



CER III Denmark Residential 5 K/S

**C/O Norse Property Management A/S,
Bredgade 45, 2. tv, DK-1260 Copenhagen**

**Annual Report for
1 July 2024 - 30 June 2025**

CVR No. 42 86 98 21

The Annual Report was presented and adopted at the
Annual General Meeting of the company on
15/12/2025

Jan van Beek
Chairman of the general meeting





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Management's statement

The Executive Board has today considered and adopted the Annual Report of CER III Denmark Residential 5 K/S for the financial year 1 July 2024 - 30 June 2025.

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 at 30 June 2025 of the Company and of the results of the Company operations for 2024/25.

In our opinion, 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.

Copenhagen, 15 December 2025

Executive Board

Henrik Groos
Manager

Jan van Beek
Manager



Independent Auditor's report

To the limited partners of CER III Denmark Residential 5 K/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2025 and of the results of the Company's operations for the financial year 1 July 2024 - 30 June 2025 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CER III Denmark Residential 5 K/S for the financial year 1 July 2024 - 30 June 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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, 15 December 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
mne32198

Tobias Damm Larsen
State Authorised Public Accountant
mne52092



Company information

The Company

CER III Denmark Residential 5 K/S
C/O Norse Property Management A/S
Bredgade 45, 2. tv
DK-1260 Copenhagen
CVR No: 42 86 98 21
Financial period: 1 July 2024 - 30 June 2025
Incorporated: 29 November 2021
Financial year: 4th financial year
Municipality of reg. office: Copenhagen

Executive Board

Henrik Groos
Jan van Beek

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup



Management's review

Development in the year

The income statement of the Company for 2024/25 shows a profit of DKK 42,774,242, and at 30 June 2025 the balance sheet of the Company shows a negative equity of DKK 1,187,900.

Capital resources

The company's parent CER III Master Holdco S.á.r.l. (Luxemburg) and CER Fund III SCS SICAV SIF (Luxemburg) has subordinated their loans (Shareholder Loans) in favour of other creditors, especially with regards to bank loans to ensure the continued operations until the approval of the annual report of 2025/26.

Uncertainty relating to recognition and measurement

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates. The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

Unusual events

The financial position at 30 June 2025 of the Company and the results of the activities and cash flows of the Company for the financial year for 2024/25 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



Income statement 1 July 2024 - 30 June 2025

(DKK)	Note	2024/25	2023/24
Gross profit before value adjustments		22,267,254	19,311,168
Value adjustments of assets held for investment		41,500,000	-60,900,000
Gross profit after value adjustments		63,767,254	-41,588,832
Financial income		22,227	17,503
Financial expenses	3	-21,015,239	-20,908,877
Net profit/loss for the year		42,774,242	-62,480,206

Distribution of profit

(DKK)	2024/25	2023/24
Proposed distribution of profit		
Retained earnings	42,774,242	-62,480,206
	42,774,242	-62,480,206



Balance sheet 30 June 2025

Assets

(DKK)	Note	2024/25	2023/24
Investment properties		717,200,000	675,700,000
Property, plant and equipment	4	717,200,000	675,700,000
Fixed assets		717,200,000	675,700,000
Other receivables		309,925	61,079
Prepayments		476,179	182,867
Receivables		786,104	243,946
Cash at bank and in hand		9,766,288	3,859,174
Current assets		10,552,392	4,103,120
Assets		727,752,392	679,803,120



Balance sheet 30 June 2025

Liabilities and equity

(DKK)	Note	2024/25	2023/24
Share capital		19,661,106	19,661,106
Share premium account		0	176,949,954
Retained earnings		-20,849,006	-240,573,202
Equity		-1,187,900	-43,962,142
Mortgage loans		405,547,667	405,547,667
Payables to group enterprises		300,499,713	300,499,713
Deposits		13,356,491	12,522,017
Long-term debt	5	719,403,871	718,569,397
Trade payables		1,171,714	393,725
Payables to group enterprises	5	7,450,746	3,735,720
Other payables		913,961	1,066,420
Short-term debt		9,536,421	5,195,865
Debt		728,940,292	723,765,262
Liabilities and equity		727,752,392	679,803,120
Going concern	1		
Staff	2		
Contingent assets, liabilities and other financial obligations	6		
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Statement of changes in equity

(DKK)	Share capital	Share premium account	Retained earnings	Total
Equity at 1 July	19,661,106	176,949,954	-240,573,202	-43,962,142
Net profit/loss for the year	0	0	42,774,242	42,774,242
Transfer from share premium account	0	-176,949,954	176,949,954	0
Equity at 30 June	19,661,106	0	-20,849,006	-1,187,900



Notes to the Financial Statements

1. Going concern

The company's parent CER III Master Holdco S.à.r.l. (Luxemburg) and CER Fund III SCS SICAV SIF (Luxemburg) have subordinated their loans (Shareholder Loans) in favour of other creditors, especially with regards to bank loans to ensure the continued operations until the approval of the annual report of 2025/26.

