

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 2020
(12 months)
14th financial year

Adopted at the Annual General Meeting of shareholders
on 17 / 6 2020

DocuSigned by:

Helene Egede Scotwin

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Chairman

Helene Egede Scotwin

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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
- Peer Thomas Borg

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., 12, rue Guillaume Kroll,
L-1882 Luxembourg

Ultimate parent company

MELF S.à r.l., 12, rue Guillaume Kroll, L-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 2020. 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 2020.

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, 17.06. 2021

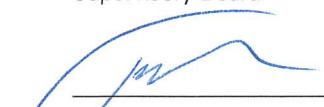
Executive Board



Tommas Jakobsen
Supervisory Board



Peer Thomas Borg



Tommas Jakobsen



Peer Thomas Borg

3 Financial highlights

5-year summary

	2020	2019*	2018*	2017	2016
	EUR		EUR	EUR	EUR
Key figures (in EUR, except per share data)					
Statement of comprehensive income					
Revenue	131,921	1,250,106	926,860	835,347	1,175,720
Gross profit	43,652	775,309	672,588	298,619	828,317
Profit before net financials (EBIT)	115,758	2,298,274	3,546,535	256,113	1,042,953
Net financials	(235,832)	(692,523)	(421,314)	(401,988)	(350,381)
Total comprehensive (expense)/income for the year	(27,820)	1,513,497	3,125,221	(145,875)	692,572
Statement of financial position					
Total assets	2,383,072	13,081,293	14,712,285	12,663,093	9,330,027
Shareholders equity	(3,724,440)	(3,696,621)	(3,901,876)	(7,027,098)	(6,881,223)
Other					
Number of employees	0	0	0	0	0
Ratio in %					
Rate of return (Profit/loss before net financials x 100/total assets)	4.86 %	17.57 %	24.11 %	2.02 %	11.18 %
Equity ratio (Shareholders equity x 100/total assets)	-156.29 %	-28.26 %	-26.52 %	-55.49 %	-73.75 %

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.

*The numbers shown in 2018 and 2019 are not comparable due to the merger.

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 54,315 for the year ended 31 December 2020 (2019: EUR 1,125,928).

The Company's investment properties have been sold in 2020.

Financial review

With the effective date of 1 January 2020 the Company carried out an upstream merger with MGM 1B ApS, with the Company as the successor entity. For the presentation in the Company's financial statements, such merger is treated as applicable for both current and comparable financial periods, meaning that the comparison figures have been restated, showing the financial statements, as if the merged entities had always been one entity. All intercompany transaction for the merged entities have been eliminated.

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 loss of EUR 27,820 for the year ended 31 December 2020 (2019: profit of EUR 1,513,497) and the statement of financial position reflected a negative total equity position of EUR 3,724,440 (2019: negative total equity position of EUR 3,696,621).

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 712,023 and cash at bank at the balance sheet date of EUR 233,101.

Future developments

It is envisaged that the Company will be liquidated in near future. There is no set timeframe for the liquidation of the company and in this regard, the company shall continue as a going concern for the foreseeable future.

Subsequent events

No events have occurred after the financial year-end which could significantly affect the Company's financial position. —

5 Statement of profit or loss and other comprehensive income

	Notes	1 Jan. 2020– 31 Dec. 2020	1 Jan. 2019– 31 Dec. 2019
		EUR	EUR
Revenue	4	131,921	1,250,106
Expenses related to rental activity		(88,269)	(474,797)
Gross profit		43,652	775,309
Fair value adjustment		0	1,513,569
Profit on disposal of investment property		163,181	98,072
Other external expenses		(91,075)	(88,676)
Profit before net financial result		115,758	2,298,274
Other financial expenses	6	(235,832)	(692,523)
Profit/(Loss) before tax		(120,074)	1,605,751
Tax of continuing operations for the year	5	0	0
Deferred taxes	5	92,254	(92,254)
Net profit/(loss) for the year		(27,820)	1,513,497
Total comprehensive income/(expense) for the year		(27,820)	1,513,497
Total comprehensive income/(expense) for the year attributable to: Equity holders of the company		(27,820)	1,513,497

