

## **Akoya Bidco 2 Limited**

Directors' Report and Financial Statements

Year Ended

31 December 2022

Company Number 12341723

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# Akoya Bidco 2 Limited

## Company Information

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<b>Directors</b>	D Turner J P Acheson W G Amies
<b>Registered number</b>	12341723
<b>Registered office</b>	55 Baker Street London W1U 7EU
<b>Independent auditor</b>	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB

# **Akoya Bidco 2 Limited**

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# **Akoya Bidco 2 Limited**

## **Directors' Report for the year ended 31 December 2022**

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The Directors present their report together with the audited financial statements for the year ended 31 December 2022.

### **Principal activity**

The principal activity of the company is that of an intermediary holdings company for a property investment group.

### **Results and dividends**

The profit for the year, after taxation, amounted to £948,084 (2021 - loss of £96,511).

Dividends of £1,100,000 (2021 - £Nil) were paid during the year.

### **Directors**

The Directors who served during the year were:

D Turner  
J P Acheson  
W G Amies

### **Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Akoya Bidco 2 Limited**

### **Directors' Report (continued) for the year ended 31 December 2022**

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#### **Going concern**

Akoya Bidco 2 Limited is a company within the Akoya Limited Partnership ("partnership") group structure ("Group") which includes all subsidiaries of the partnership. As part of their going concern review, the directors have reviewed the current and projected financial position of the partnership Group as a whole. The directors have considered the residual impact of the COVID-19 pandemic and the current wider economic climate on the performance of the underlying portfolio and its effect on the partnership. The pandemic has resulted in a shift in the office sector, as businesses evolve to a hybrid work model, we see tenants seeking high quality, sustainable offices to attract talent and entice the workforce back to the office. The Akoya portfolio with its tenant focused strategy, is perfectly positioned to accommodate businesses sourcing high quality and innovative spaces and are achieving record rents within the portfolio. Although tenants are exercising breaks or breaking their lease, we have a high proportion of tenants relocating to more suitable units within the portfolio.

The Russian Federation's invasion of Ukraine and the subsequent global response to those military actions, has impacted the UK economy. The Akoya portfolio does not have any exposure to Ukraine, Russia or Belarus and therefore is not directly impacted by the war. However, rising interest rates and inflation, and the surge in commodity prices that follow the war have resulted in a sharp rise in consumer prices and reduced growth. Soaring energy prices are a concern for both our tenants and the portfolio. Void costs incurred during the reporting period are marginally higher than forecast, with higher costs offset with shorter void periods.

The impact of the rise in interest rates has been assessed by Management and will continue to be monitored closely. Despite the increased costs, Management is confident that the Group has sufficient resources to meet all liabilities. The OCBC loan facility does not have loan to value or interest cover covenants. The high interest rates are having a negative impact on property values due to higher property yields, however, the portfolio has outperformed from an asset and development management and leasing perspective and has therefore been comparably resilient.

As part of their going concern review, the directors have reviewed the current and projected financial position of the partnership Group. As part of the review, the Group has scrutinised the partnership model as well as the individual asset business plans, considered its cash balances, undrawn debt facilities, the long-term nature of the tenant leases and as well as carefully considering the impact on the partnership Group of the economic downturn and shift to remote and hybrid working. Given the gross undrawn available commitment from investors, the available unsecured debt facilities and strength of the real estate assets the directors are confident that there are adequate resources available to the partnership and Group to continue operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements and will provide a letter of comfort to companies within the structure. Management has considered the consequences of the above, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

Having assessed the heightened risks as well as mitigating factors and management strategies available to reduce such risks, the Directors have determined that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

#### **Third party indemnity provisions**

Qualifying third party indemnity provision for the benefit of the Directors was in force during the financial year and at the date of approval of the financial statements.

# Akoya Bidco 2 Limited

## Directors' Report (continued) for the year ended 31 December 2022

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### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Post balance sheet events

On 23 February 2023, a new loan facility of £45,000,000 (facility B) was entered into and exists available for use as an addition to the original facility of £89,400,000 (facility A) with Overseas Chinese Banking Corporation.

