

Horisonten Aalborg K/S

C/O Citco (Denmark) ApS
Nybrogade 12,
1203 København K

CVR No. 39091569

Annual Report 2022

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 June 2023

Ole Meier Sørensen
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Horisonten Aalborg K/S for the financial year 1 January 2022 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 30 June 2023

Executive Board

Ole Meier Sørensen
CEO

Caspar Schultz
CEO

Independent Auditors' Report

To the shareholders of Horisonten Aalborg K/S

Opinion

We have audited the financial statements of Horisonten Aalborg K/S for the financial year 1 January 2022 - 31 December 2022, 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 and of the results of the Company's operations for the financial year 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 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 responsibility 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 responsibility 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 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.

As part of an audit conducted in accordance with ISAs and 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.

Independent Auditors' Report

- * 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 are reasonable.
- * 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 June 2023

EY Godkendt Revisionspartnerselskab

CVR-no. 30700228

Kaare Kristensen Lendorf
State Authorised Public Accountant
mne33819

Company details

| | |
|------------------------|---|
| Company | Horisonten Aalborg K/S C/O Citco (Denmark) ApS Nybrogade 12, 1203 København K |
| CVR No. | 39091569 |
| Date of formation | 14 November 2017 |
| Registered office | København |
| Financial year | 1 January 2022 - 31 December 2022 |
| Executive Board | Ole Meier Sørensen Caspar Schultz |
| Auditors | EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg CVR-no.: 30700228 |

Management's Review

The Company's principal activities

The Company's principal activities consist in owning, develop and manage real estate, directly and indirectly, as well as related business.

Exceptional circumstances

In the financial year, adjustments have been made for prior period errors in the annual accounts for 2020 and 2021, related to recognition of cost prices for property disposals (inventory). This have been corrected as prior period errors by restating comparatives and opening equity figures in the current financial statements.

Reference is made to note 2 for more details.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK 2.631.322 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 58.854.476 and an equity of DKK 39.632.392.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The annual report of Horisonten Aalborg K/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

The company has chosen IAS 11/IAS 18 as an interpretation contribution for the recognition of revenue.

Accounting Policies

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Inventories

Inventories are measured at cost. If the net realizable value is lower than the cost price, it is written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs to complete and costs incurred to effect the sale. The value is determined taking into account the negotiability, obsolescence and expected development of inventories in sales price.

Commercial properties are classified as inventories when their carrying amount will primarily be recovered through a sale rather than through continued use, and the sale will most likely be completed within a year according to an overall coordinated plan. Assets are not depreciated and amortized from the time they are classified as held for sale.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Dividends

Proposed dividend for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

Accounting Policies

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Income Statement

| | Note | 2022 kr. | 2021 kr. |
|---|------|------------------|-------------------|
| Gross profit | | 6.422.177 | 26.532.707 |
| Other finance income | | 2.606.933 | 486.313 |
| Finance expenses | 1 | -6.397.788 | -13.406.736 |
| Profit from ordinary activities before tax | | 2.631.322 | 13.612.284 |
| Profit | | 2.631.322 | 13.612.284 |
| Proposed distribution of results | | | |
| Retained earnings | | 2.631.322 | 13.612.284 |
| Distribution of profit | | 2.631.322 | 13.612.284 |

Balance Sheet as of 31 December

| | Note | 2022 kr. | 2021 kr. |
|---|------|-------------------|--------------------|
| Assets | | | |
| Manufactured goods and goods for resale | | 27.628.994 | 60.853.585 |
| Inventories | | 27.628.994 | 60.853.585 |
| Short-term receivables from group enterprises | | 2.447.735 | 34.598.089 |
| Other short-term receivables | | 24.575 | 44.098 |
| Deferred income | | 0 | 35.061.667 |
| Receivables | | 2.472.310 | 69.703.854 |
| Cash and cash equivalents | | 28.753.172 | 84.979.061 |
| Current assets | | 58.854.476 | 215.536.500 |
| Assets | | 58.854.476 | 215.536.500 |

