

Niels Juels Gade 9-13 Holding ApS

Østergade 1, 1.

1100 København K

Business Registration No

38398857

Annual report 2018

The Annual General Meeting adopted the annual report on 10.05.2019

Chairman of the General Meeting

Name: Thomas Færch

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Entity details

Entity

Niels Juels Gade 9-13 Holding ApS

Østergade 1, 1.

1100 København K

Central Business Registration No (CVR): 38398857

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

Executive Board

Thomas Færch, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Niels Juels Gade 9-13 Holding ApS for the financial year 01.01.2018 - 31.12.2018.

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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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, 10.05.2019

Executive Board

Thomas Færch
CEO

Independent auditor's report

To the shareholders of Niels Juels Gade 9-13 Holding ApS

Opinion

We have audited the financial statements of Niels Juels Gade 9-13 Holding ApS for the financial year 01.01.2018 - 31.12.2018, 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 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 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:

Independent auditor's report

- 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.

Independent auditor's report

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, 10.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Lars Andersen
State Authorised Public Accountant
Identification No (MNE) mne27762

Management commentary

Primary activities

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

Development in activities and finances

The result from ordinary activities after tax are a profit of DKK 1.676.848 against a loss of DKK 894.508 last year. The management consider the result acceptable.

Events after the balance sheet date

After the balance sheet date, the subsidiary sold its investment property and repaid its debt to the company. The bond loans was repaid at the same time.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross loss		(379.792)	(18.950)
Other financial income	3	25.577.975	0
Other financial expenses	4	<u>(22.921.317)</u>	<u>(1.127.855)</u>
Profit/loss before tax		2.276.866	(1.146.805)
Tax on profit/loss for the year	5	<u>(600.018)</u>	<u>252.297</u>
Profit/loss for the year		<u>1.676.848</u>	<u>(894.508)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>1.676.848</u>	<u>(894.508)</u>
		<u>1.676.848</u>	<u>(894.508)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Investments in group enterprises		15.050.000	15.050.000
Deferred tax		82.649	252.170
Fixed asset investments	6	<u>15.132.649</u>	<u>15.302.170</u>
Fixed assets		<u>15.132.649</u>	<u>15.302.170</u>
Receivables from group enterprises		203.742.263	183.171.209
Other receivables		0	4.767.735
Receivables		<u>203.742.263</u>	<u>187.938.944</u>
Cash	7	<u>55.330</u>	<u>415.463</u>
Current assets		<u>203.797.593</u>	<u>188.354.407</u>
Assets		<u>218.930.242</u>	<u>203.656.577</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Contributed capital		100.000	100.000
Retained earnings		<u>15.732.340</u>	<u>14.055.492</u>
Equity		<u>15.832.340</u>	<u>14.155.492</u>
Payables to group enterprises		<u>0</u>	<u>422.159</u>
Non-current liabilities other than provisions		<u>0</u>	<u>422.159</u>
Bank loans		0	3.975
Loans raised by the issuance of bonds		191.945.581	189.059.952
Trade payables		4.320	0
Payables to group enterprises		10.626.879	0
Joint taxation contribution payable		430.497	0
Other payables		<u>90.625</u>	<u>14.999</u>
Current liabilities other than provisions		<u>203.097.902</u>	<u>189.078.926</u>
Liabilities other than provisions		<u>203.097.902</u>	<u>189.501.085</u>
Equity and liabilities		<u>218.930.242</u>	<u>203.656.577</u>
Events after the balance sheet date	1		
Staff costs	2		
Contingent liabilities	8		
Assets charged and collateral	9		
Group relations	10		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
	<u> </u>	<u> </u>	<u> </u>
Equity beginning of year	100.000	14.039.629	14.139.629
Changes in accounting policies	<u> 0</u>	<u> 15.863</u>	<u> 15.863</u>
Adjusted equity, beginning of year	100.000	14.055.492	14.155.492
Profit/loss for the year	<u> 0</u>	<u> 1.676.848</u>	<u> 1.676.848</u>
Equity end of year	<u>100.000</u>	<u>15.732.340</u>	<u>15.832.340</u>

Notes

1. Events after the balance sheet date

After the balance sheet date, the subsidiary sold its investment property and repaid its debt to the company. The bond loans was repaid at the same time.

	<u>2018</u>	<u>2017</u>
2. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>

	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
3. Other financial income		
Financial income arising from group enterprises	21.928.200	0
Other interest income	93.844	0
Exchange rate adjustments	3.555.931	0
	<u>25.577.975</u>	<u>0</u>

	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
4. Other financial expenses		
Financial expenses from group enterprises	75.430	2.903
Other interest expenses	20.809.937	1.124.952
Exchange rate adjustments	1.212.207	0
Other financial expenses	823.743	0
	<u>22.921.317</u>	<u>1.127.855</u>

	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
5. Tax on profit/loss for the year		
Current tax	430.497	(127)
Change in deferred tax	169.521	(252.170)
	<u>600.018</u>	<u>(252.297)</u>

Notes

	Invest- ments in group enterprises DKK	Deferred tax DKK
6. Fixed asset investments		
Cost beginning of year	15.050.000	252.170
Disposals	0	(169.521)
Cost end of year	15.050.000	82.649
Carrying amount end of year	15.050.000	82.649

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Niels Juels Gade 9-13 ApS	Copenhagen	ApS	100,0

7. Cash

Cash includes DKK 55.330 where the use is restricted to specific purposes, such as interest payments, project development or construction or pledged as security.

8. Contingent liabilities

Joint Taxation

Gefion Group A/S, Company reg. 37 04 25 60 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

9. Assets charged and collateral

As security for debts, DKK 191.945.581, security has been granted on the deposits of a blocked account in Handelsbanken with a deposit of DKK 40.000 at 31 December 2018. Also a security has been granted on the equity investment in Niels Juels Gade 9-13 ApS with a book value of DKK 15.050.000 at 31 December 2018.

Notes

A guarantee undertaking has been given for an amount equal to interest on the bonds for the first eighteen months after the issue date, guaranteeing any loss of the bondholders emanating from the company's inability to fulfill its obligations.

10. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Gefion Group A/S, Copenhagen

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.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Changes in accounting policies

The Company has changed accounting principle for measurement of investment in group enterprises. Previously the investments was measured using the equity method. This has been changed so investments in group enterprises are measured at cost and written down to a lower recoverable amount.

Management believes the cost price principle better reflects the activities of the Group.

The change in accounting policies had the following effect:

Result of subsidiaries would have been t.DKK 70.601 higher.

Result for the year would have been t.DKK 70.601 higher.

Investments in Group enterprises, total assets and equity would have been t.DKK 70.585 higher.

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

Accounting policies

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 non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross loss comprises other external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

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.

Balance sheet

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments 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.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of 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.