On 2 March 2023, the company Limited drew down £6,250,000 of the loan facility available with Overseas Chinese Banking Corporation.

### Auditor

The auditor, RSM UK Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf:

David Turner  
.....  
**D Turner**  
Director

Date: 27th June 2023

# Akoya Bidco 2 Limited

## Independent Auditor's Report to the Members of Akoya Bidco 2 Limited

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### Opinion

We have audited the financial statements of Akoya Bidco 2 Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Akoya Bidco 2 Limited

## Independent Auditor's Report to the Members of Akoya Bidco 2 Limited (continued)

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### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have 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 (UK) 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.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.



## **Akoya Bidco 2 Limited**

### **Independent Auditor's Report to the Members of Akoya Bidco 2 Limited (continued)**

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#### **Auditor's responsibilities for the audit of the financial statements (continued)**

##### **The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included agreeing the financial statement disclosures to underlying supporting documentation, review of board meeting minutes, and enquiries with management.

The audit engagement team identified the risk of management override of controls and management bias in accounting entries as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. We evaluated whether there was evidence of bias by management in accounting estimates that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Akoya Bidco 2 Limited

### Independent Auditor's Report to the Members of Akoya Bidco 2 Limited (continued)

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#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Euan Banks*

**Euan Banks** (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

Date: 28th June 2023

## Akoya Bidco 2 Limited

### Statement of Comprehensive Income for the year ended 31 December 2022

	Note	2022 £	2021 £
Administrative expenses		(63,505)	(42,886)
<b>Operating loss</b>		<b>(63,505)</b>	<b>(42,886)</b>
Dividend income	7	1,950,000	-
Interest receivable and similar income	5	1,225,359	1,118,620
Interest payable and similar charges	6	(2,163,770)	(1,172,245)
<b>Profit/(loss) before tax</b>		<b>948,084</b>	<b>(96,511)</b>
Tax on profit/(loss)		-	-
<b>Profit/(loss) for the financial year</b>		<b>948,084</b>	<b>(96,511)</b>

All amounts relate to continuing operations.

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 11 to 20 form part of these financial statements.

**Akoya Bidco 2 Limited**

Registered number: 12341723

**Statement of Financial Position  
as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	9	78,441,443	46,161,276
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	10	92,111,848	100,772,467
Debtors: amounts falling due within one year	10	26,989,670	1,144,358
Cash and cash equivalents		682,421	2,945
		<u>119,783,939</u>	<u>101,919,770</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	11	(18,057,491)	(1,410,151)
<b>Net current assets</b>		<u>101,726,448</u>	<u>100,509,619</u>
<b>Total assets less current liabilities</b>		<u>180,167,891</u>	<u>146,670,895</u>
Creditors: amounts falling due after more than one year	12	(89,133,022)	(77,820,958)
<b>Net assets</b>		<u>91,034,869</u>	<u>68,849,937</u>
<b>Capital and reserves</b>			
Share capital	14	21	18
Share premium	15	91,366,608	69,029,763
Profit and loss account	15	(331,760)	(179,844)
		<u>91,034,869</u>	<u>68,849,937</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

David Turner

.....  
D Turner  
Director

Date: 27th June 2023

The notes on pages 11 to 20 form part of these financial statements.

## Akoya Bidco 2 Limited

### Statement of Changes in Equity for the year ended 31 December 2022

	Share capital £	Share premium £	Capital Contribution reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	<b>13</b>	<b>30,578,584</b>	<b>18,901,829</b>	<b>(83,333)</b>	<b>49,397,093</b>
Loss for the year	-	-	-	(96,511)	(96,511)
Shares issued during the year (see note 14)	5	38,451,179	(18,901,829)	-	19,549,355
<b>At 1 January 2022</b>	<b>18</b>	<b>69,029,763</b>	<b>-</b>	<b>(179,844)</b>	<b>68,849,937</b>
Profit for the year	-	-	-	948,084	948,084
Dividends paid (see note 8)	-	-	-	(1,100,000)	(1,100,000)
Shares issued during the year (see note 14)	3	22,336,845	-	-	22,336,848
<b>At 31 December 2022</b>	<b>21</b>	<b>91,366,608</b>	<b>-</b>	<b>(331,760)</b>	<b>91,034,869</b>

The notes on pages 11 to 20 form part of these financial statements.