2. Staff

	2024/25	2023/24
Average number of employees	0	0

3. Financial expenses

(DKK)	2024/25	2023/24
Interest to group enterprises	15,004,291	15,045,680
Other financial expenses	6,010,948	5,863,197
	21,015,239	20,908,877

4. Assets measured at fair value

(DKK)	Investment properties
Cost at 1 July	913,848,971
Cost at 30 June	913,848,971
Value adjustments at 1 July	-238,148,971
Revaluations for the year	41,500,000
Value adjustments at 30 June	-196,648,971
Carrying amount at 30 June	717,200,000



Notes to the Financial Statements

4. Assets measured at fair value (continued)

Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The fair value is calculated by using generally accepted valuation methods. The Company's investment properties consist of 5 residential buildings with 1 located in Copenhagen, Denmark and 4 located in Aarhus, Denmark. The properties combine a total of 304 units with a lettable area of 20,081 m². Furthermore, the units comprise of 3 commercial rental units with a lettable area of 566 m², in Aarhus.

The fair value of Investment Properties located in Copenhagen has been calculated based on the following assumptions:

(DKK)	2024/25
The fair value of investment properties amounts to	161,200,000
Value adjustment, income statement	9,200,000
Budget period	10 years
Required rate of return first year (Net initial yield)	3,82%
Required rate of return (Exit yield)	4,25%
Growth rate on revenue	2%
Growth rate on costs	2%
Vacancy	0%

The fair value of Investment Properties located in Aarhus has been calculated based on the following assumptions:

(DKK)	2024/25
The fair value of investment properties amounts to	556,000,000
Value adjustment, income statement	32,300,000
Budget period	10 years
Required rate of return first year (Net initial yield)	3,69% - 4,29%
Required rate of return (Exit yield)	4,13% - 6,75%
Growth rate on revenue	2%
Growth rate on costs	2%
Vacancy	0%

Notes to the Financial Statements

5. Long-term debt

(DKK)	2024/25	2023/24
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. The debt falls due for payment as specified below:		
Mortgage loans		
After 5 years	405,547,667	405,547,667
Long-term part	405,547,667	405,547,667
Within 1 year	0	0
	405,547,667	405,547,667
Payables to group enterprises		
After 5 years	300,499,713	300,499,713
Long-term part	300,499,713	300,499,713
Other short-term debt to group enterprises	7,450,746	3,735,720
	307,950,459	304,235,433
Deposits		
After 5 years	13,356,491	12,522,017
Long-term part	13,356,491	12,522,017
Within 1 year	0	0
	13,356,491	12,522,017

6. Contingent assets, liabilities and other financial obligations

(DKK)	2024/25	2023/24
Charges and security		
The following assets have been placed as security with mortgage credit institutes: Properties including the plant and machinery deemed part of the property with a carrying amount of		
	717,200,000	675,700,000



Notes to the Financial Statements

7. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the smallest group:

<u>Name</u>	<u>Place of registered office</u>
Catella European Residential Fund III SCS SICAV-SIF	16, rue Eugene Ruppert, 2453 Luxembourg, Luxembourg



Notes to the Financial Statements

8. Accounting policies

The Annual Report of CER III Denmark Residential 5 K/S for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

A reclassification has been made in the comparative figures for the sake of a fair presentation. The reclassification has no effect on the result for the year, equity or total assets.

The Financial Statements for 2024/25 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Income statement

Revenue

Revenue comprises rental income which are recognised on a straight line-basis over the term of the lease.

Revenue is measured at the consideration received and is recognised net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.



Notes to the Financial Statements

8. Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

The Company is not an individual taxpayer thus tax of the Company's operating profit/loss is not included in the Financial statement.

Balance sheet

Property, plant and equipment

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed assets comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and suppliers up until the time when the asset is ready for use.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

In Management's opinion the classification of the properties as investment properties did not cause any difficulties.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

The fair value of investment properties has been assessed by the independent assessor firm Colliers at 30 June 2025.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

Discounted Cash Flow model

The fair value of investment properties has been determined at 30 June 2025 for each property by using a Discounted Cash Flow model under which expected future cash flows are discounted to present value. The calculations are based on property budgets for the coming years. Allowance has been made for developments in rentals, vacancies, operating expenses, maintenance and administration, etc. The individual, budgeted cash flows are discounted at an individually fixed discount rate added a terminal value. The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, deposits, etc if they are not shown separately in the balance sheet.

The value thus calculated is adjusted for any non-operating assets such as cash and cash equivalents, deposits, etc if they are not shown separately in the balance sheet.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.



Notes to the Financial Statements

8. Accounting policies (continued)

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividends proposed by Management are recognized as a separate item under Equity.

Financial liabilities

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.