

## MGM 1G ApS

c/o Nectar Asset Management ApS  
Ewaldsgade 7  
2200 Copenhagen N, Denmark  
CVR-No. 31 17 98 15

## Financial Statements

For the period 1 January – 31 December 2020  
(12 months)  
13th financial year

Adopted at the Annual General Meeting of shareholders  
on 17/6 2021

DocuSigned by:

*Helene Egede Scotwin*

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Chairman

**Helene Egede Scotwin**

# Table of contents

<b>1</b>	<b>Company details</b>	<b>1</b>
<b>2</b>	<b>Statement by the Supervisory and Executive Boards on the Financial Statements</b>	<b>2</b>
<b>3</b>	<b>Financial highlights</b>	<b>3</b>
<b>4</b>	<b>Management's review</b>	<b>4</b>
<b>5</b>	<b>Statement of profit or loss and other comprehensive income</b>	<b>6</b>
<b>6</b>	<b>Statement of financial position</b>	<b>7</b>
<b>7</b>	<b>Statement of cash flows</b>	<b>9</b>
<b>8</b>	<b>Statement of changes in equity</b>	<b>10</b>
<b>9</b>	<b>Notes</b>	<b>11</b>

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

# 1 Company details

## **MGM 1G ApS**

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

## **Company registration number**

CVR-No. 31 17 98 15

## **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**

MGM 1 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 MGM 1G (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.

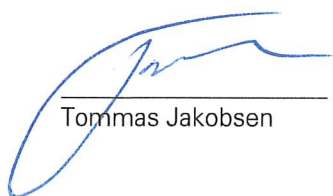
We consider that the accounting policies used are appropriate and the accounting estimates made are reasonable. To the best of our belief, the Financial Statements include the information which is relevant for an assessment of the Company's financial position. Against this background, it is our opinion 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.

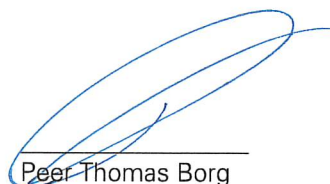
We recommend that the Financial Statements be adopted by the Annual General Meeting of shareholders.

Copenhagen, 17.06. 2021

Executive Board

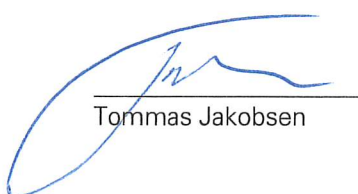


Tommas Jakobsen

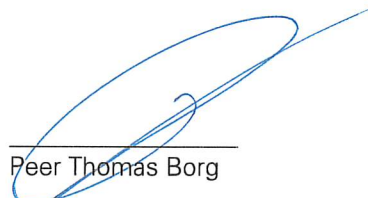


Peer Thomas Borg

Supervisory Board



Tommas Jakobsen



Peer Thomas Borg

# 3 Financial highlights

## 5-year summary

	2020	2019	2018	2017	2016
	EUR	EUR	EUR	EUR	EUR
<b>Key figures (in EUR, except per share data)</b>					
<b>Statement of comprehensive income</b>					
Revenue	2,336	459,301	1,035,804	970,303	1,099,005
Gross profit	-37,451	347,063	633,059	756,270	818,895
Profit before net financials (EBIT)	-146,060	851,124	3,142,480	789,690	1,094,321
Financial expenses	-2,433	-306,239	-544,170	-536,985	-350,606
Total comprehensive (expense)/income for the year	-148,494	544,885	2,598,310	228,263	657,092
<b>Statement of financial position</b>					
Total assets	2,668,511	8,230,151	15,573,043	13,071,152	12,845,357
Shareholders' equity	2,604,045	2,726,629	2,338,344	81,271	-146,992
<b>Other</b>					
Number of employees	0	0	0	0	0
<b>Ratio in %</b>					
Rate of return (Profit/loss before net financials x 100/total assets)	-5.47 %	10.34 %	20.18 %	6.04 %	8.52 %
Equity ratio (Shareholders' equity x 100/total assets)	97.58 %	33.13 %	15.02 %	0.62 %	-1.14 %

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

Ratios are computed in accordance with the latest issued 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 during the period was property investment. In 2020, the Company did sell its last investment property.

## **Business review**

The Company recorded rental income of nil for the year ended 31 December 2020 (2019: EUR 426,185).

The Company realised a loss on disposal of investment property of EUR -80,416 (2019: -239,278).

