

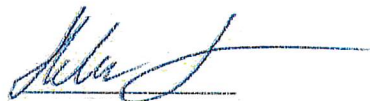
GRP 1B ApS

c/o Nectar Asset Management ApS
Ewaldsgade 7.
2200 Copenhagen N, Denmark
CVR-No. 30 57 65 94

Financial Statements

For the period 1 January – 31 December 2019
(12 months)
13th financial year

Adopted at the Annual General Meeting of shareholders
on 7/7 2020



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Please note that for computational reasons, rounding differences to the exact mathematical figures (monetary units, percentages, etc.) may occur.

1 Company details

GRP 1B ApS
c/o Nectar Asset management ApS
Ewaldsgade 7.
2200 Copenhagen N, Denmark

Supervisory Board

- Tommas Jakobsen, Chairman
- Peer Thomas Borg, Vice Chairman

Executive Board

- Tommas Jakobsen
- Peer Thomas Borg

Shareholders holding 5 % or more of the share capital or the voting rights

German Retail Luxco S.à r.l., Helios Building, Office no.0.19, 12, rue Guillaume Kroll, 1882 Luxembourg

Ultimate parent company

MELF S.à r.l., Helios Building, Office no.0.19, 12, rue Guillaume Kroll, 1882 Luxembourg

2 Statement by the Supervisory and Executive Boards on the Financial Statements

The Supervisory and Executive Boards have presented the Financial Statements of GRP 1B ApS (in the following "the Company") for the year ended 31 December 2019. The Financial Statements were discussed and adopted on today's date.

The Financial Statements have been presented in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for financial statements.

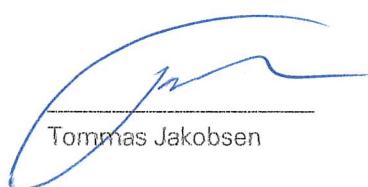
We consider that the accounting policies used are appropriate and the accounting estimates made are reasonable. To the best of our belief, the Financial Statements include the information which is relevant for an assessment of the Company's financial position. Against this background, it is our opinion that the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position, and results of operations and cash flow for the year ended 31 December 2019.

We believe that the Management's Review contains a fair review of the affairs and conditions referred to therein.

We recommend that the Financial Statements be adopted by the Annual General Meeting of shareholders.

Copenhagen, 02.07 2020

Executive Board

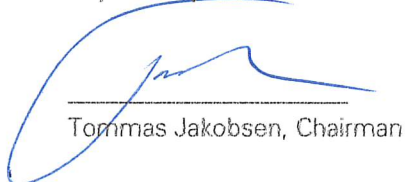


Tommas Jakobsen



Peer Thomas Borg

Supervisory Board



Tommas Jakobsen, Chairman



Peer Thomas Borg, Vice Chairman

3 Financial highlights

5-year summary

	2019	2018	2017	2016	2015
	EUR	EUR	EUR	EUR	EUR
Key figures (in EUR, except per share data)					
Statement of comprehensive income					
Revenue	397,690	926,860	835,347	1,175,720	1,025,689
Gross profit	176,839	672,588	298,619	828,317	831,344
Profit before net financials					
(EBIT)	593,389	3,546,535	256,113	1,042,953	530,877
Net financials	-316,867	-421,314	-401,988	-350,381	-610,902
Total comprehensive					
(expense)/income for the year	276,522	3,125,221	-145,875	692,572	-80,025
Statement of financial position					
Total assets	5,656,134	14,712,285	12,663,093	9,330,027	7,584,457
Shareholders equity	-3,625,354	-3,901,876	-7,027,098	-6,881,223	-7,573,795
Other					
Number of employees	0	0	0	0	0
Ratio in %					
Rate of return (Profit/loss before net financials x 100/total assets)	10.49%	24.11%	2.02%	11.18%	7.00%
Equity ratio (Shareholders equity x 100/ total assets)	-64.10%	-26.52%	-55.49%	-73.75%	-99.86%

Financial highlights are prepared in accordance with International Financial Standards, cf. Note 1 "Accounting policies".

Ratios are computed in accordance with Guidelines and Financial ratios issued by the Danish Society of Financial Analysts.

4 Management's review

Business activities and mission

The Company's main objective is property investment.