# Akoya Bidco 2 Limited

## Notes to the Financial Statements for the year ended 31 December 2022

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### 1. General information

Akoya Bidco 2 Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the principal activity and nature of the company's operations are set out in the Directors' Report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Exemption from preparing consolidated financial statements

The financial statements contain information about Akoya Bidco 2 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated accounts of Akoya REITco Limited.

#### 2.3 Going concern

Akoya Bidco 2 Limited is a company within the Akoya Limited Partnership ("partnership") group structure ("Group") which includes all subsidiaries of the partnership. The directors have considered the residual impact of the COVID-19 pandemic and the current wider economic climate on the performance of the underlying portfolio and its effect on the partnership. The pandemic has resulted in a shift in the office sector, as businesses evolve to a hybrid work model, we see tenants seeking high quality, sustainable offices to attract talent and entice the workforce back to the office. The Akoya portfolio with its tenant focused strategy, is perfectly positioned to accommodate businesses sourcing high quality and innovative spaces and are achieving record rents within the portfolio. Although tenants are exercising breaks or breaking their lease, we have a high proportion of tenants relocating to more suitable units within the portfolio.

The Russian Federation's invasion of Ukraine and the subsequent global response to those military actions, has impacted the UK economy. The Akoya portfolio does not have any exposure to Ukraine, Russia or Belarus and therefore is not directly impacted by the war. However, rising interest rates and inflation, and the surge in commodity prices that follow the war have resulted in a sharp rise in consumer prices and reduced growth. Soaring energy prices are a concern for both our tenants and the portfolio. Void costs incurred during the reporting period are marginally higher than forecast, with higher costs offset with shorter void periods.

The impact of the rise in interest rates has been assessed by Management and will continue to be monitored closely. Despite the increased costs, Management is confident that the Group has sufficient resources to meet all liabilities. The OCBC loan facility does not have loan to value or interest cover covenants. The high interest rates are having a negative impact on property values due to higher property yields, however, the portfolio has outperformed from an asset and development management and leasing perspective and has therefore been comparably resilient.

# Akoya Bidco 2 Limited

## Notes to the Financial Statements for the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.3 Going concern (continued)

As part of their going concern review, the directors have reviewed the current and projected financial position of the partnership Group. As part of the review, the Group has scrutinised the partnership model as well as the individual asset business plans, considered its cash balances, undrawn debt facilities, the long-term nature of the tenant leases and as well as carefully considering the impact on the partnership Group of the economic downturn and shift to remote and hybrid working. Given the gross undrawn available commitment from investors, the available unsecured debt facilities and strength of the real estate assets the directors are confident that there are adequate resources available to the partnership and Group to continue operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements and will provide a letter of comfort to companies within the structure. Management has considered the consequences of the above, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

Having assessed the heightened risks as well as mitigating factors and management strategies available to reduce such risks, the Directors have determined that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

#### 2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### 2.5 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.6 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

#### 2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Due to the Group's status as a REIT and the intention to continue meeting the conditions required to retain approval as a REIT in the foreseeable future, the Group has not provided deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

# Akoya Bidco 2 Limited

## Notes to the Financial Statements for the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.8 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### 2.10 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.



# Akoya Bidco 2 Limited

## Notes to the Financial Statements for the year ended 31 December 2022

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies in accordance with FRS 102, the Directors are required to make certain judgements and estimates, which affect reported income, expenses, and to arrive at the carrying value for its assets and liabilities. The most significant area requiring judgment in the preparation of these financial statements was:

*Carrying value and impairment of investments (see note 9)*

The company considers the carrying value of investments at each reporting date. The expected value considers current and future expected returns from the investments as well as any technical or commercial obsolescence and legal or other limits on the use of the assets.

