



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 921 893 000
Organisasjonsform: Aksjeselskap
Foretaksnavn: UNION CORE PLUS FUND I HOLDING AS
Forretningsadresse: v/Union Eiendomskapital AS
Bolette brygge 1
0252 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Torgeir Røstberg
Dato for fastsettelse av årsregnskapet: 23.03.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.03.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
General and administrative expenses	2, 6, 12, 17	1 734 000	2 409 000
Sum kostnader		1 734 000	2 409 000
Driftsresultat		-1 734 000	-2 409 000
Finansinntekter og finanskostnader			
Financial income	16	1 301 000	1 000
Sum finansinntekter		1 301 000	1 000
Change in fair value shares		71 390 000	-111 986 000
Financial cost		41 000	47 000
Sum finanskostnader		71 431 000	-111 939 000
Netto finans		-70 130 000	111 940 000
Ordinært resultat før skattekostnad		-71 864 000	109 531 000
Ordinært resultat etter skattekostnad		-71 864 000	109 531 000
Årsresultat		-71 864 000	109 531 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2, 3, 11, 15	538 180 000	681 876 000
Lån til foretak i samme konsern	12	60 000	41 000
Sum finansielle anleggsmidler		538 240 000	681 917 000
Sum anleggsmidler		538 240 000	681 917 000
Omløpsmidler			
Varer			
Fordringer			
Other receivables		1 300 000	1 000
Sum fordringer		1 300 000	1 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16	430 000	311 000
Sum bankinnskudd, kontanter og lignende		430 000	311 000
Sum omløpsmidler	9,12	1 730 000	312 000
SUM EIENDELER		539 970 000	682 229 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Issued capital		5 282 000	5 282 000
Overkurs		471 529 000	540 003 000
Sum innskutt egenkapital		476 811 000	545 285 000



Balanse

Beløp i: NOK	Note	2022	2021
Opptjent egenkapital			
Fund for valuation differences		69 215 000	140 605 000
Retained earnings		-6 752 000	-6 275 000
Sum opptjent egenkapital		62 463 000	134 330 000
Sum egenkapital		539 274 000	679 615 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	12	642 000	2 517 000
Sum annen langsiktig gjeld		642 000	2 517 000
Sum langsiktig gjeld		642 000	2 517 000
Kortsiktig gjeld			
Leverandørgjeld	12	54 000	98 000
Sum kortsiktig gjeld		54 000	98 000
Sum gjeld		696 000	2 615 000
SUM EGENKAPITAL OG GJELD		539 970 000	682 230 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Gross rental incom	4	45 853 000	44 516 000
Property operating expenses		-4 070 000	-5 966 000
Sum inntekter	10	41 783 000	38 550 000
Kostnader			
General and administratie expenses	5,6,12, 17	7 116 000	10 424 000
Adjustment to value of investment property	10	108 457 000	-91 075 000
Sum kostnader		115 573 000	-80 651 000
Driftsresultat		-73 790 000	119 201 000
Finansinntekter og finanskostnader			
Financial income	16	19 788 000	12 521 000
Sum finansinntekter		19 788 000	12 521 000
Financial cost		22 916 000	12 468 000
Sum finanskostnader		22 916 000	12 468 000
Netto finans	7,13	-3 128 000	53 000
Ordinært resultat før skattekostnad	12	-76 918 000	119 254 000
Income tax expense	8	-18 539 000	26 285 000
Ordinært resultat etter skattekostnad		-58 379 000	92 969 000
Årsresultat		-58 379 000	92 969 000
Equity holders of the parent company		57 990 000	-71 491 000
Non-controlling interests		388 000	-21 478 000
Sum resultatkomponenter for IFRS-foretak		58 378 000	-92 969 000
Totalresultat		-1 000	0



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Investment property	3,4,10, 11	1 241 678 000	1 348 182 000
Sum varige driftsmidler		1 241 678 000	1 348 182 000
Sum anleggsmidler		1 241 678 000	1 348 182 000
Omløpsmidler			
Varer			
Fordringer			
Other receivables		18 143 000	333 000
Sum fordringer		18 143 000	333 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16	24 327 000	16 453 000
Sum bankinnskudd, kontanter og lignende		24 327 000	16 453 000
Sum omløpsmidler	9,12	42 470 000	16 786 000
SUM EIENDELER		1 284 148 000	1 364 968 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Issued capital		5 282 000	5 282 000
Overkurs		471 529 000	540 003 000
Sum innskutt egenkapital	14	476 811 000	545 285 000
Opptjent egenkapital			



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Retained earnings		31 605 000	96 340 000
Sum opptjent egenkapital		31 605 000	96 340 000
Minoritetsinteresser	15	57 665 000	58 053 000
Sum egenkapital		566 081 000	699 678 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	22 479 000	41 018 000
Sum avsetninger for forpliktelser		22 479 000	41 018 000
Annen langsiktig gjeld			
Interest bearing loans and borrowings	11,13, 14	688 000 000	617 000 000
Sum annen langsiktig gjeld		688 000 000	617 000 000
Sum langsiktig gjeld		710 479 000	658 018 000
Kortsiktig gjeld			
Leverandørgjeld	12	935 000	255 000
Other current liabilities	9,12	6 653 000	7 017 000
Sum kortsiktig gjeld		7 588 000	7 272 000
Sum gjeld		718 067 000	665 290 000
SUM EGENKAPITAL OG GJELD		1 284 148 000	1 364 968 000



Skatteetaten

Vår dato
05.12.2019

Din/Deres dato
14.11.2019

Saksbehandler
Lars Waaltorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR343531798

Telefon
32212244

Org.nr
974761076

Vår referanse
2019/6690975

Postadresse
Postboks 9200 Grønland
0134 OSLO

UNION CORE PLUS FUND I HOLDING AS
v/ Union Gruppen AS Bolette brygge 1
0252 OSLO

Att. Jannecke Vinjum

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for UNION Core Plus Fund I Holding AS, org.nr. 921 893 000

Vi viser til deres brev av 14. november 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for UNION Core Plus Fund I Holding AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering UNION Core Plus Fund I Holding AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

UNION Core Plus Fund I Holding AS er et eiendomsfond som er etablert og forvaltet av Union Eiendoms kapital AS. Selskapet skal være et eiendomsfond for investering i forretningseiendommer, og virksomheten vil være rettet mot både norske og internasjonale investorer. Arbeidsspråket i selskapet er engelsk, og regnskapet rapporteres etter IFRS.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,



f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet kun har en eier og driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



UNION Core Plus Fund I Holding AS

Annual accounts

2022

Auditor's report

Directors' report

Statement of comprehensive income

Statement of financial position at 31 December

Statement of changes in equity

Statement of cash flows

Notes



The board of director report 2022 for UNION Core Plus Fund I Holding AS

UNION Core Plus Fund I Holding AS

Operational reviews

UNION Core Plus Fund I Holding AS ("the Company") was established in 2018 and is registered as an alternative investment fund, investing capital from the feeder entity UNION Core Plus Fund I AS which together with the Company referred to as the Fund. The Company and the Fund are managed by UNION Eiendoms kapital UREF AS.

