



Zleep Hotels A/S

Dalbergstrøget 5, 1.
2630 Taastrup
CVR No. 30728726

Annual report 2023

The Annual General Meeting adopted the annual report on 31.07.2024

Peter Haaber

Chairman of the General Meeting

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Entity details

Entity

Zleep Hotels A/S
Dalbergstrøget 5, 1.
2630 Taastrup

Business Registration No.: 30728726
Registered office: Høje-Taastrup
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Jesper Østerhegn
Peter Haaber
Lene Toft Haaber

Executive Board

Peter Haaber, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Zleep Hotels A/S for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Taastrup, 31.07.2024

Executive Board

Peter Haaber
CEO

Board of Directors

Jesper Østerhegn

Peter Haaber

Lene Toft Haaber

Independent auditor's report

To the shareholders of Zleep Hotels A/S

Opinion

We have audited the financial statements of Zleep Hotels A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

København, 31.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant

Identification No (MNE) mne33712

Management commentary

Primary activities

The company's activities is administration and Management of hotels, branded as Zleep hotels. The Company is also the sole owner of the Zleep Hotel Ishøj ApS, Zleep Hotel Aarhus ApS, Zleep Hotel Aarhus Skejby ApS, Zleep Hotel Kolding ApS, Zleep Hotel Copenhagen City ApS, Zleep Hotel Roskilde ApS, Zleep Hotel Aalborg ApS, Zleep Hotel Lyngby ApS, Zleep Hotel Vejle ApS, Zleep Hotel Copenhagen Arena ApS and Zleep Hotels AB (Sweden).

The income statement for the period 01.01.2023 - 31.12.2023 shows a loss of DKK 9,496 thousand against a profit of 5,705 thousand for the period 01.01.2022 - 31.12.2022. The balance sheet shows equity of DKK 13,348 thousand.

Zleep Hotels A/S has received a letter of support from shareholders where they undertake to, upon request once or several timest, to provide Zleep Hotels A/S with the liquidity necessary for Zleep Hotels A/S to meet its obligations as they fall due, thus being paid following current practices. Management considers that the guarantee secures that the secures the available funds according to the updated forecast will be adequately up to and beyond 31 December 2024. Management therefore submits the annual report on the basis of continued operations.

The company has lost its share capital and is subject to the provisions of the Danish Companies Act on capital losses. Management expects that the share capital can be re-established through capital increase and/or future earnings.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss	1	26,386,427	27,994,023
Staff costs	2	(19,911,736)	(18,669,001)
Depreciation, amortisation and impairment losses	3	(726,518)	(564,030)
Operating profit/loss		5,748,173	8,760,992
Income from investments in group enterprises		(12,224,609)	(33,340)
Other financial income	4	1,385,269	1,223,371
Other financial expenses	5	(3,633,181)	(2,619,128)
Profit/loss before tax		(8,724,348)	7,331,895
Tax on profit/loss for the year	6	(771,786)	(1,627,303)
Profit/loss for the year		(9,496,134)	5,704,592
Proposed distribution of profit and loss			
Retained earnings		(9,496,134)	5,704,592
Proposed distribution of profit and loss		(9,496,134)	5,704,592

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired rights		1,826,067	1,267,180
Intangible assets	7	1,826,067	1,267,180
Other fixtures and fittings, tools and equipment		6,645	38,034
Leasehold improvements		27,624	43,410
Property, plant and equipment	8	34,269	81,444
Investments in group enterprises		12,630,316	10,602,596
Receivables from group enterprises		38,405,550	29,564,291
Deposits		30,175	655,312
Financial assets	9	51,066,041	40,822,199
Fixed assets		52,926,377	42,170,823
Manufactured goods and goods for resale		136,812	113,786
Inventories		136,812	113,786
Trade receivables		1,173,322	489,656
Receivables from group enterprises		10,607,557	1,846,024
Deferred tax		25,409	797,195
Other receivables		7,468,632	4,566,435
Joint taxation contribution receivable		449,967	1,369,068
Prepayments		323,565	359,829
Receivables		20,048,452	9,428,207
Cash		0	807,270
Current assets		20,185,264	10,349,263
Assets		73,111,641	52,520,086

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		670,000	670,000
Retained earnings		(14,018,209)	(4,522,075)
Equity		(13,348,209)	(3,852,075)
Provisions for investments in group enterprises		101,932	0
Provisions		101,932	0
Payables to group enterprises		44,816,147	17,331,503
Other payables		15,894,166	22,705,636
Non-current liabilities other than provisions	10	60,710,313	40,037,139
Current portion of non-current liabilities other than provisions	10	6,833,340	6,833,340
Bank loans		2,098,813	0
Trade payables		5,042,336	1,913,352
Payables to group enterprises		64,220	149,820
Payables to associates		5,500,000	0
Joint taxation contribution payable		449,967	1,369,068
Other payables	11	5,658,929	6,069,442
Current liabilities other than provisions		25,647,605	16,335,022
Liabilities other than provisions		86,357,918	56,372,161
Equity and liabilities		73,111,641	52,520,086
Contingent liabilities	12		
Assets charged and collateral	13		
Group relations	14		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	670,000	(4,522,075)	(3,852,075)
Profit/loss for the year	0	(9,496,134)	(9,496,134)
Equity end of year	670,000	(14,018,209)	(13,348,209)

Zleep Hotels A/S has received a letter of support from shareholders where they undertake to, upon request once or several times, to provide Zleep Hotels A/S with the liquidity necessary for Zleep Hotels A/S to meet its obligations as they fall due, thus being paid following current practices. Management considers that the guarantee secures that the available funds according to the updated forecast will be adequately up to and beyond 31 December 2024. Management therefore submits the annual report on the basis of continued operations.

