GRP 1A ApS

c/o Nectar Asset Management ApS
Ewaldsgade 7.
2200 Copenhagen N, Denmark
CVR-No. 30 57 66 24

Financial Statements

For the period 1 January – 31 December 2020
(12 months)
14th financial year

Adopted at the Annual General Meeting of shareholders
on 9 June 2021

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 1A ApS
c/o Nectar Asset Management ApS
Ewaldsgade 7.
2200 Copenhagen N, Denmark

Company registration number

CVR-No. 30 57 66 24

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

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36, 2000 Frederiksberg, Denmark

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

The Supervisory and Executive Boards have presented the Financial Statements of GRP 1A 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. The general meeting has decided that the financial statements for the coming financial year will not be audited.

Copenhagen, 9 June 2021

Executive Board

Tommas Jakobsen	Peer Thomas Borg

Supervisory Board

Tommas Jakobsen	Peer Thomas Borg

3 Independent auditor's report

To the shareholders of GRP 1A ApS

Opinion

We have audited the financial statements of GRP 1A ApS for the financial year 1 January – 31 December 2020, which comprise an income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatements of the Management's review.

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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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 additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 9 June 2021

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kaare K. Lendorf
State Authorised
Public Accountant
MNE no.: mne33819

4 Financial highlights

5-year summary

	2020	2019*	2018*	2017	2016
	EUR	EUR	EUR	EUR	EUR
Key figures (in EUR, expect per share data)					
Statement of comprehensive income					
Revenue	1,072,131	2,319,438	309,968	286,920	296,470
Gross profit	878,985	1,734,291	23,442	(201,790)	(78,248)
Profit before net financials (EBIT)	505,706	9,216,961	220,191	(134,312)	(327,979)
Financial expenses	(489,576)	(975,615)	(55,454)	(55,403)	(294,542)
Total comprehensive (expense)/income for the year	1,154,937	7,100,392	164,737	(189,715)	(626,871)
Statement of financial position					
Total assets	3,369,989	35,628,489	1,306,291	1,046,966	1,465,580
Shareholders equity	(9,609,872)	(10,764,810)	(12,064,764)	(12,229,501)	(12,039,786)
Other					
Number of employees	0	0	0	0	0
Ratio in %					
Rate of return (Profit/loss before net financials x 100/total assets)	15.01%	25.87%	16.86%	(12.83)%	(22.38)%
Equity ratio (Shareholders equity x 100/ total assets)	(285.16)%	(30.21)%	(923.59)%	(1,168.09)%	(821.50)%

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.

5 Management's review

Business activities and mission

The Company's main objective is property investment.

Business review

The Company recorded rental income of EUR 963,049 for the year ended 31 December 2020 (2019: EUR 2,072,469).

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 1D ApS and MGM 1F 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 profit of EUR 1,154,937 for the year ended 31 December 2020 (2019: profit of EUR 7,100,392) and the statement of financial position reflected a negative total equity position of EUR 9,609,872 (2019: negative total equity position 10,764,810).

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.

During the year the Company had a net cash outflow of EUR 4,939,060 and cash at bank at the balance sheet date of EUR 147,888.

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.

6 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	1,072,131	2,319,438
Expenses related to rental activity		(193,146)	(585,147)
Gross profit		**878,985**	**1,734,291**
Fair value adjustment	8	0	7,808,269
Profit/(Loss) on disposal of investment property		(50,151)	(94,877)
Other external expenses		(323,128)	(230,722)
Profit before net financial result		**505,706**	**9,216,961**
Other financial expenses	6	(489,576)	(975,615)
Profit before tax		**16,130**	**8,241,346**
Tax of continuing operations for the year	5	(111,725)	0
Deferred taxes	5	1,250,532	(1,140,954)
Net profit for the year		**1,154,937**	**7,100,392**
Total comprehensive income for the year		**1,154,937**	**7,100,392**
Total comprehensive income/(expense)for the year attributable to: Equity holders of the company		**1,154,937**	**7,100,392**

7 Statement of financial position

Assets	Notes	31 Dec. 2020	31 Dec. 2019
		EUR	EUR
A. Non-current assets			
Total non-current assets		**0**	**0**
B. Current Assets			
I. Assets held for sale	8	0	30,312,278
II. Receivables			
1. Trade receivables	10	934,004	49,544
2. Receivables from group enterprises	10, 11	743,009	163,973
3. Other receivables	10	1,545,088	15,746
Total		**3,222,101**	**30,541,541**
III. Cash	9, 10	147,888	5,086,948
Total current assets		**3,369,989**	**35,628,489**
Total assets		**3,369,989**	**35,628,489**

