

GENERATOR HOSTEL COPENHAGEN A/S
Adelgade 5 - 7
32778097 København K
Annual report for 2023

Adopted at the annual general meeting on
3 July 2024

Alastair Bernhard Thomann
chairman

CVR-nr. 32 77 80 97

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report	4
Management's review	
Selskabsoplysninger	7
Management's review	8
Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	14
Balance sheet 31 December	15
Statement of changes in equity	17
Notes	18

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory board and executive board have today discussed and approved the annual report of Generator Hostel Copenhagen A/S 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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 3 July 2024

Executive board

Lasse Uldahl Borch
Director

Supervisory board

Alastair Bernhard Thomann
chairman

Lars Ulrik Bruun

Lasse Uldahl Borch

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Generator Hostel Copenhagen A/S

Opinion

We have audited the financial statements of Generator Hostel Copenhagen A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position 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 are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 the 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 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:

INDEPENDENT AUDITOR'S 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 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 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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 3 July 2024

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Nicklas Rasmussen
Statsautoriseret revisor
mne43474

SELSKABSOPLYSNINGER

Company details

Generator Hostel Copenhagen A/S
Adelgade 5 - 7
København K

CVR no.: 32 77 80 97

Reporting period: 1 January - 31 December 2023

Domicile: Copenhagen

Supervisory board

Alastair Bernhard Thomann
Lars Ulrik Bruun
Lasse Uldahl Borch

Executive board

Lasse Uldahl Borch, direktør

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Midtermolen 1, 2.tv.
2100 København Ø

MANAGEMENT'S REVIEW

Business review

The Company's core objective is to own realstate, to run a hostel and to carry on other related activities.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 6.191.094, and the balance sheet at 31 December 2023 shows equity of DKK 253.353.272.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

ACCOUNTING POLICIES

The annual report of Generator Hostel Copenhagen A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as certain provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and other operating income less other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Change in inventories of finished goods

Changes in inventories of finished goods comprise decreases or increases for the financial year in inventories of finished goods. This item includes ordinary write-downs of such inventories.

ACCOUNTING POLICIES

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, 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

Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost added revaluations and less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Where individual components of an item of property, plant and equipment have different useful lives, and the individual component is a significant part of the total cost, the cost is divided into separate components, which are depreciated separately.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Useful life

ACCOUNTING POLICIES

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-7 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables are measured at amortised cost.

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 is impaired, an impairment loss for that individual asset is recognised.

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, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

ACCOUNTING POLICIES

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for revaluation

Fair value adjustments arising from revaluation of buildings are recognized directly on equity less deferred tax in revaluation reserve. Dissolution of previous years revaluation are done as the revaluation from previous years are depreciated.

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

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

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

ACCOUNTING POLICIES

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

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

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
Gross profit		40.557.435	31.664.981
Staff costs	1	-12.878.534	-10.377.009
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-12.628.381	-6.661.994
Profit/loss before net financials		15.050.520	14.625.978
Financial income		332.897	0
Financial costs	2	-7.458.747	-5.134.966
Profit/loss before tax		7.924.670	9.491.012
Tax on profit/loss for the year	3	-1.733.576	-2.086.118
Profit/loss for the year		6.191.094	7.404.894
Reserve for fair value of assets		0	948.934
Retained earnings		6.191.094	6.455.960
		6.191.094	7.404.894

BALANCE SHEET 31 DECEMBER

	Note	2023 DKK	2022 DKK
ASSETS			
Land and buildings	4	389.786.669	350.571.998
Other fixtures and fittings, tools and equipment	4	6.836.506	8.982.997
Tangible assets		396.623.175	359.554.995
Deposits		129.758	118.968
Fixed asset investments		129.758	118.968
Total non-current assets		396.752.933	359.673.963
Finished goods and goods for resale		632.731	664.762
Stocks		632.731	664.762
Trade receivables		1.258.074	950.297
Receivables from group companies		16.860.485	17.727.010
Corporation tax		0	720.000
Prepayments		795.535	802.644
Receivables		18.914.094	20.199.951
Cash at bank and in hand		3.407.410	7.648.419
Total current assets		22.954.235	28.513.132
Total assets		419.707.168	388.187.095

BALANCE SHEET 31 DECEMBER

	Note	2023 DKK	2022 DKK
EQUITY AND LIABILITIES			
Share capital		600.000	600.000
Revaluation reserve		192.508.130	159.659.255
Retained earnings		60.245.142	49.186.176
Equity		253.353.272	209.445.431
Provision for deferred tax		58.123.757	46.519.089
Total provisions		58.123.757	46.519.089
Trade payables		4.560.309	3.589.048
Payables to group companies		100.167.338	125.372.720
Corporation tax		237.090	0
Other payables		2.385.000	1.968.352
Deferred income		880.402	1.292.455
Total current liabilities		108.230.139	132.222.575
Total liabilities		108.230.139	132.222.575
Total equity and liabilities		419.707.168	388.187.095
Financing	5		
Contigent Liabilities	6		
Mortgages and collateral	7		

