

ERIF Karlslunde ApS


C/O CEJ Ejendomsadministration A/S
Meldahls­gade 5, 1,
1613 København V

CVR No. 39723425

Annual Report 2023

5. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 5 April 2024

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Åke Anders Henrik Skoog
Chairman

ERIF Karlslunde ApS

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ERIF Karlslunde ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of ERIF Karlslunde ApS for the financial year 1 January 2023 - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

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.


Stockholm, 5 April 2024

Executive Board


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John Åke Marcus Arvidsson
Executive officer

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Åke Anders Henrik Skoog
Executive officer

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Jenny Karin Elisabet Tuleby
Executive officer

ERIF Karlslunde ApS

Independent Auditors' Report

To the shareholders of ERIF Karlslunde ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial statements of ERIF Karlslunde ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("financial statements").

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.

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, in our view, 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 in Management's Review.

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

ERIF Karlslunde ApS

Independent Auditors' Report

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 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 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.

Hellerup, 5 April 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33771231

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Maj-Britt Nørskov Nannestad
State Authorized Public Accountant
mne32198

ERIF Karlslunde ApS

Company details

Company	ERIF Karlslunde ApS C/O CEJ Ejendomsadministration A/S Meldahls­gade 5, 1, 1613 København V
CVR No.	39723425
Date of formation	11 July 2018
Financial year	1 January 2023 - 31 December 2023
Executive Board	John Åke Marcus Arvidsson Åke Anders Henrik Skoog Jenny Karin Elisabet Tuleby
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Standvejen 44 2900 Hellerup

ERIF Karlslunde ApS

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, including but not limited to financing the acquisition of real estate by taking out loans, and direct or indirect holding of capital shares in companies in the Grand Duchy of Luxembourg or abroad.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year January - 31 December 2023 shows a result of DKK -37.870.347 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 268.157.472 and an equity of DKK 108.249.021.

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.

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Accounting Policies

Reporting Class

The annual report of ERIF Karlslunde ApS for 2023 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 it is probable that future economic benefits attributable to the asset will flow out of the Company, 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

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of rental income, other operating income, costs related to the rental income and other external expenses.

Rental income

Rental income is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the rental income can be reliably calculated and expected to be received. Rental income is recognised excluding VAT and all discounts granted are recognised in revenue.

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Accounting Policies

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Fair value adjustment of investment assets and debts

Adjustments of investment assets and debts measured at fair value are recognised as a separate item in the income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Investment property

Investment property comprises investment in land and buildings for the purpose of achieving a return on the invested capital in the form of regular operating income and a capital gain on resale.

On initial recognition, investment properties are measured at cost, which comprises the cost of the property and any directly related expenses.

Investment properties are subsequently measured at their value. The fair value of the properties is reassessed annually based on the return-based valuation model.

The fair value is determined based on the net return on commercial properties located in the same geographical area as the properties. Net return is calculated taking into consideration the existing leases, the state of repair of the properties and the budget for the next year.

Net return is calculated as total rental income less direct costs for property taxes, insurance, maintenance and housing management incurred on the investment properties divided by the carrying amounts of the investment properties less deposits.

Change in fair value are recognised in the income statement under value adjustment of investment properties.

As the investment properties are measured at fair value, they are not depreciated.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Prepaid expenses

Prepaid expenses recognised in assets comprises prepaid expenses regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

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Accounting Policies

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Other financial liabilities

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

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Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		9.337.592	5.195.852
Value adjustments of investment properties		-50.300.000	123.697.500
Profit from ordinary operating activities		-40.962.408	128.893.352
Finance income	2	36.702	0
Finance expenses	3	-7.532.912	-7.210.201
Profit from ordinary activities before tax		-48.458.618	121.683.151
Tax expense on ordinary activities		10.588.271	-26.929.582
Profit		-37.870.347	94.753.569
Proposed distribution of results			
Retained earnings		-37.870.347	94.753.569
Distribution of profit		-37.870.347	94.753.569

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Investment property	4	262.100.000	312.200.000
Investment property		262.100.000	312.200.000
Fixed assets		262.100.000	312.200.000
Short-term receivables from group enterprises		0	5.346.133
Other short-term receivables		0	106.504
Prepaid expenses		38.182	38.535
Receivables		38.182	5.491.172
Cash and cash equivalents		6.019.290	2.205.208
Current assets		6.057.472	7.696.380
Assets		268.157.472	319.896.380

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		50.001	50.001
Share premium		51.315.798	51.315.798
Retained earnings		56.883.222	94.753.569
Equity		108.249.021	146.119.368
Provisions for deferred tax		16.405.855	26.994.126
Provisions		16.405.855	26.994.126
Payables to group enterprises		136.000.000	136.000.000
Deposits, liabilities other than provisions		4.643.399	4.399.614
Long-term liabilities other than provisions	5	140.643.399	140.399.614
Trade payables		88.351	441.668
Payables to group enterprises		0	3.997.357
Other payables		2.770.846	1.944.247
Short-term liabilities other than provisions		2.859.197	6.383.272
Liabilities other than provisions within the business		143.502.596	146.782.886
Liabilities and equity		268.157.472	319.896.380
Contingent liabilities	6		
Collaterals and assets pledges as security	7		
Related parties	8		

ERIF Karlslunde ApS**Statement of changes in Equity**

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2023	50.001	51.315.798	94.753.569	146.119.368
Profit (loss)	0	0	-37.870.347	-37.870.347
Equity 31 December 2023	50.001	51.315.798	56.883.222	108.249.021

ERIF Karlslunde ApS**Notes****1. Employee costs**

The company has no employees.

	2023	2022
	kr.	kr.
2. Finance Income		
Other finance income	36.702	0
	36.702	0
3. Finance expenses		
Interest, group enterprise	-7.520.800	-3.997.357
Other finance expenses	-12.112	-3.212.844
	-7.532.912	-7.210.201
4. Investment property		
Cost at the beginning of the year	188.502.500	0
Transfers during the year to other items	200.000	188.502.500
Cost at the end of the year	188.702.500	188.502.500
Revaluations at the beginning of the year	123.697.500	0
Revaluations for the year	-50.300.000	123.697.500
Revaluations at the end of the year	73.397.500	123.697.500
Carrying amount at the end of the year	262.100.000	312.200.000

The Company's investment property is located in and around Copenhagen and is 100% residential. The fair value of the investment property amounts to DKK 262.100.000.

The principles and methods for determining the estimated fair value of the property is based on the return based valuation model.

An individual rate of return of 4,40% for has been applied in the market value assesment at 31 december 2023.

The fair value of investment property reflect market conditions given by current prices in an active market for similar property in the same location and conditions at the end of the reporting period.

5. Long-term liabilities

	Due	Due	Due
	after 1 year	within 1 year	after 5 years
	kr.	kr.	kr.
Payables to group enterprises	136.000.000	0	136.000.000
Deposits	4.643.399	0	4.643.399
	140.643.399	0	140.643.399

ERIF Karlslunde ApS

Notes

6. Contingent liabilities

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

The total amount appears from the annual report of Erif Denmark Holding ApS which is the administration company in the joint taxation.

7. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

8. Related parties

Group consolidation:

The company is included in the consolidated report for the parent company CBRE Europe Residential Partners S.C.A. SICAV-SIF - ERP Fund

The concolidated report for 2023 can be requested at the following address: 4 rue du Fort Wallis, L-2714 Luxembourg, Grand Duchy of Luxembourg.