

Gefion Group Holdco ApS

Østergade 1, 1.
1100 København K
Business Registration No
39312794

Annual report 06.02.2018 - 31.12.2018

The Annual General Meeting adopted the annual report on 31.05.2019

Chairman of the General Meeting

Name: Thomas Færch

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2018	7
Balance sheet at 31.12.2018	8
Statement of changes in equity for 2018	10
Notes	11
Accounting policies	13

Entity details

Entity

Gefion Group Holdco ApS
Østergade 1, 1.
1100 København K

Central Business Registration No (CVR): 39312794

Registered in: København

Financial year: 06.02.2018 - 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 Gefion Group Holdco ApS for the financial year 06.02.2018 - 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 06.02.2018 - 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, 31.05.2019

Executive Board

Thomas Færch
CEO

Independent auditor's report

To the shareholders of Gefion Group Holdco ApS

Opinion

We have audited the financial statements of Gefion Group Holdco ApS for the financial year 06.02.2018 - 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 06.02.2018 - 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, 31.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

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

Management commentary

Primary activities

The principle activities of the company are commerce 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 36.015.282. The management consider the results as expected. The loss is in accordance with our expectations. All subsidiaries are measured at cost price and therefore the underlying value creation in the Company's subsidiaries will not be reflected before the projects are disposed of.

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

Events after the balance sheet date

In 2019 a property in a 100% controlled subsidiary has been sold resulting in a net profit after tax amounting to DKK 70m for 2018 in that company. A dividend income amounting to at least the same amount is expected to be reported in Gefion Group Holdco ApS in 2019.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018</u> <u>DKK</u>
Gross profit/loss		(775.327)
Other financial income	2	13.485.079
Other financial expenses	3	<u>(51.235.111)</u>
Profit/loss before tax		(38.525.359)
Tax on profit/loss for the year	4	<u>2.510.077</u>
Profit/loss for the year		<u>(36.015.282)</u>
Proposed distribution of profit/loss		
Retained earnings		<u>(36.015.282)</u>
		<u>(36.015.282)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>
Investments in group enterprises		29.101.590
Deferred tax		<u>2.510.077</u>
Fixed asset investments	5	<u>31.611.667</u>
Fixed assets		<u>31.611.667</u>
Receivables from group enterprises		<u>196.146.707</u>
Receivables		<u>196.146.707</u>
Other investments		<u>1.643</u>
Other investments		<u>1.643</u>
Cash	6	<u>14.160.511</u>
Current assets		<u>210.308.861</u>
Assets		<u>241.920.528</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018</u> <u>DKK</u>
Contributed capital		500.000
Share premium		1.000
Retained earnings		<u>(8.057.754)</u>
Equity		<u>(7.556.754)</u>
Loans raised by the issuance of bonds		<u>245.274.542</u>
Non-current liabilities other than provisions		<u>245.274.542</u>
Loans raised by the issuance of bonds		3.731.179
Trade payables		130.936
Payables to group enterprises		300.000
Other payables		<u>40.625</u>
Current liabilities other than provisions		<u>4.202.740</u>
Liabilities other than provisions		<u>249.477.282</u>
Equity and liabilities		<u>241.920.528</u>
Staff costs	1	
Contingent liabilities	7	
Assets charged and collateral	8	
Group relations	9	

Statement of changes in equity for 2018

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Contributed upon formation	50.000	0	0	50.000
Increase of capital	450.000	27.958.528	0	28.408.528
Transfer to reserves	0	(27.957.528)	27.957.528	0
Profit/loss for the year	<u>0</u>	<u>0</u>	<u>(36.015.282)</u>	<u>(36.015.282)</u>
Equity end of year	<u>500.000</u>	<u>1.000</u>	<u>(8.057.754)</u>	<u>(7.556.754)</u>

Notes

	2018	
	<u>0</u>	
1. Staff costs		
Average number of employees		<u>0</u>
	2018	
	DKK	
	<u>5.861.202</u>	
2. Other financial income		
Financial income arising from group enterprises		5.861.202
Other interest income		50
Exchange rate adjustments		<u>7.623.827</u>
		<u>13.485.079</u>
	2018	
	DKK	
	<u>30.294.772</u>	
3. Other financial expenses		
Other interest expenses		30.294.772
Exchange rate adjustments		758.954
Other financial expenses		<u>20.181.385</u>
		<u>51.235.111</u>
	2018	
	DKK	
	<u>(2.510.077)</u>	
4. Tax on profit/loss for the year		
Change in deferred tax		(2.510.077)
		<u>(2.510.077)</u>
	Invest-	
	ments in	
	group	
	enterprises	
	DKK	
	<u>29.101.590</u>	Deferred
5. Fixed asset investments		tax
Additions		DKK
		<u>2.510.077</u>
Cost end of year	<u>29.101.590</u>	<u>2.510.077</u>
Carrying amount end of year	<u>29.101.590</u>	<u>2.510.077</u>

Notes

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>
Investments in group enterprises comprise:			
Rødovre Port Holding A/S	Copenhagen	A/S	100,0
GG AMS Holding 1 ApS	Copenhagen	ApS	100,0
GG Engvej 155 Holding 1 ApS	Copenhagen	ApS	100,0
HKP 1A Holding ApS	Copenhagen	ApS	100,0
Niels Juels Gade 9-13 Holding 1 ApS	Copenhagen	ApS	100,0
STIK 100 & 106 Holding ApS	Copenhagen	ApS	100,0
GG Development 20 A/S	Copenhagen	A/S	100,0
Oliebladsgade Holding 1 ApS	Copenhagen	ApS	100,0
Telegrafvej 5A Holding 1 ApS	Copenhagen	ApS	100,0
Kanalgaden 3 Holding 1 ApS	Copenhagen	ApS	100,0

6. Cash

Cash includes DKK 13.954.526 where the use is restricted to specific purposes, such as interest payments, project development or construction or pledged as security.

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 bond debt totalling DKK 249.005.721, the company has pledged equity investments group enterprises with a book value of DKK 29.101.590 at 31 December 2018.

9. 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 112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and 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, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Accounting policies

Receivables

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

Other investments

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

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.