



Gefion
GROUP

GG Østergade 1 ApS

Østergade 1, 1.
1100 Copenhagen
CVR No. 38019856

Annual report 2019

The Annual General Meeting adopted the annual report on 29.05.2020

Jacob Kruse Rasmussen

Chairman of the General Meeting

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Entity details

Entity

GG Østergade 1 ApS

Østergade 1, 1.

1100 Copenhagen

CVR No.: 38019856

Registered office: Copenhagen

Financial year: 01.01.2019 - 31.12.2019

Executive Board

Thomas Færch, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Executive Board have today considered and approved the annual report of GG Østergade 1 ApS for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.05.2020

Executive Board

Thomas Færch
CEO

Independent auditor's report

To the shareholders of GG Østergade 1 ApS

Opinion

We have audited the financial statements of GG Østergade 1 ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Copenhagen, 29.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Andersen

State Authorised Public Accountant
Identification No (MNE) mne27762

Management commentary

Primary activities

The principal activities of the company are commenrce with real estate or real estate companies and related activities.

Development in activities and finances

The result from ordinary activities after tax is a loss of DKK 819,474 against a loss of DKK 1,022,663 last year. The management consider the result as expected.

The company has lost more than half of the contributed capital and is therefore subject to the Danish Companies Act, section 119. The company expects to restore the capital through future earnings.

Events after the balance sheet date

No events have occurred after the balance sheet date which would influence the evaluation of the annual report. The outbreak and the spreading of the COVID-19 disease in early 2020 have not had and are not expected to have any material impact on the Entity's financial position.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		1,281,609	1,243,572
Depreciation, amortisation and impairment losses		(82,870)	(82,870)
Operating profit/loss		1,198,739	1,160,702
Other financial expenses	1	(2,535,703)	(2,138,639)
Profit/loss before tax		(1,336,964)	(977,937)
Tax on profit/loss for the year	2	517,490	(44,726)
Profit/loss for the year		(819,474)	(1,022,663)
Proposed distribution of profit and loss			
Retained earnings		(819,474)	(1,022,663)
Proposed distribution of profit and loss		(819,474)	(1,022,663)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Land and buildings		20,551,760	20,634,630
Property, plant and equipment	3	20,551,760	20,634,630
Deferred tax		298,291	41,067
Other financial assets	4	298,291	41,067
Fixed assets		20,850,051	20,675,697
Joint taxation contribution receivable		220,779	0
Receivables		220,779	0
Cash		46,781	8,898
Current assets		267,560	8,898
Assets		21,117,611	20,684,595

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		50,000	50,000
Retained earnings		(2,148,183)	(1,328,709)
Equity		(2,098,183)	(1,278,709)
Debt to other credit institutions		14,794,127	14,871,624
Payables to group enterprises		350,000	350,000
Non-current liabilities other than provisions	5	15,144,127	15,221,624
Payables to other credit institutions		5,077,500	5,075,396
Trade payables		0	14,058
Payables to group enterprises		2,689,475	1,510,891
Other payables		304,692	141,335
Current liabilities other than provisions		8,071,667	6,741,680
Liabilities other than provisions		23,215,794	21,963,304
Equity and liabilities		21,117,611	20,684,595
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Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	(1,328,709)	(1,278,709)
Profit/loss for the year	0	(819,474)	(819,474)
Equity end of year	50,000	(2,148,183)	(2,098,183)

Notes

1 Other financial expenses

	2019 DKK	2018 DKK
Financial expenses from group enterprises	367,110	18,851
Other interest expenses	2,168,593	2,119,788
	2,535,703	2,138,639

2 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	(220,779)	0
Change in deferred tax	(257,226)	44,726
Adjustment concerning previous years	(39,485)	0
	(517,490)	44,726

3 Property, plant and equipment

	Land and buildings DKK
Cost beginning of year	20,717,500
Cost end of year	20,717,500
Depreciation and impairment losses beginning of year	(82,870)
Depreciation for the year	(82,870)
Depreciation and impairment losses end of year	(165,740)
Carrying amount end of year	20,551,760

4 Financial assets

	Deferred tax DKK
Cost beginning of year	41,067
Additions	257,224
Cost end of year	298,291
Carrying amount end of year	298,291

5 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK
Debt to other credit institutions	14,794,127
Payables to group enterprises	350,000
	15,144,127

6 Working conditions

Average number of employees	0
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7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Gefion Group A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Assets charged and collateral

As security for debt to other credit institutions DKK 14,794,127 and payables to other credit institutions DKK 5,075,500, the building with a book value of DKK 20,551,760 is pledged as security.

9 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Gefion Group A/S, Copenhagen

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other nonmonetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed with the provision of services.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets and project costs.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial expenses

Other financial income comprises interest expenses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	50 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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