

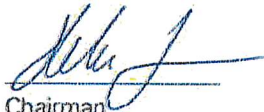
GRP 1C ApS

c/o Nectar Asset Management ApS
Ewaldsgade 7.
2200 Copenhagen N, Denmark
CVR-No. 30 60 23 31

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



Chairman
Helene Egede Scotwin
Advokat / Attorney-at-Law
Accura Advokatpartnerselskab
Tuborg Boulevard 1
2900 Hellerup, Denmark
Tel.: +45 3945 2800

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

Company registration number

CVR-No. 30 60 23 31

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 1C 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


Supervisory Board



Tommas Jakobsen, Chairman



Peer Thomas Borg



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	96,750	288,704	193,428	612,781	428,803
Gross profit	61,103	195,223	40,133	409,442	296,303
Profit before net financials (EBIT)	92,116	612,158	11,698	335,228	37,624
Net financials	-35,191	-65,225	-64,674	-137,881	-332,088
Total comprehensive (expense)/income for the year	56,925	546,932	-52,976	198,942	-294,464
Statement of financial position					
Total assets	215,059	1,767,850	1,308,548	1,299,638	3,392,445
Shareholders equity	-4,041,630	-4,098,556	-4,645,488	-4,592,511	-4,791,454
Other					
Number of employees	0	0	0	0	0
Ratio in %					
Rate of return (Profit/loss before net financials x 100/total assets)	42.83%	34.66%	0.89%	25.79%	1.11%
Equity ratio (Shareholders equity x 100/total assets)	-1,879.31%	-232.07%	-355.01%	-353.37%	-141.24%

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 92,254 for the year ended 31 December 2019 (2018: EUR 171,996).

The Company's investment properties were sold during the year (2018: EUR 1,508,244).

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 56,925 for the year ended 31 December 2019 (2018: profit of EUR 546,933) and the statement of financial position reflected a negative total equity position of EUR 4,041,630 (2018: negative total equity position 4,098,555).

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 company, MELF S.à r.l., has 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 the parent company fail to provide sufficient financial support.

During the year the Company had a net cash outflow of EUR 22,243 and cash at bank at the balance sheet date of EUR 15,390.

Financial position

The result for the year is as expected.

Future developments

The Company has sold its last property in the first quarter of 2019. 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

As a result of the spread of COVID-19 since January 2020, in general GRP 1C 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
Financial expenses	5	-35,191	-65,226
Loss before tax		-35,191	-65,226
Loss from continuing operations		-35,191	-65,226
Discontinued operations			
Profit from discontinued operations, net of tax	6	92,116	612,158
Net profit for the year		56,925	546,932
Total comprehensive income/ expense for the year		56,925	546,932
Total comprehensive income/ expense for the year attributable to: Equity holders of the Company		56,925	546,932

6 Statement of financial position

Assets	Notes	31.12.2019	31.12.2018
		EUR	EUR
A. Non-current assets			
I. Investment property	7	0	508,244
Total non-current assets		0	508,244
B. Current assets			
I. Assets held for sale	7, 8	0	1,000,000
II. Receivables			
1. Trade receivables	11	54,375	86,826
2. Receivables from group enterprises	11, 13	130,704	130,704
3. Other receivables	11	14,589	4,442
Total		199,669	1,221,972
III. Cash	9	15,390	37,633
Total current assets		215,059	1,259,605
Total assets		215,059	1,767,850

Equity and liabilities	Notes	31.12.2019	31.12.2018
		EUR	EUR
A. Shareholders' equity			
I. Share capital		237,189	237,189
II. Retained earnings/accumulated loss		-4,278,819	-4,335,744
Total shareholders' equity		-4,041,630	-4,098,555
B. Non-current liabilities			
I. Loans and borrowings	10, 11	0	246,650
II. Payables to group enterprises	11, 13	0	1,004,225
Total non-current liabilities		0	1,250,875
C. Current liabilities			
I. Current portion of non-current liabilities	10, 11	0	9,311
II. Trade payables	11	28,765	18,983
III. Payables to group enterprises	11, 13	4,213,202	4,571,040
IV. Accruals	11	14,722	14,785
V. Deferred income		0	1,411
Total current liabilities		4,256,689	4,615,530
Total liabilities		4,256,689	5,866,405
Total equity and liabilities		215,059	1,767,850

