



Bytorv Horsens ApS

Rued Langgaards Vej 8
2300 København S
CVR No. 33050283

Annual report 2022

The Annual General Meeting adopted the
annual report on 26.06.2023

Stig German Mathiasen

Chairman of the General Meeting

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Entity details

Entity

Bytorv Horsens ApS
Rued Langgaards Vej 8
2300 København S

Business Registration No.: 33050283
Registered office: København
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Lars Johansson, Chairman
Henrik Duhn
Søren Brogaard Pedersen
Jesper Andreasen
Stefan Valentin Wigren

Executive Board

Stig German Mathiasen
Henrik Duhn
Claus Tüchsen
Thomas Forslund

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 Bytorv Horsens ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Copenhagen, 26.06.2023

Executive Board

Stig German Mathiasen

Henrik Duhn

Claus Tüchsen

Thomas Forslund

Board of Directors

Lars Johansson
Chairman

Henrik Duhn

Søren Brogaard Pedersen

Jesper Andreasen

Stefan Valentin Wigren

Independent auditor's report

To the shareholders of Bytorv Horsens ApS

Opinion

We have audited the financial statements of Bytorv Horsens ApS for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of 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 of the Danish Financial

Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 26.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Frommelt Hertz

State Authorised Public Accountant
Identification No (MNE) mne31543

Management commentary

Primary activities

The company's main activity is to own and lease the shopping centre Bytorv Horsens

Description of material changes in activities and finances

In the aftermath of 2021 where the majority of shops in Bytorv Horsens were forced to be closed during the first 3½ months there has been a positive uplift in activity post the corona closedown period, which has positively affected activity in terms of footfall and turnover.

However, the significant increase in energy costs, inflation- and interest rate levels combined with low (but rising) consumer confidence has not provided optimal conditions for the tenants and in particular food and beverage have had hard times due to significantly increased cost levels. Based on these tough conditions triggered by exogenous factors, agreements have been made with selected tenants on deferred and/or reduced payments for a limited period. In addition, all fixed rent/minimum rent tenants have been offered a temporary discount applicable to 2023 partly offsetting the significant automatic rent adjustments, which are a result of the inflation based increase in the net price index.

Since the existing debt is primarily a fixed rate type the significant increase in interest rate levels has not had a negative impact on funding costs and have contributed to significant unrealized value gains on mortgage debt.

Development in activities and finances

The company income statement for 2022 exhibits a loss of 22.270 T.DKK and the company balance sheet as of December 31st exhibits an equity of 75.545 T.DKK.

The result of the year has been positively affected by increased turnover rent payments in a year that has not been negatively influenced with COVID-19 related closures.

Financial costs have decreased primarily due to reduced banking fee in terms of guarantee commission and negative interest rates on excess cash.

The company's result before fair value adjustment is considered satisfactory given the current circumstances.

The statement of profit/loss is negatively affected by a negative value adjustment of investment properties as described below.

Uncertainty relating to recognition and measurement

Investment properties are valued in the annual report at fair value and the value adjustments are transferred to the income statement. The valuation is made on the basis of the budget for the coming year adjusted to reflect stabilized operations, which is capitalized with management's estimates of required rate of return. Time-limited discounts and escalation schemes as well as temporary income reductions due to expected run-in periods for tenants whose rent is based on turnover are deducted.

The required rate of return ("yield") is based on societal conditions and individual quality conditions on the properties. The statement at fair value of investment properties is based on management's estimates, as there is no external assessment. However, the applied yield of 6,00% (5,75% in 2021) for Bytorv Horsens has been slightly

increased compared with last year based on current market conditions and in accordance with updated retail yield estimates according to external commercial broker sources.

Events after the balance sheet date

In May 2023 a large Food & Beverage tenant has decided to close its restaurant in Bytorv Horsens. It is deemed likely that the closure will be followed by a partial loss of the market value of receivables relating to the tenant in question and the market value of these receivable has consequently been reduced in the balance sheet. Except for this, no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Revenue		24,492,688	21,400,319
Other external expenses		(4,454,744)	(2,723,612)
Property costs		(12,523,111)	(11,276,101)
Gross profit/loss		7,514,833	7,400,606
Other financial expenses		(6,791,723)	(6,964,230)
Profit/loss before fair value adjustments and tax		723,110	436,376
Fair value adjustments of investment property		(22,993,343)	43,666,928
Profit/loss for the year		(22,270,233)	44,103,304
Proposed distribution of profit and loss:			
Retained earnings		(22,270,233)	44,103,304
Proposed distribution of profit and loss		(22,270,233)	44,103,304