UNION Core Plus Fund I Holding AS invested in Pilestredet 35 in 2019, a real estate property located in Oslo.

Going Company

In accordance with the Accounting Act § 3-3a, the board of directors confirm that the financial statements have been prepared under the assumption of going company, and that the economic and financial position is sound.

Comments related to the financial statements

As of 31.12.2022 a total of 5 282 230 shares have been issued in the Company. The valuation of the property owned by the Fund as of December implied a decrease in values of -10,34% since 31.12.2021.

The property in the Fund as of 31.12.2022 had a rental occupancy of 100 %, and the average duration of the lease contracts were 4,2 years.

UNION Core Plus Fund I Holding AS had an operating loss of MNOK 1,7. The Group had an operating loss of MNOK 103,7. Profit before tax was negative with MNOK 71,9 for the parent company and negative MNOK 106,9 for the Group. The Group net profit for the year was negative with MNOK 81,3.

The Board of UNION Core Plus Fund I Holding AS proposes that the negative total comprehensive income for the year of the parent company is allocated as follows:

- Transferred from retained earnings MNOK (0,474)
- Transferred to fund for unrealized gains MNOK (71,390)

As per 31.12.2022 the Company had a bank balance of TNOK 430 and for the Group MNOK 24,3.

The total capital pr. 31.12.2022 was MNOK 539,97 for the parent company and MNOK 1 234,4 for the Group. The equity ratio was 99,87% for the Company and 38,97% for the Group.

Environment and equality

The parent company and the Group do not pollute the environment beyond what is normal for the operations of the Group. Waste and emissions arising from operations are treated under applicable laws and regulations. The company does not discriminate between the sexes and believe that equality is safeguarded thus no specific measures is implemented.



Financial risk

Market risk

The Company is exposed to effects related to macro-economic conditions and local market conditions. This could lead to changes in rent levels, occupancy rate and value of the properties in the Portfolio.

The Group is indirectly exposed to changes in interest rates. Total liabilities to credit institutions for the Group is per 31.12.2022 MNOK 688 (grossed amount). Of the total debt to credit institutions, MNOK 462,75 were hedged per 31.12.2022. Average interest rate on the loan portfolio was per 31.12.2022 3,7% (including margin). The loan matures in 2025.

Credit risk

The Fund has risks associated with its tenants on the properties. The tenants economy and financial strength, and thus their ability to serve the rent, has great significance for the risk associated with the loss of rent/income. The risk of vacancy depends to a large extent on the economic conditions. Vacancy in a property will lead to loss of rental income and cause the fund to cover the missing common costs. The fund strives to achieve a bank guarantee or rent deposit upon signing or renegotiating lease contracts.

Risk of liquidity

The Board assesses the Funds liquidity as satisfactory and it strives to have a liquidity buffer in case unforeseen things arise through daily operation of the properties.

Research and development

UNION Core Plus Fund I Holding AS has no research and development activities.

Other matters

The Board of Directors are covered by the directors' and officers' Liability Insurance policy entered into by UNION with a limit of liability of NOK 100 000 000.

The Transparency Act came into force on 1 July 2022, and will promote companies' respect for human rights and decent working conditions, as well as ensure the public's access to information.

Explanation of due diligence assessments cf. Section 5 of the Transparency Act will be made available on the Company's website - <https://union.no/> - by 30 June 2023.

Future development

The interest rates are rising, and the yield gap is closing, which in turn can put pressure on property yields. On the other hand, office rents are on the way up, and a tighter market lays the basis for further growth. At the same time, uncertainty is greater than usual. Reasons for this include the inflation picture, tighter monetary policy, rapid price rises for raw materials, and the invasion of Ukraine. The Board still believe investments in property in Norway are attractive long-term investment opportunities due to factors such as a healthy economic growth, strong public finances and inflation hedge in rent contracts.

The Board is not aware of any other incidents that has occurred which may impact the Company's annual results or financial position.



Oslo, 23 March 2023

Bjørn Henningsen
Chair

Lars Even Moe
Board member

Øystein Landvik
Board member



UNION Core Plus Fund I Holding AS

Statement of comprehensive income

Parent company				Consolidated group	
2022	2021	All amounts in NOK 1 000	Note	2022	2021
-	-	Gross rental income	4	45 853	44 516
-	-	Property operating expenses		(4 070)	(5 966)
-	-	Net rental and related income	10	41 783	38 550
-	-	Adjustment to value of investment property	10	(108 457)	91 075
(1 734)	(2 409)	General and administrative expenses	5 6 12 17	(7 116)	(10 424)
(1 734)	(2 409)	Operating profit		(73 790)	119 201
1 301	1	Financial income	16	19 788	12 521
(71 390)	111 986	Change in fair value shares		-	-
(41)	(47)	Financial costs		(22 916)	(12 468)
(70 130)	111 940	Net financial items	7 13	(3 128)	53
(71 864)	109 531	Profit before tax	12	(76 918)	119 254
-	-	Income tax expense	8	18 539	(26 285)
(71 864)	109 531	Profit for the year		(58 378)	92 969
		Other comprehensive income			
-	-	Net other comprehensive cost / income	3	-	-
(71 864)	109 531	Total comprehensive income for the year		(58 378)	92 969
		Profit for the year attributable to:			
		Equity holders of the parent company		(57 990)	71 491
		Non-controlling interests		(388)	21 478
				(58 378)	92 969
		Total comprehensive income attributable to:			
		Equity holders of the parent company		(57 990)	71 491
		Non-controlling interests		(388)	21 478
				(58 378)	92 969