The company has lost its share capital and is subject to the provisions of the Danish Companies Act on capital losses. Management expects that the share capital can be re-established through capital increase and/or future earnings.

Notes

1 Gross profit/loss

The company's gross profit/loss is extraordinarily affected by the recognition of other operating income from aid packages as a result of Covid-19. The company has recognized aid packages of DKK 57 thousand in 2023, whereas the company realized aid packages of DKK 192 thousand in 2022. The distribution of the recognized aid packages is as follows: Aids of fixed costs of DKK 57 thousand.

2 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	17,406,790	16,404,614
Pension costs	1,591,589	1,166,764
Other social security costs	185,598	279,989
Other staff costs	727,759	817,634
	19,911,736	18,669,001
Average number of full-time employees	36	32

3 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	679,343	480,439
Depreciation of property, plant and equipment	47,175	83,591
	726,518	564,030

4 Other financial income

	2023	2022
	DKK	DKK
Financial income from group enterprises	1,385,027	1,221,460
Other financial income	242	1,911
	1,385,269	1,223,371

5 Other financial expenses

	2023 DKK	2022 DKK
Financial expenses from group enterprises	1,083,917	707,221
Other interest expenses	2,487,293	1,872,015
Other financial expenses	61,971	39,892
	3,633,181	2,619,128

6 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Change in deferred tax	771,786	1,627,303
	771,786	1,627,303

7 Intangible assets

	Acquired rights DKK
Cost beginning of year	3,432,653
Additions	1,238,230
Cost end of year	4,670,883
Amortisation and impairment losses beginning of year	(2,165,473)
Amortisation for the year	(679,343)
Amortisation and impairment losses end of year	(2,844,816)
Carrying amount end of year	1,826,067

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,902,159	110,500
Cost end of year	1,902,159	110,500
Depreciation and impairment losses beginning of year	(1,864,125)	(67,090)
Depreciation for the year	(31,389)	(15,786)
Depreciation and impairment losses end of year	(1,895,514)	(82,876)
Carrying amount end of year	6,645	27,624

9 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK	Deposits DKK
Cost beginning of year	74,726,215	29,564,291	655,312
Additions	14,150,397	8,841,259	18,016
Disposals	0	0	(643,153)
Cost end of year	88,876,612	38,405,550	30,175
Impairment losses beginning of year	(64,123,619)	0	0
Share of profit/loss for the year	(12,021,173)	0	0
Investments with negative equity value transferred to provisions	101,932	0	0
Other adjustments	(203,436)	0	0
Impairment losses end of year	(76,246,296)	0	0
Carrying amount end of year	12,630,316	38,405,550	30,175

Investments in subsidiaries	Registered in	Corporate form
Zleep Hotel Aarhus ApS	Høje Taastrup	ApS
Zleep Hotel Kolding ApS	Høje Taastrup	ApS
Zleep Hotel Copenhagen City ApS	Høje Taastrup	ApS
Zleep Hotel Roskilde ApS	Høje Taastrup	ApS
Zleep Hotel Ishøj ApS	Høje Taastrup	ApS
Zleep Hotel Aalborg Aps	Høje Taastrup	ApS
Zleep Hotel Aarhus Skejby	Høje Taastrup	ApS
Zleep Hotel Lyngby ApS	Høje Taastrup	ApS
Zleep Hotel Copenhagen Arena ApS	København	ApS
Zleep Hotel Vejle ApS	Høje Taastrup	ApS
Zleep Hotels AB	Sverige	AB

10 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Payables to group enterprises	0	0	44,816,147	17,331,503
Other payables	6,833,340	6,833,340	15,894,166	1,372,316
	6,833,340	6,833,340	60,710,313	18,703,819

11 Other payables

	2023	2022
	DKK	DKK
VAT and duties	2,889,756	1,745,183
Wages and salaries, personal income taxes, social security costs, etc. payable	2,237,545	3,117,404
Other costs payable	531,628	1,206,855
	5,658,929	6,069,442

12 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

13 Assets charged and collateral

The company has not provided any securities over assets

14 Group relations

The company is included in the consolidated financial statements of the parent Steigenberger Hotels GmbH, Germany.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The company is a subsidiary of Steigenberger Hotels GmbH, Germany, business registration number DE 114216731, which prepares consolidated financial statements.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and other operating income and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Other external expenses

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

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

Balance sheet

Intellectual property rights etc.

Intellectual property rights etc comprise acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	7 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise of provisions to negative equity in group enterprises.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.