

**ESHF 2 Birketinget ApS**

**Kristen Bernikows gade 4, 1., 1105 København K**

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**Annual report**

**2021**

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**Company reg. no. 39 07 66 91**

The annual report was submitted and approved by the general meeting on the 26 May 2022.

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**Monique Jaqqam**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 statement**

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Today, the Executive Board has approved the annual report of ESHF 2 Birketinget ApS for the financial year 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København K, 26 May 2022

### **Executive board**

David Justin Irving Hamer

Armon Nathan Mordecia Bar-Tur

Monique Jaqqam

Kristina Olsen

## Independent auditor's report

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### To the Shareholder of ESHF 2 Birketinget ApS

#### Opinion

We have audited the financial statements of ESHF 2 Birketinget ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 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 in preparing the financial statements 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 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.

## Independent auditor's report

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As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 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 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 the disclosures, 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 Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

## **Independent auditor's report**

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In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 26 May 2022

### **Martinsen**

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

### **Leif Tomasson**

State Authorised Public Accountant  
mne25346

## Company information

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### The company

ESHF 2 Birketinget ApS  
Kristen Bernikows gade 4, 1.  
1105 København K

Company reg. no. 39 07 66 91

Financial year: 1 January 2021 - 31 December 2021  
4th financial year

### Executive board

David Justin Irving Hamer  
Armon Nathan Mordecia Bar-Tur  
Monique Jaqqam  
Kristina Olsen

### Auditors

Martinsen  
Statsautoriseret Revisionspartnerselskab  
Øster Allé 42  
2100 København Ø

### Parent company

ESHF 2 Holdings S.à r.l.

## **Management´s review**

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### **The principal activities of the company**

Like previous years, the principal activities is to own, develop, buy and sell real estate.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 3.707.755 against DKK -1.014.459 last year. Income or loss from ordinary activities after tax totals DKK 66.237.058 against DKK 62.746.270 last year. Management considers the net profit or loss for the year satisfactory.



## Accounting policies

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The annual report for ESHF 2 Birketinget 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.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### 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, other operating income and external costs.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment.

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

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs.

### Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

## Accounting policies

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### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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

## Statement of financial position

### Investment property

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

Hereafter, investments are measured individually on the basis of a return-based cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. Fair value measurement is made on the basis of estimated lease income and expected operating costs, including scheduled maintenance. Compared to the previous financial year, the method of measurement remains unchanged.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving 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 income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item "Value adjustments of property".

## Accounting policies

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### Deposits

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

### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### Prepayments

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

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

## Accounting policies

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According to the rules of joint taxation, ESHF 2 Birketinget ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

### Liabilities other than provisions

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

### Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>3.707.755</b>	<b>-1.014.459</b>
Value adjustment of investment property	95.411.033	81.319.506
<b>Profit before net financials</b>	<b>99.118.788</b>	<b>80.305.047</b>
Other financial income	15.552	0
1 Other financial expenses	-13.677.282	-18.777
<b>Pre-tax net profit or loss</b>	<b>85.457.058</b>	<b>80.286.270</b>
2 Tax on net profit or loss for the year	-19.220.000	-17.540.000
<b>Net profit or loss for the year</b>	<b>66.237.058</b>	<b>62.746.270</b>
 <b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	66.237.058	62.746.270
<b>Total allocations and transfers</b>	<b>66.237.058</b>	<b>62.746.270</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		<u>2021</u>	<u>2020</u>
<u>Note</u>			
<b>Non-current assets</b>			
3	Investment property	<u>596.400.000</u>	<u>500.700.000</u>
	Total property, plant, and equipment	<u>596.400.000</u>	<u>500.700.000</u>
4	Deposits	<u>81.017</u>	<u>0</u>
	Total investments	<u>81.017</u>	<u>0</u>
	<b>Total non-current assets</b>	<b><u>596.481.017</u></b>	<b><u>500.700.000</u></b>
<b>Current assets</b>			
	Other receivables	1.824.154	927.640
	Prepayments	<u>149.156</u>	<u>35.914</u>
	Total receivables	<u>1.973.310</u>	<u>963.554</u>
	Cash and cash equivalents	<u>116.780.213</u>	<u>273.985</u>
	<b>Total current assets</b>	<b><u>118.753.523</u></b>	<b><u>1.237.539</u></b>
	<b>Total assets</b>	<b><u>715.234.540</u></b>	<b><u>501.937.539</u></b>