6 Statement of financial position

Assets	Notes	31.12.2020	31.12.2019
		EUR	EUR
A. Non-current assets			
Total non-current assets		0	0
B. Current Assets			
I. Investment property			
1. Assets held for sale	8	0	9,308,466
II. Receivables			
1. Trade receivables	11	3,705	29,002
2. Receivables from group enterprises	11	2,020,405	2,708,645
3. Other receivables	11	129,610	90,056
Total		2,153,720	12,136,169
III. Cash			
	9	233,101	945,124
Total current assets		2,386,821	13,081,293
Total assets		2,386,821	13,081,293

Equity and liabilities	Notes	31.12.2020	31.12.2019
		EUR	EUR
A. Shareholders' equity			
I. Share capital		363,717	363,717
II. Retained earnings/accumulated loss		(4,060,340)	(4,941,122)
III. Reduction regarding mergers	7	0	(632,715)
IV. (Loss)/ Profit for the period		(27,820)	1,513,497
Total shareholders' equity		(3,724,443)	(3,696,623)
B. Non-current liabilities			
I. Deferred tax liability		0	92,254
Total non-current liabilities		0	92,254
C. Current liabilities			
I. Current portion of non-current liabilities	10, 11	0	1,961,298
II. Trade payables	11	33,516	263,663
III. Payables to group enterprises	11, 12	5,942,659	12,282,150
IV. Other payables	11	0	2,125,000
V. Accruals		135,089	53,550
Total current liabilities		6,111,264	16,685,661
Total liabilities		6,111,264	16,777,915
Total equity and liabilities		2,386,821	13,081,292

7 Statement of cash flows

	1.1.2020– 31.12.2020	1.1.2019– 31.12.2019
	EUR	EUR
Profit before net financial result	115,758	2,298,275
Adjustment for:		
Fair value adjustments, non-current assets	0	(1,513,569)
Lease incentives and capital expenditures	(230,146)	(124,914)
Financial expenses	(235,832)	(692,522)
Amortisation of loan costs	0	11,456
Changes in:		
Assets held for sale	0	(6,451,204)
Sale of properties on cost basis	0	11,267,808
Trade and other receivables	(14,258)	(85,604)
Current liabilities	(2,043,463)	2,252,964
Investment Property/ Assets held for sale	0	8,648,298
Cash flows from operating activities	(2,407,941)	15,610,988
Disposals of investment property	9,308,466	745,420
Cash flows from investing activities	9,308,466	745,420
Repayment to Postbank	(1,961,298)	(6,850,767)
Repayments on current liabilities	(5,651,250)	(8,792,599)
Cash flows from financing activities	(7,612,548)	(15,643,366)
Net cash flow for the year	(712,023)	713,042
Cash and cash equivalents		
Cash and cash equivalents at 1 January	945,124	232,078
Net cash flow for the year	(712,023)	(713,042)
Cash and cash equivalents at 31 December	233,101	945,124

8 Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
Shareholders' equity at 1 January 2019	363,717	(4,941,122)	(4,577,405)
Profit for the year	0	1,513,497	1,513,497
Reduction regarding mergers	0	(632,715)	(632,715)
Total equity at 31 December 2019	363,717	(4,060,340)	(3,696,623)
Shareholders' equity at 1 January 2020	363,717	(4,060,340)	(3,696,623)
Loss for the year	0	(27,820)	(27,820)
Total equity at 31 December 2020	363,717	(4,088,160)	(3,724,443)

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 Company carried out an upstream merger with MGM 1B ApS, with the Company as the successor entity. For the presentation in the Company's financial statements, such merger is treated as applicable for both current and comparable financial periods, meaning that the comparison figures have been restated, showing the financial statements, as if the merged entities had always been one entity. Except for the merger as described above, there has been no changes in application of accounting policies.

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
Amendment to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform	1 January 2020
Conceptual Framework: Amendments References to the Conceptual Framework in IFRS Standards	1 January 2020
IFRS 3: Amendments Definition of business	1 January 2020
IAS 1 and IAS 8: Amendments Definition of material	1 January 2020

Forthcoming requirements	Effective date
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
IFRS 4: Amendments deferral of IFRS 9	1 January 2021
IFRS 1, IFRS 9, IAS 41 and IFRS 16: Improvements to IFRS Standards 2018 - 2020	1 January 2022
IFRS 3: Amendments Reference to the Conceptual Framework	1 January 2022
IAS 16: Amendments Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
IAS 37: Amendments Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
IFRS 17: Insurance Contracts	1 January 2023
IFRS 17: Amendments Insurance Contracts	1 January 2023
IAS 1: Amendments Classification of Liabilities as Current or Non-current	1 January 2023
IAS 1 and IFRS Practice Statement 2 Amendments: Disclosure of Accounting Policies	1 January 2023
IAS 8 Amendment: Definition of Accounting Estimates	1 January 2023
IFRS 10 and IAS 28: Amendments Sale or Contribution of Assets between an Investor and its Associate or Joint Venture / Amendment Effective Date	1 January 2023

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 loss of EUR 27,820 for the year ended 31 December 2020 (2019: profit of EUR 1,513,497) and the statement of financial position reflected a negative total equity position of EUR 3,724,441 (2019: negative total equity position of EUR 3,696,621).

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 712,023 and cash at bank at the balance sheet date of EUR 233,101.

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
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 Rental and related income

	2020	2019
	EUR	EUR
Rental income	54,315	1,125,928
Service charge income	47,643	63,739
Other property income	29,963	60,439
Revenue	131,921	1,250,106

Rental and related income fully relates to rent attributable to the year ended 31 December 2020. Spaces are leased out under lease agreements of various expiry terms. Lease agreements specify the rent, the rights and obligations of the lessor and the lessee, including notice and renewal options, as well as service and operating cost charges.

The Company leases out all of its investment properties under operating leases which are non-cancellable and have average lease terms of Nil year (2019: Nil years). The Company's leases typically include a clause either to enable upward revision of the rental charge on an annual basis based on a fixed annual uplift, inflation or local equivalent.

Future minimum rental receivables under non-cancellable operating leases as at 31 December 2020, analysed by the period in which they fall due are as follows:

	2020	2019
	EUR	EUR
First year	0	86,998
Second up to and including fifth year	0	0
Sixth and subsequent years	0	0
	0	86,998

Note 5 Income taxes

Tax for the year	2020	2019
	EUR	EUR
Deferred income tax	92,254	(92,254)
Total tax for the year	92,254	(92,254)

Reconciliation of effective tax rate	2020	2019
	EUR	EUR
Profit/(Loss) before tax	(120,074)	1,605,751
Expected tax rate	22%	22%
Expected effort for income tax	26,416	(353,265)
Deviation of foreign tax rates from expected tax rate	(7,415)	99,155
Derecognition of previously recognised deductible temporary differences	92,254	302,263
Recognition of previously unrecognised tax losses	71,192	(76,140)
Tax effects prior year	(75,594)	0
Other effects	(14,599)	(64,267)
Effective income tax	92,254	(92,254)

Breakdown of deferred tax assets	2020	2019
	EUR	EUR
Investment property	0	8,681
Tax losses carried forward	147,459	218,650
set-off	0	0
thereof unrecognised	(147,459)	(227,331)
Total deferred tax assets	0	0

The Company has tax loss carry forwards amounting to EUR 931,808 (2019: EUR 1,381,672). 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 6 Other financial expenses

	2020	2019
	EUR	EUR
Interest payable, group enterprises	692,523	235,832
	692,523	235,832

Note 7 Changes in equity regarding mergers

	2020	2019
	EUR	EUR
Reduction regarding mergers	0	632,715

On 7 August 2020, the Company acquired 100% of the shares in MGM 1B ApS from MGM 1 S.à r.l. for a purchase price of EUR 40,000 in total.

