

## **Graciosa Project Finance ApS**

Vedbæk Strandvej 328  
2950 Vedbæk

CVR no. 36 70 61 63

**Annual report for 2019/20**

Adopted at the annual general meeting  
on 10 November 2020

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Matthew Snell  
chairman

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## **Statement by management on the annual report**

The executive board has today discussed and approved the annual report of Graciosa Project Finance ApS for the financial year 1 November 2019 - 31 October 2020.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 October 2020 and of the results of the company's operations for the financial year 1 November 2019 - 31 October 2020.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Vedbæk, 10 November 2020

### **Executive board**

Matthew Snell

## **Independent auditor's report on extended review**

### **To the shareholder of Graciosa Project Finance ApS**

#### **Adverse Opinion**

We have performed extended review of the financial statements of Graciosa Project Finance ApS for the financial year 1 November 2019 - 31 October 2020, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on our procedures, we believe, because of the significance of the matter described in the “Basis for Adverse Opinion” paragraph, that the financial statements do not give a true and fair view of the company's financial position at 31 October 2020 or of the results of the company's operations for the financial year 1 November 2019 - 31 October 2020 in accordance with the Danish Financial Statements Act.

#### **Basis for Adverse Opinion**

Management has prepared the financial statements on a going concern basis. As note 1 in the financial statements regarding events after the balance sheet date reflects that subsequent events do not allow the Company to continue as a going concern, Management is considering filing a petition for winding-up. Pursuant to the Danish Financial Statements Act, the financial statements should have been prepared considering the imminent liquidation of the Company, and recognition and measurement of the Company's assets and liabilities should have been changed accordingly. It has not been possible to quantify the effect hereof on the financial statements.

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the “Auditor's responsibilities for the extended review of the financial statements” section of our report. 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 the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

#### **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 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.

## **Independent auditor's report on extended review**

### **Auditor's responsibility for the extended review of the financial statements**

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

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

Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that 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 misstatement of management's review.

Hellerup, 10 November 2020

CVR no. 33 25 68 76



Søren Jonassen  
Statsautoriseret revisor  
MNE no. mne18488

## **Company details**

### **The company**

Graciosa Project Finance ApS  
Vedbæk Strandvej 328  
2950 Vedbæk

CVR no.: 36 70 61 63

Reporting period: 1 November 2019 - 31 October 2020

Incorporated: 8. April 2015

Domicile: Rudersdal

### **Executive board**

Matthew Snell

### **Auditors**

Crowe  
Statsautoriseret Revisionsinteressentskab v.m.b.a.  
Rygårds Allé 104  
2900 Hellerup

## **Management's review**

### **Business review**

The company's principal activities have like last year consisted of deposit and lending business.

### **Financial review**

The company's income statement for the year ended 31 October 2020 shows a loss of EUR 3.087.428, and the balance sheet at 31 October 2020 shows negative equity of EUR 19.029.436.

The company's only asset was a legal claim against Younicos AG which it believed it had a good chance of winning. Unfortunately the Hamburg courts encouraged the parties to find a settlement, indicating that the case would be technically complicated and take a long period of time. The company entered into a settlement on the best terms it could negotiate. This left the company without any assets upon which to meet its obligations to creditors. The management therefore recognises that the company is insolvent and with this final set of audited financial statements will file for bankruptcy.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## **Accounting policies**

The annual report of Graciosa Project Finance ApS for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2019/20 is presented in EUR

The company has changed its reporting period from 1/7 - 30/6 to 1/11 - 31/10, this financial statement being the first 12 month period. The transition report covered the period 1/7 - 31/10 2019, resulting in the comparative figures do not compare, since they cover a period of 4 months.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue less other external expenses.

### **Other external costs**

Other external costs include expenses related to administration.



## **Accounting policies**

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### **Tax on profit/loss for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Balance sheet**

### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

### **Liabilities**

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables other payables, are measured at amortised cost, which is usually equivalent to nominal value.