UNION Core Plus Fund I Holding AS
Statement of financial position at 31 December

Parent company		Consolidated group			
2022	2021	All amounts in NOK 1 000	Note	2022	2021
ASSETS					
Non-current assets					
-	-	Investment property	3 4 10 11	1 241 678	1 348 182
538 180	681 876	Investments in subsidiaries	2 3 11 15	-	-
60	41	Loans to group companies	12	-	-
538 240	681 917	Total non-current assets		1 241 678	1 348 182
Current assets					
1 300	1	Other receivables		18 143	333
430	311	Cash and cash equivalents	16	24 327	16 453
1 730	312	Total current assets	9, 12	42 470	16 786
539 970	682 229	TOTAL ASSETS		1 284 148	1 364 968
EQUITY AND LIABILITIES					
Equity					
Paid in capital					
5 282	5 282	Issued capital		5 282	5 282
471 529	540 003	Share premium		471 529	540 003
476 811	545 285	Total paid in capital	14	476 811	545 285
Accumulated profits					
69 215	140 605	Fund for valuation differences		-	-
(6 752)	(6 275)	Retained earnings		31 605	96 340
62 463	134 330	Total accumulated profits		31 605	96 340
		Non-controlling interests	15	57 665	58 053
539 274	679 615	Total equity		566 081	699 678
Non-current liabilities					
-	-	Interest-bearing loans and borrowings	11 13 14	688 000	617 000
642	2 517	Liabilities to group companies	12	-	-
-	-	Deferred tax liabilities	8	22 479	41 018
642	2 517	Total non-current liabilities	14	710 479	658 018
Current liabilities					
54	98	Accounts payable	12	935	255
-	-	Other current liabilities	9 12	6 653	7 017
54	98	Total current liabilities	14	7 588	7 272
696	2 615	Total liabilities	9	718 067	665 290
539 970	682 229	TOTAL EQUITY AND LIABILITIES		1 284 148	1 364 968

The Board of UNION Core Plus Fund I Holding AS
Oslo, 23 March 2023


Lars Even Moe
Board member


Bjørn Henningsen
Chair


Øystein Arnulf Landvik
Board member



UNION Core Plus Fund I Holding AS
Statement of changes in equity

All amounts in NOK 1 000

Consolidated group	Note	Attributable to parent company equity holders				Total equity
		Share capital	Share premium	Retained earnings	Non-controlling interests	
Group equity at 31.12.2021		5 282	540 003	96 340	58 053	699 677
Dividends distributed		-	(68 474)	(6 744)	-	(75 218)
Total comprehensive income		-	-	(57 990)	(388)	(58 378)
Equity as at 31.12.2022		5 282	471 529	31 605	57 665	566 081

Parent company	Share capital	Share premium	Fund for unrealised gains	Retained earnings	Total equity
Parent company equity at 31.12.2021	5 282	540 003	140 605	(6 278)	679 612
Dividend	-	(68 474)	-	-	(68 474)
Total comprehensive income	-	-	(71 390)	(474)	(71 864)
Equity as at 31.12.2022	5 282	471 529	69 215	(6 752)	539 274



UNION Core Plus Fund I Holding AS

Statement of cash flows

Parent company			Consolidated group		
2022	2021	All amounts in NOK 1 000	Note	2022	2021
		Cash flow from operating activities			
(71 864)	109 531	Profit before tax for the year from total operations		(76 918)	119 254
71 390	(111 986)	Change in value shares		-	-
(1 299)		Group contribution		-	-
-	-	Adjustment to value of investment property		108 457	(91 075)
(1 299)	-	(Increase)/decrease in other receivables		(17 810)	(125)
(44)	97	Increase/(decrease) in accounts payable		680	(986)
(1 638)	376	Increase/(decrease) in other current liabilities		(9 061)	(29 206)
(4 754)	(1 982)	Net cash flow from operating activities		5 348	(2 138)
		Cash flows from investing activities			
75 222	-	Repayment of investments in subsidiaries / distributions		-	-
-	(196 587)	Acquisition of subsidiaries		-	-
(1 875)	2 517	(Increase)/decrease in intercompany loan		-	-
73 347	(194 070)	Net cash flow used in investing activities		-	-
		Cash flows from financing activities			
-	196 016	Proceeds from issue of share capital		-	-
(68 474)	-	Dividend		(68 474)	-
-	-	Proceeds from borrowings		71 000	-
(68 474)	196 016	Net cash flow from financing activities		2 526	-
119	(36)	Net increase/(decrease) in cash and cash equivalents		7 874	(2 138)
311	347	Cash and cash equivalents at beginning of period		16 453	18 591
430	311	Cash and cash equivalents at end of period		24 327	16 453



UNION Core Plus Fund I Holding AS

Notes 2022

1 Summary of significant accounting policies

UNION Core Plus Fund I Holding AS is a limited company, incorporated in Norway, headquartered in Oslo. Address headquarter: c/o UNION Eiendomskapital AS, Bolette Brygge 1, 0252 Oslo, Norway.

The combined consolidated financial statements of the consolidated group and parent company of UNION Core Plus Fund I Holding AS for the fiscal year 2022 were approved in the board meeting at 31 March 2023.

The Group is engaged in the development, letting, management, operation, purchase and sale of office and retail properties in Norway. UNION Core Plus Fund I Holding AS is managed by UNION Eiendomskapital UREF AS (the Manager).

The Group is ultimately controlled by UNION Core Plus Fund I AS, domiciled in Norway, which holds 99,92% of the shares of UNION Core Plus Fund I Holding AS.

1.1 Basis for preparation of the annual accounts

The UNION Core Plus Fund I Holding AS' annual accounts, consisting of the annual accounts of the parent company and the Group's consolidated financial statements, have been prepared in accordance with International Financial Reporting Standards (IFRS) which have been adopted by the EU and are mandatory for financial years beginning on or after 1 January 2019, and Norwegian disclosure requirements listed in the Norwegian Accounting Act as of December 31 2020.

The annual accounts are based on historical cost, with the exception of the following:

- Financial instruments at fair value through profit or loss, and loans, receivables and other financial liabilities which are recognised at amortised cost.
- Investment properties which are assessed at their fair value.

The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

1.2 Functional currency and presentation currency

The functional currency and presentation currency for the parent company is NOK. The consolidated financial statements are presented in NOK.

1.3 Consolidation principles

(a) Subsidiaries

The Group's consolidated financial statements comprise UNION Core Plus Fund I Holding AS and companies in which UNION Core Plus Fund I Holding AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Non-controlling interests are included in the Group's equity.

Business combinations are accounted for under the acquisition method. Any excess of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities acquired and resulting deferred tax thereon is recognised as goodwill. Any discount received is credited to the income statement in the period of acquisition.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date and any gains or losses arising from such re-measurement are recognised in the income statement.



UNION Core Plus Fund I Holding AS

Notes 2022

Acquisition of subsidiaries that are not considered to represent business combinations as defined in IFRS 3, for example the acquisition of a “Single Purpose” subsidiary that only owns a property and neither has employees, management or significant processes, are recognised as an acquisition of an asset. The cost is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. In such circumstances there is no recognition of deferred tax.

