
Gaucin Developments ApS

c/o 2KJ A/S, Sankt Annæ Plads 13, 3, DK-1250 København K

Annual Report for 1 October 2020 - 30 September 2021

CVR No. 26 79 65 12

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 18/1 2022

Anders U. Schrøder
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Company information	
Company information	4
Financial Statements	
Income statement 1 October 2020 - 30 September 2021	5
Balance sheet 30 September 2021	6
Statement of changes in equity	8
Notes to the Financial Statements	9

Management's statement

The Executive Board has today considered and adopted the Financial Statements of Gaucin Developments ApS for the financial year 1 October 2020 - 30 September 2021.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 30 September 2021 of the Company and of the results of the Company operations for 2020/21.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 18 January 2022

Executive Board

Anders U. Schrøder

Independent Auditor's report

To the shareholders of Gaucin Developments ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2021 and of the results of the Company's operations for the financial year 1 October 2020 - 30 September 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Gaucin Developments ApS for the financial year 1 October 2020 - 30 September 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 (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 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 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 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.

Hellerup, 18 January 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

René Otto Poulsen

State Authorised Public Accountant

mne26718

Henrik Hornbæk

State Authorised Public Accountant

mne32802

Company information

The Company Gaucin Developments ApS
c/o 2KJ A/S
Sankt Annæ Plads 13, 3
DK-1250 København K

CVR No: 26 79 65 12
Financial period: 1 October 2020 - 30 September 2021
Municipality of reg. office: Copenhagen

Executive board Anders U. Schrøder

Auditors PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Income statement 1 October 2020 - 30 September 2021

	Note	2020/21	2019/20
		DKK	DKK
Other external expenses		-61,375	-60,500
Gross loss		-61,375	-60,500
Income from investments in subsidiaries		-2,129,857	-760,487
Financial income	3	287,751	278,411
Financial expenses	4	-304,913	-290,023
Profit/loss before tax		-2,208,394	-832,599
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-2,208,394	-832,599

Distribution of profit

	2020/21	2019/20
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-2,208,394	-832,599
	-2,208,394	-832,599

Balance sheet 30 September 2021

Assets

	Note	2020/21 DKK	2019/20 DKK
Investments in subsidiaries	5	2,171,139	3,816,839
Fixed asset investments		2,171,139	3,816,839
Fixed assets		2,171,139	3,816,839
Receivables from group enterprises		5,517,966	5,385,439
Other receivables		0	3,000
Receivables		5,517,966	5,388,439
Cash at bank and in hand		21,748	896
Current assets		5,539,714	5,389,335
Assets		7,710,853	9,206,174

Balance sheet 30 September 2021

Liabilities and equity

	Note	2020/21	2019/20
		DKK	DKK
Share capital		2,725,000	2,725,000
Retained earnings		-5,332,602	-3,119,736
Equity		-2,607,602	-394,736
Subordinate loan capital		10,238,455	9,540,910
Trade payables		40,000	40,000
Other payables		40,000	20,000
Short-term debt		10,318,455	9,600,910
Debt		10,318,455	9,600,910
Liabilities and equity		7,710,853	9,206,174

Going concern	1
Key activities	2
Contingent assets, liabilities and other financial obligations	6
Accounting Policies	7

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 October	2,725,000	-3,119,736	-394,736
Exchange adjustments relating to foreign entities	0	-4,472	-4,472
Net profit/loss for the year	0	-2,208,394	-2,208,394
Equity at 30 September	2,725,000	-5,332,602	-2,607,602

Notes to the Financial Statements

1. Going concern

The Company has per 30 September 2021 lost the share capital. The Company's management has observed the provisions according to section 119 of the Danish Companies Act.

In order to strengthen the Company's capital resources, the Company has received letters of support from the shareholders. The letters of support is valid until 1 October 2022. Further, the loans from Shareholders are subordinated in favour of other creditors of the Company.

Based on the above, it is the management's assessment that the Company's capital resources are sufficient and, accordingly, present the financial statements according to the principles of going concern.

2. Key activities

The Company purpose is to be an investment company.

3. Financial income

	<u>2020/21</u> DKK	<u>2019/20</u> DKK
Interest received from group enterprises	275,312	255,308
Exchange adjustments	12,439	23,103
	<u>287,751</u>	<u>278,411</u>

4. Financial expenses

	<u>2020/21</u> DKK	<u>2019/20</u> DKK
Other financial expenses	296,970	275,741
Exchange adjustments, expenses	7,943	14,282
	<u>304,913</u>	<u>290,023</u>

Notes to the Financial Statements

	2020/21	2019/20
	DKK	DKK
5. Investments in subsidiaries		
Cost at 1 October	27,714,709	27,714,709
Cost at 30 September	27,714,709	27,714,709
Value adjustments at 1 October	-23,906,785	-23,135,520
Exchange adjustment	-4,472	-10,778
Net profit/loss for the year	-2,129,858	-760,487
Value adjustments at 30 September	-26,041,115	-23,906,785
Equity investments with negative net asset value amortised over receivables	497,545	8,915
Carrying amount at 30 September	2,171,139	3,816,839

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes	Equity	Net profit/loss for the year
La Gitana Del Rio, S.L.	Spanien	EUR 1.574.800	100%	2,171,139	-830,284
El Fresno 1087, S.L	Spanien	EUR 2.146.810	100%	0	-1,099,637
Madera y Ganado en Gaucin, S.L.	Spanien	EUR 700.000	0,5%	0	-199,935
				2,171,139	-2,129,856

6. Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 30 September 2021.

Notes to the Financial Statements

7. Accounting policies

The Annual Report of Gaucin Developments ApS for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020/21 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Other external expenses

Other external expenses comprise administration fee, audit fee and other administrative costs.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method. Investment properties in subsidiaries are remeasured at fair value.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.