The company assesses impairment of investments at each reporting date by evaluating conditions specific to the company and to the investment that may lead to impairment. If an impairment trigger exists, the recoverable amount of the investment is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

### 4. Employees

The company has no employees other than the Directors, who did not receive any remuneration (2021 - £Nil).

### 5. Interest receivable

	2022 £	2021 £
Interest receivable from group companies	1,225,359	1,118,620

### 6. Interest payable and similar charges

	2022 £	2021 £
Loan interest payable	2,163,770	1,172,245

### 7. Dividends

	2022 £	2021 £
Dividend income	1,950,000	-

During the year dividends were received from subsidiary undertakings which were distributed as part of a property income distribution.

## Akoya Bidco 2 Limited

### Notes to the Financial Statements for the year ended 31 December 2022

#### 8. Dividends paid

	2022 £	2021 £
Dividends paid	<u>1,100,000</u>	<u>-</u>

#### 9. Fixed asset investments

	2022 £
<b>Cost</b>	
At 1 January 2022	46,161,276
Additions	32,280,167
At 31 December 2022	<u>78,441,443</u>
<b>Net book value</b>	
At 31 December 2022	<u>78,441,443</u>
At 31 December 2021	<u>46,161,276</u>

During the year intercompany loans with subsidiaries Akoya NW Works Limited and Akoya Lonsdale Limited were converted to equity:

On 16 May 2022, an intercompany debt amount of £9,943,319 was converted to equity via issuance of 1 £1 Ordinary share by Akoya Power Road Hold Limited.

During the year additional investments in subsidiaries were made by Akoya Bidco 2 Limited:

On 9 May 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Netil House Limited for consideration of £65,000.

On 9 May 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Power Road Limited for consideration of £900,000.

On 7 October 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Power Road Limited for consideration of £3,983,368.

On 9 May 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Carlson Limited for consideration of £720,000.

On 7 October 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Carlson Limited for consideration of £7,887,286.

## Akoya Bidco 2 Limited

### Notes to the Financial Statements for the year ended 31 December 2022

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#### 9. Fixed asset investments (continued)

On 9 May 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Croydon Limited for consideration of £1,700,000.

On 30 September 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Croydon Limited for consideration of £5,110,900.

On 7 October 2022, Akoya Bidco 2 Limited subscribed to an additional 1 £1 Ordinary share in Akoya Croydon Limited for consideration of £1,970,294.

#### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Akoya Netil House Limited	Letting of owned real estate	Ordinary	100%
Akoya Power Road Hold Limited	Intermediary holding company	Ordinary	100%
Akoya Power Road Limited*	Letting of owned real estate	Ordinary	100%
Akoya Salusbury Limited	Letting of owned real estate	Ordinary	100%
Akoya Carlson Limited	Letting of owned real estate	Ordinary	100%
Akoya Croydon Limited	Letting of owned real estate	Ordinary	100%
Allenby Investment Holdings Limited*	Intermediary holding company	Ordinary	100%

\*indirectly held

The registered address of all the subsidiaries, except Allenby Investment Holdings Limited, is 55 Baker Street, London, W1U 7EU.

The registered address of Allenby Investment Holdings Limited is Ritter House, Wickhams Cay II, PO Box 3170, Road Town, Tortola, British Virgin Islands.

## Akoya Bidco 2 Limited

### Notes to the Financial Statements for the year ended 31 December 2022

#### 10. Debtors

	2022 £	2021 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	<u>92,111,848</u>	<u>100,772,467</u>
	2022 £	2021 £
<b>Due within one year</b>		
Amounts owed by group undertakings	<u>26,989,670</u>	<u>1,144,358</u>

Amounts owed by group undertakings due after more than one year have no specific repayment terms attached, however they are not expected to be recalled before at least 12 months after the reporting date of these financial statements.

#### 11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	17,553,426	1,146,721
Corporation tax	-	100
Accruals and deferred income	504,065	263,330
	<u>18,057,491</u>	<u>1,410,151</u>

Amounts owed to group undertakings are unsecured and repayable on demand.