The Group management is of the opinion that the acquisition of all existing subsidiaries is considered not to represent business combinations.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Whenever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The consideration is recognised at fair value and the difference between the consideration and the carrying amount of the asset is recognised at the equity attributable to the parent.

In cases where changes in the ownership interest of a subsidiary lead to loss of control, the consideration is measured at fair value. Assets and liabilities of the subsidiary and non-controlling interest at their carrying amounts are derecognised at the date when the control is lost. Differences between the consideration and the carrying amount of the asset are recognised as a gain or loss in profit or loss.

(b) Inter-company transactions and balances

Inter-company transactions and inter-company balances, including internal profits and unrealised gains and losses, are eliminated. Correspondingly, unrealised losses are eliminated but only to the extent that there are no indications of impairment in the value of the asset that has been sold internally.

(c) Non-controlling interests

The non-controlling interest in the consolidated financial statements is the non-controlling interest’s share of the carrying amount of the equity. In a business combination are the non-controlling interests measured at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

The subsidiary’s profit and loss is together with the separate components of other comprehensive income, is attributable to the owners of the parent company and the non-controlling interests. The comprehensive income is attributable to the owners of the parent company and to the non-controlling interest even though this leads to negative non-controlling interests.

1.4 The use of estimates and assessment of accounting policies when preparing the annual accounts

1.4.1 Estimates and assumptions

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities. Estimates and their underlying assumptions are reviewed on a regular basis and are based on best estimates and historical experience. Changes in accounting estimates are recognised during the period when the changes take place. If the changes also apply to future periods, the effect is divided among the present and future periods.

1.4.2 Judgements

The management has, when preparing the financial statements; made certain significant assessments based on critical judgement when it comes to application of the accounting principles. The following items have been subjected to a significant level of judgement when applying the accounting principles:

- Investment property valuation (further information in notes 3, 9, 10 and 13)
- Fair value of investments in subsidiaries (notes 2, 3 and 9)



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- Financial liabilities including interest rate derivatives (notes 3, 9 and 13)

1.5 Revenue recognition

The Group recognises revenue on an accruals basis, when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

The Group's revenue includes rental income from investment properties, other income and proceeds from the sale of properties.

Rental income from investment property leased out under an operating lease is recognised in the income statement on a straight-line basis over the term of the lease. The revenue is measured net of any value added tax. Lease incentives being offered to occupiers to enter into a lease, such as an initial rent-free period, are an integral part of the net consideration for the use of the property and are therefore recognised on the same straight-line basis.

Any overhead costs are recognised in the balance sheet along with payments from the tenants and consequently this has no effect on the result.

Other income is recorded as income in the periods in which it is earned.

Proceeds received on the sale of properties are recognised within Revenue when the significant risks and rewards of ownership have been transferred to the buyer.

1.6 Segments

UNION Core Plus Fund I Holding's operations consist primarily of ownership and management of commercial properties in Norway. There are no significant differences in risk and profitability in areas where the company operates. The Company and the Group operates in one business segment and one geographical market, thus no further segment information will be prepared.

1.7 Borrowing costs related to construction and rehabilitation

Borrowing costs are recognised in the statement of comprehensive income when they arise. Borrowing costs are capitalised to the extent that they are directly related to the purchase, construction or rehabilitation of a non-current asset. The interest costs accrued during the period until the non-current asset is capitalised. Borrowing costs are capitalised until the date when the non-current asset is ready for its intended use. If the cost price exceeds the non-current asset's fair value, an impairment loss is recognised.

1.8 Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities.

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The companies recognise previously unrecognised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilise the deferred tax asset.

Accordingly to the exception in IAS 12 deferred tax is not recognised when buying a company that is not a business. A provision for deferred tax is made after subsequent increases and decreases in the value beyond initial cost.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the Group where temporary differences have arisen.

Deferred tax and deferred tax assets are recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet.



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Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

1.9 Leases

The Group has applied IFRS 16 using the modified retrospective approach. The application of the new standard has not affected the preparation of the accounts.

Identifying a lease

At the inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Separating components in the lease contract

For a contract that contains a lease component and one or more additional lease or non-lease components, The Group allocates the consideration in the contract applying the principles in IFRS 15 Revenue from Contracts with Customers.

Recognition of leases and income

For contracts where the Group acts as a lessor, it classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The group as a lessor does not have any finance leases.

Operating leases

For operating leases, the Group recognises lease payments as other income, mainly on a straight-line basis, unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The Group recognises costs incurred in earning the lease income in other operating expenses. The Group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognises those costs as an expense over the lease term on the same basis as the rental income.

1.10 Investment property

Investment property consists of properties (land, buildings or both) that are used to accrue rental income, to increase the value of capital or both. Investment properties are recognised at their fair value. The fair value equals the estimated market value without any deductions for expenses incurred in the case of any sale. Changes to the fair value are recognised in the statement of comprehensive income during the period when it arises.

The fair value is assessed annually, based on a valuation by an independent valuation expert that is qualified and has extensive experience of the area and the type of property that is valued. The valuation is prepared by discounting the total net annual rental income by a required rate of return that reflects the risk in net cash flows.

Transfers to or from the category of investment property are only carried out as a result of a change in the use of the property. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. The difference that arises between the carrying amount and the fair value on the reclassification date is recognised directly in equity in the case of a gain. If the property is later sold, the gain is transferred to retained earnings. Losses which arise due to such a reclassification are recognised in the statement of profit or loss immediately.

1.11 Non - current assets held for sale and discontinued operations

Non-current assets and groups of non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sales transaction instead of through continued use. This is only regarded as having been fulfilled when a sale is highly probable and the non-current asset (or groups of non-current assets and liabilities) is available for immediate sale in its present form. The management must be committed to a sale and the sale must be expected to be carried out within one year after the classification date.



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Non-current assets and groups of non-current assets and liabilities that are classified as held for sale are valued at the lower of their former carrying amount or fair value minus sales costs.

1.12 Financial assets and financial liabilities

Recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit and loss.

Financial assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

The Group classifies its financial assets in the following categories: at fair value through profit and loss (FVTPL), fair value through other comprehensive income (FVOCI) and at amortised cost.

(a) Debt instruments at amortised cost and effective interest method

Financial assets that is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost.

Assets in this category with fixed or determinable payments that are not quoted in an active market, are included in current assets except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Assets in this category are subsequently measured at amortised cost using the effective interest (EIR) method and are subject to impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial. See note 9 for “accounts receivables” and “other receivables”.

