



Scandinavian Shopping Center Partners ApS

Rødovre Centrum 1 P, 1. 153
2610 Rødovre
CVR No. 38700383

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

Scandinavian Shopping Center Partners ApS

Rødovre Centrum 1 P, 1. 153

2610 Rødovre

Business Registration No.: 38700383

Registered office: Rødovre

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Lars Rune Johansson

Stig German Mathiasen

Henrik Duhn

Søren Brogaard Pedersen

Claus Tüchsen

Thomas Forslund

Lars Erik Backemar

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 Scandinavian Shopping Center Partners 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 Rune Johansson

Stig German Mathiasen

Henrik Duhn

Søren Brogaard Pedersen

Claus Tüchsen

Thomas Forslund

Lars Erik Backemar

Independent auditor's report

To the shareholders of Scandinavian Shopping Center Partners ApS

Opinion

We have audited the financial statements of Scandinavian Shopping Center Partners 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 activities are to manage property investments, leasing and development of properties, retail properties in Denmark and abroad, advice in connection with such activities and other related activities. Through an associated company, the company owns a share of the shopping center Bytorv Horsens ApS.

Development in activities and finances

The company's income statement for 2022 shows net loss of 8,533 TDKK, and the company's balance sheet per December 31st shows the equity is negative with 4,632 TDKK.

The result has been negatively affected by a reduction in the valuation of Bytorv Horsens and the large F&B tenant lease termination with derived (expected) loss implications from receivables.

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
Gross profit/loss		3,100,585	2,394,978
Staff costs	2	(7,017,669)	(7,343,315)
Depreciation, amortisation and impairment losses		(16,667)	(4,167)
Operating profit/loss		(3,933,751)	(4,952,504)
Income from investments in group enterprises		(72,010)	0
Income from investments in associates		(3,190,650)	7,602,629
Other financial expenses	3	(1,336,264)	(2,451,651)
Profit/loss for the year		(8,532,675)	198,474
Proposed distribution of profit and loss			
Retained earnings		(8,532,675)	198,474
Proposed distribution of profit and loss		(8,532,675)	198,474

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		29,166	45,833
Property, plant and equipment	4	29,166	45,833
Investments in group enterprises		407,990	0
Investments in associates		16,397,481	19,588,131
Deposits		47,897	45,500
Financial assets	5	16,853,368	19,633,631
Fixed assets		16,882,534	19,679,464
Receivables from associates		171,234	91,941
Other receivables		210,596	313,535
Prepayments		1,170	0
Receivables		383,000	405,476
Cash		375,307	235,874
Current assets		758,307	641,350
Assets		17,640,841	20,320,814

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		110,000	110,000
Share premium		444,545	444,545
Reserve for net revaluation according to the equity method		0	12,148,131
Retained earnings		(5,186,384)	(8,801,840)
Equity		(4,631,839)	3,900,836
Other payables		12,519,910	7,449,601
Non-current liabilities other than provisions	6	12,519,910	7,449,601
Trade payables		12,593	127,035
Payables to group enterprises		480,000	0
Payables to associates		5,903,580	5,903,580
Other payables	7	3,356,597	2,939,762
Current liabilities other than provisions		9,752,770	8,970,377
Liabilities other than provisions		22,272,680	16,419,978
Equity and liabilities		17,640,841	20,320,814
Going concern	1		
Contingent assets	8		
Contingent liabilities	9		

Statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	110,000	444,545	12,148,131	(8,801,840)	3,900,836
Transfer to reserves	0	0	(12,148,131)	12,148,131	0
Profit/loss for the year	0	0	0	(8,532,675)	(8,532,675)
Equity end of year	110,000	444,545	0	(5,186,384)	(4,631,839)

Notes

1 Going concern

The Entity has collectively lost more than 50% of the Entity's capital and is covered by the Companies Act's rules on capital loss. Management expects the equity to be re-established by future earnings. On this basis, it is management's assessment that the necessary prerequisites for continued operation have been met, and the annual report is submitted under the assumption of continued operation.

The Entity is still in a phase of building a portfolio of shopping centers under management and ownership. This will be a several years long process. During the financial year, the cash flow was partly obtained through convertible loans from an entity established by owners and investors for this purpose. An additional minor loan has been provided in early 2023. Furthermore, in 2023 the Entity has improved its contract base. The Entity's increased liquidity generating ability combined with a relatively stable fixed cost level equivalent to 2022 effectively generates a significantly higher net cash surplus to service various variable costs. The Entity's cash flow, including revenues from the present contract base, is sufficient to cover all current liabilities. On this basis the annual report has been prepared on a going concern basis.

2 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	6,889,462	7,299,634
Pension costs	72,000	0
Other social security costs	10,414	7,195
Other staff costs	45,793	36,486
	7,017,669	7,343,315
Average number of full-time employees	4	4

3 Other financial expenses

	2022	2021
	DKK	DKK
Other interest expenses	1,336,264	2,451,651
	1,336,264	2,451,651

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	50,000
Cost end of year	50,000
Depreciation and impairment losses beginning of year	(4,167)
Depreciation for the year	(16,667)
Depreciation and impairment losses end of year	(20,834)
Carrying amount end of year	29,166

5 Financial assets

	Investments in group enterprises DKK	Investments in associates DKK	Deposits DKK
Cost beginning of year	0	7,440,000	45,500
Additions	480,000	0	2,397
Cost end of year	480,000	7,440,000	47,897
Revaluations beginning of year	0	12,148,131	0
Share of profit/loss for the year	0	(3,190,650)	0
Revaluations end of year	0	8,957,481	0
Share of profit/loss for the year	(72,010)	0	0
Impairment losses end of year	(72,010)	0	0
Carrying amount end of year	407,990	16,397,481	47,897

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
SSCP Projekt II ApS	Copenhagen	ApS	100.00
SSCP Projekt II T P/S	Copenhagen	P/S	100.00
SSCP Komplementar ApS	Copenhagen	ApS	100.00
Investments in associates	Registered in	Corporate form	Equity interest %
SSCP Projekt BH ApS	Copenhagen	ApS	20.00

6 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK
Other payables	12,519,910
	12,519,910

The company's non-current liabilities consists of loan facilities from SSCP Investors P/S, and is due for full payment on 30th June 2026.

7 Other payables

	2022 DKK	2021 DKK
VAT and duties	1,244,338	1,274,469
Wages and salaries, personal income taxes, social security costs, etc. payable	5,680	79,442
Other costs payable	2,106,579	1,585,851
	3,356,597	2,939,762

8 Contingent assets

The company has an unrecognized deferred tax asset amounting to 2,369 tDKK (2021: 1,208 tDKK).

9 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. 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 these entities.

Scandinavian Shopping Center Partners ApS has signed a letter of support for SSCP Projekt II ApS, SSCP Projekt II T P/S and SSCP Komplementar ApS and will financially support and secure the Companies unconditionally until 31 December 2023.

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.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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

Gross profit or loss

Gross profit or loss comprises revenue, and external expenses.

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.

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.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity

staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

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

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises

are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value.

Associates with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

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.

Other financial liabilities

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