#### 12. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	<u>89,133,022</u>	<u>77,820,958</u>

## Akoya Bidco 2 Limited

### Notes to the Financial Statements for the year ended 31 December 2022

#### 13. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>89,133,022</b>	77,820,958

Loan arrangement fees of £260,248 (2021: £353,013) have been offset against the loan balances.

On 21 October 2020, a facility agreement for £89,400,000 was entered into with Overseas Chinese Banking Corporation (OCBC). A balance of £Nil (2021: £11,226,029) remains available to be drawn down up to the date one month prior to the final maturity date. Interest on this facility accrues at 1.22% + LIBOR per annum. Interest was payable from 21 April 2021. The facility is repayable on 21 October 2025, five years from the first utilisation date. The amounts drawn down have been analysed in the table below.

	Amount drawn/ (repaid) £	Balance available to draw £	Interest rate %
21 October 2020	34,112,153	55,287,847	1.22 + LIBOR
26 October 2020	10,053,275	45,234,572	1.22 + LIBOR
18 November 2020	17,420,252	27,814,320	1.22 + LIBOR
11 February 2021	3,325,000	24,489,320	1.22 + LIBOR
21 April 2021	(2,714,000)	27,203,320	1.22 + LIBOR
4 May 2021	15,977,291	11,226,029	1.22 + LIBOR
21 July 2022	1,058,650	10,167,379	1.22 + LIBOR
16 September 2022	<u>10,167,379</u>	-	1.22 + LIBOR
	<b><u>89,400,000</u></b>		

On 23 February 2023, a new loan facility of £45,000,000 (facility B) was entered into and exists available for use as an addition to the original facility of £89,400,000 (facility A) with Overseas Chinese Banking Corporation. The repayment date for facility B remains at five years from the first utilisation date. Interest on facility B will accrue at a rate of 1.70% + LIBOR per annum.

#### Security

The bank loan has an unconditional guarantee provided by Europe Realty Holdings Pte Limited, a company under common control. The guarantee is for up to 99% of all payments due by the company. Additionally a letter of comfort has been provided by GIC (Realty) Private Limited, the ultimate parent company.

## Akoya Bidco 2 Limited

### Notes to the Financial Statements for the year ended 31 December 2022

#### 14. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
21 (2021 - 18) Ordinary shares of £1 each	<u>21</u>	<u>18</u>

On 9 May 2022, the company issued 1 Ordinary £1 share for total consideration of £3,385,000. The premium of £3,384,999 has been credited to the share premium account.

On 30 September 2022, the company issued 1 Ordinary £1 share for total consideration of £5,110,900. The premium of £5,110,899 has been credited to the share premium account.

On 7 October 2022, the company issued 1 Ordinary £1 share for total consideration of £13,840,948. The premium of £13,840,947 has been credited to the share premium account.

#### 15. Reserves

##### Share premium

The share premium account includes the premium on issue of equity shares, net of any issue costs.

##### Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

##### Capital contribution reserve

Capital contribution reserve relates to the amount of capital contributed by the parent company.

#### 16. Related party transactions

The group has taken advantage of the exemption available under paragraph 1AC.35 of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the Group.

During the year, the company had no transactions with related parties.

#### 17. Post balance sheet events

On 23 February 2023, a new loan facility of £45,000,000 (facility B) was entered into and exists available for use as an addition to the original facility of £89,400,000 (facility A) with Overseas Chinese Banking Corporation.

On 2 March 2023, the company drew down £6,250,000 of the loan facility available with Overseas Chinese Banking Corporation.

## **Akoya Bidco 2 Limited**

### **Notes to the Financial Statements for the year ended 31 December 2022**

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#### **18. Controlling party**

The company's immediate parent company is Akoya REITco Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and controlling party is GIC (Realty) Private Limited, a company incorporated in Singapore, under the control of the minister of finance for the government of Singapore.

Akoya Limited Partnership, incorporated in England and Wales, is the largest company of the group in which the results are consolidated. The consolidated group financial statements can be obtained from 55 Baker Street, London, W1U 7EU.

Akoya REITco Limited, incorporated in England and Wales, is the smallest company of the group in which the results are consolidated. The consolidated group financial statements can be obtained from 55 Baker Street, London, W1U 7EU.