(b) Fair value through other comprehensive income (FVTOCI)

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

(c) Fair value through profit or loss (FVTPL)

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- a debt instrument or equity instrument held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or
- a derivative, or
- designated as such upon initial recognition where permitted.



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Financial assets at FVTPL are initially recognised and subsequently measured at fair value on a recurring basis with gains or losses arising from changes in fair value recognised through gains in investments in the income statement. Dividends or interest earned on the financial asset are excluded from the gains on investments and recognised separately within finance income.

Assets in this category are classified as current if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. Otherwise, they are classified as non-current.

The Group's management have designated all investments in subsidiaries and joint ventures in the separate financial statements for the parent company as Financial instruments at fair value through profit or loss, because this designation results in more relevant information as the Group manages these investments, evaluate its performance and makes purchase and sale decisions based on their fair value, in accordance with a documented risk management and investment strategy, and information about the Group is provided internally on that basis to the entity's key management personnel. See notes 2, 3 and 9 for "investments in subsidiaries".

The Group classifies its financial liabilities in the following categories: at fair value through profit or loss (FVTPL), and other financial liabilities.

(a) Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include derivative liabilities and other financial liabilities designated as FVTPL.

A financial instrument is classified as at FVTPL if it is a derivative that is not designated and effective as a hedging instrument, or the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

Financial liabilities are also classified as at FVTPL when the financial liability is held for trading.

Financial liabilities at FVTPL are initially recognised and subsequently measured at fair value on a recurring basis with gains or losses arising from changes in fair value recognised through gains in investments in the income statement. Interest paid on the financial instruments is excluded from the gains on investments and recognised separately within Finance costs

(b) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and the redemption value being recognised in the income statement over the period of the borrowings, using the effective interest method ("interest-bearing loans and borrowings"; notes 9, 11 and 13).

Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities ("accounts payable" and "other current liabilities"; notes 9 and 11).

Derecognition of financial assets and liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the asset are transferred to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying value amount and the sum of the consideration received and receivable, and the cumulative gain or loss previously recognised in other comprehensive income and accumulated in equity, is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the income statement.



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Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the Group has a legal right to offset the amounts and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

For trade receivables, contract assets and lease receivables, the Group always recognise lifetime ELC. The ECL on trade receivables are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial instruments where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month ECL allowance is estimated. This represents a portion of the asset's lifetime ECL that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime ECL. The amount of ECL recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Derivative financial instruments

The Group uses derivative financial instruments to manage exposure to interest rate risk. They are initially recognised on the trade date at fair value and subsequently re-measured at fair value.

In assessing fair value the Group uses its judgement to select suitable valuation techniques and make assumptions which are mainly based on market conditions existing at the balance sheet date.

A derivative with a positive fair value is recognised as a financial asset whilst a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non current asset or non current liability if the remaining maturity of the instrument is more than 12 months, otherwise a derivative will be presented as a current asset or current liability. Changes in fair values of derivatives are recognised immediately in the statement of profit and loss, classified as financial items.

Amounts paid under interest rate swaps, both on obligations as they fall due and on early settlement, are recognised in the income statement as finance costs. Fair value movements on revaluation of derivative financial instruments are shown in the income statement through changes in fair value of financial instruments.

The Group does not currently apply hedge accounting to its interest rate swaps.

See notes 3, 9 and 13 for "derivatives".

1.13 Cash and cash equivalents

Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be converted immediately into a known amount of cash and have a maximum term to maturity of three months.



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1.14 Equity

Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economical realities.

Interest, dividend, gains and losses relating to a financial instrument classified as a liability will be presented as an expense or income. Amounts distributed to holders of financial instruments that are classified as equity will be recorded directly in equity.

Transaction costs directly related to an equity transaction are recognised directly in equity after deducting tax expenses.

1.15 Provisions

A provision is recognised when the Group has an obligation (legal or self-imposed) because a result of a previous event, it is probable (more likely than not) that a financial settlement will take place because a result of this obligation and the size of the amount can be measured reliably. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market is pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

1.16 Events after the reporting period

New information on the company's financial position on the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position on the end of the reporting period but which will affect the company's financial position in the future are disclosed if significant.

1.17 Application of new and amended standards

The following accounting standards or interpretations were effective for the financial year beginning 1 January 2019 and have been applied in preparing these financial statements to the extent they are relevant to the preparation of financial information:

- IFRS 16 *Leases* (issued in January 2016)
- IFRIC 23 *Uncertainty over Income Tax Treatments* (issued June 2017)

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group as a lessor

Effective 1 January 2019 the Group adopted IFRS 16 using the modified retrospective approach and accordingly comparative information has not been restated.

Lessor accounting under IFRS 16 is substantially unchanged from previous accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

The Group is not required to make any adjustments on transition for leases in which it is a lessor. The Group accounted for its leases from the date of initial application in accordance with IFRS 16.



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IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation clarifies how to consider uncertain tax treatment within the scope of IAS 12 Income Taxes. Uncertainty over income tax treatments arises when it is unclear how the applicable tax regulations should be understood for a specific transaction or event, and when it is uncertain whether taxation authorities will approve an entity's tax treatment. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately or together
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates (how to reflect uncertainty in these positions)
- How an entity considers changes in facts and circumstances

The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available.

The Group is not required to make any adjustments relating to IFRIC 23.

The following accounting standards and interpretations which are relevant to the Group have been issued, but are not yet effective for the financial year beginning 1 January 2019:

- Amendments to IFRS 3 *Definition of a Business* (issued in October 2018)

Amendments to IFRS 3 Definition of a Business

The amendments will help companies determine whether an acquisition made is of a business or a group of assets.

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.

The amendments must be applied to transactions for which the acquisition date is on or after the first the beginning of the first annual reporting period beginning on or after 1 January 2020. Early application is permitted. The Group does not intend to early adopt the amendments.

These standards and interpretations have not been early adopted by the Group. The amendment is not expected to significantly impact the Group's financial statements.

There are no other IFRS or IFRIC interpretations that have not come into effect that are expected to significantly impact the Group's financial statements.

1.18 Alternative Investment Funds

UNION Core Plus Fund I Holding AS is registered as a Alternative Investment Fund at the The Financial Supervisory Authority of Norway (*Finanstilsynet*), and must consequently meet certain disclosure requirements in the Act on Alternative Investment Fund Managers (AIF-Act) (*Lov om forvaltning av alternative investeringsfond (AIF-loven)*).

