



PMM Global V K/ S

c/o Bruun & Hjejle
Nørregade 21, 1165 København K

CVR-nr. 39 68 19 43

Annual report 2018/19

Approved at the Company's annual general meeting on 30 January 2020

Chairman:

.....
Mads Peter Grønkjær

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Statement by the Board of Directors

Today, the Management has discussed and approved the annual report of PMM Global V K/S for the financial year as of the establishment of the Company 27 June 2018 - 30 September 2019.

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 financial position of the Company at 30 September 2019 and of the results of the Company's operations and cash flows for the financial year as of the establishment of the Company 27 June 2018 - 30 September 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Hellerup, 2 December 2019

Management, Komplementarselskabet PMM V GP ApS::

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Mads Rude

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Birger Grubbe

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Peter V. Carøe

Independent auditor's report

To the limited partners of PMM Global V K/S

Opinion

We have audited the financial statements of PMM Global V K/S for the financial year as of the establishment of the Company 27 June 2018 - 30 September 2019, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement 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 30 September 2019 and of the results of the Company's operations as well as the cash flows for the financial year as of the establishment of the company 27 June 2018 - 30 September 2019 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 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' 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 rules and requirements.

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 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the 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.
- ▶ 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 the 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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 2 December 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Ole Karstensen
State Authorised Public Accountant
mne16615

Kaare K. Lendorf
State Authorised Public Accountant
mne33819

Management's review

Company details

Name	PMM Global V K/S
Address, Postal code, City	Bruun & Højle Nørregade 21, 1165 København K
CVR no.	39 68 19 43
Established	27 June 2018
Registered office	København
Financial year	27 June 2018 - 30 September 2019

Management	Mads Rude Birger Grubbe Peter V. Carøe
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Auditors	Ernst & Young Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
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Financial highlights

EUR'000	2018/19 15 months
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Key figures

Net operating income from properties	227
Operating profit/loss	-1,851
Net financials	-144
Profit/loss before tax	-1,996
Profit/loss for the year	-1,996

Fixed assets	45,217
Non-fixed assets	242
Total assets	45,459
Investments by limited partners	37,976
Equity	44,116

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Management's review

Business review

PMM Global V K/S' business concept is investment in and management of indirect investments in foreign property via international partners.

Long-term objectives

The Fund's long-term objective is to generate an attractive internal rate of return (IRR) of 10-12% including approximately 3-4% in dividends from operating cash flow.

Recognition and measurement uncertainties

Investments in property investments are measured at fair value. The measurement includes accounting estimates and is, therefore, subject to uncertainty.

Disclosure requirements in respect of section 61 (3) of the Danish FAIF Act

We can inform, that during the financial year there have been no changes to the disclosures regarding sections 62, 64 and 65. The disclosures are included in the quarterly investor report as well the subscription documentation for the fund. In respect of the requested disclosure of total remunerations paid to the management of PATRIZIA Multi Managers A/S, this can be found in the annual report for PATRIZIA Multi Managers A/S, which can be found at www.erhvervsstyrelsen.dk. The disclosures are given on manager level and are neither allocated nor shown per individually managed fund.

Financial review

Real estate fundamentals continue to be relatively healthy, especially in mature markets where leasing demand is significant and supply growth is relatively moderate.

Positive fair value adjustments on foreign property investments recognized as associates, are recognized directly at equity in the annual report, but are recognized in the income statement in the investor reports. A reconciliation between the two accounting policies is shown below:

Income statement			
EUR000	According to investor reports	Adjustment	According to the annual report
Net income from properties	227	0	227
Fair value adjustment of property investments	6,891	-6,202	689
Impairment adjustments for associates	0	-638	-638
Administrative expenses	-2,130	0	-2,130
Operating profit	4,988	-6,840	-1,852
Net financials	1,152	-1,296	-144
Profit for the year	6,140	-8,136	-1,996

Management´s review

Operating activities

In the financial year 2018/19, the Fund generated a positive operating profit of EUR -1,852 thousand. Profit after foreign exchange adjustments and financial expenses amounted to EUR -1,996 thousand.