Business review

The Company recorded rental income of EUR 360,659 for the year ended 31 December 2019 (2018: EUR 847,423).

The Company's investment properties are recorded at fair value and has been valued at EUR 2,857,262 (2018: EUR 13,185,473).

Recognition and measurement uncertainties

The Company's investment properties are recognised in the financial statements at market value based on an internal return based assessment model. This model contains an estimate of the property's future return and the expected return requirement. The property's future returns are estimated based on existing leases and experience.

Going concern

These financial statements have been prepared on a going concern basis.

The Company incurred a profit of EUR 276,522 for the year ended 31 December 2019 (2018: profit of EUR 3,125,221) and the statement of financial position reflected a negative total equity position of EUR 3,625,354 (2018: negative total equity position of EUR 3,901,876).

Management closely monitors the cash requirements of the Company and works with its advisors to forecast and manage liquidity requirements over the life of its investment activities. Management has reviewed the forecasted cash flows and is confident that there are no liquidity issues and that the Company will continue to meet its liabilities as they fall due.

The Company has lost its share capital. The parent companies, MELF S.à r.l. (Luxembourg) and MELF Investment Holding S.à r.l., have issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans provided to the

Company. Therefore the Company's ability to continue as a going concern is at risk if these parent companies fails to provide sufficient financial support.

During the year the Company had a net cash outflow of EUR -98,831 and cash at bank at the balance sheet date of EUR 33,847.

Financial position

The result for the year is as expected.

Future developments

The Company has sold its last property in the first quarter of 2020. Thus, the result for the next year will deviate from that reported in 2019.

Since January 2020 COVID-19 has continued to spread worldwide (COVID-19 pandemic). The management has not yet adjusted the expectations regarding the probable effect on the Company. As the last property is already sold, this should not significantly affect the Company's financial position.

Subsequent events

The Company has transferred its assets held for sale in the first quarter of 2020.

As a result of the spread of COVID-19 since January 2020, GRP 1B ApS could be affected by respective risks. The risk is considered moderate by the management.

5 Statement of profit or loss and other comprehensive income

	Notes	1.1.2019 – 31.12.2019	1.1.2018 – 31.12.2018
		EUR	EUR
Continuing operations			
Gross profit		0	0
Profit before net financial result		0	0
Financial expenses	5	-316,867	-421,314
Loss before tax		-316,867	-421,314
Loss from continuing operations		-316,867	-421,314
Discontinued operations			
Profit/(loss) from discontinued operations, net of tax	6	593,389	3,546,535
Net profit for the year		276,522	3,125,221
Total comprehensive income/ expense for the year		276,522	3,125,221
Total comprehensive income/ expense for the year attributable to: Equity holders of the Company		276,522	3,125,221

6 Statement of financial position

Assets	Notes	31.12.2019	31.12.2018
		EUR	EUR
A. Non-current assets			
I. Investment property	7	0	1,521,873
Total non-current assets		0	1,521,873
B. Current Assets			
I. Investment property			
1. Assets held for sale	7, 8	2,857,262	11,663,600
2. Other investments		0	722,065
II. Receivables			
1. Trade receivables	11	17,917	8,023
2. Receivables from group enterprises	11, 13	2,668,279	661,281
3. Financial assets		0	9
4. Other receivables	11	78,830	2,755
Total		5,622,287	13,057,735
III. Cash	9	33,847	132,678
Total current assets		5,656,134	13,190,412
Total assets		5,656,134	14,712,285

Equity and liabilities	Notes	31.12.2019	31.12.2018
		EUR	EUR
A. Shareholders' equity			
I. Share capital		363,717	363,717
II. Retained earnings/accumulated loss		-3,989,071	-4,265,593
Total shareholders' equity		-3,625,354	-3,901,876
B. Non-current liabilities			
I. Loans and borrowings	10, 11	0	4,983,808
II. Payables to group enterprises	11, 13	0	3,126,493
Total non-current liabilities		0	8,110,301
C. Current liabilities			
I. Current portion of non-current liabilities	10, 11	622,740	171,944
II. Trade payables	11	130,179	118,527
III. Payables to group enterprises	11, 13	8,492,683	10,199,600
IV. Accruals	11	35,887	13,009
V. Deferred income		0	780
Total current liabilities		9,281,488	10,503,860
Total liabilities		9,281,488	18,614,161
Total equity and liabilities		5,656,134	14,712,285