Article 104 in Commission delegated regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU sets out certain requirements as to information in the Annual report, disclosure to investors and reporting to competent authorities.

See note 17 for more information in this context.



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All amounts in NOK 1 000 unless otherwise stated

2 List of subsidiaries

The following subsidiaries are included in the consolidated financial statements:

Company	Business Office	Shareholding / voting rights	Acquisition date	Ownership interest	Ownership
Pilestredet 35 Holding AS	Oslo	91,73 %	01.07.2019	91,73 %	Directly
Pilestredet 35 AS	Oslo	100,00 %	01.07.2019	100,00 %	Indirectly
Core Plus Nystiftet 6 AS	Oslo	100,00 %	01.07.2019	100,00 %	Directly
UNION Drift Core Plus AS	Oslo	100,00 %	04.09.2019	100,00 %	Directly

There are no particular significant restrictions on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans or advances.

See also note 15 for information about subsidiaries with material non-controlling interests.

3 Critical accounting estimates and subjective judgements

In accordance with IFRS 13, disclosure is required for financial instruments that are measured in the consolidated statement of financial position at fair value.

This requires disclosure of fair value measurements by level for the following fair value measurement hierarchy:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

There were no transfers between levels in the period.

Fair value of investment properties

Investment properties are measured at their fair value based on external, independent valuations

Property valuations are inherently subjective as they are made on the basis of assumptions made by the valuer which may not prove to be accurate. For these reasons, and consistent with EPRA's guidance, the Group have classified the valuations of the investment property portfolio as Level 3 as defined by IFRS 13.

Semiannually all the properties are valued by independent, external valuer. The valuations at 31 December 2022 were obtained from Newsec AS. The valuations are mainly based on the discounted cash flow method, which involves discounting future cash flow over a specified period using an estimated discount rate and then adding a residual value at the end of the period. Future cash flows are calculated on the basis of cash flows from signed leases, as well as future cash flows based on an expected market rent at the end of the lease terms. The fair value of investment properties is therefore mainly affected by expected market rents, discount rates and inflation. The market rent for each property takes into account the property's situation, standard and leases signed for comparable properties in the area. For the duration of existing lease terms, the discount rate is mainly based on an assessment of the individual tenant's financial solidity and classification. After the end of the lease term, cash flows are discounted using a discount rate that takes into account the risk relating to letting and location. Inflation is estimated using the consensus of a selection of banks and official statistics.

When carrying out their valuations, the valuers receive comprehensive details of the leases for the properties, floor space and details of any vacant premises, and up-to-date information about all ongoing projects. Any uncertainties relating to the properties/projects and leases are also clarified verbally and in writing as and when required. The Group management performs internal controls to ensure that all relevant information is included in the valuations.



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3 Critical accounting estimates and subjective judgements - continues

The valuers perform their valuations on the basis of the information they have received, and estimate future market rents, yields, inflation and other relevant parameters. Each individual property is assessed in terms of its market position, rental income (contractual rents versus market rents) and ownership cost, with estimates being made for anticipated vacancy levels and the need for alterations and upgrades. The remaining term of leases is also assessed for risk, along with any special clauses in the contracts. Each property is also compared with recently sold properties in the same segment (location, type of property, mix of tenants, etc.)

The table below shows to what extent the value of the property portfolio is affected by inflation, market rents, discount rates (interest rates) and exit yields (market yields), assuming that all other factors are equal.

Change variable (The Group)	Change in % (plus)	Value change
Market rent	5,00 %	75 000
Yield adjustment	0,25 %	(63 000)

Fair value of investments in subsidiaries and joint ventures

The sole purpose of the subsidiaries of the Group is to own the investment properties described above. Any other assets or liabilities that the subsidiaries and joint ventures may have will for the most part consist of cash and cash equivalents and short-term payables and receivables, and the fair value of these items is expected to approximate the nominal and carrying amounts.

As the main assets of the subsidiaries and joint ventures, i.e. the investment properties, are classified as level 3 financial instruments, the subsidiaries and joint ventures are also classified as level 3 instruments.

The valuation technique for measuring the fair value of the subsidiaries and the joint ventures is an adjusted net asset value method, where the fair value of the main assets are measured by an income approach, and the fair value of the subsidiaries and joint ventures is then estimated by adjusting for any other assets and liabilities.

Consequently the inputs and the relationship of unobservable inputs to fair value for the subsidiaries and joint ventures will correspond with those for the investment properties.

Reconciliation of Level 3 fair value measurements of subsidiaries, joint ventures and investment property:

	Parent	Group
	Subsidiaries	Investment property
Balance as of 1 January 2022	681 876	1 348 182
Additions	-	-
First day profits/loss (other comprehensive income)	-	-
Change in fair value	(143 696)	-106 504
Balance as of 31 December 2022	538 180	1 241 678

Fair value of derivatives

The interest rate swaps used by the Group are not traded in an active market. As a result, their fair value is based on valuation techniques that are consistent with generally accepted valuation methodologies for pricing financial instruments and they incorporate all factors and assumptions that market participants would consider in setting the price.

The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The valuations are market observable, internally calculated and verified to externally sourced data and are therefore included within level 2.

The derivatives have been valued by the Group's banks, and these valuations have been tested for reasonableness by the Group's Management.

4 Operating leases

The Group mainly enters into contracts with a fixed rent for the lease of property.

Operating leases

The Group leases out its owned investment properties to third parties with contracted non-cancellable lease terms between 3 and 15 years. The Group has classified all of these leases as operating because they do not transfers substantially all the risks and rewards incidental to ownership of the properties the counterparties. For the Group's investment property leases the rental income is largely fixed under the contracts, however, subject to an annual price adjustment based on inflation.

The Group also leases out part of its owned machinery and equipment to third parties with contracted non-cancellable lease terms between 1 and 3 years. The Group has classified these leases as operating because they do not transfers substantially all the risks and rewards incidental to ownership of the counterparties. The lease payment in these contracts are fixed over the lease term.

The Group's lease income from operating leases are presented in the table below:

	Consolidated group	
	2022	2021
Lease income from operating leases	45 853	44 409
Lease income from investment properties	45 853	44 409
Total	45 853	44 409



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4 Operating leases continues

The Group's future accumulated rent from non-terminable operational lease contracts at 31.12.	2022	2021
Within 1 year	45 830	45 830
Between 1 and 5 years	136 309	182 082
Later than 5 years	64	113
Total	182 203	228 025

5 Wages and remuneration

Number of employees

The parent company and group have no employees.

Remuneration to members of the Board

The Board has not received any remuneration for their work.