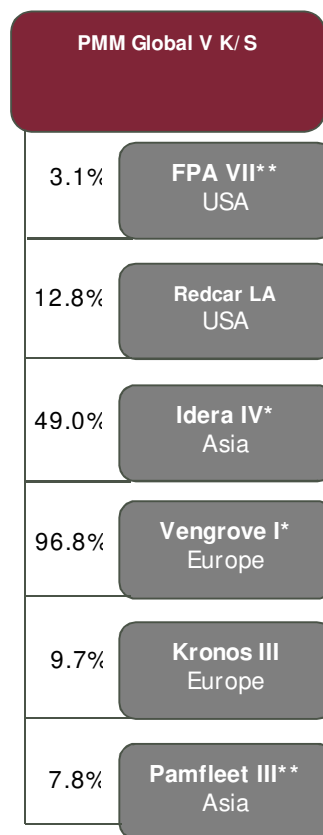
Financing

In the financial year, the investors in the Fund made capital injections (cash calls) of EUR 38.0 million.

The limited partner's committed capital totaled EUR 253.2 million. Undrawn capital amounted to EUR 215.2 million. There is not assessed any risk in connection with payment of the undrawn commitment.

Investments

At the end of the financial year, total commitments to investments amounted to EUR 149.9 million, equivalent to 59.2% of total net commitments to the Fund. Of the total commitments, net investments made in underlying investments (cash calls) totaled EUR 36.8 million or approx. 24.5%



Note: the above mentioned percentages refer to PMM Global V K/S' ownership shares in each of the investments. The country / region specification refers to the location of the assets.

**The company has, as consequence of the structure, characteristics and contractual agreement of the investment, no control on the investment.*

***The company made a commitment, but the capital have not yet been called.*

Management's review

Special risks

Operating risks

The Fund's most significant operating risks are related to the development of the property market and general economic risks. During the investment period, the Fund mitigated the risks by diversified investments in the European, American and Asian markets

Financial risks

Apart from liabilities relating to operating activities and trading activities, the Fund has no debt, and investments are not leveraged. For each of the foreign property investments, no investments have been made in investments with leverage - the proportion between liabilities and assets - exceeding 70%. The leverage total for all property investments is not to exceed an average of 60% at the end of the investment period or when the last investment has been completed. The current leverage in the investments made in foreign property investments amounts to 45.7%. Accordingly, the financial risk is assessed as moderate.

Foreign exchange risks

The Fund makes investments in foreign property investments in foreign currency. No hedging of foreign currency risks on long-term investments is made. At their own discretion, the Fund's investors may decide to hedge the underlying risk on an investment.

Knowledge resources

The Fund makes investments based on an overall assessment of potential property investments using a systematised selection method involving external consultants, when necessary. When selecting specific assets, the personal knowledge and competencies of the partners are decisive. Consequently, the Fund has ensured strong alignment of the partners through financial incentives.

Environmental matters

The Fund's operations have no direct environmental impact, but the Fund intends to contribute to a minimal environmental impact through its investment policy.

Research and development activities

During the financial year, the Fund had no research and development activities, and none are expected in the coming financial year.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

In the coming financial year the Fund's total return is expected to be slightly positive before currency adjustments. Due to the fund still being in the initial part of the investment period it is difficult to estimate a precise return.

Financial statements for the period 27 June 2018 - 30 September 2019

Income statement

Note	EUR'000	2018/19 15 months
	Net operating income from properties	227
	Fair value adjustment of foreign property investments	689
	Impairment adjustments for associated entities	-638
	Administrative expenses	-2,130
	Gross profit	-1,852
4	Financial income	564
5	Financial expenses	-708
	Profit/ loss for the year	-1,996

