

M.C. Development ApS

Thorndahlsvej 7

9200 Aalborg SV

CVR No. 40538410

Annual Report 2019

1. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 August 2020

Martin Cain
Chairman

M.C. Development ApS

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M.C. Development ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of M.C. Development ApS for the financial year 22 May 2019 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 22 May 2019 - 31 December 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aalborg, 31 August 2020

Executive Board

Martin Cain
Man. Director

M.C. Development ApS

Company details

Company	M.C. Development ApS Thorndahlsvej 7 9200 Aalborg SV
CVR No.	40538410
Date of formation	21 May 2019
Registered office	Aalborg
Executive Board	Martin Cain, Man. Director

Management's Review

The Company's principal activities

The Company's principal activities consist in development of property.

Development in activities and financial matters

The Company's Income Statement of the financial year 22 May 2019 - 31 December 2019 shows a result of DKK -55.685 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 6.121.670 and an equity of DKK -15.685.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

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Accounting Policies

Reporting Class

The Annual Report of M.C. Development ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 2019 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises. loss of debtors, operating leasing costs etc.

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Accounting Policies

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

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Accounting Policies

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

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Income Statement

	Note	2019 kr.
Gross profit		-71.391
Profit from ordinary operating activities		<u>-71.391</u>
Profit from ordinary activities before tax		<u>-71.391</u>
Tax expense on ordinary activities		15.706
Profit		<u>-55.685</u>
Proposed distribution of results		
Retained earnings		<u>-55.685</u>
Distribution of profit		<u>-55.685</u>

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Balance Sheet as of 31 December

	Note	2019 kr.
Assets		
Land and buildings	1	<u>5.968.157</u>
Property, plant and equipment		<u>5.968.157</u>
Fixed assets		<u>5.968.157</u>
Short-term receivables from group enterprises		137.807
Current deferred tax		<u>15.706</u>
Receivables		<u>153.513</u>
Current assets		<u>153.513</u>
Assets		<u>6.121.670</u>

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Balance Sheet as of 31 December

	Note	2019 kr.
Liabilities and equity		
Contributed capital		40.000
Retained earnings	2	-55.685
Equity		<u>-15.685</u>
Debt to banks		4.431.997
Payables to group enterprises		1.634.700
Payables to shareholders and management		70.658
Short-term liabilities other than provisions		<u>6.137.355</u>
Liabilities other than provisions within the business		<u>6.137.355</u>
Liabilities and equity		<u>6.121.670</u>
Contingent liabilities	3	
Collaterals and assets pledges as security	4	

Notes

2019

1. Land and buildings

Addition during the year, incl. improvements

5.968.157

Cost at the end of the year

5.968.157

Carrying amount at the end of the year

5.968.157

2. Retained earnings

Additions during the year

-55.685

Balance at the end of the year

-55.685

3. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

4. Collaterals and securities

No securities or mortgages exist at the balance sheet date.