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 discounted operation, net of tax	-126,932	-470,775
Profit from discounted operation, net of tax	92,116	612,158
Lease incentives and capital expenditures	2,631	1,735
Amortisation of loan costs	0	8,278
Sale of properties on cost basis	126,932	-8,087
Financial expenses	-35,191	-65,226
Changes in:		
Trade and other receivables	22,303	-2,750
Current liabilities	8,308	-31,863
Cash flows from operating activities	90,167	43,471
Sale of properties on cost basis	1,505,613	0
Cash flows from investing activities	1,505,613	0
Repayment to bank	-255,961	-10,030
Repayments/ acceptance to group enterprises	-1,362,062	-54,016
Cash flows from financial activities	-1,618,023	-64,046
Net cash flow for the year	-22,243	-20,577
Cash and cash equivalents		
Cash and cash equivalents at 1 January	37,633	58,210
Net cash flow for the year	-22,243	-20,577
Cash and cash equivalents at 31 December	15,390	37,633

8 Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
Shareholders' equity at 1 January 2018	237,189	-4,882,676	-4,645,487
Profit and loss	0	546,932	546,932
Other comprehensive income			
Total equity at 31 December 2018	237,189	-4,335,744	-4,098,555
Shareholders' equity at 1 January 2019	237,189	-4,335,744	-4,098,555
Profit and loss	0	56,925	56,925
Total equity at 31 December 2019	237,189	-4,278,819	-4,041,630

Notes

Note 1 Accounting policies

The financial statements of GRP 1C 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

Investment property

Investment property is property held on a long-term basis with the purpose of earning rental income and increases in value and which are not held for sale.

Investment properties are initially measured at cost. After initial recognition, investment properties are measured at fair value based on an internal return based assessment model. The model used is a discounted cash flow model with a five year forecast.

The market value is the estimated amount for which a property is expected to be exchanged between willing parties, at the date of valuation, in an arm's length transaction in which the parties act knowledgeably, prudently and voluntarily.

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 56,925 for the year ended 31 December 2019 (2018: profit of EUR 546,933) and the statement of financial position reflected a negative total equity position of EUR 4,041,630 (2018: 4,098,555).

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 company, MELF S.à r.l., has 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 the parent company fail to provide sufficient financial support.

During the year the Company had a net cash outflow of EUR 22,243 and cash at bank at the balance sheet date of EUR 15,390.

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 Income taxes

Tax for the year	2019	2018
	EUR	EUR
Current income tax charge	0	0
Deferred income tax	0	0
Total tax for the year	0	0

Reconciliation of effective tax rate	2019	2018
	EUR	EUR
Profit before tax	56,925	546,932
Expected tax rate	22%	22%
Expected effort for income tax	-12,523	-120,325
Effects of:		
Deviation of foreign tax rates from expected tax rate	3,515	33,773
Recognition of previously unrecognized tax losses	9,008	82,222
Current year tax losses for which no deferred tax asset is recognised	0	-1,310
Tax effects prior year	0	0
Other effects	0	5,640
Effective income tax	0	0

Breakdown of deferred tax liabilities	2019	2018
	EUR	EUR
Financial instruments	0	514
Set-off	0	-514
Total deferred tax liabilities	0	0

Breakdown of deferred tax assets	2019	2018
	EUR	EUR
Investment property	0	114,205
Tax losses carried forward	188,400	93,568
Financial instruments	0	7
set-off	0	-514
thereof unrecognised	-188,400	-207,266
Total deferred tax assets	0	0

The Company has tax loss carry forwards amounting to EUR 1,190,523 (2018: EUR 591,268). 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	27,937	50,984
Interest payable, exchange losses and similar expenses	7,254	14,242
	35,191	65,226

Note 6 Discontinued operations

The management committed to a plan to sell its assets during the financial year, following an economic decision to make profits from increased property value. In April 2019, a sale and purchase agreement between GRP 1C 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		96,750	288,704
Expenses		-131,566	147,322
Results from operating activities		-34,816	141,383
Income Tax		0	0
Results from operating activities, net of tax		-34,816	141,383
Gain on sale of discontinued operation		126,932	470,775
Income tax		0	0
Profit/(loss) from discontinued operations, net of tax		92,116	612,158

The gain on sale of discontinued operations contains the realized gain in the amount of EUR 126,932.

The profit from discontinued operation of EUR 92,116 (2018: profit of EUR 612,158) is attributable entirely to the shareholder of the Company.

