

Sølvgården ApS


Trianglen 4, 3. tv, 2100 København Ø

CVR no. 34 90 12 87

Annual report 2023

Approved at the Company's annual general meeting on 23 May 2024

Chair of the meeting:


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Carl Edgar Serge Vøgg

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Sølvgården 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.

Copenhagen, 23 May 2024
Executive Board:



Harry Duncan MacDonald



Stephan Schmitz



Carl Edgar Serge Vøgg

Independent auditor's report

To the shareholders of Sølvgården ApS

Opinion

We have audited the financial statements of Sølvgården 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.

Independent auditor's report

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.
- ▶ 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.

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.

Odense, 23 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant
mne32129

Management's review

Company details

Name	Sølvgården ApS
Address, Postal code, City	C/O Pears Global Real Estate Denmark ApS Trianglen 4, 3. tv, 2100 København Ø
CVR no.	34 90 12 87
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Harry Duncan MacDonald Stephan Schmitz Carl Edgar Serge Vøgg
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Business review

The company's purpose is to own and hold shares in companies, buying, selling and renting real estate and any other related business.

Financial review

The income statement for 2023 shows a profit of DKK 576,252 against a profit of DKK 1,335,456 last year, and the balance sheet at 31 December 2023 shows a negative equity of DKK 4,021,255.

The company has lost the share capital. Equity and reserves are negative at DKK 4,021,255. The share capital is expected to be recovered by future positive income.

The company is partly financed by loans from the group entities.

The parent company has declared that, if necessary, it will support Sølvgården ApS financially in 2024 to enable the company to meet all its obligations as they fall due.

Based on the support from the parent company, the annual report for 2023 has been prepared under the going concern assumption.

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	2,074,497	2,598,105
	Amortisation/depreciation and impairment of property, plant and equipment	-883,549	-818,995
	Profit before net financials	1,190,948	1,779,110
	Financial income, group enterprises	282,109	137,614
	Financial expenses, group enterprises	-309,067	-49,301
	Financial expenses	-457,089	-388,219
	Profit before tax	706,901	1,479,204
	Tax for the year	-130,649	-143,748
	Profit for the year	<u>576,252</u>	<u>1,335,456</u>
	 Recommended appropriation of profit		
	Retained earnings	<u>576,252</u>	<u>1,335,456</u>
		<u>576,252</u>	<u>1,335,456</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Land and buildings	50,155,142	49,589,581
		<u>50,155,142</u>	<u>49,589,581</u>
	Total fixed assets	<u>50,155,142</u>	<u>49,589,581</u>
	Non-fixed assets		
	Receivables		
	Receivables from group entities	5,924,284	5,642,175
	Other receivables	151,543	0
	Deferred income	1,261	581
		<u>6,077,088</u>	<u>5,642,756</u>
	Total non-fixed assets	<u>6,077,088</u>	<u>5,642,756</u>
	TOTAL ASSETS	<u><u>56,232,230</u></u>	<u><u>55,232,337</u></u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	80,000	80,000
	Retained earnings	-4,101,255	-4,677,507
	Total equity	<u>-4,021,255</u>	<u>-4,597,507</u>
	Liabilities other than provisions		
4	Non-current liabilities other than provisions		
	Mortgage debt	50,094,961	50,909,607
	Deposits	1,813,162	1,811,835
		<u>51,908,123</u>	<u>52,721,442</u>
	Current liabilities other than provisions		
4	Current portion of long-term liabilities	820,821	818,452
	Trade payables	280,507	407,653
	Payables to group entities	7,015,417	5,656,347
	Joint taxation contribution payable	130,649	143,748
	Other payables	97,968	82,202
		<u>8,345,362</u>	<u>7,108,402</u>
	Total liabilities other than provisions	<u>60,253,485</u>	<u>59,829,844</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>56,232,230</u></u>	<u><u>55,232,337</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Staff costs
- 5 Contractual obligations and contingencies, etc.
- 6 Contingent assets
- 7 Security and collateral
- 8 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2022	80,000	-6,012,963	-5,932,963
Transfer through appropriation of profit	0	1,335,456	1,335,456
Equity at 1 January 2023	80,000	-4,677,507	-4,597,507
Transfer through appropriation of profit	0	576,252	576,252
Equity at 31 December 2023	80,000	-4,101,255	-4,021,255

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Sølvgården ApS for 2023 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).

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Rent comprises rental income from the leases of properties. Rent is recognised on an accruals basis.

Rent is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Rent', 'Property expenses', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

Expenses, property

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to advertising, administration, bad debts, etc.

Depreciation

The item comprises depreciation of buildings.

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 expenses

Financial expenses are recognised in the income statement at the amounts that concern the financial year.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income.

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

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.

Impairment of fixed assets

The carrying amount of property is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

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

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Going concern uncertainties

The company has lost the share capital. Equity and reserves are negative at DKK 4,021,255 thousand. The share capital is expected to be recovered by future positive income.

The company is partly financed by loans from the group entities.

The parent company has declared that, if necessary, it will support Sølvgården ApS financially in 2024 to enable the company to meet all its obligations as they fall due.

Based on the support from the parent company, the annual report for 2023 has been prepared under the going concern assumption.

3 Staff costs

The Company has no employees.

4 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 44,884 thousand falls due for payment after more than 5 years after the balance sheet date.

5 Contractual obligations and contingencies, etc.

Other contingent liabilities

The company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

Other financial obligations

As part of the business of the company it is part in minor legal disputes with a tenants

6 Contingent assets

The company has a deferred tax asset of DKK 232 thousand that has not been capitalized.

7 Security and collateral

As security for the Company's mortgage debt, the Company has provided security in its assets. The total carrying amount of these assets is DKK 50,155 thousand.

8 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Neptune Ejendomme ApS	Trianglen 4, 3. tv. Copenhagen	www.cvr.dk