

SLA DENMARK 1 APS
C/O CITCO (DENMARK) APS, NYBROGADE 12, 1203 KØBENHAVN K
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 13 June 2024**

Ole Meier Sørensen

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COMPANY DETAILS

Company	SLA Denmark 1 ApS c/o Citco (Denmark) ApS, Nybrogade 12 1203 Copenhagen K
	CVR No.: 38 33 08 96
	Established: 1 January 2017
	Municipality: Copenhagen
	Financial Year: 1 January - 31 December
Executive Board	Ole Meier Sørensen Caspar Schultz
Auditor	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of SLA Denmark 1 ApS for the financial year 1 January - 31 December 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 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 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 June 2024

Executive Board

Ole Meier Sørensen

Caspar Schultz

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of SLA Denmark 1 ApS

Opinion

We have audited the Financial Statements of SLA Denmark 1 ApS for the financial year 1 January - 31 December 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 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' 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 June 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kennet Hartmann
State Authorised Public Accountant
MNE no. mne40036

Majken Bech Larsen
State Authorised Public Accountant
MNE no. mne46623

MANAGEMENT COMMENTARY

Principal activities

The objects of the company are acquisition, sale and letting out of real property.

Recognition and measurement uncertainty

As the company's purpose is investment in properties, the Company is affected by changes in the property market, including the general economic conditions.

The market situation in the real estate sector is affected by uncertainty, as a result high inflation and increasing interest rates. However, the company's activities have not been significantly affected by this.

The uncertainty related to interest rates and yields has created a gap between buyers' and sellers' expectation to sales prices of properties which is reflected in the lower transaction volume for investment properties in 2023.

This has been reflected in the valuation of the company's properties.

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 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS PROFIT		4.724.035	4.338.787
Depreciation, amortisation and impairment losses.....		-1.527.801	-1.527.801
OPERATING PROFIT		3.196.234	2.810.986
Other financial expenses.....	1	-1.652.137	-1.556.849
PROFIT BEFORE TAX		1.544.097	1.254.137
Tax on profit/loss for the year.....	2	-692.829	-5.318
PROFIT FOR THE YEAR		851.268	1.248.819
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		851.268	1.248.819
TOTAL		851.268	1.248.819

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Investment properties.....		85.283.035	86.810.836
Property, plant and equipment.....	3	85.283.035	86.810.836
NON-CURRENT ASSETS.....		85.283.035	86.810.836
Receivables from group enterprises.....		258.180	495.789
Other receivables.....		160.740	410.903
Corporation tax receivable.....		174.000	174.000
Receivables.....		592.920	1.080.692
Cash and cash equivalents.....		10.477.576	6.062.613
CURRENT ASSETS.....		11.070.496	7.143.305
ASSETS.....		96.353.531	93.954.141
EQUITY AND LIABILITIES			
Share Capital.....		51.000	51.000
Share premium account.....		18.999.000	18.999.000
Retained earnings.....		3.608.668	2.757.400
EQUITY.....		22.658.668	21.807.400
Provision for deferred tax.....		924.376	556.156
PROVISIONS.....		924.376	556.156
Payables to group enterprises.....		72.322.599	70.800.089
Non-current liabilities.....	4	72.322.599	70.800.089
Trade payables.....		90.776	144.556
Other liabilities.....		357.112	645.940
Current liabilities.....		447.888	790.496
LIABILITIES.....		72.770.487	71.590.585
EQUITY AND LIABILITIES.....		96.353.531	93.954.141
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EQUITY

	Share Capital	Share premium account	Retained earnings	Total
Equity at 1 January 2023.....	51.000	18.999.000	2.757.400	21.807.400
Proposed profit allocation.....	0	0	851.268	851.268
Equity at 31 December 2023.....	51.000	18.999.000	3.608.668	22.658.668

NOTES

	2023 DKK	2022 DKK	Note
Other financial expenses			1
Group enterprises.....	1.522.510	1.522.509	
Other interest expenses.....	129.627	34.340	
	1.652.137	1.556.849	
Tax on profit/loss for the year			2
Adjustment of tax in previous years.....	324.609	-270.777	
Adjustment of deferred tax.....	368.220	276.095	
	692.829	5.318	
Property, plant and equipment			3
		Investment properties	
Cost at 1 January 2023.....		91.394.239	
Cost at 31 December 2023.....		91.394.239	
Depreciation and impairment losses at 1 January 2023.....		4.583.403	
Depreciation for the year.....		1.527.801	
Depreciation and impairment losses at 31 December 2023.....		6.111.204	
Carrying amount at 31 December 2023.....		85.283.035	
Long-term liabilities			4
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years
			31/12 2022 total liabilities
Payables to group enterprises.....	72.322.599	0	0 70.800.089
	72.322.599	0	0 70.800.089
Contingencies etc.			5
Joint liabilities			
The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.			
Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the Balance Sheet date.			

NOTES**Note****Consolidated Financial Statements****6**

The results of the Company are consolidated in the group accounts of Phoenix Group Holding Plc, registered at 20 Old Bailey, London, England, EC4M 7AN. The copies of the consolidated financial statements of the ultimate controlling party can be obtained at www.thephoenixgroup.com

ACCOUNTING POLICIES

The Annual Report of SLA Denmark 1 ApS for 2023 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.

Reporting currency

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

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

INCOME STATEMENT

Rental income

Rental income and expenses have been accrued to cover the period up to the end of the financial year. Payments charged to cover heating are not included in rental income.

Other external expenses

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

Gross profit

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

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

Investment properties

Investment properties 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.

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
Buildings.....	50 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.

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.

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.

Cash

Cash comprise cash.

ACCOUNTING POLICIES

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.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

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.

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.