

ST Skovbrynet Student ApS
Kristen Bernikows Gade 4 1. sal, 1105 København

Annual report

2018

Company reg. no. 38 68 41 59

The annual report was submitted and approved by the general meeting on the 12 June 2019.

Christian Winther Sørensen
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The executive board has today presented the annual report of ST Skovbrynet Student ApS for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København, 21 May 2019

Executive board

Jesper Dam

Armon Nathan Mordecia Bar-Tur David Justin Irving Hamer

Michael Buckley

Independent auditor's report

To the shareholders of ST Skovbrynet Student ApS

Opinion

We have audited the annual accounts of ST Skovbrynet Student ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 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 below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

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 evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 21 May 2019

Martinsen

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

Leif Tomasson

State Authorised Public Accountant
mne25346

Company data

The company

ST Skovbrynet Student ApS
Kristen Bernikows Gade 4 1. sal
1105 København

Company reg. no. 38 68 41 59

Financial year: 1 January - 31 December
2nd financial year

Executive board

Jesper Dam
Armon Nathan Mordecia Bar-Tur
David Justin Irving Hamer
Michael Buckley

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø

Parent company

ST Holdings S.à r.l.

Management's review

The principal activities of the company

The activity of the company is to own, develop, lease, purchase and sell real estate as well as any other business affiliate thereto.

Development in activities and financial matters

The gross loss for the year is DKK -3.731.000 against DKK -30.000 last year. The management consider the results satisfactory.

Accounting policies used

The annual report for ST Skovbrynet Student ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

The profit and loss account

Gross loss

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Rental income comprises income from the lease of property and from charged joint costs, and it is recognised in the profit and loss account for the period relating to the lease payment. Income from the heating account is recognised in the balance sheet as a balance among the lessees.

Other external costs comprise costs for distribution and administration.

Net financials

Net financials 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 profit and loss account with the amounts that concern the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The balance sheet

Investment property

At the first recognition, investment property is measured at cost, comprising the cost of the property and directly attached costs, if any.

Hereafter, investment properties are measured individually at an estimated fair value. The properties are measured using a return-based model, by which the expected future cash flows for the next year along with a rate of return determined by an external assessor form the basis for the fair value of the properties. Compared to the latest financial year, the method of measurement used remains unchanged.

Costs which add new or improved qualities to an investment property compared to its condition at the time of acquisition and which thereby improves the future return on the property are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the profit and loss account in the item "Costs concerning investment property".

Like other material fixed assets, except from land, investment property has a limited life financial life. The impairment taking place concurrently with the aging of the investment property is reflected in the current measuring of the investment property at fair value.

Value adjustments are recognised in the profit and loss account in the item "Value adjustments of property".

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Accounting policies used

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Liabilities relating to investment properties are measured at amortised cost.

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

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/1 - 31/12 2018	2/6 - 31/12 2017
Gross loss	-3.730.823	-30.000
Other financial costs	0	-46.994
Results before tax	-3.730.823	-76.994
Tax on ordinary results	840.000	0
Results for the year	-2.890.823	-76.994
 Proposed distribution of the results:		
Allocated from results brought forward	-2.890.823	-76.994
Distribution in total	-2.890.823	-76.994

Balance sheet 31 December

All amounts in DKK.

Assets	<u>2018</u>	<u>2017</u>
Note		
Fixed assets		
1 Investment property	459.371.258	182.426.348
Tangible fixed assets in total	<u>459.371.258</u>	<u>182.426.348</u>
Other debtors	2.012.500	0
Financial fixed assets in total	<u>2.012.500</u>	<u>0</u>
Fixed assets in total	<u>461.383.758</u>	<u>182.426.348</u>
Current assets		
2 Deferred tax assets	840.000	0
Other debtors	26.125.164	42.204.682
Debtors in total	<u>26.965.164</u>	<u>42.204.682</u>
Available funds	366.225	0
Current assets in total	<u>27.331.389</u>	<u>42.204.682</u>
Assets in total	<u>488.715.147</u>	<u>224.631.030</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		<u>2018</u>	<u>2017</u>
<u>Note</u>			
Equity			
3	Contributed capital	1.000.000	1.000.000
4	Results brought forward	<u>54.082.183</u>	<u>56.973.006</u>
	Equity in total	<u>55.082.183</u>	<u>57.973.006</u>
Liabilities			
	Prepayments	67.561.948	80.488.265
	Trade creditors	84.030.682	168.200
	Debt to group enterprises	280.391.064	85.499.939
	Other debts	<u>1.649.270</u>	<u>501.620</u>
	Short-term liabilities in total	<u>433.632.964</u>	<u>166.658.024</u>
	Liabilities in total	<u>433.632.964</u>	<u>166.658.024</u>
	Equity and liabilities in total	<u>488.715.147</u>	<u>224.631.030</u>

5 Contingencies**6 Related parties**

Notes

All amounts in DKK.

	1/1 - 31/12 2018	2/6 - 31/12 2017
1. Investment property		
Cost 1 January 2018	187.590.300	0
Additions during the year	<u>271.780.958</u>	<u>182.426.348</u>
Cost 31 December 2018	<u>459.371.258</u>	<u>182.426.348</u>
Book value 31 December 2018	<u>459.371.258</u>	<u>182.426.348</u>

The property is under construction and is still at an early stage.

The property therefore is valued at cost which is determined to equals the fair value.

2. Deferred tax assets

Deferred tax of the results for the year	<u>840.000</u>	<u>0</u>
	<u>840.000</u>	<u>0</u>

The following items are subject to deferred tax:

Losses brought forward from previous years	<u>840.000</u>	<u>0</u>
	<u>840.000</u>	<u>0</u>

Tax losses will be utilized either by disposal of part of the property or by unrealised valueadjustment on the property.

3. Contributed capital

Contributed capital 1 January 2018	1.000.000	50.000
Cash capital increase 4/7 2017	<u>0</u>	<u>950.000</u>
	<u>1.000.000</u>	<u>1.000.000</u>

Notes

All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
4. Results brought forward		
Results brought forward 1 January 2018	56.973.006	0
Profit or loss for the year brought forward	-2.890.823	-76.994
Capital increase to premium	<u>0</u>	<u>57.050.000</u>
	<u>54.082.183</u>	<u>56.973.006</u>

5. Contingencies

Contingent liabilities

The company has no contingencies or provided guarantees on 31 December 2018.

The company has to BC Skovbrynet Residential ApS in a conditional purchase and development agreement sold a part of the project. When all conditions are fulfilled land of title will be transferred to BC Skovbrynet Residential ApS incl. the building costs up to that date. BC Skovbrynet Residential ApS has made an advance payment to ST Skovbrynet Student ApS of 70 mio. DKK, covering part of the cost of the land and part of the development and building costs.

6. Related parties

Consolidated annual accounts

The company is included in the consolidated annual accounts of ST Holdings S.à.r.l., 6, rue Eugene Ruppert, L-2453 Luxembourg