**Balance sheet at 31 December**

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	51.000	51.000
Retained earnings	198.493.533	132.256.475
<b>Total equity</b>	<b>198.544.533</b>	<b>132.307.475</b>
<b>Provisions</b>		
Provisions for deferred tax	36.760.000	17.540.000
<b>Total provisions</b>	<b>36.760.000</b>	<b>17.540.000</b>
<b>Long term liabilities other than provisions</b>		
5 Mortgage loans	363.000.000	0
Payables to subsidiaries	0	92.402.562
6 Total long term liabilities other than provisions	363.000.000	92.402.562
6 Current portion of long term liabilities	104.524.258	0
Bank loans	0	228.593.942
Trade payables	490.692	14.371.437
Other payables	11.478.335	16.722.123
Deferred income	436.722	0
Total short term liabilities other than provisions	116.930.007	259.687.502
<b>Total liabilities other than provisions</b>	<b>479.930.007</b>	<b>352.090.064</b>
<b>Total equity and liabilities</b>	<b>715.234.540</b>	<b>501.937.539</b>
<b>7 Contingencies</b>		
<b>8 Related parties</b>		

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	51.000	69.510.205	69.561.205
Profit or loss for the year brought forward	0	62.746.270	62.746.270
Equity 1 January 2021	51.000	132.256.475	132.307.475
Profit or loss for the year brought forward	0	66.237.058	66.237.058
	<b>51.000</b>	<b>198.493.533</b>	<b>198.544.533</b>



## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>1. Other financial expenses</b>		
Financial costs, group enterprises	6.148.363	0
Other financial costs	<u>7.528.919</u>	<u>18.777</u>
	<b><u>13.677.282</u></b>	<b><u>18.777</u></b>
<b>2. Tax on net profit or loss for the year</b>		
Adjustment for the year of deferred tax	<u>19.220.000</u>	<u>17.540.000</u>
	<b><u>19.220.000</u></b>	<b><u>17.540.000</u></b>
<b>3. Investment property</b>		
Cost 1 January 2021	419.380.493	202.823.196
Additions during the year	<u>288.968</u>	<u>216.557.298</u>
<b>Cost 31 December 2021</b>	<b><u>419.669.461</u></b>	<b><u>419.380.494</u></b>
Fair value adjustment 1 January 2021	81.319.506	0
Adjust of the year to fair value	<u>95.411.033</u>	<u>81.319.506</u>
<b>Fair value adjustment 31 December 2021</b>	<b><u>176.730.539</u></b>	<b><u>81.319.506</u></b>
<b>Carrying amount, 31 December 2021</b>	<b><u>596.400.000</u></b>	<b><u>500.700.000</u></b>

The measurement of properties is made using a returnbased cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. The fair value measurement is made on the basis of estimated rental income and expected operating costs, including scheduled maintenance. Cash flows beyond the 10th year (terminal value) is determined according to a netrent model based on the 10th year, but at average estimates as to vacant periods, improvement costs, major maintenance costs, and investments. Cash flows from each year and the value of the terminal year are discounted with the required rate of return determined for each individual property with addition of inflation.

The property, which is located on the island of Amager, in the Copenhagen South district, is mainly used as student housing and fitness, totalling 10.382 sqm.

The external assessor has applied a Discount Rate of 3.5 % with an Exit Capitalisation Rate of 3,5 %.

## Notes

All amounts in DKK.

	31/12 2021	31/12 2020		
<b>4. Deposits</b>				
Additions during the year	81.017	0		
Cost 31 December 2021	81.017	0		
Carrying amount, 31 December 2021	81.017	0		
<b>5. Mortgage loans</b>				
Total mortgage loans	363.000.000	0		
Share of liabilities due after 5 years	363.000.000	0		
<b>6. Long term liabilities other than provisions</b>				
	Total payables 31 Dec 2021	Current portion of long term payables	Long term payables 31 Dec 2021	Outstanding payables after 5 years
Mortgage loans	363.000.000	0	363.000.000	363.000.000
Payables to subsidiaries	104.524.258	104.524.258	0	0
	<b>467.524.258</b>	<b>104.524.258</b>	<b>363.000.000</b>	<b>363.000.000</b>

## 7. Contingencies

### Contingent liabilities

#### Joint taxation

With ESHF 2 Aarhus Student ApS, company reg. no 31 33 02 38 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for 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 total tax payable under the joint taxation scheme totals DKK 0.

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

## Notes

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All amounts in DKK.

### 7. Contingencies (continued)

#### Joint taxation (continued)

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

### 8. Related parties

#### Consolidated financial statements

The company is included in the consolidated annual accounts of ESHF 2 Holdings S.à r.l., 19, rue de Bitbourg, L-1273 Luxembourg