

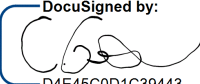


Danish Logistics Bidco ApS

Gammel Køge Landevej 57, 3.
2500 Valby
CVR No. 43280988

Annual report 2023

The Annual General Meeting adopted the annual report on 27.06.2024

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Christian Ellegaard Gejel
Chairman of the General Meeting

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Entity details

Entity

Danish Logistics Bidco ApS
Gammel Køge Landevej 57, 3.
2500 Valby

Business Registration No.: 43280988
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Marianne Kildahl Olsen
Mette Pii

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of Danish Logistics Bidco ApS for the financial year 01.01.2023 - 31.12.2023.

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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Valby, 27.06.2024

Executive Board

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Marianne Kildahl Olsen
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Marianne Kildahl Olsen

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Independent auditor's report

To the shareholder of Danish Logistics Bidco ApS

Opinion

We have audited the financial statements of Danish Logistics Bidco ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for 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 this auditor's report. We are independent of the Entity 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.


Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 27.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

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Flemming Larsen

State Authorised Public Accountant

Identification No (MNE) mne27790

Management commentary

Primary activities

The main activities of the Company comprise direct or indirect ownership and investment in real estate, property development, rental of real estate and all business that after management's estimate is related herewith.

Description of material changes in activities and finances

The financial year shows a gross loss of DKK 2,9 million. The profit for the year amounts to -69,6 million. Profit for the year is impacted by income from subsidiary companies of DKK -42,3 million. As at 31. Decemeber 2023 equity amounts DKK 244 million.

The result for the year is in line with expectation but not considered satisfactory.

Uncertainty relating to recognition and measurement

The fair value of the property is determined on the basis of a calculated capital value. To that extent market interest rates change, an investor's interest rate requirements change or the conditions of the properties change, the value of the property may change accordingly.

The ongoing military operation in Ukraine and the related sanctions targeted against the Russian Federation may impact on the company . This may result in assumptions and estimates requiring revisions which may lead to materiale adjustments to the carrying value of assets and liabilities within the next financial year. In particular the management expects the assumptions ans estimates used determining to be affected. At this stage management is not able to reliably estimate the impact as events are unfolding day-by-day.

The longer-term impact may also affect trading volumes, cash flows, and profitability. Nevertheless, at the date of these financial statements the company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of operations.

Events after the balance sheet date

On 26 March 2024 based on a board meeting and an extraordinary general meeting the company paid a dividend of DKK 10 million to its shareholder. Except for the dividend payment no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|---|-------|---------------------|--------------------|
| Gross profit/loss | | (2,867,053) | (7,125,152) |
| Income from investments in group enterprises | | (42,278,237) | 95,624,626 |
| Other financial income | 1 | 23,953 | 276 |
| Other financial expenses | 2 | (27,648,795) | (13,660,552) |
| Profit/loss before tax | | (72,770,132) | 74,839,198 |
| Tax on profit/loss for the year | | 3,165,530 | (95,050) |
| Profit/loss for the year | | (69,604,602) | 74,744,148 |
| Proposed distribution of profit and loss | | | |
| Retained earnings | | (69,604,602) | 74,744,148 |
| Proposed distribution of profit and loss | | (69,604,602) | 74,744,148 |

Balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|------------------------------------|-------|--------------------|--------------------|
| Investments in group enterprises | | 739,152,187 | 812,722,007 |
| Financial assets | 3 | 739,152,187 | 812,722,007 |
| Fixed assets | | 739,152,187 | 812,722,007 |
| Receivables from group enterprises | | 48,633,705 | 58,590,030 |
| Other receivables | | 282,439 | 13,441,608 |
| Income tax receivable | | 7,663,379 | 0 |
| Receivables | | 56,579,523 | 72,031,638 |
| Cash | | 200,991 | 129,675 |
| Current assets | | 56,780,514 | 72,161,313 |
| Assets | | 795,932,701 | 884,883,320 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 40,001 | 40,001 |
| Share premium | | 238,499,999 | 238,499,999 |
| Reserve for net revaluation according to the equity method | | 0 | 42,292,288 |
| Retained earnings | | 5,139,546 | 32,451,860 |
| Equity | | 243,679,546 | 313,284,148 |
| Trade payables | | 1,211,139 | 998,260 |
| Payables to group enterprises | | 550,978,969 | 570,555,209 |
| Other payables | | 63,047 | 45,703 |
| Current liabilities other than provisions | | 552,253,155 | 571,599,172 |
| Liabilities other than provisions | | 552,253,155 | 571,599,172 |
| Equity and liabilities | | 795,932,701 | 884,883,320 |
| Employees | 4 | | |
| Contingent liabilities | 5 | | |
| Group relations | 6 | | |

Statement of changes in equity for 2023

| | Contributed capital DKK | Share premium DKK | Reserve for net revaluation according to the equity method DKK | Retained earnings DKK | Total DKK |
|---------------------------|-------------------------------|-------------------------|--|-----------------------------|--------------------|
| Equity beginning of year | 40,001 | 238,499,999 | 42,292,288 | 32,451,860 | 313,284,148 |
| Profit/loss for the year | 0 | 0 | (42,292,288) | (27,312,314) | (69,604,602) |
| Equity end of year | 40,001 | 238,499,999 | 0 | 5,139,546 | 243,679,546 |

On 26 March 2024 based on a board meeting and an extraordinary general meeting the company paid a dividend of DKK 10 million to its shareholder.

Notes

1 Other financial income

| | 2023 DKK | 2022 DKK |
|------------------------|---------------|-------------|
| Other financial income | 23,953 | 276 |
| | 23,953 | 276 |

2 Other financial expenses

| | 2023 DKK | 2022 DKK |
|---|-------------------|-------------------|
| Financial expenses from group enterprises | 27,641,196 | 13,660,209 |
| Other financial expenses | 7,599 | 343 |
| | 27,648,795 | 13,660,552 |

3 Financial assets

| | Investments in group enterprises DKK |
|------------------------------------|---|
| Cost beginning of year | 770,429,719 |
| Additions | 5,910,981 |
| Cost end of year | 776,340,700 |
| Revaluations beginning of year | 42,292,288 |
| Amortisation of goodwill | (26,214,525) |
| Share of profit/loss for the year | (10,152,731) |
| Dividend | (37,202,564) |
| Other adjustments | (5,910,981) |
| Revaluations end of year | (37,188,513) |
| Carrying amount end of year | 739,152,187 |

The company has acquired two companies with a goodwill amount of DKK 262,2 million. Goodwill is amortized over 10 years. The amortization charge for the year is DKK 26 million and the net book value of goodwill at year end amounts to DKK 209,7 million.

| Investments in subsidiaries | Registered in | Corporate form | Equity interest % | Equity DKK | Profit/loss DKK |
|-----------------------------|---------------|----------------|-------------------|-------------|-----------------|
| Tinglev Logistik S | Denmark | ApS | 100.00 | 60,679,040 | 612,180 |
| Danlog Denmark | Denmark | ApS | 100.00 | 458,073,964 | (21,447,897) |

4 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Danish Logistics Bidco ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

6 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Starwood Real Estate Income Trust Inc, 1601 Washington Avenue, Suite 800, Miami Beach, FL 33139.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Danish Logistics Bidco ApS, C/O Cobblestone A/S, Gammel Køge Landevej 57, 3.

Copies of the consolidated financial statements of Starwood may be ordered at the following address:
Starwood Real Estate Income Trust Inc, 1601 Washington Avenue, Suite 800, Miami Beach, FL 33139.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(1) / 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises of external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividends etc. received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables

and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

The accounting policies applied to material financial statement items of group enterprises are:

Investment property: Investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date. The financial year's adjustments of the properties' fair value are recognised in the income statement.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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