

Marmorbyen Øst P/S

c/o 31253 Newsec PAM Denmark A/S
Lyngby Hovedgade 4,
2800 Kongens Lyngby

CVR No. 39194082

Annual Report 2021

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 June 2022

DocuSigned by:

Maria Scheutz

6BC5BD76760B4A7
Kerstin Maria Scheutz
Chairman

Marmorbyen Øst P/S

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Marmorbyen Øst P/S

Management's Statement

Today, Management has considered and adopted the Annual Report of Marmorbyen Øst P/S for the financial year 1 January 2021 - 31 December 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021.

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.

Kongens Lyngby, 30 June 2022

Executive Board

Andreas Norberg
CEO

Supervisory Board

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Maria Scheutz
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kerstin Maria Scheutz
Chairman

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Andreas Norberg
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Andreas Norberg
Member

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John Åke Marcus Arvidsson
Member

Marmorbyen Øst P/S

Independent Auditors' Report

To the shareholders of Marmorbyen Øst P/S

Opinion

We have audited the financial statements of Marmorbyen Øst P/S for the financial year 1 January 2021 - 31 December 2021, which comprise income statement, balance sheet, statements of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with 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 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibility 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.

The auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement 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.

Marmorbyen Øst P/S

Independent Auditors' Report

- * 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 note 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 the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 30 June 2022

EY Godkendt Revisionspartnerselskab

CVR-no. 30700228

DocuSigned by:



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Kaare K. Lendorff

State Authorised Public Accountant
mne33819

Marmorbyen Øst P/S

Company details

Company	Marmorbyen Øst P/S c/o 31253 Newsec PAM Denmark A/S Lyngby Hovedgade 4, 2800 Kongens Lyngby CVR No.: 39194082 Date of formation: 19 December 2017
Supervisory Board	Kerstin Maria Scheutz Andreas Norberg John Åke Marcus Arvidsson
Executive Board	Andreas Norberg, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg CVR-no.: 30700228

Marmorbyen Øst P/S

Management's Review

The Company's principal activities

The Company's principal activities consist in investing in real estate, including buying and and selling real estate.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK 58.524.246 and the Balance Sheet at 31 December 2021 a balance sheet total of DKK 726.155.716 and an equity of DKK 355.970.271.

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.

Marmorbyen Øst P/S

Accounting Policies

Reporting Class

The annual report of Marmorbyen Øst P/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

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 amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 the Company is liable to lose future, financial benefits 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 financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Rental income receivable from operating leases is recognised on a straight line basis over the term of the lease, except for contingent rental income, which is recognised as earned.

Costs relating to incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non cancellable period of the lease together with any further term for which the the lessee has the option to continue the lease, where, at the inception of the lease, Management is reasonably certain that the lessee will exercise that option.

Amounts received from lessees to terminate leases or to compensate for dilapidations are recognised in the income statement as received.

Marmorbyen Øst P/S**Accounting Policies**

Service charges and expenses recoverable from tenants:

Income arising from expenses recharged to lessees is recognised in the period in which the expenses can be contractually recovered. Service charges and other such receipts are included gross of the related costs in revenue, when management considers that the Group acts as agent.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Property expenses

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Depreciation and amortisation expenses

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Plant and machinery	5	years
- expected residual value	0	DKK

Financial income and expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax on net profit for the year

The financial statement do not include tax as the individual limited partners include results from the limited partnership in their income statements.

Balance sheet**Plant and machinery**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

Marmorbyen Øst P/S

Accounting Policies

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables. An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Liabilities

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, mortgage debt is measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other payables

Other payables are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Marmorbyen Øst P/S**Income Statement**

	Note	2021 kr.	2020 kr.
Revenue		24.934.106	25.280.770
Property expenses		-4.815.603	-4.667.551
Other external expenses		-4.409.770	-3.949.693
Gross result		15.708.733	16.663.526
Depreciation and amortisation expense		0	-47.625
Value adjustments of investment property		56.000.000	1.800.000
Profit from ordinary operating activities		71.708.733	18.415.901
Other financial income	1	621.355	0
Financial expenses	2	-13.805.842	-2.865.610
Profit from ordinary activities before tax		58.524.246	15.550.291
Profit		58.524.246	15.550.291
Proposed distribution of results			
Retained earnings		58.524.246	15.550.291
Distribution of profit		58.524.246	15.550.291

