be noted that many companies within the group have also been subject to tax claims, and the French tax authorities have withheld proceeds from the sale of properties within the group in 2023/24. Due to this, as well as negative cash flows from operations, there is uncertainty regarding the group's future operations.

The management assesses that financing can be secured against the group's properties. Alternatively, properties can be disposed of to ensure sufficient liquidity to continue operations, which is why the annual report is prepared on a going concern basis.

Investments

The company's investment property is measured at fair value. The measurement of fair value is based on estimates of existing leases, and current market rent for similar properties, in the same location and condition. The return rate used is significant for the valuation of the company's investment property.

Accounting policies

The annual report for 18 bis Rue d'Anjou Paris VIII ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Material errors in privious years
As a result of an ongoing tax case in France, which concerns the correction of the company's income in previous financial years, the comparative figures have been adjusted. Equity as of March 1, 2022, has been adjusted by EUR 2.288 thousand (negative effect). Additionally, the tax liability has been recognized as a debt. The correction has no impact on the result.

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

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

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

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

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

Income statement

Gross loss
Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Accounting policies

Other external costs comprise costs incurred for administration and operation of the company's investment property.

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.

Financial income and expenses

Financial expenses are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses.

Tax on net profit or loss for the year

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

The company is subject to taxation in France due to the activity's placement in Paris.

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

Statement of financial position

Impairment loss relating to non-current assets

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

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

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

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

Accounting policies

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

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

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

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

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

Receivables
Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Cash on hand and demand deposits
Cash on hand and demand deposits comprise cash at bank and on hand.

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

The company is jointly taxed in France with consolidated Danish companies. The company has not opted for Danish international joint taxation. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses.

Accounting policies

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, 18 bis Rue d'Anjou Paris VIII ApS is unlimitedly, jointly, and severally liable to pay the French tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

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

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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

Income statement

Amounts concerning 2023/24: EUR.
Amounts concerning 2022/23: EUR thousand.

Note		1/3 2023 - 29/2 2024	1/3 2022 - 28/2 2023
	Gross profit	**-57.998**	**-64**
	Value adjustment of investment property	-1.400.000	200
	Operating profit	**-1.457.998**	**136**
2	Other financial costs	-2.138	-14
	Pre-tax net profit or loss	**-1.460.136**	**122**
3	Tax on net profit or loss for the year	272.605	62
	Net profit or loss for the year	**-1.187.531**	**184**
	Proposed distribution of net profit:		
	Transferred to retained earnings	0	184
	Allocated from retained earnings	-1.187.531	0
	Total allocations and transfers	**-1.187.531**	**184**

Balance sheet

Amounts concerning 2024: EUR.
Amounts concerning 2023: EUR thousand.

Note	Assets	29/2 2024	28/2 2023
	Non-current assets		
4	Investment properties	5.400.000	6.800
	Total property, plant, and equipment	5.400.000	6.800
	Total non-current assets	**5.400.000**	**6.800**
	Current assets		
	Other receivables	28.096	6
	Total receivables	28.096	6
	Cash on hand and demand deposits	0	22
	Total current assets	**28.096**	**28**
	Total assets	**5.428.096**	**6.828**

Balance sheet

Amounts concerning 2024: EUR.
Amounts concerning 2023: EUR thousand.

Equity and liabilities

Note		29/2 2024	28/2 2023
	Equity		
	Contributed capital	72.800	73
	Retained earnings	2.147.692	3.335
	Total equity	**2.220.492**	**3.408**
	Provisions		
	Provisions for deferred tax	516.366	789
5	Other provisions	2.287.675	2.288
	Total provisions	**2.804.041**	**3.077**
	Liabilities other than provisions		
	Current portion of long term liabilities	0	235
	Payables to group enterprises	402.209	103
	Other payables	1.354	5
	Total short term liabilities other than provisions	403.563	343
	Total liabilities other than provisions	**403.563**	**343**
	Total equity and liabilities	**5.428.096**	**6.828**

