

# Annual report 2018

Company reg. no. 36 40 75 81

**K/S GG 8**

**c/o Gefion Group Ejendomsudvikling K/S**

**Østergade 1, 1.**

**1100 København K**

The annual report have been submitted and approved by the general meeting on 24 April 2019.

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Thomas Færch  
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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## **Management's report**

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The management has today presented the annual report of K/S GG 8 for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København K, 24 April 2019

### **Managing Director**

Thomas Færch

### **General partner**

Komplementarselskabet GG 8 ApS

Thomas Færch

# Independent auditor's report

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## To the limited partners of K/S GG 8

### Opinion

We have audited the annual accounts of K/S GG 8 for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

## **Independent auditor's report**

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As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

## **Independent auditor's report**

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In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Glostrup, 24 April 2019

PKF Munkebo Vindelev  
State Authorised Public Accountants  
Company reg. no. 14 11 92 99

Peter Krogsrud Eriksen  
State Authorised Public Accountant  
mne34335

## Company data

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<b>The company</b>	K/S GG 8 c/o Gefion Group Ejendomsudvikling K/S Østergade 1, 1. 1100 København K  Company reg. no. 36 40 75 81 Established: 11 September 2014 Domicile: The City of Copenhagen Financial year: 1 January - 31 December 5th financial year
<b>Managing Director</b>	Thomas Færch
<b>General partner</b>	Komplementarselskabet GG 8 ApS
<b>Auditors</b>	PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab Hovedvejen 56 2600 Glostrup
<b>Bankers</b>	Handelsbanken, Amaliegade 3, 1256 København K
<b>Parent company</b>	Gefion Group Ejendomsudvikling K/S

## Financial highlights

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DKK in thousands.	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Profit and loss account:</b>					
Gross profit	-1.218	21.185	-28	911	0
Results from operating activities	-1.218	21.185	-28	911	0
Net financials	406	559	-100	-1	0
Results for the year	-812	21.744	-128	910	0
<b>Balance sheet:</b>					
Balance sheet sum	920	25.557	110.390	50.151	0
Investments in tangible fixed assets represent	0	0	0	39.000	0
Equity	714	22.526	782	910	0
<b>Key figures in %:</b>					
Acid test ratio	446,1	919,1	-	-	-
Solvency ratio	77,6	88,1	0,7	1,8	-
Return on equity	-7,0	186,6	-15,1	200,0	-

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

The financial highlights for 2014 only comprise the period 11 September - 31 December 2014.



## **Management's review**

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### **The principal activities of the company**

The principal activities of the company are project development within real estate and related activities.

### **Development in activities and financial matters**

The results from ordinary activities after tax are DKK -812.000 against DKK 21.744.000 last year. The management consider the results satisfactory.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

## **Accounting policies used**

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The annual report for K/S GG 8 is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### **THE PROFIT AND LOSS ACCOUNT**

#### **Gross loss**

The gross loss comprises the net turnover, estate costs and other external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of sales include costs directly related to the maturation of real estate projects and related to the year's net turnover.

Other external costs comprise costs for administration.

## **Accounting policies used**

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### **Net financials**

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### **Tax of the results for the year**

Taxes have not been recognised in the annual report, as these lie with the individual limited partners.

## **THE BALANCE SHEET**

### **Debtors**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

### **Available funds**

Available funds comprise cash at bank.

### **Other provisions**

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

On the acquisition of enterprises, provisions for restructuring within the acquired enterprise is included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been approved and announced on the date of acquisition at the latest.

When it is likely that the total costs will exceed the total income of work in progress for the account of others, provisions are made for the total loss expected on the contract. Provisions are recognised as costs under production costs.

### **Liabilities**

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

## Profit and loss account 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
<b>Gross loss</b>	<b>-1.218.371</b>	<b>21.184.890</b>
Other financial income from group enterprises	411.077	604.836
Other financial costs	-5.095	-45.755
<b>Results for the year</b>	<b>-812.389</b>	<b>21.743.971</b>
<b>Proposed distribution of the results:</b>		
Extraordinary dividend adopted during the financial year	21.000.000	0
Allocated to results brought forward	0	21.743.971
Allocated from results brought forward	-21.812.389	0
<b>Distribution in total</b>	<b>-812.389</b>	<b>21.743.971</b>

## Balance sheet 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2018</u>	<u>2017</u>
<b>Current assets</b>		
Amounts owed by group enterprises	741.573	24.247.040
Debtors in total	741.573	24.247.040
Available funds	178.443	1.309.625
<b>Current assets in total</b>	<b>920.016</b>	<b>25.556.665</b>
<b>Assets in total</b>	<b>920.016</b>	<b>25.556.665</b>

## Balance sheet 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2018</u>	<u>2017</u>
<b>Equity</b>			
1	Results brought forward	<u>713.802</u>	<u>22.526.190</u>
	<b>Equity in total</b>	<u><b>713.802</b></u>	<u><b>22.526.190</b></u>
 <b>Provisions</b>			
	Other provisions	<u>0</u>	<u>250.000</u>
	<b>Provisions in total</b>	<u><b>0</b></u>	<u><b>250.000</b></u>
 <b>Liabilities</b>			
	Other debts	<u>206.214</u>	<u>2.780.475</u>
	Short-term liabilities in total	<u>206.214</u>	<u>2.780.475</u>
	<b>Liabilities in total</b>	<u><b>206.214</b></u>	<u><b>2.780.475</b></u>
	<b>Equity and liabilities in total</b>	<u><b>920.016</b></u>	<u><b>25.556.665</b></u>

## Notes

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All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
<b>1. Results brought forward</b>		
Results brought forward 1 January 2018	22.526.190	782.219
Profit or loss for the year brought forward	-21.812.388	21.743.971
Extraordinary dividend adopted during the financial year	21.000.000	0
Distributed extraordinary dividend adopted during the financial year.	-21.000.000	0
	<u><b>713.802</b></u>	<u><b>22.526.190</b></u>