Marmorbyen Øst P/S**Balance Sheet as of 31 December**

	Note	2021 kr.	2020 kr.
Assets			
Plant and machinery	3	0	0
Investment property	4	709.800.000	653.800.000
Property, plant and equipment		709.800.000	653.800.000
Fixed assets		709.800.000	653.800.000
Short-term trade receivables		651.026	0
Short-term receivables from group enterprises		2.815.910	9.646.566
Other short-term receivables		365.067	11.080
Prepayments		170.061	2.424
Receivables		4.002.064	9.660.070
Cash and cash equivalents		12.353.652	24.669.620
Current assets		16.355.716	34.329.690
Assets		726.155.716	688.129.690

Marmorbyen Øst P/S**Balance Sheet as of 31 December**

	Note	2021 kr.	2020 kr.
Liabilities and equity			
Contributed capital		500.000	500.000
Retained earnings		380.470.271	321.946.025
Proposed extraordinary dividend recognised in equity		-25.000.000	0
Equity		355.970.271	322.446.025
Mortgage debt		0	354.721.829
Payables to group enterprises		356.372.886	0
Deposits, liabilities other than provisions		0	6.250.410
Long-term liabilities other than provisions	5	356.372.886	360.972.239
Trade payables		408.335	62.054
Payables to group enterprises		2.350.503	312.752
Other payables		934.547	772.218
Deferred income, liabilities		0	3.564.402
Deposits, liabilities other than provisions		10.119.174	0
Short-term liabilities other than provisions		13.812.559	4.711.426
Liabilities other than provisions within the business		370.185.445	365.683.665
Liabilities and equity		726.155.716	688.129.690
Employee costs	6		
Collaterals and assets pledges as security	7		
Related parties	8		

Marmorbyen Øst P/S**Statement of changes in Equity**

	Contributed capital	Retained earnings	Extraordinary dividen recognised in equity	Total
Equity 1 January 2021	500.000	321.946.025	0	322.446.025
Dividend	0	-25.000.000	25.000.000	0
Profit (loss)	0	58.524.246	0	58.524.246
Extraordinary dividend paid	0	0	-25.000.000	-25.000.000
Equity 31 December 2021	500.000	355.470.271	0	355.970.271

Marmorbyen Øst P/S**Notes**

	2021	2020
	kr.	kr.
1. Financial income		
Other financial income	621.355	0
	621.355	0
2. Financial expenses		
Financial expenses arising from group enterprises	5.490.496	0
Interest mortgage debt	0	2.657.577
Other financial expenses	8.315.346	208.033
	13.805.842	2.865.610
3. Plant and machinery		
Cost at the beginning of the year	236.851	236.851
Cost at the end of the year	236.851	236.851
Depreciation and amortisation at the beginning of the year	-236.851	-189.226
Amortisation for the year	0	-47.625
Impairment losses and amortisation at the end of the year	-236.851	-236.851
Carrying amount at the end of the year	0	0
4. Investment property		
Cost at the beginning of the year	594.840.819	594.840.819
Cost at the end of the year	594.840.819	594.840.819
Revaluations at the beginning of the year	58.959.181	57.159.181
Revaluations for the year	56.000.000	1.800.000
Revaluations at the end of the year	114.959.181	58.959.181
Carrying amount at the end of the year	709.800.000	653.800.000

The Company Group invests in rental property. Investment property is recognised at fair value with value adjustment over the income statement, see the provisions in section 38 of the Danish Financial Statements Act.

The fair value is based on a level 3 assesment. The fair value of investment property has been estimated by discounting the expected, future cash flows, using a relevant discount factor.

Expected future cash flows are based on budgets, approved by management, for the coming 10 year period and an estimated terminal value for the remaining life of the property concerned.

The discount factor comprises the risk-free interest rate and a risk premium for the property concerned.

Independent valuers are consulted for purposes of estimating the fair values.

The fair value of investment properties has been estimated to TDKK 709.800.

The most significant fair value assumptions are:

Discount rate: 5,00%

Initial yield: 2,83%

Exit yield: 3,00%

Marmorbyen Øst P/S**Notes****5. Long-term liabilities**

	Due within 1 year kr.	Due between 1-5 year kr.	Due after 5 years kr.
Payables to group enterprises	2.350.503	0	356.372.886
	2.350.503	0	356.372.886

6. Employee costs

The Company has no employees.

7. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

8. Related parties

Related parties with controlling interest:

Ejendomsselskabet PADK M1 ApS, c/o 31251 Newsec PAM Denmark A/S, Lyngby Hovedgade 4, 2800 Kgs. Lyngby.

Group consolidation:

The company is included in the consolidated report for the parent company CBRE GI Open-ended Funds S.C.A. SICAV-SIF - PEC Fund

The consolidated report for 2021 can be requested at the following address:

Rue du Fort Wallis 4 2714 Luxembourg