

BaseCamp Student Real Estate ApS

Kristen Bernikows Gade 4, 1. sal, 1105 København K

Annual report

2019

Company reg. no. 38 51 14 32

The annual report was submitted and approved by the general meeting on the 26 August 2020.

Kenneth Strandlyst
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of BaseCamp Student Real Estate ApS for the financial year 2019.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January - 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København, 26 August 2020

Managing Director

Jesper Dam

Board of directors

Armon Bar-Tur

Justin Hamer

Jesper Dam

Independent auditor's report

To the shareholders of BaseCamp Student Real Estate ApS

Opinion

We have audited the financial statements of BaseCamp Student Real Estate ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 company'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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company'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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 26 August 2020

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

The company	BaseCamp Student Real Estate ApS Kristen Bernikows Gade 4, 1. sal 1105 København K
	Company reg. no. 38 51 14 32 Financial year: 1 January - 31 December 3rd financial year
Board of directors	Armon Bar-Tur Justin Hamer Jesper Dam
Managing Director	Jesper Dam
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
Subsidiary	BC Skovbrynet Residential ApS, København, København

Management commentary

The principal activities of the company

Like previous years, the principal activities are consultancy with real estate transactions.

Development in activities and financial matters

The gross profit for the year totals DKK 13.105.934 against DKK 5.391.668 last year. Income or loss from ordinary activities after tax totals DKK 392.414 against DKK 995.638 last year. Management considers the net profit or loss for the year satisfactory.

Accounting policies

The annual report for BaseCamp Student Real Estate ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Accounting policies

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately when the useful lives of each individual components differ.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Investments

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Accounting policies

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross profit	13.105.934	5.391.668
1 Staff costs	-6.444.547	-4.378.595
Depreciation and impairment of property, land, and equipment	-38.703	-10.220
Operating profit	6.622.684	1.002.853
Other financial income	8.138.461	23.237.328
Other financial costs	-14.368.731	-23.241.067
Pre-tax net profit or loss	392.414	999.114
Tax on net profit or loss for the year	0	-3.476
Net profit or loss for the year	392.414	995.638
Proposed appropriation of net profit:		
Transferred to retained earnings	392.414	995.638
Total allocations and transfers	392.414	995.638

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Non-current assets		
2 Other fixtures and fittings, tools and equipment	248.992	26.569
Total property, plant, and equipment	248.992	26.569
3 Equity investments in group enterprises	47.000.000	1.000.000
Deposits	212.247	208.437
Total investments	47.212.247	1.208.437
Total non-current assets	47.461.239	1.235.006
Current assets		
Trade receivables	845.460	2.528.245
Receivables from group enterprises	22.010.824	90.799.276
Other receivables	0	3.650.954
Prepayments and accrued income	5.349	0
Total receivables	22.861.633	96.978.475
Cash on hand and demand deposits	5.739.690	1.376.496
Total current assets	28.601.323	98.354.971
Total assets	76.062.562	99.589.977

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
Contributed capital	50.000	50.000
Retained earnings	-450.870	-843.285
Total equity	-400.870	-793.285
Liabilities other than provisions		
Deposits	101.770	115.062
Other payables	121.447	0
Total long term liabilities other than provisions	223.217	115.062
Prepayments	0	8.322.535
Trade payables	574.441	377.085
Payables to group enterprises	373.485	0
Income tax payable to group enterprises	0	3.476
Other payables	75.292.289	91.565.104
Total short term liabilities other than provisions	76.240.215	100.268.200
Total liabilities other than provisions	76.463.432	100.383.262
Total equity and liabilities	76.062.562	99.589.977

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	50.000	-843.284	-793.284
Profit or loss for the year brought forward	<u>0</u>	<u>392.414</u>	<u>392.414</u>
	<u>50.000</u>	<u>-450.870</u>	<u>-400.870</u>

Notes

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
1. Staff costs		
Salaries and wages	6.409.697	4.353.660
Other costs for social security	34.850	24.935
	<u>6.444.547</u>	<u>4.378.595</u>
Average number of employees	<u>8</u>	<u>8</u>
2. Other fixtures and fittings, tools and equipment		
Cost 1 January 2019	36.789	0
Additions during the year	261.126	36.789
Cost 31 December 2019	<u>297.915</u>	<u>36.789</u>
Amortisation and writedown 1 January 2019	-10.220	0
Depreciation for the year	-38.703	-10.220
Amortisation and writedown 31 December 2019	<u>-48.923</u>	<u>-10.220</u>
Carrying amount, 31 December 2019	<u>248.992</u>	<u>26.569</u>
3. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2019	1.000.000	1.000.000
Additions during the year	46.000.000	0
Cost 31 December 2019	<u>47.000.000</u>	<u>1.000.000</u>
Carrying amount, 31 December 2019	<u>47.000.000</u>	<u>1.000.000</u>

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, BaseCamp Student Real Estate ApS
BC Skovbrynet Residential ApS, København	100 %	46.806.316	-151.271	47.000.000
		<u>46.806.316</u>	<u>-151.271</u>	<u>47.000.000</u>

Notes

All amounts in DKK.

4. Contingencies

Contingent liabilities

Lease liabilities

In addition to finance leases, the company has entered into operational leases with an average annual lease payment of DKK xx. The leases have xx months to maturity and total outstanding lease payments total DKK xx,000.

Upon expiry of the lease, the company is obliged to assign a buyer of the asset to DKK xx + registration fee.

Rent liabilities

In addition to lease contract, the company has entered into lease commitments, that amounts to DKK 516.000 at the balance sheet date, that in the the interminable period represents 6 months.

Joint VAT registration

The company is VAT registered together with the mother company, BaseCamp Student Real Estate and therefore is jointly and severally liable with the other jointly VAT registered companies for the total VAT.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.