7 Statement of cash flows

	1.1.2019– 31.12.2019	1.1.2018– 31.12.2018
	EUR	EUR
Profit before net financial result	0	0
Adjustment for:		
Gain on sale of discontinued operation, net of tax	-466,704	-2,982,599
Profit from discontinued operation, net of tax	593,389	3,546,535
Financial expenses	-316,867	-421,314
Disposal of investment property and asset disposal	376,904	-177,946
Amortisation of loan costs	0	56,164
Lease incentives and capital expenditures	-127,731	-243,824
Changes in:		
Trade and other receivables	-85,959	219,149
Current liabilities	33,750	-399,747
Cash flows from operating activities	6,782	-403,581
Sale of properties on cost basis	11,267,808	0
Cash flows from investing activities	11,267,808	0
Repayment to Bank	-4,533,013	-185,277
Repayments/ acceptance to group enterprises	-6,840,408	-547,218
Cash flows from financing activities	-11,373,420	-732,495
Net cash flow for the year	-98,831	-1,136,076
Cash and cash equivalents		
Cash and cash equivalents at 1 January	132,678	1,268,754
Net cash flow for the year	-98,831	-1,136,076
Cash and cash equivalents at 31 December	33,847	132,678

8 Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
Shareholders' equity at 1 January 2018	363,717	-7,390,814	-7,027,097
Profit and loss	0	3,125,221	3,125,221
Total equity at 31 December 2018	363,717	-4,265,593	-3,901,876
Shareholders' equity at 1 January 2019	363,717	-4,265,593	-3,901,876
Profit and loss	0	276,522	276,522
Total equity at 31 December 2019	363,717	-3,989,071	-3,625,354

9 Notes

Note 1 Accounting policies

The financial statements of GRP 1B ApS have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for financial statements, as laid down in the IFRS order issued in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The financial statements are presented in Euro (EUR).

The accounting policies for these financial statements are consistent with those applied last year.

New and revised standards and bases for conclusion

The adoption of the new and amended IFRS and IFRIC interpretations has not had any significant impact on the amounts reported in these financial statements but may impact the accounting for future transactions and arrangements.

New and revised standards and bases for conclusion which have yet to take effect

The IASB and IFRIC have issued a number of standards and interpretations with an effective date during or after the date of these financial statements:

New currently effective requirements	Effective date
IFRS 9 Amendments Prepayment Features with Negative Compensation	1 January 2019
IFRS 16: Leases	1 January 2019
IAS 19: Amendments Plan: Amendment, Curtailment or Settlement	1 January 2019
IAS 28 Amendments: Long-term Interests in Associated and Joint Ventures	1 January 2019
IFRIC 23: Uncertainty over Income Tax Treatments	1 January 2019
Improvements to IFRS 2015 – 2017 (IFRS3, IFRS 11, IAS 12, IAS 23)	1 January 2019

Forthcoming requirements	Effective date
Amendments References to the conceptual Framework in IFRS Standards	1 January 2020
IFRS 3: Amendment: Definition of Business (IASB-IFRS)	1 January 2020
IAS 1: Amendment, IAS 8 Amendment: Definition of material	1 January 2020
Amendment to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform	1 January 2020
IFRS 17: Insurance Contracts	1 January 2021
IFRS 10, IAS 28: Amendments Sale or Contribution of Assets between an Investor and its Associate or Joint Venture / Amendment Effective date (IASB-IFRS)	1 January 2022

The Directors do not expect that the adoption of these Standards and Interpretations will have material impact on the financial statements of the Company in future periods.

Statement of profit and loss and other comprehensive income

Revenue

Rental income from investment property is accrued and recognised in accordance with signed contracts.

Income arising from expenses recharged to tenants is recognised in the period in which the expense can be contractually recovered. Service charges and such receipts are included gross of the related costs in revenue.

Other external expenses

Other external expenses comprise of administrative expenses incurred.

Net financial result

Financial income and expenses are recognised in the statement of profit and loss and other comprehensive income in the reporting period they relate to. Net financials include interest income and expenses, realised capital and exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments less the share of the tax for the period that concerns the changes in equity.

Deferred taxes related to items recognised directly in equity are taken directly to equity.

