

PATRIZIA Multi Managers I A/S

Strandvejen 102E, 4.sal
2900 Hellerup

CVR no. 28 33 08 04

Annual report for 2017

Adopted at the annual general meeting

Hellerup on *25/* 2018

Chairman


Mads Rude
Managing Director

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Company details

The company

PATRIZIA Multi Managers I A/S
Strandvejen 102E, 4.sal
2900 Hellerup

CVR no.: 28 33 08 04

Reporting period: 1 January - 31 December 2017

Domicile: Gentofte

Supervisory board

Anne Theresa Kavanagh
Klaus Alois Schmitt
Bo Weisel Jensen

Executive board

Mads Rude, Managing Director

Auditors

Deloitte
Statsautoriseret revisionspartnerselskab
Weidekampsgade 6
2300 København S

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of PATRIZIA Multi Managers I A/S for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

^{25/5}
Hellerup, 2018

Executive board



Mads Rude
Managing Director

Supervisory board



Anne Theresa Kavanagh



Klaus Alois Schmitt



Bo Weisel Jensen

Independent auditor's report

To the shareholders of PATRIZIA Multi Managers I A/S

Opinion

We have audited the financial statements of PATRIZIA Multi Managers I A/S for the financial year 1 January - 31 December 2017, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. 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 company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017 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' 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 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.

Independent auditor's report

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 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.

Independent auditor's report

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.

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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 25/5 2018

Deloitte

Statsautoriseret revisionspartnerselskab
CVR no. 33 96 35 56



Anders Oldau Gjelstrup
State Authorized Public Accountant
MNE no. mne10777



Henrik Anders Laursen
State Authorized Public Accountant
MNE no. mne16549

Management's review

Business activities

The company's purpose is advice on real estate investments for the real estate fund PMM Global I K/S.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Financial review

The year at a glance and follow-up on expectations expressed last year

The Management is satisfied with the net profit for this year. A lower net profit is expected for the year 2018.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of PATRIZIA Multi Managers I A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented in TDKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Revenue from sale of services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, housing and administration etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits.

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement 1 January 2017 - 31 December 2017

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
Revenue		3.590	8.215
Other external expenses		<u>-1.102</u>	<u>-5.584</u>
Gross profit		2.488	2.631
Financial income	1	0	7
Financial costs	2	<u>-14</u>	<u>-16</u>
Profit/loss before tax		2.474	2.622
Tax on profit/loss for the year	3	<u>-544</u>	<u>-575</u>
Net profit/loss for the year		<u>1.930</u>	<u>2.047</u>
 Proposed distribution of profit			
Proposed dividend for the year		<u>0</u>	<u>2.047</u>
		<u>0</u>	<u>2.047</u>

Balance sheet at 31 December 2017

	Note	<u>2017</u> TDKK	<u>2016</u> TDKK
Assets			
Cash at bank and in hand		<u>3.206</u>	<u>3.654</u>
Current assets total		<u>3.206</u>	<u>3.654</u>
Assets total		<u>3.206</u>	<u>3.654</u>

Balance sheet at 31 December 2017

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
Liabilities and equity			
Share capital		700	700
Retained earnings		1.930	0
Proposed dividend for the year		<u>0</u>	<u>2.047</u>
Equity	4	<u>2.630</u>	<u>2.747</u>
Payables to subsidiaries		0	699
Corporation tax		544	175
Other payables		<u>32</u>	<u>33</u>
Short-term debt		<u>576</u>	<u>907</u>
Debt total		<u>576</u>	<u>907</u>
Liabilities and equity total		<u>3.206</u>	<u>3.654</u>
Contingent assets, liabilities and other financial obligations	5		

Notes

	2017 TDKK	2016 TDKK
1 Financial income		
Other financial income	0	7
	0	7
2 Financial costs		
Other financial costs	14	16
	14	16
3 Tax on profit/loss for the year		
Current tax for the year	544	575
	544	575

4 Equity

	Share capital	Retained earnings	Proposed divic	Total
Equity at 1 January 2017	700	0	2.047	2.747
Ordinary dividend paid	0	0	-2.047	-2.047
Net profit/loss for the year	0	1.930	0	1.930
Proposed dividend for the year	0	0	0	0
Equity at 31 December 2017	700	1.930	0	2.630

5 Contingent assets, liabilities and other financial obligations

The entity participates in a Danish joint taxation arrangement. 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, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities.