

CER III Denmark Residential 3 K/S

Meldahls­gade 5,

1613København V

CVR No. 42207853

Annual Report for 1 July 2024 - 30 June 2025

4th financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 15 December 2025

Jan van Beek
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of CER III Denmark Residential 3 K/S for the financial year 1 July 2024 - 30 June 2025.

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 30 June 2025 and of the results of the Company's operations for the financial year 1 July 2024 - 30 June 2025.

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.

Copenhagen, 15 December 2025

Executive Board

Jan van Beek

Henrik Groos

Independent Auditor's Report

To the shareholders of CER III Denmark Residential 3 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 3 K/S for the financial year 1 July 2024 - 30 June 2025, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("the Financial Statements").

Basis of 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 responsibility 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 responsibility 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

Independent Auditor's Report

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 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

Tobias Larsen
State Authorised Public Accountant

Company details

Company	CER III Denmark Residential 3 K/S Meldahlsgade 5, 1613København V
CVR No.	42207853
Date of formation	10 March 2021
Executive Board	Jan van Beek Henrik Groos
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900Hellerup
Attorneys	Accura Alexandriagade 8 2150Nordhavn
Bank	Jyske Bank Vesterbrogade 9 1780København V

Management's Review

The Company's principal activities

The Company's objects are to conduct business by acquisition and subsequent letting and potential sale of properties and any other related activity.

Uncertainty regarding recognition or measurement

As the company is engaged in development of investment properties, the Company is affected by changes in the property market, including the general level of interest rates and economic conditions. For a description of significant assumptions for the fair value recognition as 30 June 2025 please refer to note 3 and 4.

Development in the activities and the financial situation of the Company

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 July 2024 - 30 June 2025 shows a result of DKK 27.441.305 and the Balance Sheet at 30 June 2025 a balance sheet total of DKK 280.624.815 and an equity of DKK 50.578.538.

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.

Accounting Policies

Reporting Class

The Annual Report of CER III Denmark Residential 3 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 report class C.

The accounting policies 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.

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.

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income statement

Gross profit/loss before value adjustment

With reference to section 32 of the Danish Financial Statements Act, revenue is not disclosed in the Financial Statements. Gross profit/loss before value adjustments consists of Revenue, Expenses concerning investment properties and Other external expenses.

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.

Expenses concerning investment properties

Accounting Policies

Expenses concerning investment properties primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise expenses for administration, counseling, quota as well as office expenses, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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

Investment properties

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.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognized 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 properties 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 determined at 30 June 2025 by using a DCF-based valuation model. The calculations are based on the budget for the coming year adjusted for fluctuations characterised by being non-recurring events. Such normal earnings are capitalised at an individually determined rate of return.

The fair value is based on an external valuation.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions and ground association contributions.

Financial debts

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.

Other payables comprising deposits, trade payables, group enterprises and other payables are measured at amortised cost.

Accounting Policies

Income Statement

	Note	2024/25	2023/24
Gross profit		8.657.244	8.447.085
Value adjustments of investment property	3	23.100.000	-17.000.000
Gross profit/loss after value adjustments		31.757.244	-8.552.915
Finance income		72.384	2.099
Finance expenses	2	-4.388.323	-4.213.190
Profit		27.441.305	-12.764.006
Proposed distribution of results			
Proposed dividend recognised in equity		4.300.000	4.236.000
Retained earnings		23.141.305	-17.000.006
Distribution of profit		27.441.305	-12.764.006

Balance Sheet as of 30 June

	Note	2025	2024
Assets			
Investment property	3, 4	<u>271.100.000</u>	<u>248.000.000</u>
Fixed assets		<u>271.100.000</u>	<u>248.000.000</u>
Contributed capital in arrears		100.000	100.000
Trade receivables		59.591	1.037
Prepayments		120.405	34.431
Other receivables		<u>56.941</u>	<u>7.483</u>
Receivables		<u>336.937</u>	<u>142.951</u>
Cash and cash equivalents		<u>9.187.878</u>	<u>9.809.099</u>
Current assets		<u>9.524.815</u>	<u>9.952.050</u>
Assets		<u>280.624.815</u>	<u>257.952.050</u>