The Company and all Danish group enterprises are jointly taxed. The Danish income tax charge is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method).

Statement of financial position

Assets held for sale

The property was initially held on a long-term basis with the purpose of earning rental income and increases in value but was reclassified as available for sale due to its imminent sales transaction.

Receivables

Receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses relating to subsequent reporting periods.

Cash and short term deposits

Cash and short term deposits in the statement of financial position comprise cash at bank and short term deposits with an original maturity of less than three months.

Income taxes

Current tax charges are recognised in the statement of financial position as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior-year taxable income and tax paid in advance.

Provisions for deferred tax are calculated at 15.825 % of all temporary differences between carrying amounts and tax bases, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred liabilities.

Financial liabilities

Financial liabilities are recognised at the proceeds received net of transaction costs incurred upon the raising of the loan. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Other debt is subsequently measured at amortised cost corresponding to the nominal unpaid debt.

Deferred income

Deferred income is recognised as a liability and comprises of payments received for income relating to subsequent reporting periods.

Statement of cash flows

The cash flow statement shows the Company's net cash flows, the year's changes in cash and cash equivalents and the Company's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are presented using the indirect method and are made up as the net profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid financial and extraordinary expenses and paid income taxes.

Cash flows from investing activities comprise payments related to additions and disposals of fixed assets as well as the provision intercompany loans.

Cash flows from financing activities comprise dividends paid to shareholders, capital increases and reductions, borrowings and repayments of interest-bearing debt.

Cash and cash equivalents comprise cash and short-term securities in respect of which the risk of changes in value is insignificant.

Note 2 Going concern

These financial statements have been prepared on a going concern basis.

The Company incurred a profit of EUR 276,522 for the year ended 31 December 2019 (2018: profit of EUR 3,125,221) and the statement of financial position reflected a negative total equity position of EUR 3,625,354 (2018: negative total equity position of EUR 3,901,876).

Management closely monitors the cash requirements of the Company and works with its advisors to forecast and manage liquidity requirements over the life of its investment activities. Management has reviewed the forecasted cash flows and is confident that there are no liquidity issues and that the Company will continue to meet its liabilities as they fall due.

The Company has lost its share capital. The parent companies, MELF S.à r.l. (Luxembourg) and MELF Investment Holding S.à r.l., have issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans provided to the Company. Therefore the Company's ability to continue as a going concern is at risk if these parent companies fails to provide sufficient financial support.

During the year the Company had a net cash outflow of EUR -98,831 and cash at bank at the balance sheet date of EUR 33,847.

Note 3 Assumptions and estimates

For purposes of the preparation of the financial statements, it is necessary that management prepares accounting estimates affecting the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from the estimates made.

The Company's investment properties are recognised in the financial statements at market value based on an internal return based assessment model. This model contains an estimate of the property's future return and the expected return requirement. The property's future returns are estimated based on existing leases and experience.

The other significant assumptions utilised in calculating the market value of investment properties are:

- Inflation of 2,0 % per annum;

- Rental income linked to CPI (adjustment on movement of 10 % in the index)

Sensitivity analysis – Discount rate

As a result of the valuation methodology adopted, the value of the real estate assets is sensitive to movements in the market derived capitalisation rate, contracted rental income and discount rate. An increase or decrease in the capitalisation rate will decrease or increase the fair value of the Company's real estate assets. An increase or decrease in rental income will increase or decrease the fair value of the Company's real estate assets. An increase or decrease to the discount rate will decrease or increase the fair value of the Company's real estate assets. There are interrelationships between the unobservable inputs as they are determined by market conditions; an increase in more than one input could magnify or mitigate the impact on the valuation.