Financial statements for the period 27 June 2018 - 30 September 2019

Balance sheet

Note	EUR'000	2018/19
	ASSETS	
	Fixed assets	
6	Investments	
	Investments in associates	28,775
	Investments in foreign property investments	16,442
		<u>45,217</u>
	Total fixed assets	<u>45,217</u>
	Non-fixed assets	
	Receivables	
	Other receivables	242
		<u>242</u>
	Total non-fixed assets	<u>242</u>
	TOTAL ASSETS	<u><u>45,459</u></u>
	EQUITY AND LIABILITIES	
	Equity	
7	Investments by limited partners	37,976
	Net revaluation reserve according to the equity method	7,498
	Retained earnings	-1,358
	Total equity	<u>44,116</u>
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Bank debt	1,177
	Other payables	166
		<u>1,343</u>
	Total liabilities other than provisions	<u>1,343</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>45,459</u></u>

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 3 Staff costs
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements for the period 27 June 2018 - 30 September 2019

Statement of changes in equity

Note	EUR'000	Investments by limited partners	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 27 June 2018	0	0	0	0
	Equity called during the period	37,976	0	0	37,976
10	Transfer, see "Appropriation of profit/loss"	0	7,498	-9,494	-1,996
	Fair value adjustments associates	0	0	8,136	8,136
	Equity at 30 September 2019	37,976	7,498	-1,358	44,116

Financial statements for the period 27 June 2018 - 30 September 2019

Cash flow statement

Note	EUR'000	2018/19 15 months
	Profit/loss for the year	-1,996
	Cash generated from operations (operating activities)	-1,996
	Value adjustment of property investments and loans	-689
	Impairment adjustments for associates	638
	Unrealised exchange adjustments of property investments and loans	-235
	Changes in receivables	-76
	Cash flows from operating activities	-2,358
	Acquisition of investments in property investments	-36,795
	Cash flows to investing activities	-36,795
	Investments by limited partners	37,976
	Cash flows from financing activities	37,976
	Net cash flow	-1,177
	Cash and cash equivalents at 30 September 2019	-1,177

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

1 Accounting policies

The annual report of PMM Global V K/S has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities with the adjustments following the legal form and operating activities of the Fund.

Basis of recognition and measurement

All income in relation to the financial year is recognised in the income statement as earned. Negative value adjustments in respect of investments in foreign property investments are also recognised in the income statement.

Equally, costs incurred to generate the year's earnings are recognised in the income statement.

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits from the Fund is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below. In recognising and measuring assets and liabilities, expected losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Reporting currency

The financial statements are presented in euros (EUR), as the Company's most significant transactions are settled in EUR.

Foreign currency translation

EUR is used as the functional currency. Transactions denominated in other currencies than EUR are considered transactions denominated in foreign currencies.

On initial recognition, investments in property investments are translated to EUR at the exchange rates at the transaction date. Subsequent fair value adjustments of investments in property investments are recognised in the income statement at the same historical exchange rate to the effect that exchange rate adjustments do not affect the operating profit. Differences arising between the exchange rate at the balance sheet date and the historical exchange rate are recognised in the income statement as financial items. Financial items are specified in the note regarding financial income and expenses on investments in foreign property investments and other items.

Receivables, payables and other monetary items denominated in foreign currencies are translated to EUR at the exchange rate or forward price at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or the exchange rate in the latest annual report is recognised in the income statement as financial income or expenses.

Investments in foreign property investments are translated at the exchange rate at the balance sheet date.

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Net operating income from properties

In the income statement, net operating income received from properties translated at the weighted historical exchange rates at the transaction date is recognised as income.

Other operating income and operating expenses

In the income statement, fair value adjustment of properties and liabilities translated at the weighted historical exchange rates at the transaction date for cash calls are recognised as income.

Value adjustments due to changes in exchange rates are recognised as financial income or expenses.

Administrative expenses

Administrative expenses comprise expenses for management fee to PATRIZIA Multi Managers A/S, due diligence costs in connection with investments, remuneration to the general partner and audit fee.

The Fund has entered into a management agreement regarding the Fund's activities. A fixed management fee is paid.

Financial income and expenses

Financial income and expenses comprise foreign exchange adjustments of investments in foreign property investments, other realised and unrealised foreign exchange adjustments and interest.

