Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

MEININGER HOTEL COPENHAGEN APS

COLBJØRNSENSGADE 11, 1652 KØBENHAVN V

ANNUAL REPORT

1 APRIL 2022 - 31 MARCH 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 13 October 2023

Ajit Paramparambath Menon

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 38 10 62 52

CONTENTS

COMPANY DETAILS

Company	MEININGER Hotel Copenhagen ApS Colbjørnsensgade 11 1652 Copenhagen V
	CVR No.: 38 10 62 52 Established: 12 October 2016 Municipality: Copenhagen Financial Year: 1 April 2022 - 31 March 2023
Board of Directors	Ajit Paramparambath Menon Eda Durnal
Executive Board	Ajit Paramparambath Menon
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
Bank	Nordea
Law Firm	Adam Tao Michaëlis Alexandriagade 8 2150 Copenhagen

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of MEININGER Hotel Copenhagen ApS for the financial year 1 April 2022 - 31 March 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 13 October 2023

Executive Board

Ajit Paramparambath Menon

Board of Directors

Ajit Paramparambath Menon	Eda Durnal

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MEININGER Hotel Copenhagen ApS

Opinion
We have audited the Financial Statements of MEININGER Hotel Copenhagen ApS for the financial year 1 April 2022 - 31 March 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 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 judgment and maintain professional skepticism 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 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 Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management Commentary.

Copenhagen, 13 October 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Brian Olsen Halling
State Authorised Public Accountant
MNE no. mne32094

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise to hotel- and restaurant related services.

Development in activities and financial and economic position
The company have a loss in the year of TDKK -7,749 and equity of TDKK -37,223 as 31.03.2023.

After two years severely impacted by the health crisis, the financial year 2023 posted a solid rebound, headwinds from cost pressures notwithstanding.

The performance of the hotel surpassed pre-crisis levels.

Covid -19 had a significant impact on our operations and trading activities more latterly due to the government travel restrictions which have now been removed within our operating areas.

We demonstrated our resilience over this period and have included the lessons learned into our business – as – usual processes in all functional and operational areas. We do, however, continue to remain alert and responsive, and will monitor updates from the World Health Organisation (WHO) with regard to Covid-19. Any updates will be assessed for their potential impact on the business.

For FY 24 is expected a revenue of 67 M DKK.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 APRIL - 31 MARCH

	Note	2022/23 DKK	2021/22 DKK
GROSS PROFIT		**32.638.726**	**20.726.582**
Staff costs	1	-11.819.322	-7.640.994
Depreciation, amortisation and impairment losses		-14.443.683	-18.132.644
Other operating expenses		0	-7
OPERATING PROFIT		**6.375.721**	**-5.047.063**
Other financial income	2	-848.186	214.421
Other financial expenses	3	-14.268.885	-9.354.255
LOSS BEFORE TAX		**-8.741.350**	**-14.186.897**
Tax on profit/loss for the year	4	2.873.112	808.978
LOSS FOR THE YEAR		**-5.868.238**	**-13.377.919**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		-5.868.238	-13.377.919
TOTAL		**-5.868.238**	**-13.377.919**

BALANCE SHEET AT 31 MARCH

ASSETS	Note	2023 DKK	2022 DKK
Land and buildings		182.645.703	228.937.723
Other plant, machinery tools and equipment		2.689.253	3.135.404
Leasehold improvements		1.390.940	1.214.508
Property, plant and equipment	5	**186.725.896**	**233.287.635**
NON-CURRENT ASSETS		**186.725.896**	**233.287.635**
Finished goods and goods for resale		111.703	128.678
Inventories		**111.703**	**128.678**
Trade receivables		572.701	743.867
Receivables from group enterprises		20.901.539	13.066.444
Deferred tax assets		4.855.184	2.037.397
Other receivables		760.994	5.074.220
Corporation tax receivable		42.000	0
Prepayments and accrued income		682.886	629.944
Receivables		**27.815.304**	**21.551.872**
Cash and cash equivalents		**6.600.942**	**3.677.977**
CURRENT ASSETS		**34.527.949**	**25.358.527**
ASSETS		**221.253.845**	**258.646.162**