1 Uncertainties concerning the enterprise's ability to continue as a going concern

6 Contingencies

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Retained earnings	Total
Equity 1 March 2022	72.800	3.151.474	3.224.274
Retained earnings for the year	0	183.749	183.749
Equity 1 March 2023	72.800	3.335.223	3.408.023
Retained earnings for the year	0	-1.187.531	-1.187.531
	72.800	**2.147.692**	**2.220.492**

Notes

Amounts concerning 2023/24: EUR.
Amounts concerning 2022/23: EUR thousand.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company have an ongoing tax dispute with the French tax authorities regarding previous income years. Negotiations are ongoing with the French tax authorities regarding the final claim, including interest and fines. A provision has been recognized in the annual report based on a legal assessment.

As a consequence of the above, the company has received a letter of support from the parent company, valid until February 28, 2025. It should be noted that many companies within the group have also been subject to tax claims, and the French tax authorities have withheld proceeds from the sale of properties within the group in 2023/24. Due to this, as well as negative cash flows from operations, there is uncertainty regarding the group's future operations.

The management assesses that financing can be secured against the group's properties. Alternatively, properties can be disposed of to ensure sufficient liquidity to continue operations, which is why the annual report is prepared on a going concern basis.

	1/3 2023 - 29/2 2024	1/3 2022 - 28/2 2023
2. Other financial costs		
Other financial costs	2.138	14
	2.138	**14**
3. Tax on net profit or loss for the year		
Tax of the results for the year	0	0
Adjustment of deferred tax for the year	-272.605	-62
	-272.605	**-62**

Notes

Amounts concerning 2024: EUR.
Amounts concerning 2023: EUR thousand.

		29/2 2024	28/2 2023
4.	**Investment properties**		
	Cost	2.736.209	2.736
	Cost 29 February	**2.736.209**	**2.736**
	Fair value adjustment	4.063.791	3.864
	Adjustments to fair value for the year	-1.400.000	200
	Fair value adjustment 29 February	**2.663.791**	**4.064**
	Carrying amount, 29 February	**5.400.000**	**6.800**

The company's investment property is a combined commercial and residential property of a total of 465 square meters placed in the center of Paris. The investment property is, as described in the used accounting policies, measured at fair value by using a return-based model.

The property occupancy rate is 0% as per 29 February 2024 (2022/23: 0%). In valuating the property a rental income for the not rented square meters have been applied according to the market rent in the area.

The required rate of return has been determined on the basis of market statistics, completed transactions, and management's knowledge of the property market in general. When determining the required rate of return, parameters such as type (residence, office, shop, etc.), location, age, state of maintenance, duration of rental agreements, and tenant credit quality, etc., are considered.

Compared to the previous financial year, the methods of measurement remain unchanged.

The determination of the market value (carrying value) is based on a 4,25% rate of return (2022/23: 3,75%).

Sensitivity analysis
The fair value of the investment properties total EUR 5.400.000 as at 29 February 2024. The determined fair value is an estimate made by management based on available information and current future expectations. The sensitivity of the average rate om return can be illustrated thus: a rise in the rate of return of 0.5 percentage point per property would result in a decrese in the fair value by EUR 600.000. A decrese in the rate of return of 0.5 percentage point per property would result in an increse in fair value by EUR 700.000.

Notes

Amounts concerning 2024: EUR.
Amounts concerning 2023: EUR thousand.

		29/2 2024	28/2 2023
5.	**Other provisions**		
	Other provisions	2.287.675	2.288
		2.287.675	**2.288**

Other provisions referes to ongoing tax dispute. See note no. 6

6. Contingencies

Legal proceedings

The company have an ongoing tax dispute with the French tax authorities regarding previous income years. Negotiations are ongoing with the French tax authorities regarding the final claim, including interest and fines. A provision has been recognized in the annual report based on a legal assessment.

Joint taxation

With Foncière du Triangle d'Or ApS, company reg. no 30542703 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.