Tax

PMM Global V K/S is not a separate entity subject to taxation. The tax liability in respect of the Fund's earnings is incumbent on the individual investors of the Fund. For this reason, no tax is calculated on the Fund's earnings, and withholding of foreign tax on dividends from property investments is charged directly to the Fund's investors.

Balance sheet

Investments

Investments in associates

On initial recognition, investments in associates are determined at the exchange rates at the transaction date and are subsequently measured at fair value translated at the exchange rate at the balance sheet date. The fair value is determined by each fund based on the fair value of the underlying properties. Liabilities in investments in property investments are measured at fair value.

The fair value measurement is based on recognised valuation methods on the basis of observable market information (fair value hierarchy 3).

The proportionate ownership share of the associates' equity value determined based on the fair value of the identifiable net assets at the acquisition date minus or plus unrealised intragroup gains or losses is recognised in the balance sheet as "Investments in associates".

Investments in foreign property investments

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

1 Accounting policies (continued)

On initial recognition, investments in property investments are determined at the exchange rates at the transaction date and are subsequently measured at fair value translated at the exchange rate at the balance sheet date. The fair value is determined by each fund based on the fair value of the underlying properties. Liabilities in investments in property investments are measured at fair value.

The fair value measurement is based on recognised valuation methods on the basis of observable market information (fair value hierarchy 3).

Investment commitments where cash calls have not been made at the balance sheet date are disclosed under contingent liabilities in the notes. Received dividends from property investments are deducted from the value of the investments.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which is equivalent to nominal value less write-down for bad debt losses. Write-downs are made for bad debt losses based on an individual assessment of receivables.

Receivables from limited partners regarding cash calls receivable, etc. are recognised at nominal value.

Cash

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

Equity

Revaluation reserve

Investments by limited partners are recognised when cash calls are made. Investment commitments where cash calls have not been made at the balance sheet date are disclosed in the notes.

The reserve for net revaluation according to the equity method is determined as the total net revaluation of investments in subsidiaries less distribution of dividends to the Parent Company and adjusted for other changes in equity in subsidiaries.

Fair value adjustments of investments in associates are made on a continuous basis, and revaluations and reversals relative to cost are recognised in a special reserve under equity called "Revaluation reserve".

The revaluation reserve is reduced by the depreciation charges relating to the revaluation.

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Liabilities

Liabilities (current and non-current) are included when the Fund, as a consequence of an event occurring no later than on the balance sheet date, has a legal or constructive obligation, and an outflow of economic benefits from the Fund to settle the obligation is probable. Investment commitments where cash calls have not been made at the balance sheet date are disclosed in the notes.

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

1 Accounting policies (continued)

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning of the year and at the end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as profit/loss for the year adjusted for changes in working capital and non-cash operating items such as value adjustments. The working capital comprises fixed assets minus current liabilities - excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from and to investments in property investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from and to the investors.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

2 Recognition and measurement uncertainties

The determination of the carrying amount of property investments and liabilities requires judgements, estimates and assumptions concerning future events.

The estimates and assumptions made are based on fair value calculations from property investments, historical experiences and other factors assessed by Management to be reliable in the circumstances, but which by nature are associated with uncertainty and unpredictability.

The assumptions made may prove incomplete or inaccurate, and unexpected events or circumstances may arise. Furthermore, the Fund is subject to risks and uncertainties, which may lead to actual results differing from the estimates. Particular risks for PMM Global V K/S are mentioned in the Management's review.

It may be necessary to change previously made estimates as a consequence of changes in the circumstances on which the previous estimates were based or due to new knowledge or subsequent events.

Estimates essential to the financial reporting may for example comprise determination of the value of the underlying investments in foreign property investments. Because of the measurement principles used, the calculation of fair value will be subject to uncertainty.

3 Staff costs

The Limited Partnership is managed by the general partner. The general partner receives an annual fee of t.EUR 40 for the general partner role.