## **Going concern**

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

The Company incurred a loss of EUR -122,584 for the year ended 31 December 2020 (2019: profit of EUR 388,285) and the statement of financial position reflected a positive total equity position of EUR 2,604,045 (2019: EUR 2,726,629).

The Company has no rental activities anymore due to the sale of the last property in 2020.

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 flow of EUR -4,008,597 and cash at bank at the balance sheet date of EUR 124,459.

## **Financial position**

The result for the year is as expected.

## **Future developments**

In 2020, the Company did sell its last investment property. The sales proceeds have been repatriated to the Company's shareholders and it is not expected that further investments will be made by the Company.

## **Subsequent events**

As a result of the spread of the coronavirus since January 2020, MGM 1G ApS is exposed to the risk that revenue losses could be expected. The risk is considered moderate by the Management.

## 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	8,554	459,301
Expenses related to rental activity		-46,005	-112,238
<b>Gross profit</b>		<b>-37,451</b>	<b>347,063</b>
Fair value adjustment	5	0	770,346
Loss on disposal of investment property	12	-80,416	-239,278
Other external expenses		-36,379	-27,007
Other gains/(losses)		8,187	0
<b>Loss/profit before net financial result</b>		<b>-146,060</b>	<b>851,124</b>
Other financial expenses	6	-2,433	-306,239
<b>Loss/profit before taxes</b>		<b>-148,494</b>	<b>544,885</b>
Tax of continuing operations for the year	7	-18,854	-575,915
Deferred taxes	7	44,764	419,315
<b>Net loss/profit for the year</b>		<b>-122,584</b>	<b>388,285</b>
<b>Total comprehensive loss/income for the year</b>		<b>-122,584</b>	<b>388,285</b>
<b>Total comprehensive loss/income for the year attributable to: Equity holders of the Company</b>		<b>-122,584</b>	<b>388,285</b>



## 6 Statement of financial position

Assets	Notes	31 Dec. 2020	31 Dec. 2019
		EUR	EUR
<b>A. Non-current assets</b>			
I. Investment property	8	0	0
<b>Total non-current assets</b>		<b>0</b>	<b>0</b>
<b>B. Current assets</b>			
I. Assets held for sale	11	0	4,033,119
II. Receivables			
1. Trade receivables		148	2,168
2. Receivables from group enterprises	10	2,532,156	5,369
3. Other receivables		11,747	56,439
III. Cash		124,459	4,133,056
<b>Total current assets</b>		<b>2,668,511</b>	<b>8,230,151</b>
<b>Total assets</b>		<b>2,668,511</b>	<b>8,230,151</b>

Equity and liabilities	Notes	31 Dec. 2020	31 Dec. 2019
		EUR	EUR
<b>A. Shareholders' equity</b>			
I. Share capital		203,169	203,169
II. Retained earnings		2,400,876	2,523,460
<b>Total shareholders' equity</b>		<b>2,604,045</b>	<b>2,726,629</b>
<b>B. Non-current liabilities</b>			
I. Deferred tax liability	7	0	44,764
<b>Total non-current liabilities</b>		<b>0</b>	<b>44,764</b>
<b>C. Current liabilities</b>			
I. Trade payables	9	8,753	19,031
II. Payables to group enterprises	9, 10	25,378	820,508
III. Income taxes payables	9	18,854	575,915
IV. Other payables	9	0	4,022,171
V. Accruals		11,480	21,135
<b>Total current liabilities</b>		<b>64,466</b>	<b>5,458,759</b>
<b>Total liabilities</b>		<b>64,466</b>	<b>5,503,523</b>
<b>Total equity and liabilities</b>		<b>2,668,511</b>	<b>8,230,151</b>

## 7 Statement of cash flows

	1 Jan. 2020 – 31 Dec. 2020	1 Jan. 2019 – 31 Dec. 2019
	EUR	EUR
<b>Loss/profit before net financial result</b>	<b>-146,060</b>	<b>851,124</b>
Fair value adjustments, non-current assets	0	-770,346
Taxes refunded/(paid)	-18,854	-575,915
Lease incentives and capital expenditures	0	19,122
Financial expenses	-2,433	-306,239
Amortisation of loan costs	0	130,576
<b>Changes in:</b>		
Assets held for sale	4,033,119	3,464,089
Sale of properties on cost basis	0	8,763,306
Trade and other receivables	46,711	-58,455
Current liabilities	-4,599,163	4,544,324
<b>Cash flows from operating activities</b>	<b>-686,681</b>	<b>16,061,586</b>
Loans to group enterprises	-2,526,856	0
Repayment to Postbank	0	-5,647,278
Repayment to group enterprises	-795,059	-6,339,158
<b>Cash flows from financing activities</b>	<b>-3,321,916</b>	<b>-11,986,436</b>
<b>Net cash flow for the year</b>	<b>-4,008,597</b>	<b>4,075,150</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents at 1 January	4,133,056	57,906
Net cash flow for the year	-4,008,597	4,075,150
<b>Cash and cash equivalents at 31 December</b>	<b>124,459</b>	<b>4,133,056</b>