	Parent company ¹ 2022	Parent company ¹ 2021	Consolidated group 2022	Consolidated group 2021
Expensed audit fee (excl. VAT)				
Statutory audit	66	191	139	267
Other assurance services	174	65	174	65
Total expensed audit fee	240	256	313	332
Non-expensed other non-assurance services	-	-	-	-
Total audit fee	240	256	313	332

¹ Fees to RSM Norge AS and affiliated companies.

Shares held by Board members ²	Position	2022
Bjørn Henningsen	Chair	1,07 %
Lars Even Moe	Board member	1,07 %
Øystein Landvik	Board member	1,07 %
Total		3,21 %

² The shares are owned indirectly in the form of ownership in UCP Sponsor AS and through private holding companies. UCP Sponsor AS owns directly shares in UNION Core Plus Fund I Holding AS.

6 General and administrative expenses

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
General and administrative expenses				
Auditor's fee	240	256	313	332
Management fee	937	1 304	5 198	6 567
Other fees	439	781	1 474	2 971
Other general and administrative expenses	118	68	131	554
Total general and administrative expenses	1 734	2 409	7 116	10 424

7 Financial income and costs

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Financial income				
Change fair value shares	-	111 986	-	-
Interest income on cash and cash equivalents	2	1	19 788	12 521
Interest income on group receivables	-	-	-	-
Dividends and other contributions	1 299	-	-	-
Change fair value swaps	-	-	-	-
Total financial income	1 301	111 987	19 788	12 521
Financial costs				
Change fair value shares	71 390	-	-	-
Interest expense on financial liabilities	12	25	22 916	12 468
Interest expense on group liabilities	29	22	-	-
Other financial costs	-	-	-	-
Total financial costs	71 431	47	22 916	12 468
Net financial items	(70 130)	111 940	(3 128)	53

8 Income tax



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Income tax expense				
<i>Current tax:</i>				
Tax payable	-	-	-	-
<i>Deferred tax:</i>				
Changes in deferred tax	-	-	4 891	6 248
Changes in deferred tax on value of investment property	-	-	(23 431)	20 037
Total income tax expense	-	-	(18 539)	26 285
	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Reconciliation of the effective rate of tax				
Income taxes calculated at 22% of profit before tax	(71 864)	26 236	(22 824)	26 236
Adjustment in respect of current income tax of previous years	-	-	-	-
Tax related to change in value of shares	71 391	-	-	-
Tax effect on non deductible expenses	6	45	6	45
Non-taxable income	-	-	-	-
Tax effect on non-recognised tax asset / acquired tax assets	467	-	4 279	5
Total income tax expense	(0)	-	(18 539)	26 285
	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Deferred tax and deferred tax assets:				
<i>Deferred tax assets</i>				
Tax losses carried forward	15 281	15 322	15 322	18 657
Other deferred tax assets	-	-	(14 496)	5 195
Deferred tax assets - gross	15 281	15 322	826	23 852
<i>Deferred tax liabilities</i>				
Investment property	-	-	87 678	194 181
Other deferred tax liabilities	-	-	-	-
Deferred tax liabilities - gross	-	-	87 678	194 181
Net deferred tax asset/(liabilities)	15 281	15 322	(86 852)	(170 329)
Net recognised deferred tax asset/(liabilities)	-	-	(102 177)	(186 445)
Book value at 31.12 (22 %)	-	-	(22 479)	(41 018)

9 Carrying amounts and fair value of financial instruments

The following table provides information about the carrying amounts and the fair value of all classes of financial instruments:

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Financial assets - non current				
<i>Financial assets designated as FVTPL</i>				
Investments in subsidiaries	538 180	681 876	-	-
<i>Financial assets at amortised cost</i>				
Loans to group companies	60	41	-	-
Total non current financial assets	538 240	681 917	-	-
Financial assets - current				
<i>Financial assets at FVTPL</i>				
Interest rate swap	-	-	-	-
<i>Investments in debt instrument measured at amortised cost</i>				
Accounts receivables	-	-	-	-
Other receivables	1 300	1	18 143	333
Cash and cash equivalents	430	311	24 327	16 453
Total current financial assets	1 730	312	42 470	16 786



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

9 Carrying amounts and fair value of financial instruments continues

Financial liabilities - non current

Financial liabilities held at amortised cost

Secured bank debt	-	-	688 000	617 000
Debt to group companies	642	2 517	-	-
Other non current liabilities	-	-	-	-
Total non current liabilities	642	2 517	688 000	617 000

Financial liabilities - current

Financial liabilities at FVTPL

Interest rate swap	-	-	-	1 933
Financial liabilities at amortised cost				
Accounts payables	54	98	937	255
Debt to group companies	-	-	-	-
Deferred revenue	-	-	-	74
Accrued expenses / other current liabilities	-	-	6 653	5 010
Total current liabilities	54	98	7 588	7 272

The fair values for all "Investments in debt instrument measured at amortised cost", and all current "Financial liabilities measured at amortised cost" are expected to approximate their carrying amounts given the short-term nature of these financial instruments.

The total carrying value of non current "Financial liabilities measured at amortised cost" is a reasonable approximation of their fair value at the year end date.

10 Investment property

	Consolidated group 2022	Consolidated group 2021
Investment property		
Opening balance as at 1 July	1 348 182	1 257 107
Additions from acquisitions	-	-
Enhancement expenditure capitalised	32 000	-
First-day-profit/(loss)	-	-
Net gain/loss on changes in fair value	(138 504)	91 075
Balance at 31 December	1 241 678	1 348 182

An external appraiser performs the Fund's property valuations semi-annually. The appraiser has the mandate to estimate the market value of the property if sold on the open market in an arm's length transaction between a willing seller and buyer. A number of factors, including tenancy schedules, maintenance requirements, tenant improvements, location, the technical condition of the property, etc are considered for the valuation. In addition, comparable transactions, availability and cost of financing, general vacancy levels, rental levels and economic activity are all factors contributing to the analysis. Overall, these factors contribute to providing a realistic picture of the price level achievable in the market should the property be sold. The Fund use Newsec AS as their external appraiser. Newsec is one of the leading providers of valuation services in the Norwegian real estate market.