Balance Sheet as of 30 June

	Note	2025	2024
Liabilities and equity			
Contributed capital		100.000	100.000
Retained earnings		46.178.538	23.037.233
Proposed dividend recognised in equity		4.300.000	4.236.000
Equity		<u>50.578.538</u>	<u>27.373.233</u>
Mortgage loans		161.039.999	161.121.169
Payables to group enterprises		64.210.000	64.210.000
Deposits, liabilities other than provisions		4.038.083	4.035.374
Long-term liabilities other than provisions	5	<u>229.288.082</u>	<u>229.366.543</u>
Short-term part of long-term liabilities other than provisions		83.546	111.527
Payables to group enterprises		57.354	94.904
Trade payables		159.049	117.485
Other payables		458.246	888.358
Short-term liabilities other than provisions		<u>758.195</u>	<u>1.212.274</u>
Liabilities other than provisions		<u>230.046.277</u>	<u>230.578.817</u>
Liabilities and equity		<u>280.624.815</u>	<u>257.952.050</u>
Employees	1		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

Statement of changes in Equity

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 July 2024	100.000	23.037.233	4.236.000	27.373.233
Dividend paid	0	0	-4.236.000	-4.236.000
Profit (loss)	0	23.141.305	4.300.000	27.441.305
Equity 30 June 2025	100.000	46.178.538	4.300.000	50.578.538

Notes

	2024/25	2023/24
1. Employees		
Average number of employees	<u>0</u>	<u>0</u>
2. Finance expenses		
Finance expenses arising from group enterprises	3.141.956	3.150.624
Other finance expenses	<u>1.246.367</u>	<u>1.062.566</u>
	<u>4.388.323</u>	<u>4.213.190</u>
3. Investment property		
Cost at the beginning of the year	<u>281.448.470</u>	<u>281.448.470</u>
Cost at the end of the year	<u>281.448.470</u>	<u>281.448.470</u>
Fair value adjustments at the beginning of the year	-33.448.470	-16.448.470
Adjustments for the year	<u>23.100.000</u>	<u>-17.000.000</u>
Fair value adjustments at the end of the year	<u>-10.348.470</u>	<u>-33.448.470</u>
Carrying amount at the end of the year	<u>271.100.000</u>	<u>248.000.000</u>

4. Assets measured at fair value

The Company's investment property is located in Copenhagen and is 100% residential. The fair value of the investment property amounts to DKK 271,100,000.

The principles and methods for determining the estimated fair value of the property in this category is based on the DCF-based valuation model.

The method is based on a stabilized net rent capitalized at a rate of return assuming a stabilized property in a stable market. For a non-stabilized property, special conditions such as vacancy and refurbishment costs are taken into account.

	2025	2024
Increase in Rent	2%	2%
Increase in Costs	2%	2%
Vacancy	0,5%	0,25%

The fixed return requirement is an essential in estimating fair values. An individual rate of return of 3.6 % has been applied in the market value assessment at 30 June 2025.

Notes

	2024/25	2023/24
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Sensitivity in determination of fair value of investment properties

Changes in estimated required rate of return for investment properties will affect the value of investment properties recognised in the balance sheet as well as value adjustments carried in the income statement.

Changes in average required rate of return	-0,5%	Basis	0,5%
Rate of return	3.1	3.6	4.1
Fair value	314,800,000	271,100,000	238,000,000
Changes in fair value	43,700,000	0	-33,100,000

5. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Mortgage debt	161.039.999	83.546	161.039.999
Payables to group enterprises	64.210.000	0	64.210.000
Deposits	4.038.083	0	4.038.083
	229.288.082	83.546	229.288.082

6. Contingent assets, liabilities and other financial obligations**Charges and security**

The following assets have been placed as security with Mortgage Credit Institutes:

	2025	2024
<i>Investments properties with a total carrying amount of</i>	271,100,000	248,000,000

Contingent liabilities

The limited partnership has signed a management agreement with interminable of 3 months. The total commitment amounts to DKK 90k.

7. Related parties

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Catella European Residential Fund III SCS SICAV-SIF, 16 rue Eugène Ruppert, 2453 Luxembourg, Luxembourg.