Equity and liabilities	Notes	31 Dec. 2020	31 Dec. 2019
		EUR	EUR
A. Shareholders' equity			
I. Share capital		372,866	372,866
II. Retained earnings/accumulated loss		(11,137,676)	(12,437,630)
III. Reduction regarding mergers	7	0	(5,800,438)
IV. Profit for the period		1,154,937	7,100,392
Total shareholders' equity		**(9,609,873)**	**(10,764,810)**
B. Non-current liabilities			
III. Deferred tax liability	5	0	1,250,532
Total non-current liabilities		**0**	**1,250,532**
C. Current liabilities			
I. Current bank loans		0	4,189,450
II. Trade payables	10	489,483	1,613,273
III. Payables to group enterprises	10, 11	12,236,203	34,130,654
IV. Other payables (inkl. VAT)		0	5,134,626
IV. Accruals	10	254,176	53,099
VI. Deferred Income	10	0	21,665
Total current liabilities		**12,979,862**	**45,142,767**
Total liabilities		**12,979,862**	**46,393,299**
Total equity and liabilities		**3,369,989**	**35,628,489**

8 Statement of cash flows

	1 Jan. 2020 – 31 Dec. 2020	1 Jan. 2019 – 31 Dec. 2019
	EUR	EUR
Profit before net financial result	505,706	9,216,961
Adjustment for:		
Fair value adjustments, non-current assets	0	(7,808,270)
Financial expenses	(489,576)	(975,616)
Sales costs	0	(12,137)
Lease incentives and capital expenditures	(161,877)	255,194
Taxes refunded/(paid)	0	35,377
Loss on disposal of investment property	50,151	1,018,917
Changes in:		
Trade and other receivables	(2,413,802)	(9,510)
Current liabilities	(6,079,004)	6,136,578
Cash flows from operating activities	**(8,588,402)**	**7,857,494**
Disposal of investment property	30,312,278	(1,500,000)
Repayments of receivables from group enterprises	0	6,000
Acquisition of shares	(5,409,148)	0
Cash flows from investing activities	**24,903,130**	**(1,494,000)**
Repayment bank loan	(4,189,450)	(2,724,266)
Repayments/acceptance to group enterprises	(17,064,338)	845,439
Cash flows from financial activities	**(21,253,788)**	**(1,878,827)**
Net cash flow for the year	**(4,939,060)**	**4,484,667**
Cash and cash equivalents		
Cash and cash equivalents at 1 January	5,086,948	602,281
Net cash flow for the year	(4,939,060)	4,484,667
Cash and cash equivalents at 31 December	**147,888**	**5,086,948**

9 Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
Shareholders' equity at 1 January 2019	**372,866**	**(12,437,630)**	**(12,064,764)**
Profit for the year	0	7,100,392	7,100,392
Reduction regarding mergers	0	(5,800,438)	(5,800,438)
Total equity at 31 December 2019	**372,866**	**(11,137,676)**	**(10,764,810)**
Shareholders' equity at 1 January 2020	372,866	(11,137,676)	(10,764,810)
Profit for the year	0	1,154,937	1,154,937
Total equity at 31 December 2020	**372,866**	**(9,982,739)**	**(9,609,873)**

10 Notes

Note 1 Accounting policies

The financial statements of GRP 1A 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 1D ApS and MGM 1F 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 profit of EUR 1,154,937 for the year ended 31 December 2020 (2019: profit of EUR 7,100,392) and the statement of financial position reflected a negative total equity position of EUR 9,609,872 (2019: negative total equity position EUR 10,764,810).

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.

During the year the Company had a net cash outflow of EUR 4,939,060 and cash at bank at the balance sheet date of EUR 147,888.

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	963,049	2,072,469
Service charge income	81,288	201,087
Other property income	27,794	45,882
Revenue	**1,072,131**	**2,319,438**

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.

Note 5 Income taxes

Tax for the year	2020	2019
	EUR	EUR
Current income tax charge	(111,725)	0
Deferred income tax	1,250,532	(1,140,954)
Total tax for the year	**1,138,807**	**(1,140,954)**

Reconciliation of effective tax rate	2020	2019
	EUR	EUR
Profit before tax	1,154,937	7,100,392
Expected Danish tax rate	22%	22%
Expected effort for income tax	(254,086)	(1,562,086)
Effects of:		
Deviation of foreign tax rates from expected tax rate	71,317	438,449
Recognition of previously unrecognized tax losses	325,838	49,799
Current year tax losses for which no deferred tax asset is recognised	0	(67,239)
Derecognition of previously recognized deductible temporary differences	1,349,592	0
Tax effects prior year	(353,854)	0
Other effects	0	123
Effective income tax	**1,138,807**	**(1,140,954)**

Breakdown of deferred tax assets	2020	2019
	EUR	EUR
Tax losses carried forward	149,323	475,160
thereof unrecognised	(149,323)	(475,160)
Total deferred tax assets	**0**	**0**

The Company has tax loss carry forwards amounting to EUR 943,586 (2019: EUR 3,002,592). 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	**489,576**	**975,615**

Note 7 Changes in equity regarding mergers

	2020	2019
	EUR	EUR
Reduction regarding mergers	**0**	**5,800,438**

On 7 August 2020 the Company acquired 100% of the shares in MGM 1D ApS and on 11 September 2020 in MGM 1F ApS from MGM 1 S.à r.l. for a purchase price of EUR 5,409,148 in total.

