

Ejendomsselskabet Rosenborggade 15-17 ApS

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

CVR no. 31 05 04 56

Annual report
for the year 1 January - 31 December 2023

Approved at the Company's annual general meeting on 6 May 2024

Chair of the meeting:

DocuSigned by:
Berd Thalmeier
.....
Dr. Bernd Thalmeier

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Ejendomsselskabet Rosenborggade 15-17 ApS for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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.

København, 6 May 2024
Executive Board:

DocuSigned by:
Morten Gustafson
.....483F100462BA434.....
Morten Gustafson

DocuSigned by:
Jesper Bo Hansen
.....1FAC0A55B971463.....
Jesper Bo Hansen

Independent auditor's report

To the shareholder of Ejendomsselskabet Rosenborggade 15-17 ApS

Opinion

We have audited the financial statements of Ejendomsselskabet Rosenborggade 15-17 ApS for the financial year 1 January - 31 December 2023, which comprise 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

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 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report

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

Independent auditor's report

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, 6 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kennet Hartmann
State Authorised Public Accountant
mne40036

Annemette Engelsted
State Authorised Public Accountant
mne50647

Management's review

Company details

Name	Ejendomsselskabet Rosenborggade 15-17 ApS
Address, Postal code, City	c/o CEJ Ejendomsadministration A/S Meldahlsvej 5, 1613 København V
CVR no.	31 05 04 56
Financial year	1 January - 31 December
Executive Board	Morten Gustafson Jesper Bo Hansen
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company's activity is to own, develop and manage the property located at Rosenborggade 15-17 in Copenhagen.

Financial review

The income statement for 2023 shows a profit of DKK 3,376,957 against a loss of DKK 2,259,187 last year, and the balance sheet at 31 December 2023 shows equity of DKK 27,050,015.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December**Income statement**

Note	DKK	<u>2023</u>	<u>2022</u>
	Gross profit	7,570,201	4,748,716
	Amortisation/depreciation property, plant and equipment	109,981	-3,045,948
	Profit before net financials	<u>7,680,182</u>	<u>1,702,768</u>
3	Financial income	2,674	0
4	Financial expenses	-4,306,286	-4,348,279
	Profit/loss before tax	<u>3,376,570</u>	<u>-2,645,511</u>
5	Tax for the year	387	386,324
	Profit/loss for the year	<u><u>3,376,957</u></u>	<u><u>-2,259,187</u></u>
	 Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>3,376,957</u>	<u>-2,259,187</u>
		<u><u>3,376,957</u></u>	<u><u>-2,259,187</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2023</u>	<u>2022</u>
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Land and buildings	155,889,094	151,783,805
		<u>155,889,094</u>	<u>151,783,805</u>
	Total fixed assets	<u>155,889,094</u>	<u>151,783,805</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	357,437	1,593,107
	Receivables from group enterprises	0	2,544,187
7	Deferred tax assets	1,320,000	1,320,000
	Joint taxation contribution receivable	541,268	842,792
	Other receivables	720,201	84,550
	Prepayments	1,071,022	850,175
		<u>4,009,928</u>	<u>7,234,811</u>
	Cash	<u>9,259,956</u>	<u>3,657,287</u>
	Total non-fixed assets	<u>13,269,884</u>	<u>10,892,098</u>
	TOTAL ASSETS	<u>169,158,978</u>	<u>162,675,903</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	19,892,415	13,912,500
	Retained earnings	7,157,600	3,780,643
	Total equity	<u>27,050,015</u>	<u>17,693,143</u>
	Provisions		
	Other provisions	0	4,199,189
	Total provisions	<u>0</u>	<u>4,199,189</u>
	Liabilities other than provisions		
8	Non-current liabilities other than provisions		
	Mortgage debt	87,439,091	87,588,316
	Payables to group enterprises	47,519,298	47,519,298
	Deposits	4,014,784	0
		<u>138,973,173</u>	<u>135,107,614</u>
	Current liabilities other than provisions		
8	Short-term part of long-term liabilities other than provisions	149,225	149,480
	Trade payables	1,615,238	1,200,355
	Payables to group enterprises	325,603	327,355
	Corporation tax payable	339,268	164,843
	Deposits	633,974	2,868,769
	Other payables	72,482	960,699
	Deferred income	0	4,456
		<u>3,135,790</u>	<u>5,675,957</u>
	Total liabilities other than provisions	<u>142,108,963</u>	<u>140,783,571</u>
	TOTAL EQUITY AND LIABILITIES	<u>169,158,978</u>	<u>162,675,903</u>