Cash flows used in discontinued operation	2019	2018
	EUR	EUR
Net cash used in operating activities	-22,243	-20,577
Results from operating activities	-22,243	-20,577

Note 7 Investment property/ Assets held for sale

Cost at 31.12.2019	Investment property
	EUR
Balance at 1.1.2019	4,056,141
Lease incentives and leasing costs	-2,631
Disposal in the period	-4,053,510
Balance at 31.12.2019	0

Value adjustments	Investment property
	EUR
Balance at 1.1.2019	-3,547,897
Disposal in the period	3,547,897
Write-downs at 31.12.2019	0
Carrying amount at 31.12.2019	0

Cost at 31.12.2018	Investment property
	EUR
Balance at 1.1.2018	4,057,875
Lease incentives and leasing costs	-1,734
Balance at 31.12.2018	4,056,141

Value adjustments	Investment property
	EUR
Balance at 1.1.2018	-3,026,758
Value adjustments in the year	443,225
Disposals	-964,364
Write-downs at 31.12.2018	-3,547,897
Carrying amount at 31.12.2018	508,244

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	0	0	0	0

As at 31 December 2018	Level 1	Level 2	Level 3	Total fair value
	EUR	EUR	EUR	EUR
Investment property	0	0	508,244	508,244
Property held for sale	1,000,000	0	0	1,000,000

Note 8 Assets held for sale

	2019	2018
	EUR	EUR
Property held for sale	0	1,000,000
	0	1,000,000

Note 9 Cash and cash equivalents

	2019	2018
	EUR	EUR
Cash and cash equivalents	15,390	37,633
	15,390	37,633

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	246,650
Current liabilities	0	9,311
Carrying amount at 31 December	0	255,961

Payables to bank and credit institutions fall due for payments as follows	2019	2018
	EUR	EUR
Within 1 year	0	9,311
Between 1 to 5 years	0	246,650
Over 5 years	0	0
Carrying amount at 31 December	0	255,961

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. 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 minimized 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	0	255,961
Unamortised borrowing costs	0	3,250
Principal amount of bank loans	0	259,210
Valuation of investment property and property held for sale	0	1,508,244
Loan to value ratio	0%	17%

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	On demand	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR	EUR
Loans and borrowings	0	0	0	0	0
Payables to group enterprises	0	4,213,202	0	0	4,213,202
Trade and other payables	0	28,765	0	0	28,765
Accruals	0	14,722	0	0	14,722
	0	4,256,689	0	0	4,256,689

At 31 December 2018	On demand	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR	EUR
Loans and borrowings	0	9,311	246,650	0	255,961
Payables to group enterprises	0	4,571,040	1,004,225	0	5,575,265
Trade and other payables	0	20,395	0	0	20,395
Accruals	0	14,785	0	0	14,785
	0	4,615,531	1,250,875	0	5,866,406

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	68,965	68,965
Receivables from group enterprises	130,704	130,704
Financial assets	0	0
Cash	15,390	15,390
Loans and receivables	215,059	215,059

Financial liabilities	2019	
	Carrying amount	Fair value
	EUR	EUR
Loans and borrowings	0	0
Payables to group enterprises	4,213,202	4,213,202
Trade and other payables	28,765	28,765
Accruals	14,722	14,722
Financial liabilities held	4,256,689	4,256,689

Note 12 Security for loans

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

	2019	2018
	EUR	EUR
Property carrying amount	0	1,508,244

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 Nil (2018: EUR 19,002)

Note 13 Related parties

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

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

The Company does not have any employees.

The ultimate parent company, MELF S.à r.l. (Luxembourg) has 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

	Principal Amount	Balance outstanding 31 Dec 2019	Rate of interest	Maturity
	EUR	EUR	%	
Payable fall due for payment within 1 year:				
MGM 1F ApS	393	393	0%	On demand
MGM 1E ApS	5,628	5,628	0%	On demand
GRP 1A ApS	1,307	1,307	0%	On demand
GRP 1B ApS	482	482	0%	On demand
GRP 1D ApS	25,305	25,305	0%	On demand
GRP 1F ApS	65	65	0%	On demand
GRP 1H ApS	10,815	10,815	0%	On demand
MELF S.à r.l.	10,000	10,000	0%	On demand
MELF S.à r.l.	4,159,207	4,159,207	0%	21 Jul 2020
Receivables:				
GRP 1A ApS	372	372	0%	On demand
GRP 1B ApS	94,815	94,815	0%	On demand
GRP 1D ApS	25,368	25,368	0%	On demand
GRP 1E ApS	108	108	0%	On demand
GRP 1F ApS	21	21	0%	On demand
GRP 1I ApS	20	20	0%	On demand
German Retail Luxco S.à r.l.	10,000	10,000	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 1C 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.