BALANCE SHEET AT 31 MARCH

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share capital		50.000	50.000
Retained earnings		-35.391.864	-29.523.626
EQUITY		**-35.341.864**	**-29.473.626**
Lease liabilities		184.801.248	226.833.436
Non-current liabilities	6	**184.801.248**	**226.833.436**
Lease liabilities		13.283.324	12.322.536
Bank debt		25.946	0
Prepayments received from customers		6.032.257	2.759.713
Trade payables		1.897.484	2.766.540
Debt to group enterprises		48.585.864	41.579.872
Other liabilities		1.969.586	1.857.691
Current liabilities		**71.794.461**	**61.286.352**
LIABILITIES		**256.595.709**	**288.119.788**
EQUITY AND LIABILITIES		**221.253.845**	**258.646.162**

Contingencies etc.	7
Consolidated Financial Statements	8

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 April 2022	50.000	-29.523.626	-29.473.626
Proposed profit allocation		-5.868.238	-5.868.238
Equity at 31 March 2023	**50.000**	**-35.391.864**	**-35.341.864**

NOTES

	2022/23 DKK	2021/22 DKK	Note
Staff costs			1
Number of full time employees	33	28	
Wages and salaries	11.587.438	7.429.449	
Social security costs	77.236	54.126	
Other staff costs	154.648	157.419	
	11.819.322	**7.640.994**	
Other financial income			2
Group enterprises	669.955	127.853	
Other interest income	-1.518.141	86.568	
	-848.186	**214.421**	
Other financial expenses			3
Group enterprises	1.789.672	1.835.640	
Other interest expenses	12.479.213	7.518.615	
	14.268.885	**9.354.255**	
Tax on profit/loss for the year			4
Adjustment of tax in previous years	-55.325	6.434	
Adjustment of deferred tax	-2.817.787	-815.412	
	-2.873.112	**-808.978**	

Property, plant and equipment 5

	Land and buildings	Other plant, machinery tools and equipment	Leasehold improvements
Cost at 1 April 2022	276.024.130	10.131.467	1.685.711
Additions	0	1.482.299	280.645
Disposals	-33.880.997	0	0
Cost at 31 March 2023	**242.143.133**	**11.613.766**	**1.966.356**
Depreciation1 April 2022	47.086.407	6.996.065	471.203
Depreciation for the year	12.411.023	1.928.448	104.213
Depreciation at 31 March 2023	**59.497.430**	**8.924.513**	**575.416**
Carrying amount at 31 March 2023	**182.645.703**	**2.689.253**	**1.390.940**
Finance lease assets	276.024.130		

NOTES

Note

Long-term liabilities 6

	31/3 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/3 2022 total liabilities
Lease liabilities	198.084.572	13.283.324	147.909.009	239.155.972
	198.084.572	**13.283.324**	**147.909.009**	**239.155.972**

Contingencies etc. 7

Contingent liabilities
The company is not subjected to any liabilites other than what is related to the ordinary activity in the company.

Consolidated Financial Statements 8

Name and registered office of the Parent company preparing consolidated financial statements for the smallest group:
Meininger Hotel Europe Limited, 3rd Floor, 30 Millbank, London, Great Britain.

Special items 9

Compensation from the government in Denmark

	2022/23 DKK	2021/22 DKK
Fixed cost compensation	227.423	8.966.356
	227.423	**8.966.356**

ACCOUNTING POLICIES

The Annual Report of MEININGER Hotel Copenhagen ApS for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group’s and the Company’s activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Payments related to operating lease expenses and other lease agreements are recognised in the Income Statement during the continuance of the contract. The Company’s total liability concerning operating and other lease agreements are stated under contingencies, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company’s employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment...	3-20 years	0 %
Leasehold improvements..	5-20 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Lease contracts
Lease contracts relating to tangible fixed assets. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle, remove or to restore the underlying asset, less any lease incentives received. The right-of use asset is subsequently depreciated using the straight-line method over the term of lease. In addition, the right-of use asset is periodically reduced by impairment losses, if any.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

Impairment of fixed assets
The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

ACCOUNTING POLICIES

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

ACCOUNTING POLICIES

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.

The capitalised residual lease liability on finance lease contracts is also recognised as financial liabilities.