- 1 Accounting policies
- 2 Staff costs
- 9 Contractual obligations and contingencies, etc.
- 10 Security and collateral
- 11 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	13,912,500	3,780,643	17,693,143
Capital increase	5,979,915	0	5,979,915
Transfer through appropriation of profit	0	3,376,957	3,376,957
Equity at 31 December 2023	<u>19,892,415</u>	<u>7,157,600</u>	<u>27,050,015</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Ejendomsselskabet Rosenborggade 15-17 ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Revenue consists of rental income from property.

Revenue is recognised exclusive of VAT and discounts.

Gross profit

The items revenue, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to maintenance, administration etc.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	50 years
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Land is not depreciated.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The Company is covered by the Danish rules on mandatory joint taxation of the Group's Danish affiliates. Affiliates are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The Company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year.

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

Impairment of fixed assets

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

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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

Cash comprises cash and short term securities, which are readily convertible into cash and subject only to minor risks of changes in value.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to office premises which are not deductible for tax purposes and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements 1 January - 31 December**Notes to the financial statements****2 Staff costs**

The Company has no employees.

DKK	2023	2022
3 Financial income		
Other financial income	2,674	0
	<u>2,674</u>	<u>0</u>
4 Financial expenses		
Interest expenses, group entities	3,834,416	3,854,343
Other interest expenses	471,528	493,936
Other financial expenses	342	0
	<u>4,306,286</u>	<u>4,348,279</u>
5 Tax for the year		
Estimated tax charge for the year	0	-386,324
Tax adjustments, prior years	-387	0
	<u>-387</u>	<u>-386,324</u>

6 Property, plant and equipment

DKK	Land and buildings
Cost at 1 January 2023	191,935,677
Additions	3,995,308
Cost at 31 December 2023	<u>195,930,985</u>
Impairment losses and depreciation at 1 January 2023	40,151,872
Depreciation	2,974,832
Reversal of prior year impairment losses	-3,084,813
Impairment losses and depreciation at 31 December 2023	<u>40,041,891</u>
Carrying amount at 31 December 2023	<u>155,889,094</u>

Cost includes capitalised interest expenses of DKK 10,613 thousand accrued in the construction period on the loan used for financing the construction of the property.

7 Deferred tax assets

As of 31 December 2023, the company has an unactivated deferred tax asset of DKK 2,427 thousand consisting of tax-loss carry forwards.

Financial statements 1 January - 31 December**Notes to the financial statements****8 Non-current liabilities other than provisions**

DKK	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Mortgage debt	87,588,316	149,225	87,439,091	49,216,680
Payables to group enterprises	47,519,298	0	47,519,298	0
Deposits	4,014,784	0	4,014,784	1,599,900
	<u>139,122,398</u>	<u>149,225</u>	<u>138,973,173</u>	<u>50,816,580</u>

Parent company Catella Real Estate AG has issued a letter of subordination of their receivable of DKK 47,519,298 towards the mortgage debt with Jyske Realkredit

9 Contractual obligations and contingencies, etc.**Other contingent liabilities**

As management company in a Danish joint taxation arrangement, the Company is jointly taxed with other Danish group entities and has joint and several liability with other jointly taxed group entities for payment of income taxes and withholding taxes on interest, royalties and dividends.

10 Security and collateral

Land and buildings with a carrying amount of DKK 155,889 thousand have been provided as security for mortgage debt with a booked value of DKK 87,588 thousand.

11 Related parties

Ejendomsselskabet Rosenborggade 15-17 ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Catella Real Estate AG	Munich, Germany	Main Shareholder

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Catella Real Estate AG	Munich, Germany	Alter Hof 5, 80331 Munich