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Investment property		348,919,530	365,300,202
Property, plant and equipment	2	348,919,530	365,300,202
Fixed assets		348,919,530	365,300,202
Trade receivables		1,567,212	1,767,831
Receivables from group enterprises		148,000	148,000
Other receivables		2,347,396	3,263,208
Prepayments		892,573	996,398
Receivables		4,955,181	6,175,437
Cash		20,883,925	21,062,017
Current assets		25,839,106	27,237,454
Assets		374,758,636	392,537,656

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		3,360,000	3,360,000
Retained earnings		72,185,269	94,455,502
Equity		75,545,269	97,815,502
Mortgage debt		287,513,388	285,346,622
Deposits		4,726,723	4,643,077
Non-current liabilities other than provisions	3	292,240,111	289,989,699
Current portion of non-current liabilities other than provisions	3	1,992,960	198,619
Prepayments received from customers		1,121,006	596,782
Trade payables		1,125,891	225,800
Payables to group enterprises		190,261	0
Other payables		2,543,138	3,711,254
Current liabilities other than provisions		6,973,256	4,732,455
Liabilities other than provisions		299,213,367	294,722,154
Equity and liabilities		374,758,636	392,537,656
Events after the balance sheet date	1		
Employees	4		
Contingent assets	5		
Contingent liabilities	6		
Assets charged and collateral	7		
Related parties with controlling interest	8		

Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	3,360,000	94,455,502	97,815,502
Profit/loss for the year	0	(22,270,233)	(22,270,233)
Equity end of year	3,360,000	72,185,269	75,545,269

Notes

1 Events after the balance sheet date

In May 2023 a large Food & Beverage tenant has decided to close its restaurant in Bytorv Horsens. It is deemed likely that the closure will be followed by a partial loss of the market value of receivables relating to the tenant in question and the market value of these receivable has consequently been reduced in the balance sheet. Except for this, no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Property, plant and equipment

	Investment property DKK
Cost beginning of year	519,997,679
Additions	6,612,674
Cost end of year	526,610,353
Fair value adjustments beginning of year	(154,697,481)
Fair value adjustments for the year	(22,993,342)
Fair value adjustments end of year	(177,690,823)
Carrying amount end of year	348,919,530

The company's investment property consists of a shopping center of 16,196 m² located in Horsens. The investment property is measured at fair value using a return-based model. The fair value calculated on the basis of the budgeted net earnings for the coming year adjusted to normal earnings and capitalized with a required rate of return of 6.00% (2021 5.75%). The value is adjusted for conditions that are not reflected in normal earnings, such as planned investments, rental discounts, escalation schemes, temporary income reductions due to the expected run-in period for tenants whose rent is based on turnover and expected (structural) vacancy. An increase or decrease of 0.25% in the required rate of return will imply a decrease of DKK 15M or an increase of DKK 16,3M respectively in market value.

3 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due within 12 months 2021 DKK	Due after more than 12 months 2022 DKK	Outstanding after 5 years 2022 DKK
Mortgage debt	1,992,960	198,619	287,513,388	267,489,988
Deposits	0	0	4,726,723	4,643,077
	1,992,960	198,619	292,240,111	272,133,065

4 Employees

The Entity has no employees. The members of the Executive Board have not received any remuneration.

5 Contingent assets

The company has an unrecognized deferred tax asset amounting to DKK 17M (2021: DKK 17M).

6 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where SSCP Projekt BH ApS serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

7 Assets charged and collateral

The company's mortgage debts are secured by collateral in the company's investments property. The carrying value of the property, plant and equipment is DKK 349M.

As collateral for any obligation that the company has or may have to Jyske Realkredit A/S at any given time, is the two cash accounts with Jyske Bank. The book value of these accounts is 17.213 TDKK as pr. 31.12.22.

8 Related parties with controlling interest

SSCP BH Holding ApS, Rødovre Centrum 1P, 1. 153, 2610 Rødovre, owns all shares in the Entity, thus exercising control.

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.

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.

Income statement

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.

Fair value adjustments of investment property

Fair value adjustments of investment property comprise adjustments for the financial year of the Entity's investment properties measured at fair value at the balance sheet date.

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.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies, and amortisation of financial liabilities.

Balance sheet**Investment property**

On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs.

Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

Fair value is determined by applying the yield-based model as the calculated value in use of expected cash flows from each property. The calculation is based on budgeted net earnings for the next year that has been adjusted to normal earnings, and using a required yield rate that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.