## 8 Statement of changes in equity

	Share capital	Retained earnings/ Accumulated loss	Total
	EUR	EUR	EUR
<b>Shareholders' equity at 1 January 2019</b>	<b>203,169</b>	<b>2,135,175</b>	<b>2,338,344</b>
Profit and loss	0	388,285	388,285
<b>Total equity at 31 December 2019</b>	<b>203,169</b>	<b>2,523,460</b>	<b>2,726,629</b>
<b>Shareholders' equity at 1 January 2020</b>	<b>203,169</b>	<b>2,523,460</b>	<b>2,726,629</b>
Profit and loss	0	-122,584	-122,584
<b>Total equity at 31 December 2020</b>	<b>203,169</b>	<b>2,400,876</b>	<b>2,604,045</b>

# 9 Notes

## Note 1 Accounting policies

The financial statements of MGM 1G 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 Euros (EUR), which is also the functional currency of the Company.

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 the financial year 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
IFRS 16: Amendments Covid-19-related rent concessions	1 June 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 any material impact on the financial statements of the Company in future periods.

## Statement of profit and loss and other comprehensive income

### Revenue

Rental income receivable from operating leases is recognised on a straight line basis over the term of the lease, except for contingent rental income, which is recognised as earned.

Costs relating to incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the lessee has the option to continue the lease, where, at the inception of the lease, the Management is reasonably certain that the lessee will exercise that option.

Amounts received from lessees to terminate leases or to compensate for dilapidations are recognised in the statement of profit and loss and other comprehensive income as received. Service charges and expenses are recoverable from tenants.

Income arising from expenses recharged to lessees is recognised in the period in which the expenses can be contractually recovered. Service charges and other such receipts are included gross of the related costs in revenue if the Management considers that the entity acts as principal and net if the Management considers that the entity acts as agent.

### Expenses related to rental income

Expenses that are directly linked to rental income and comprise mainly service charge expenses and asset and property management fees.

## **Other external expenses**

Other external expenses comprise 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.

## **Taxes**

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.

Fair value adjustments are recognised in a separate line item in the statement of profit and loss and other comprehensive income.

## **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.

## **Cash**

Cash in the statement of financial position comprises cash at bank.

## **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 tax liabilities.

## **Financial liabilities**

Financial liabilities are recognised at initial recognition measured at fair value 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 before net financial result, adjusted for non-cash operating items, changes in working capital, paid financial expenses and paid income taxes.

Cash flow 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 -122,584 for the year ended 31 December 2020 (2019: profit of EUR 388,285) and the statement of financial position reflected a positive total equity position of EUR 2,604,045 (2019: EUR 2,726,629).

The Company has no rental activities anymore due to the sale of the last property in 2020.

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 flow of EUR -4,008,597 and cash at bank at the balance sheet date of EUR 124,459.

## **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 1.5 % 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 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 Revenue

	2020	2019
	EUR	EUR
Rental income	0	426,185
Service charge income	0	32,439
Other property income	8,554	677
<b>Revenue</b>	<b>8,554</b>	<b>459,301</b>

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 has sold its last investment property in January 2020 so there is no average lease term anymore.

## Note 5 Fair value adjustment

	2020	2019
	EUR	EUR
Fair value adjustment of property	0	770,346

## Note 6 Other financial expenses

	2020	2019
	EUR	EUR
Interest payable, group enterprises	2,433	149,842
Interest payable, exchange losses and similar expenses	0	156,397
	<b>2,433</b>	<b>306,239</b>

## Note 7 Income taxes

Tax for the year	2020	2019
	EUR	EUR
Tax of continuing operations for the year	-18,854	-575,915
Deferred taxes	44,764	419,315
<b>Total tax for the year</b>	<b>25,910</b>	<b>-156,600</b>

Reconciliation of effective tax rate	2020	2019
	EUR	EUR
Profit before tax	-148,494	544,885
Expected tax rate	22 %	22 %
<b>Expected effort for income tax</b>	<b>32,669</b>	<b>-119,875</b>
Adjustments		
<i>Deviation of foreign tax rates from expected tax rate</i>	-9,169	33,647
<i>Current year losses for which no deferred tax asset is recognised</i>	2,410	0
<i>Other effects</i>	0	-70,372
<b>Effective income tax</b>	<b>25,910</b>	<b>-156,600</b>

Breakdown of deferred tax liabilities	2020	2019
	EUR	EUR
Investment property	0	44,764
<b>Total deferred tax liabilities</b>	<b>0</b>	<b>44,764</b>

The Company has tax loss carry forwards amounting to EUR nil (2019: nil).