Subsequently, MGM 1B ApS was merged with the Company (domestic upstream merger of a 100% subsidiary) with GRP 1B ApS being the surviving entity. For the presentation in the Company's financial statements, such merger is treated as applicable for both current and comparable financial periods, meaning that the comparison figures have been restated, showing the financial statements, as if the merged entities had always been one entity. Except for the merger as described above, there has been no changes in application of accounting policies.

As of that date, the equity position of the non-surviving entity was as follows:

- MGM 1B ApS: EUR 592,715

Upon initial recognition of assets and liabilities of the non-surviving entity and de-recognition of the acquired shares, a change in equity of EUR 632,715 has been resulted by the Company.

Note 8 Assets held for sale

	2020	2019
	EUR	EUR
Property held for sale	0	9,308,466

Note 9 Cash and cash equivalents

	2020	2018
	EUR	EUR
Cash and cash equivalents	233,101	945,124

Note 10 Payables to bank and credit institutions

Breakdown of payables to bank and credit institutions in the financial position	2020	2019
	EUR	EUR
Current liabilities	0	1,961,298
Carrying amount at 31 December	0	1,961,298

Payables to bank and credit institutions fall due for payments as follows	2020	2019
	EUR	EUR
Within 1 year	0	1,961,298
Between 1 to 5 years	0	0
Over 5 years	0	0
Carrying amount at 31 December	0	1,961,298

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 company¹.

	2020	2019
	EUR	EUR
Carrying amount of bank loans	0	(1,961,298)
Principal amount of bank loan	0	(1,961,298)
Valuation of investment property	0	9,308,466
Loan to value ratio	0%	-21%

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.

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 2020	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR
Payables to group enterprises	5,942,659	0	0	5,942,659
Trade and other payables	29,766	0	0	29,766
Accruals	135,089	0	0	135,089
	6,107,514	0	0	6,107,514

At 31 December 2019	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR
Loans and borrowings	1,961,298	0	0	1,961,298
Payables to group enterprises	12,282,150	0	0	12,282,150
Trade and other payables	2,388,661	0	0	2,388,661
Accruals	53,550	0	0	53,550
Deferred Income	92,254	0	0	92,254
	16,777,913	0	0	16,777,913

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.

¹ See note 2.

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	2020	
	Carrying amount	Fair value
	EUR	EUR
Trade and other receivables	129,566	129,566
Receivables from group enterprises	2,020,405	2,020,405
Cash	233,101	233,101
Total financial assets	2,383,072	2,383,072

Financial liabilities	2020	
	Carrying amount	Fair value
	EUR	EUR
Payables to group enterprises	5,942,659	5,942,659
Trade and other payables	29,766	29,766
Accruals	135,089	135,089
Financial liabilities held	6,107,514	6,107,514

Coronavirus risk

The global outbreak of Coronavirus (or Covid-19) has created unprecedented economic and social uncertainty throughout the world. The ultimate impact of the Coronavirus outbreak remains difficult to predict, but it is likely that Coronavirus will continue to have a materially adverse impact on global, national and local economies 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, may continue 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 investments. While there are various governmental responses to the potential negative effects of Coronavirus, it is unclear how effective these responses will be and what other impacts such responses may have on the overall performance of markets or to investments.

Note 12 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 2020 for services rendered was EUR 3,332 (2019: EUR 2,164).

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.	1,038,445	1,038,445	8.5%	On demand
MELF S. à r.l.	2,232,980	2,232,980	2.5%	On demand
MGM 1E ApS	28,212	28,212	0%	On demand
GRP 1C ApS	94,333	94,333	0%	On demand
GRP 1F ApS	720,505	720,505	0%	On demand
GRP 1I ApS	1,828,184	1,828,184	0%	On demand
Receivables:				
GRP 1A ApS	184,985	184,985	0%	On demand
GRP 1D ApS	82,327	82,327	0%	On demand
GRP 1E ApS	1,067,170	1,067,170	0%	On demand
GRP 1H ApS	599,923	599,923	0%	On demand
MGRP S.à r.l.	50,000	50,000	0%	On demand
German Retail Luxco	36,000	36,000	0%	On demand

Note 13 Subsequent events

There have been no significant subsequent events after 31 December 2020.

Note 14 Comparative figures

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