

PEC Denmark Holding ApS

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

CVR No. 42366161

Annual Report 2023

3. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 22 May 2024

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Åke Anders Henrik Skoog
Chairman

PEC Denmark Holding ApS

Contents

Management's Statement	3
Independent Auditors' Report	4
Company Details	6
Management's Review	7
Accounting Policies	8
Income Statement	11
Balance Sheet	12
Statement of changes in Equity	14
Notes	15

PEC Denmark Holding ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of PEC Denmark Holding 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, 22 May 2024

Executive Board

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Åke Anders Henrik Skoog
Chief executive officer

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John Åke Marcus Arvidsson
Executive officer

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Jenny Karin Elisabet Tuleby
Executive officer

PEC Denmark Holding ApS

Independent Auditors' Report

To the shareholders of PEC Denmark Holding 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 PEC Denmark Holding 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

PEC Denmark Holding 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, 22 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33773188

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Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
mne32198

PEC Denmark Holding ApS

Company details

Company	PEC Denmark Holding ApS C/O CEJ Ejendomsadministration A/S Meldahlsvej 5, 1, 1613 København V
CVR No.	42366161
Date of formation	6 May 2021
Financial year	1 January 2023 - 31 December 2023
Executive Board	Åke Anders Henrik Skoog John Åke Marcus Arvidsson Jenny Karin Elisabet Tuleby
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Standvejen 44 2900 Hellerup

PEC Denmark Holding ApS

Management's Review

The Company's principal activities

The Company's principal activities is to act as a property company and to act as an acquisition company for an alternative investment fund, including acquiring and holding capital shares in subsidiaries that act as general partners - to acquire and hold capital shares in real estate companies (including their foundation), - to grant loans to real estate companies, provided that the company directly or indirectly has a capital share in the financed real estate companies; and/or - to acquire, hold, manage or rent one's own real estate.

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 -86.656.720 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 578.754.761 and an equity of DKK 124.570.636.

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.

PEC Denmark Holding ApS

Accounting Policies

Reporting Class

The annual report of PEC Denmark Holding 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.

There has been a minor reclassification in the comparative figures that has not resulted in changes to the result or the balance sheet.

The accounting policies applied remain unchanged from last year.

Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises do not exceed the amount limits.

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

Other external expenses

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

PEC Denmark Holding ApS

Accounting Policies

Financial income and expenses

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

Tax on net profit for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Long-term investments in group enterprises

Investments in subsidiaries and associates are measured at cost. If there is evidence of impairment, an impairment test is conducted.

Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Other long-term investments

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

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.

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.

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.

PEC Denmark Holding ApS

Accounting Policies

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised 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.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Other payables

Other payables are measured at net realisable value.

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Income Statement

	Note	2023 kr.	2022 kr.
Other external expenses		-521.747	-221.830
Gross result		-521.747	-221.830
Finance income	2	13.157.442	13.126.861
Impairment of financial assets		-85.085.831	-27.110.225
Finance expenses	3	-14.427.118	-14.485.959
Profit from ordinary activities before tax		-86.877.254	-28.691.153
Tax expense on ordinary activities	4	220.534	347.804
Profit		-86.656.720	-28.343.349
Proposed distribution of results			
Retained earnings		-86.656.720	-28.343.349
Distribution of profit		-86.656.720	-28.343.349

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Long-term investments in group enterprises	5, 6	104.826.565	189.912.396
Other long-term investments		467.148.093	467.148.093
Investments		571.974.658	657.060.489
Fixed assets		571.974.658	657.060.489
Short-term trade receivables		0	1.100
Short-term receivables from group enterprises		3.248.272	4.548.528
Current deferred tax		824.953	604.419
Other short-term receivables		0	104.164
Receivables		4.073.225	5.258.211
Cash and cash equivalents		2.706.878	7.838.042
Current assets		6.780.103	13.096.253
Assets		578.754.761	670.156.742

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Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		50.001	50.000
Retained earnings		124.520.635	149.736.837
Equity		124.570.636	149.786.837
Payables to group enterprises		454.000.000	515.440.519
Long-term liabilities other than provisions	7	454.000.000	515.440.519
Payables to group enterprises		2.066	4.900.945
Other payables		182.059	28.441
Short-term liabilities other than provisions		184.125	4.929.386
Liabilities other than provisions within the business		454.184.125	520.369.905
Liabilities and equity		578.754.761	670.156.742
Contingent liabilities	8		
Collaterals and assets pledged as security	9		
Related parties	10		

PEC Denmark Holding ApS**Statement of changes in Equity**

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2023	50.000	0	149.736.837	149.786.837
Increase of capital	1	61.440.518	0	61.440.519
Profit (loss)	0	0	-86.656.720	-86.656.720
Transferred from share premium	0	-61.440.518	61.440.518	0
Equity 31 December 2023	50.001	0	124.520.635	124.570.636

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Notes

1. Employee costs

The Company has no employees.

	2023 kr.	2022 kr.
2. Finance income		
Financial income to group enterprises	13.126.861	13.126.861
Other finance income	30.581	0
	<u>13.157.442</u>	<u>13.126.861</u>
3. Finance expenses		
Financial expenses to group enterprises	-14.427.118	-14.483.879
Other finance expenses	0	-2.080
	<u>-14.427.118</u>	<u>-14.485.959</u>
4. Tax expense		
Adjustments for deferred tax	220.534	347.804
	<u>220.534</u>	<u>347.804</u>
5. Long-term investments in group enterprises		
Cost at the beginning of the year	217.322.621	217.322.621
Cost at the end of the year	<u>217.322.621</u>	<u>217.322.621</u>
Depreciation and amortisation at the beginning of the year	-27.110.225	0
Impairment losses for the year	-85.085.831	-27.110.225
Impairment losses and amortisation at the end of the year	<u>-112.196.056</u>	<u>-27.110.225</u>
Adjustments at the beginning of the year	-300.000	0
Adjustments for the year	0	-300.000
Adjustments at the end of the year	<u>-300.000</u>	<u>-300.000</u>
Carrying amount at the end of the year	<u>104.826.565</u>	<u>189.912.396</u>

6. Disclosure in long-term investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %	Equity	Profit
Marmorbyen Øst ApS	København V	100,00	104.826.565	-85.068.936
			<u>104.826.565</u>	<u>-85.068.936</u>

PEC Denmark Holding ApS**Notes****7. Long-term liabilities**

	Due after 1 year kr.	Due within 1 year kr.	Due after 5 years kr.
Payables to group enterprises	454.000.000	0	454.000.000
	<u>454.000.000</u>	<u>0</u>	<u>454.000.000</u>

8. Contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year as well as withholding taxes on interest, royalties and dividends falling due for payment.

9. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

10. Related parties

Related parties with controlling interest:

PEC Holdings S.à r.l., 4 rue de Fort Wallis, 2714 Luxembourg

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 2023 can be requested at the following address:

Rue du Fort Wallis 4 2714 Luxembourg