## Note 8 Investment property

Cost at 31 Dec. 2020	Investment property
	EUR
Balance at 1 January 2020	5,744,071
Disposals	-5,744,071
<b>Balance at 31 December 2020</b>	<b>0</b>

Value adjustment	Investment property
	EUR
Balance at 1 January 2020	0
Disposals	0
<b>Balance at 31 December 2020</b>	<b>0</b>
<b>Carrying amount at 31 December 2020</b>	<b>0</b>

Cost at 31 Dec. 2019	Investment property
	EUR
Balance at 1 January 2019	14,526,499
Lease incentives and leasing costs	-22,280
Capital expenditures	3,158
Disposals	-8,763,306
<b>Balance at 31 December 2019</b>	<b>5,744,071</b>

Value adjustment	Investment property
	EUR
Balance at 1 January 2019	-11,266,884
Value adjustments in the year	9,555,932
Disposals	-4,033,119
<b>Balance at 31 December 2019</b>	<b>-5,744,071</b>
<b>Carrying amount at 31 December 2019</b>	<b>0</b>

## Note 9 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 Libor.

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 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 %.

	2020	2019
	EUR	EUR
Carrying amount of bank loans	0	0
Unamortised borrowing costs	0	0
<b>Principal amount of bank loans</b>	<b>0</b>	<b>0</b>
Valuation of investment property and property held for sale	0	4,033,119
Loan to value ratio	0 %	0 %

## 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 financial liabilities are also covered by the letter of support provided by the parent company.

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	25,378	0	0	25,378
Trade and other payables	0	27,608	0	0	27,608
	<b>0</b>	<b>52,986</b>	<b>0</b>	<b>0</b>	<b>52,986</b>

At 31 December 2019	On demand	less than 1 year	1 to 5 years	> 5 years	Total
	EUR	EUR	EUR	EUR	EUR
Payables to group enterprises	0	820,508	0	0	820,508
Trade and other payables	0	4,617,116	0	0	4,617,116
	<b>0</b>	<b>5,437,624</b>	<b>0</b>	<b>0</b>	<b>5,437,624</b>

## 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 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	11,895	11,895
Receivables from group enterprises	2,532,156	2,532,156
Cash	124,459	124,459
<b>Loans and receivables</b>	<b>2,668,511</b>	<b>2,668,511</b>

Financial liabilities	2020	
	Carrying amount	Fair value
	EUR	EUR
Payables to group enterprises	25,448	25,448
Trade and other payables	27,608	27,608
Accruals	11,480	11,480
<b>Financial liabilities held</b>	<b>64,536</b>	<b>64,536</b>

### Covid-19

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 10 Related parties

Tommas Jakobsen and Peer Thomas Borg are members of the Supervisory Board of MGM 1G ApS.

None of the directors were paid by MGM 1G ApS in the year. The directors are employed by Nectar Asset Management ApS, which renders management services to MGM 1G ApS. The amount charged by Nectar Asset Management ApS in the year to 31 December 2020 for services rendered was EUR 1,630 (2019: EUR 3,358).

The Company does not have any employees.

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 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. 2020	Rate of interest	Maturity
	EUR	EUR	%	EUR
<b>Payable fall due for payment within 1 year:</b>				
MGM 1E ApS	9,378	9,378	0 %	On demand
MGM 1F ApS	16,000	16,000	0 %	On demand
<b>Receivables:</b>				
GRP 1A ApS	299	299	0 %	On demand
MGM 1 S.à r.l.	5,000	5,000	0 %	On demand
MELF S.à r.l.	2,526,857	2,526,857	0 %	On demand

## Note 11 Assets held for sale

	2020	2019
	EUR	EUR
Properties held for sale	0	4,033,119

## Note 12 Profit/loss on disposal of investment property

	2020	2019
	EUR	EUR
Sales proceeds	0	0
Cost basis	0	0
Sales costs	-80,416	-239,278
	<b>-80,416</b>	<b>-239,278</b>

## 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 on either profit or loss.