STATEMENT OF CHANGES IN EQUITY

	Share capital	Revaluation reserve	Retained earnings	Total
Equity at 1 January 2023	600.000	159.659.255	49.186.176	209.445.431
Revaluation for the year	0	37.716.747	0	37.716.747
Dissolution of previous years' revaluation	0	-4.867.872	4.867.872	0
Net profit/loss for the year	0	0	6.191.094	6.191.094
Equity at 31 December 2023	<u>600.000</u>	<u>192.508.130</u>	<u>60.245.142</u>	<u>253.353.272</u>

NOTES

	2023	2022
	DKK	DKK
1 STAFF COSTS		
Wages and salaries	12.008.641	9.581.935
Pensions	454.872	383.043
Other social security costs	415.021	412.031
	<u>12.878.534</u>	<u>10.377.009</u>
Number of fulltime employees on average	<u>28</u>	<u>24</u>
	2023	2022
	DKK	DKK
2 FINANCIAL COSTS		
Financial expenses, group entities	7.458.747	4.047.925
Other financial costs	0	1.087.041
	<u>7.458.747</u>	<u>5.134.966</u>
3 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	585.090	0
Deferred tax for the year	1.151.458	2.407.349
Adjustment of tax concerning previous years	-2.972	-321.231
	<u>1.733.576</u>	<u>2.086.118</u>

NOTES

4 TANGIBLE ASSETS

	Land and buildings	Other fixtures and fittings, tools and equipment
Cost at 1 January 2023	189.593.140	30.872.803
Additions for the year	904.535	1.317.395
Disposals for the year	0	-880.175
Cost at 31 December 2023	190.497.675	31.310.023
Revaluations at 1 January 2023	224.666.861	0
Revaluations for the year	48.354.804	0
Revaluations at 31 December 2023	273.021.665	0
Impairment losses and depreciation at 1 January 2023	63.688.001	21.889.806
Depreciation for the year	10.044.670	2.583.711
Impairment losses and depreciation at 31 December 2023	73.732.671	24.473.517
Carrying amount at 31 December 2023	389.786.669	6.836.506
Accounting value of items of property, plant and equipment which would have been recognised had the assets not been revalued	142.981.256	8.982.997

5 FINANCING

At 31 December 2023 the company have loans from group companies of DKK 100.137 thousand , presented as short term as they fall due in 2024. Management expects that loans are extended before they are to be paid.

The company have received a letter of support from the lenders, stating that they will not demand repayment of the loan for at least 12 months from the balance sheet date, unless the Companys liquidity situation allows it.

6 CONTIGENT LIABILITIES

The Company has entered into a lease hold agreements on rental of premises and storage rooms. The agreements may be terminated subject to a 12 and 2 months notice respectively. The rental commitment amounts to DKK 222 thousand at 31 December 2023.

NOTES

7 MORTGAGES AND COLLATERAL

The Company has issued mortgage deeds registered to the mortgagor of a total of DKK 281.179 thousand in investment properties as security for the parent company's debt to credit institutions. The carrying amount of the land and buildings are DKK 389.787 thousand at 31 December 2023.

8 RELATED PARTIES AND OWNERSHIP STRUCTURE

Consolidated financial statements

The company is reflected in the group report of the parent company Queensgate Project XVI Sarl. The parent company is located at 6, Avenue Pasteur, Luxembourg



Alastair Thomann
Bestyrelsesformand
IP-adresse: 82.163.197.9:51281
Tidspunkt for underskrift: 04-07-2024 kl.: 12:49:20
Underskrevet med esignatur EasySign



Lars Bruun

Navnet returneret af dansk MitID var:
Lars Ulrik Bruun
Bestyrelsesmedlem
ID: bd8a47ae-759b-4c0c-8145-d9ef2c2eb3bc
CPR-match med dansk MitID
Tidspunkt for underskrift: 03-07-2024 kl.: 13:15:39
Underskrevet med MitID



Lasse Borch

Navnet returneret af dansk MitID var:
Lasse Uldahl Borch
Bestyrelsesmedlem
ID: c2b8eab4-ee4e-4e89-af43-4224e7ba0376
CVR-match med dansk MitID
Tidspunkt for underskrift: 03-07-2024 kl.: 12:54:13
Underskrevet med MitID



Lasse Borch

Navnet returneret af dansk MitID var:
Lasse Uldahl Borch
Direktør
ID: c2b8eab4-ee4e-4e89-af43-4224e7ba0376
CVR-match med dansk MitID
Tidspunkt for underskrift: 03-07-2024 kl.: 12:54:13
Underskrevet med MitID



Nicklas Rasmussen

Navnet returneret af dansk MitID var:
Nicklas Rasmussen
Revisor
ID: b0748999-068b-4425-94ea-ff960dfb19fe
CVR-match med dansk MitID
Tidspunkt for underskrift: 04-07-2024 kl.: 12:55:09
Underskrevet med MitID



Alastair Thomann
Dirigent
IP-adresse: 82.163.197.9:23747
Tidspunkt for underskrift: 04-07-2024 kl.: 15:53:38
Underskrevet med esignatur EasySign