Fair value

The Company measures certain financial instruments such as derivatives, and non-financial assets such as investment property, at fair value at the end of each reporting period. Also, fair values of financial instruments measured at amortised costs are disclosed in the financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- in the principal market for the asset or liability or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company must be able to access the principal or the most advantageous market at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
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Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 4 Income taxes

Tax for the year	2019	2018
	EUR	EUR
Total tax for the year	0	0

Reconciliation of effective tax rate	2019	2018
	EUR	EUR
Profit/(Loss) before tax	276,522	3,125,221
Expected tax rate	22%	22%
Expected effort for income tax	-60,835	-687,549
Deviation of foreign tax rates from expected tax rate	17,075	192,982
Changes of temporary differences for which no deferred tax asset is recognized	302,263	448,948
Current-year losses for which no deferred tax asset is recognised	-76,140	4,633
Tax effects prior year	-182,363	0
Other effects	0	40,986
Effective income tax	0	0

Breakdown of deferred tax liabilities	2019	2018
	EUR	EUR
Financial instruments	0	4,633
Set-off	0	-4,633
Total deferred tax liabilities	0	0

Breakdown of deferred tax assets	2019	2018
	EUR	EUR
Investment property	8,681	310,945
Financial instruments	0	126
Tax losses carried forward	218,650	142,510
set-off	0	-4,633
thereof unrecognised	-227,331	-448,948
Total deferred tax assets	0	0

The Company has tax loss carry forwards amounting to EUR 1,381,672 (2018: EUR 902,054). Deferred tax assets have been recognised to the extent that it is probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Note 5 Other financial expenses

	2019	2018
	EUR	EUR
Interest payable, group enterprises	203,511	206,782
Interest payable, exchange losses and similar expenses	113,356	214,532
	316,867	421,314

Note 6 Discontinued operation

The management committed to a plan to sell this asset during the financial year, following an economic decision to make profits from increased property value. In November 2019, a sale and purchase agreement between GRP 1B ApS and a third-party buyer was signed for the Company's property.

The investment property was not previously classified as held-for-sale or as a discontinued operation. The comparative statement of profit or loss and other comprehensive income has been restated to show the discontinued operation separately from continuing operations.

	Notes	1.1.2019– 31.12.2019	1.1.2018– 31.12.2018
		EUR	EUR
Revenue		397,690	926,860
Expenses		-271,005	-362,924
Results from operating activities		126,685	563,936
Income Tax		0	0
Results from operating activities, net of tax		126,685	563,936
Gain on sale of discontinued operation		466,704	2,982,599
Income tax		0	0
Profit/(loss) from discontinued operations, net of tax		593,389	3,546,535

The gain on sale of discontinued operation contains the realized gain from fair value adjustments in the amount of EUR 89,800 and the realized gain in the amount of EUR 376,904.

The profit from discontinued operation of EUR 593,389 (2018: Profit of EUR 3,546,535) is attributable entirely to the shareholder of the Company.

Cash flows from (used in) discounted operation	2019	2018
	EUR	EUR
Net cash used in operating activities	-98,831	-1,136,076
Results from operating activities	-98,831	-1,136,076

Note 7 Investment property / Assets held for sale

Cost at 31/12/2019	Investment property
	EUR
Balance at 1/1/2019	18,150,452
Lease incentives and leasing costs	-12,315
Capital expenditures	140,046
Disposal in the period	-14,216,146
Balance at 31/12/2019	4,062,037

Value adjustments	Investment property
	EUR
Balance at 1/1/2019	-15,906,514
Value adjustments in the year	89,801
Reallocation assets held for sale	-2,857,262
Disposal in the period	14,611,938
Write-downs at 31/12/2019	-4,062,037
Carrying amount at 31/12/2019	0

Cost at 31/12/2018	Investment property
	EUR
Balance at 1/1/2018	17,906,628
Lease incentives and leasing costs	-15,422
Capital expenditures	259,246
Balance at 31/12/2018	18,150,452

Value adjustments	Investment property
	EUR
Balance at 1/1/2018	-7,403,507
Value adjustments in the year	2,485,065
Disposals	-10,988,072
Write-downs at 31/12/2018	-15,906,514
Carrying amount at 31/12/2018	2,243,938

Fair value hierarchy

The following table shows an analysis of the fair value of investment property recognised in the statement of financial position by level of the fair value hierarchy¹.