Subsequently, MGM 1D ApS and MGM 1F ApS were merged with the Company (domestic upstream merger) with GRP 1A 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 entities were as follows:

- MGM 1D ApS: EUR 885,300
- MGM 1F ApS: EUR (1,276,590)

Upon initial recognition of assets and liabilities of the non-surviving entities and de-recognition of the acquired shares, a change in equity of EUR 5,800,438 has been resulted by the Company.

Note 8 Investment property/ Assets held for sale

Cost at 31.12.2020	Investment property
	EUR
Balance at 1.1.2020	0
Merger MGM 1D	5,699,303
Merger MGM 1F	20,833,037
Balance at 31.12.2020	**26,532,340**

Value adjustments	Investment property
	EUR
Balance at 1.1.2020	0
Merger MGM 1D	5,699,303
Merger MGM 1F	20,833,037
Write-downs at 31.12.2020	**26,532,340**
Carrying amount at 31.12.2020	**0**

Cost at 31.12.2019	Investment property
	EUR
Balance at 1.1.2019	11,213,882
Lease incentives and leasing costs	(6,235)
Balance at 31.12.2019	**11,207,647**

Value adjustments	Investment property
	EUR
Balance at 1.1.2019	(10,101,859)
Value adjustments in the year	394,212
Reallocation assets held for sale	(1,500,000)
Write-downs at 31.12.2019	**(11,207,647)**
Carrying amount at 31.12.2019	**0**

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 hierarchy[1].

As at 31 December 2020	Level 1	Level 2	Level 3	Total fair value
	EUR	EUR	EUR	EUR
Assets held for sale	**0**	**0**	**0**	**0**

As at 31 December 2019	Level 1	Level 2	Level 3	Total fair value
	EUR	EUR	EUR	EUR
Assets held for sale	**30,312,278**	**0**	**0**	**30,312,278**

Note 9 Cash and cash equivalents

	2020	2019
	EUR	EUR
Cash and cash equivalents	**147,888**	**5,086,948**

Note 10 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 Cibor.

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

[1] See note 3 for the explanation of the fair value hierarchy.

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. This risk is managed by obtaining deposits from tenants as security for rental payments. 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 Company is financed exclusively through group enterprise loans.

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	On demand	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR	EUR
Payables to group enterprises	0	12,236,203	0	0	12,236,203
Trade and other payables	0	489,482	0	0	489,482
Accruals	0	254,176	0	0	254,176
	0	**12,979,861**	**0**	**0**	**12,979,861**
At 31 December 2019	**On demand**	**less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
	EUR	EUR	EUR	EUR	EUR
Current bank loans	0	4,189,450	0	0	4,189,450
Payables to group enterprises	0	34,130,654	0	0	34,130,654
Trade and other payables	0	6,747,899	0	0	6,747,899
Accruals	0	53,099	0	0	53,099
Deferred Income	0	21,665	0	0	21,654
	0	**45,142,766**	**0**	**0**	**45,142,766**

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	2020 Carrying amount	2020 Fair value
	EUR	EUR
Trade and other receivables	934,004	934,004
Receivables from group enterprises	743,009	743,009
Cash	1,545,088	1,545,088
Total financial assets	**3,222,101**	**3,222,101**

Financial liabilities	2020 Carrying amount	2020 Fair value
	EUR	EUR
Payables to group enterprises	12,236,203	12,236,203
Trade and other payables	489,482	489,482
Accruals	254,176	254,176
Financial liabilities held at amortised cost	**12,979,861**	**12,979,861**

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 11 Related parties

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

None of the directors were paid by GRP 1A ApS in the year. The Directors are employed by Nectar Asset Management ApS, which renders management services to GRP 1A ApS. The amount charged by Nectar Asset Management ApS in the year to 31 December 2020 for services rendered was EUR 4,961 (2019: EUR 1,400).

The Company does not have any employees.

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. 2020	Rate of interest	Maturity
	EUR	EUR	%	
MELF S.à r.l.	6,641,481	6,641,481	0.00%	On demand
GRP 1B ApS	184,689	184,689	0.00%	On demand
MGM 1A ApS	298	298	0.00%	On demand
MGM 1B ApS	296	296	0.00%	On demand
MGM 1C ApS	291	291	0.00%	On demand
MGM 1 S.à.r.l.	5,409,148	5,409,148	0.00%	On demand

	Principal Amount	Balance outstanding 31 Dec. 2020	Rate of interest	Maturity
	EUR	EUR	%	
Receivables				
GRP 1C ApS	1,328	1,328	0.00%	On demand
GRP 1D ApS	14,939	14,939	0.00%	On demand
GRP 1E ApS	12,339	12,339	0.00%	On demand
GRP 1F ApS	10,533	10,533	0.00%	On demand
GRP 1H ApS	12,532	12,532	0.00%	On demand
GRP 1I ApS	17,511	17,511	0.00%	On demand
MGM 1E ApS	618,126	618,126	0.00%	On demand
MGM 1G ApS	15,701	15,701	0.00%	On demand
MGM 1 S.à.r.l.	30,000	30,000	0.00%	On demand
German Retail Luxco S.à.r.l.	10,000	10,000	0.00%	On demand

Note 12 Subsequent events

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

Note 13 Comparative figures

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