EUR'000	2018/19 15 months
4 Financial income	
Other financial income	564
	<hr/>
	564
5 Financial expenses	
Other financial expenses	708
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	708
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Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

6 Investments

EUR'000	Investments in associates	Investments in foreign property investments	Total
Cost at 27 June 2018	0	0	0
Additions	21,277	23,639	44,916
Disposals	0	-8,121	-8,121
Cost at 30 September 2019	21,277	15,518	36,795
Revaluations for the year	7,498	924	8,422
Value adjustments at 30 September 2019	7,498	924	8,422
Carrying amount at 30 September 2019	28,775	16,442	45,217

Name	Domicile	Interest	Equity EUR'000	Profit/loss EUR'000
Associates				
Idera IV	Asia	49.00%	38,152	16,603
Vengrove Real Estate Partners I*	Europe	96.80%	10,414	-633

* Classified as an associate in the consolidated financial statements together with associates in the parent company.

* The company has, as consequence of the structure, characteristics and contractual agreement of the investment, no control on the investment.

Consolidated financial statements and parent company financial statement 1 October 2018 – 30 September 2019

Notes to the financial statements

6 Investments (continued)

Name	Domicile	Interest	Equity EUR '000	Profit/ loss EUR '000
FPA Apartment Opportunity Fund VII*	North America	3.1%	N/A	N/A
Redcar LA Opportunity	North America	12.80%	60,998	2,152
Kronos Iberian Real Estate Fund III	Europe	9.70%	89,025	8,776
Pamfleet Real Estate Fund III*	Asia	7.8%	N/A	N/A

*The company made a commitment, but the capital has not yet been called.

On initial recognition, property investments are measured at cost translated at the exchange rates at the transaction date. Subsequently property investments are measured at fair value translated at the exchange rate at the balance sheet date. The fair value is determined by each Fund based on the fair value of the net assets in the fund comprising underlying properties and related liabilities.

PMM Global V invests in managed real estate funds, which are not quoted on an active market. The investments in these funds will generally be classified as Level 3 in the fair value hierarchy. The valuation models applied for the real estate funds assets will typically be based on (i) discounted cash flow analysis; (ii) direct capitalisation method; and/or (iii) comparable sales method. The real estate funds reflect its real estate equity investments net of investment level financing. Increases or decreases in any of the assumptions in isolation would result in a lower or higher fair value measurement.

The real estate funds generally invest in real estate and real estate related investments for which there is no liquid market. The market price for such investments may not be readily ascertainable. As a result, amounts ultimately realised by the fund from investments sold may differ from the fair value presented and the difference could be material.

The review of the valuation process is performed by the management of PATRIZIA Multi Managers A/S. PATRIZIA Multi Managers A/S considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing to ensure they are reasonable and appropriate.

PATRIZIA Multi Managers A/S bases their ongoing review of the valuation process on the information reported from the real estate funds in their annual financial statements and quarterly reports. In PATRIZIA Multi Managers A/S's review of the valuation process, the obtained reported information is compared to what is budgeted or expected by the management of PATRIZIA Multi Managers A/S and, if the information is not in accordance with what is expected, the management engages in dialog with the real estate funds in order to clarify any irregularities. At least once every year, PATRIZIA Multi Managers A/S ensures that an external valuation of all the assets in the funds is carried out.

The following table shows information about the by the real estate funds used unobservable inputs related to the fair value measurement at 30 September 2019 as per their quarterly reports:

Consolidated financial statements and parent company financial statement 1 October 2018 – 30 September 2019

Notes to the financial statements

6 Investments (continued)

At 30 September 2019

Fund	Type	Asset class	Valuation techniques	Unobservable inputs	Weighted average	Vacancy
Redcar I	Investment in real estate equity	Office	Cost	Newly acquired	Newly acquired	N/A
Kronos III	Real estate development	Residential	Discounted cash flow (unobservable inputs used for discount rate/cost of equity calculated using CAPM)	Discount rate Exit price	13.0% N/A	N/A

Consolidated financial statements and parent company financial statement 1 October 2018 – 30 September 2019

Notes to the financial statements

7 Investments by limited partners

The subscribed equity consist of 253,175 shares of EUR 1,000 each.