**Income statement**  
**1 November 2019 - 31 October 2020**

	<u>Note</u>	<u>2019/20</u> EUR	<u>2018/19</u> EUR '000
<b>Gross profit</b>		<b>-8.417</b>	<b>0</b>
<b>Profit/loss before net financials</b>		<b>-8.417</b>	<b>0</b>
Impairment losses on financial assets		400.000	0
Financial costs		-3.479.011	-775
<b>Profit/loss before tax</b>		<b>-3.087.428</b>	<b>-775</b>
Tax on profit/loss for the year		0	0
<b>Profit/loss for the year</b>		<b><u>-3.087.428</u></b>	<b><u>-775</u></b>
 <b>Recommended appropriation of profit/loss</b>			
Retained earnings		-3.087.428	-775
		<b><u>-3.087.428</u></b>	<b><u>-775</u></b>

## Balance sheet at 31 October 2020

	<u>Note</u>	<u>2019/20</u> EUR	<u>2018/19</u> EUR '000
<b>Assets</b>			
Investments in subsidiaries		<u>50.000</u>	<u>50</u>
<b>Fixed asset investments</b>		<u><b>50.000</b></u>	<u><b>50</b></u>
<b>Total non-current assets</b>		<u><b>50.000</b></u>	<u><b>50</b></u>
Other receivables		<u>10.880</u>	<u>21</u>
<b>Receivables</b>		<u><b>10.880</b></u>	<u><b>21</b></u>
<b>Total current assets</b>		<u><b>10.880</b></u>	<u><b>21</b></u>
<b>Total assets</b>		<u><u><b>60.880</b></u></u>	<u><u><b>71</b></u></u>

## Balance sheet at 31 October 2020

	<u>Note</u>	<u>2019/20</u> EUR	<u>2018/19</u> EUR '000
<b>Equity and liabilities</b>			
Share capital		10.000	10
Retained earnings		-19.039.436	-15.952
<b>Equity</b>	2	<u><b>-19.029.436</b></u>	<u><b>-15.942</b></u>
Other payables		11.517.414	11.517
<b>Total non-current liabilities</b>	3	<u><b>11.517.414</b></u>	<u><b>11.517</b></u>
Trade payables		4.500	5
Corporation tax		3.167	5
Other payables		7.565.235	4.486
<b>Total current liabilities</b>		<u><b>7.572.902</b></u>	<u><b>4.496</b></u>
<b>Total liabilities</b>		<u><b>19.090.316</b></u>	<u><b>16.013</b></u>
<b>Total equity and liabilities</b>		<u><u><b>60.880</b></u></u>	<u><u><b>71</b></u></u>
Uncertainty about the continued operation (going concern)	1		

## Notes

### 1 Uncertainty about the continued operation (going concern)

The company's only asset was a legal claim against Younicos AG which it believed it had a good chance of winning. Unfortunately the Hamburg courts encouraged the parties to find a settlement, indicating that the case would be technically complicated and take a long period of time. The company entered into a settled on the best terms it could negotiate. This left the company without any assets upon which to meet its obligations to creditors. The management therefore recognises that the company is insolvent and with this final set of audited financial statements will file for bankruptcy.

### 2 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 November 2019	10.000	-15.952.008	-15.942.008
Net profit/loss for the year	0	-3.087.428	-3.087.428
<b>Equity at 31 October 2020</b>	<b><u>10.000</u></b>	<b><u>-19.039.436</u></b>	<b><u>-19.029.436</u></b>

### 3 Long term debt

	<u>Debt at 1 November 2019</u>	<u>Debt at 31 October 2020</u>	<u>Instalment next year</u>	<u>Debt outstanding after 5 years</u>
Other payables	11.517.414	11.517.414	0	0
	<b><u>11.517.414</u></b>	<b><u>11.517.414</u></b>	<b><u>0</u></b>	<b><u>0</u></b>