As at 31 December 2019	Level 1	Level 2	Level 3	Total fair value
	EUR	EUR	EUR	EUR
Investment property held for sale	2,857,262	0	0	2,857,262

As at 31 December 2018	Level 1	Level 2	Level 3	Total fair value
	EUR	EUR	EUR	EUR
Investment property	0	0	2,243,938	2,243,938
Investment property held for sale	11,663,600	0	0	11,663,600

Note 8 Assets held for sale

	2019	2018
	EUR	EUR
Property held for sale	2,857,262	11,663,600

Note 9 Cash and cash equivalents

	2019	2018
	EUR	EUR
Cash and cash equivalents	33,847	132,678
	33,847	132,678

¹ See note 3 for the explanation of the fair value hierarchy

Note 10 Payables to bank and credit institutions

Breakdown of payables to bank and credit institutions in the financial position	2019	2018
	EUR	EUR
Non-current liabilities	0	4,983,808
Current liabilities	622,740	171,944
Carrying amount at 31 December	622,740	5,155,752

Payables to bank and credit institutions fall due for payments as follows	2019	2018
	EUR	EUR
Within 1 year	622,740	171,944
Between 1 to 5 years	0	4,983,808
Over 5 years	0	0
Carrying amount at 31 December	622,740	5,155,752

Note 11 Financial risks and financial instruments

Foreign exchange risks

As the Company's income and costs are primarily in its reporting currency, EUR, the Company is not exposed to any significant currency risks.

Interest rate risks

The Company is exposed to interest rate risks relating to fluctuations in interest levels in Euroland and Denmark due to balances held at the bank. The primary exposure is related to Euribor and Cibur.

The Company limits interest rate risk by taking out only fixed rate loans.

Credit risk

It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is minimised. There are no significant concentrations of credit risk within the Company. With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, The Company's exposure to credit risk arises from any default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Credit risks arising from operating activities relate mainly to the non-payment of rentals by tenants of the properties held by the Company. Credit risks related to the placement of liquid funds (counterparty credit risks) are minimised by making agreements only with the most reputable domestic and international banks and financial institutions.

Capital Management

The primary objective of the Company's capital management is to ensure it remains within its quantitative banking covenants and maintains a strong credit rating.

The Company monitors capital primarily using a loan to value ratio, which is calculated as the amount of outstanding bank debt divided by the valuation of the investment property. The Company's policy is to keep the average loan to value ratio of the Company lower than 50 %.

During the period the Company did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements.

The loans are also covered by the letter of support provided by the parent company².

	2019	2018
	EUR	EUR
Carrying amount of bank loans	622,740	5,155,752
Unamortised borrowing costs	0	29,274
Principal amount of bank loan	622,740	5,185,026
Valuation of investment property	2,857,262	13,907,538
Loan to value ratio	22%	37%

Liquidity risks

The Company monitors its risk to a shortage of funds using cash flow forecasting techniques focused on the maturity profile of its debt commitments, operational cash flow and capital expenditure.

² See note 2.

The subsequent table summarises the maturity profile of the Company's financial liabilities as at 31 December based on contractual undiscounted payments.

At 31 December 2019	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR
Loans and borrowings	622,740	0	0	622,470
Payables to group enterprises	8,492,683	0	0	8,492,683
Trade and other payables	130,179	0	0	130,179
Accruals	35,887	0	0	35,887
Deferred Income	0	0	0	0
	9,281,488	0	0	9,281,488

At 31 December 2018	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR
Loans and borrowings	171,944	4,983,808	0	5,155,752
Payables to group enterprises	10,199,600	3,126,493	0	13,326,093
Trade and other payables	118,527	0	0	118,527
Accruals	13,009	0	0	13,009
Deferred Income	780	0	0	780
	10,503,860	8,110,301	0	18,614,161

Fair values

A comparison of the carrying value of financial instruments included in the Company's financial statements to their fair value is included below by class of instrument.

The fair value of the financial assets and liabilities are included at an estimate of the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash, trade and other receivables, and trade and other payables approximate their carrying amounts due to the short-term maturities of these instruments.

The fair value of mortgage debt is estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities. The fair value approximates their carrying amounts gross of unamortised transaction costs (level 2 fair value hierarchy).

The fair value of payables to group enterprises is estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

Financial assets	2019	
	Carrying amount	Fair value
	EUR	EUR
Trade and other receivables	96,747	96,747
Receivables from group enterprises	2,668,279	2,668,279
Cash	33,847	33,847
Loans and receivables	2,798,872	2,798,872

Financial liabilities	2019	
	Carrying amount	Fair value
	EUR	EUR
Secured bank loans	622,740	622,740
Payables to group enterprises	8,492,683	8,492,683
Trade and other payables	130,179	130,179
Accruals	35,887	35,887
Financial liabilities held	9,281,488	9,281,488

Note 12 Security for loans

The following assets have been put up as security of the Company's debt:

	2019	2018
	EUR	EUR
Investment property / assets held for sale - carrying amount	2,857,262	13,185,473

The Company guarantees the obligations under the Hypo Noe Gruppe Bank AG credit agreement with the subsidiaries of this parent company, German Retail Luxco S.à r.l.