The total subscribed equity capital amounts to EUR 253,175, the equity called at year end amounts to EUR 37,976 and the commitments for additional investments amounts to EUR 215,199.

Limited Partners Holding more than 5% of the subscribed capital:

Pensionskassen for Sygeplejersker og Lægesekretærer
Pensionskassen for Socialrådgivere / -Pædagoger og Kontorpersonale
Pensionskassen for Sundhedsfaglige
C.L. Davids Fond Og Samling
Tryg Forsikring A/S
PMM Global V Feeder K/S

8 Contractual obligations and contingencies, etc.

EUR million		Commitment		Residual commitment	
Fund	Currency	Amount	EUR	Amount	EUR
FPA Apartment Opportunity Fund VII	USD	30.0	27.6	30.0	27.6
Redcar LA Opportunity	USD	29.7	27.1	21.1	19.3
Idera IV	JPY	2,528.0	20.7	1,193.0	10.1
Vengrove Real Estate Partners I	GBP	15.0	16.9	5.5	6.2
Kronos Iberian Real Estate Fund III	EUR	25.5	25.5	17.9	17.9
Pamfleet Real Estate Fund III	USD	35.0	32.1	35.0	32.1
Total			149.9		113.3

Consolidated financial statements and parent company financial statement 1 October 2018 – 30 September 2019

Notes to the financial statements

9 Related parties

PMM Global V K/S has the following related parties exercising control:

PMM V GP ApS, registration no. 39 68 18 03 is general partner in PMM Global V K/S. As general partner the company has the general management responsibility for PMM Global V K/S. However, a management agreement with a management company was entered when founding PMM Global V K/S, see below. As general partner PMM V GP ApS receives a fixed fee. Transactions have been made on an arm's length basis.

On behalf of PMM V GP ApS, PATRIZIA Multi Managers A/S, registration no. 32 46 88 88 has entered into an agreement with PMM Global V K/S on management of PMM Global V K/S. As management company PATRIZIA Multi Managers A/S receives a fee calculated as a percentage of obtained commitments to invest in foreign property investments. Transactions have been made on an arm's length basis. No other transactions between PMM Global V K/S and PATRIZIA Multi Managers A/S have taken place.

Investor Board

The Fund's Investor Board does not receive any fees.

Financial statements for the period 27 June 2018 - 30 September 2019

Notes to the financial statements

EUR'000	2018/19 15 months
10 Appropriation of profit/loss	
Recommended appropriation of profit/loss	
Net revaluation reserve according to the equity method	7,498
Retained earnings/accumulated loss	-9,494
	<u>-1,996</u>

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Birger Grubbe

Board of Directors

On behalf of: PMM Global IV & V K/S

Serial number: PID:9208-2002-2-416233883229

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NEM ID 

Mads Rude

Board of Directors

On behalf of: PMM Global IV & V K/S

Serial number: PID:9208-2002-2-044133565664

IP: 165.225.xxx.xxx

2019-12-04 12:54:07Z

NEM ID 

Peter Vilhelm Carøe

Board of Directors

On behalf of: PMM Global IV & V K/S

Serial number: PID:9208-2002-2-420041542979

IP: 93.163.xxx.xxx

2019-12-06 12:45:21Z

NEM ID 

Ole Karstensen

State Authorised Public Accountant

On behalf of: Ernst & Young P/S

Serial number: CVR:30700228-RID:1268145551631

IP: 80.197.xxx.xxx

2019-12-06 16:05:56Z

NEM ID 

Kaare Kristensen

State Authorised Public Accountant

On behalf of: Ernst & Young P/S

Serial number: CVR:30700228-RID:73827337

IP: 145.62.xxx.xxx

2019-12-09 09:46:57Z

NEM ID 

Mads Peter Grønkjær

Chairman

On behalf of: PMM Global IV & V K/S

Serial number: CVR:37127876-RID:91941863

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