Balance Sheet as of 31 December

| | Note | 2022 kr. | 2021 kr. |
|--|------|-------------------|--------------------|
| Liabilities and equity | | | |
| Contributed capital | | 43.250.062 | 43.250.062 |
| Retained earnings | | -3.617.670 | 12.450.929 |
| Equity | | 39.632.392 | 55.700.991 |
| Payables to group enterprises | | 0 | 96.937.515 |
| Long-term liabilities other than provisions | | 0 | 96.937.515 |
| Short-term part of long-term liabilities | | 0 | 54.837.420 |
| Trade payables | | 75.298 | 6.223 |
| Payables to group enterprises | | 5.378.285 | 0 |
| Other payables | | 13.768.501 | 8.054.351 |
| Short-term liabilities other than provisions | | 19.222.084 | 62.897.994 |
| Liabilities other than provisions within the business | | 19.222.084 | 159.835.509 |
| Liabilities and equity | | 58.854.476 | 215.536.500 |
| Unusual circumstances | 2 | | |
| Collaterals and assets pledges as security | 3 | | |
| Related parties | 4 | | |

Statement of changes in Equity

| | Contributed capital | Retained earnings | Total |
|---|------------------------|----------------------|-------------------|
| Equity 1 January 2022 | 43.250.062 | 18.699.921 | 61.949.983 |
| Changes of equity through corrections of errors | 0 | -6.248.992 | -6.248.992 |
| Adjusted equity 1 January 2022 | 43.250.062 | 12.450.929 | 55.700.991 |
| Profit (loss) | 0 | 2.631.322 | 2.631.322 |
| Extraordinary dividend paid | 0 | -18.699.921 | -18.699.921 |
| Equity 31 December 2022 | 43.250.062 | -3.617.670 | 39.632.392 |

Notes

| | 2022 kr. | 2021 kr. |
|---|------------------|-------------------|
| 1. Finance expenses | | |
| Finance expenses arising from group enterprises | 4.321.973 | 9.678.837 |
| Other finance expenses | 2.075.815 | 3.727.899 |
| | 6.397.788 | 13.406.736 |

2. Unusual matters

During the preparation of the financial statement for 2022, it was discovered that the submitted financial statements for 2020 and 2021 contained prior period errors. In the financial statements for 2020, the disposal cost of inventory (properties) has been DKK 2.259.384 too low. Additionally, the 2021 annual report the disposal cost of inventory (properties) has been DKK 3.989.608 too low. The errors are a result of incorrect allocation of acquisition cost to apartments and parking lots.

This have been corrected as prior period errors by restating comparatives and opening equity figures in the current financial statement.

For the financial year 2020 we have corrected the error of DKK 2.259.384 by reducing inventory balance and impacting the equity negatively with DKK 2.259.384. The effect has been recognized in opening equity of 2022.

For the financial year 2021 we have corrected the error of DKK 3.989.608 by reducing inventory balance and negatively impacting the gross profit/cost of goods sold with DKK 3.989.608. The equity is consequently impacted negatively with DKK 3.989.608. The effect has been recognized in opening equity of 2022.

The corrections have resulted in negatively inventory disposals with a net impact for 2020 and 2021, amounting to DKK 6.248.992. The effect of 2021 of DKK 3.989.608 has been corrected in comparatives of profit and loss statement in financial statement of 2022.

The corrections have resulted in a negative net impact in opening equity of 2022 is DKK 6.248.992.

3. Pledges and collateral

No pledges or collateral exists at the balance sheet date.

4. Related parties

The company is included in the consolidated report for the parent company Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF

The consolidated report for Aberdeen European Residential Opportunities Fund SCSp SICAV-SIF can be requested at the following address:

35a Avenue John F. Kennedy
L-1855 Luxembourg

Ole Meier Sørensen

Navnet returneret af dansk MitID var:

Ole Meier Sørensen

Direktør

ID: e8a1d6c4-613f-4deb-b854-c53fc7c2b1be

Tidspunkt for underskrift: 05-07-2023 kl.: 11:15:28

Underskrevet med MitID



Ole Meier Sørensen

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Ole Meier Sørensen

Dirigent

ID: e8a1d6c4-613f-4deb-b854-c53fc7c2b1be

Tidspunkt for underskrift: 05-07-2023 kl.: 11:15:28

Underskrevet med MitID



Caspar Schultz

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Caspar Schultz

Direktør

ID: a6ee246c-b500-40bc-8e2e-497f5421db26

Tidspunkt for underskrift: 05-07-2023 kl.: 12:42:37

Underskrevet med MitID



Kaare Kristensen Lendorf

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Kaare Kristensen

Revisor

ID: 73827337

Tidspunkt for underskrift: 05-07-2023 kl.: 12:56:05

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