Some of the Company's bank accounts are pledged with Hypo Noe Gruppe Bank AG, the amount held in these bank accounts as of 31 December 2019 amounted to EUR 22,014 (2018: EUR 5,266).

Note 13 Related parties

Tommas Jakobsen and Peer Thomas Borg are members of the Supervisory Board of GRP 1B ApS.

None of the directors were paid by GRP 1B ApS in the year. The Directors are employed by Nectar Asset Management ApS, which renders management services to GRP 1B ApS. The amount charged by Nectar Asset Management ApS in the year to 31 December 2019 for services rendered was EUR 2,164 (2018: EUR 3,352).

The Company does not have any employees.

The ultimate parent companies, MELF S.à r.l. (Luxembourg) and MELF Investment Holding S.à r.l., have issued a subordination letter for a 12-month period from the signing date of the financial statements, covering all the loans they have provided to the Company.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Balances with group enterprises in EUR:

	Principal Amount	Balance outstanding 31 Dec 2019	Rate of interest	Maturity
	EUR	EUR	%	
Payable fall due for payment within 1 year:				
MELF Investment Holding S.à r.l.	2,170,493	2,170,493	8.5%	31 Dec 2021
MELF S. à r.l.	290,000	290,000	2.5%	14 Jun 2022
MGM 1E ApS	18,761	18,761	0%	On demand
MGM 1F ApS	1,791	1,791	0%	On demand
GRP 1A ApS	22,918	22,918	0%	On demand
GRP 1C ApS	94,815	94,815	0%	On demand
GRP 1D ApS	462,990	462,990	0%	On demand
GRP 1E ApS	461,977	461,977	0%	On demand
GRP 1F ApS	514,687	514,687	0%	On demand
GRP 1H ApS	671,341	671,341	0%	On demand
GRP 1I ApS	1,922,697	1,922,697	0%	On demand
MELF Investment Holding S.à r.l.	10,419	10,419	0%	On demand
MELF S.à r.l.	1,847,605	1,847,605	0%	21 Jul 2020
MELF S.à.r.l.	2,189	2,189	2.5%	14. June 2022
Receivables:				
GRP 1A ApS	209,398	209,398	0%	On demand
GRP 1C ApS	482	482	0%	On demand
GRP 1D ApS	545,317	545,317	0%	On demand
GRP 1E ApS	1,050,257	1,050,257	0%	On demand
GRP 1F ApS	47,281	47,281	0%	On demand
GRP 1H ApS	705,030	705,030	0%	On demand
GRP 1I ApS	94,513	94,513	0%	On demand
German Retail Luxco	16,000	16,000	0%	On demand

Note 14 Subsequent events

The Company has transferred its assets held for sale in the first quarter of 2020.

Since January 2020, COVID-19 has continued to spread worldwide (COVID-19 pandemic). Currently, the managing directors cannot estimate the effects on the Company. However, GRP 1B ApS could be affected by respective risks. The risk is considered moderate by the managing directors.

The recent global outbreak of Covid-19 is currently creating unprecedented economic and social uncertainty throughout the world. The ultimate impact of Covid-19 outbreak is difficult to predict, but it is likely that Covid-19 will have a materially adverse impact on global, national and local economies in the immediate future and that such negative impact is likely to persist for some time. In particular, disruptions to commercial activity across economies due to the imposition of quarantines, remote working policies, "social distancing" practices and travel restrictions, and/or failures to contain the outbreak despite these measures, could materially and adversely impact investments. Similar disruptions may occur in respect of service providers and counterparties (including providers of financing), which could also negatively impact the Company. While there are early indications of various governmental responses to the potential negative effects of Covid-19, it is unclear how effective these responses will be and what other impacts such responses may have on the overall performance of markets and the Company's investments.

Note 15 Comparative figures

Some comparative figures have been changed for presentational purposes only. The changes made have had no effect either on profit or loss.