The fair value represents the amount at which the assets could be exchanged between a knowledgeable, willing buyer and seller in an arm's length transaction at the date of valuation. The following main inputs have been used:

	2022
Yields (%)	5,25 %
Inflation rate (%)	6,57 %
Long term vacancy rate (%)	0,00 %
Long term growth rate in real rental terms (%)	2,00 %

The Fund's portfolio was as of 31 December 2022 valued at an average net yield of 3.3 %. The corresponding gross yield was 3,5 % and average owner's costs were 5,96%. We believe the current valuation is reflective of the underlying values of the properties in the Fund, taking into consideration property specific value drivers such as Weighted Average Lease Term (WALT), locations, rent levels, counterparties, vacancy rates, etc

The inflation rate of 6,57 % in 2022 was above expectations and above the Norwegian Central Bank's inflation rate target. The underlying property values in the Fund has as a result increased correspondingly. Long term vacancy rate is set to the portfolio's current vacancy rate of 0 %
The long term growth rate in real rental terms is set according to the Norwegian Central Bank's inflation target as of 31 December 2022, of 2.0 %.

Changes in fair value is recognised in the period to which the profit/loss relates. The latest independent valuation was carried out on 31 December 2022. Investment properties are not depreciated.

There are no restrictions on when the investment properties can be realised, or how the revenue and cash flow on any sale can be used.

There are no significant contractual obligations to buy, build or develop investment properties.



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

10 Investment property continues

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Income and expenditure relating to investment properties				
Rental income	-	-	45 853	44 516
Direct operating expenses of properties that generated income	-	-	(4 070)	(5 966)
Balance at 31 December	-	-	41 783	38 550

11 Pledged assets

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
<i>Carrying amount secured debt</i>				
Secured long-term debt	-	-	688 000	617 000
<i>Book value of pledged assets</i>				
Fair value of investment property (land, building and fixtures)	-	-	1 241 678	1 348 182

It has been issued mortgages on the investment properties, as collateral for floating interest bank loans. At 31 December 2022 the loans are recognised at TNOK 688 000.

The pledge under the facilities vary, but typically the lender has a first priority pledge over the property, a first priority pledge over the shares in the borrower, target company, property company and the title company. In some cases the lender also have a first priority assignment by the Borrower over any monetary under any Intra-group loan.

12 Related parties

12.1 Identification of related parties

Amongst the identified related parties there have been transactions with the Group's subsidiaries, the Group's management, UCP Sponsor AS and UNION Core Plus Fund I AS (owns ca. 96% of UNION Core Plus Fund I Holding AS). Subsidiaries are listed in Note 2.

Apart from the transactions described below, there are no significant transactions with related parties.

Information about the parent company is provided in note 14.

12.2 Group related transactions

Interests on internal loans are calculated on the basis of Nibor 3 month plus a margin of 2,00%. Transactions with group companies have been eliminated in the Consolidated Group.

The parent company recharge the group companies management fee based on an distribution model. The distribution model is based on work carried out for group companies.

12.3 Board, management and owners

UNION Eiendomskapital UREF AS have entered into a management agreement with UNION Core Plus Fund I Holding AS. The management fee amounts to between 0,65% and 1,0% of invested capital per annum.

Rental fees:

When UNION Eiendomskapital UREF AS negotiate lease contracts on behalf of group companies, the manager receives a fee of between 7,5% and 15% of the annual rent, depending on whether it applies to extension of existing contracts and finding new tenants.

Transactions with the manager (UNION Eiendomskapital UREF AS)

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Amount of transactions				
Management fee	959	1 576	4 838	6 002
Rental fee	-	-	-	-
Project fee	29	-	-	-
Aquisition fee	-	-	-	-
	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Outstanding balances				
Accounts receivable	-	-	-	-
Accounts payable	-	-	-	-
Balance at 31 December	-	-	-	-



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

12 Related parties continues

Transactions with subsidiaries

	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Amount of transactions				
Interest received / paid	-	-	-	-
Dividends received	-	-	-	-
Management fee	-	-	-	-
	Parent company 2022	Parent company 2021	Consolidated group 2022	Consolidated group 2021
Outstanding balances				
Non-current receivable	60	41	-	-
Non-current liabilities	-642	(2 517)	-	-
Balance at 31 December	-582	(2 476)	-	-

13 Information on financial risks

UNION Core Plus Fund I Holding AS will through recognised financial instruments be exposed to various forms of risk. The main types of risk will be liquidity risk, credit risk and market risk. It is the responsibility of the fund's manager to determine the strategies for managing risk associated with financial instruments and to operationalize and implement the chosen strategy. Selected strategies, fixed limits and actual exposure in relation to established limits are reported periodically to the Board of UNION Core Plus Fund I Holding AS. UNION Core Plus Fund I Holding AS has adopted an moderate risk profile, and this consideration is also governing the determination of the strategy for risk management in financial instruments.

13.1 Liquidity risk

UNION Core Plus Fund I Holding AS are exposed to liquidity risk in the form of repayment of loans from credit institutions, current interest on such obligations, and the use of interest rate swaps result in payment obligations when paid interest exceeds interest received. The manager prepares liquidity forecasts, which include maturity overviews of debt. The cash flow projection are reported to the group board and form the basis for future financing plans.

The maturity plan below shows how commitments are payable in nominal amounts in accordance with the agreed instalments plans and expected payments under financial interest rate swaps based on current market rates. Commitments are here presented in nominal amounts.

	2023	2024	2025	2026	2027 and later
Maturity plan - Parent company					
Interest-bearing loans and borrowings	-	-	-	-	-
	2023	2024	2025	2026	2027 and later
Maturity plan - Consolidated group					
Interest-bearing loans and borrowings	-	-	688 000	-	-

13.2 Credit risk

For the financial assets in the balance sheet, financial derivatives and receivables, the maximum credit risk may be best expressed by the recognised value of the assets. No security have been established for financial assets. The risk connected with the financial derivatives and bank deposits are perceived in practice limited due to the counterparts being major Norwegian commercial banks. In terms of exposure to other counterparties than banks are at any given time is relatively limited compared to the total balance. For most rental agreements security in the form of cash or bank guarantees equivalent to half the annual rent including share of common costs have been established.

At 31 December 2022 the group have accounts receivable of TNOK 0. The group have made provision for bad debts on overdue receivables not covered by the rental guarantees.

13.3. Interest rate risk

The Group's exposure to interest rate risk mainly concerns financial liabilities which are floating rate.

The Group uses interest rate swaps to hedge exposure to the variability in cash flows on floating rate debt, such as bank facilities, caused by movements in market rates of interest.

Due to a combination of factors, principally the high level of certainty required under IAS 39 'Financial Instruments: Recognition and Measurement', hedging instruments used in this context do not qualify for hedge accounting.

At 31 December 2022, the Group had pay-fixed interest-rate swaps in place with a nominal value of TNOK 462 750, and its net debt was 67,26 % fixed. Based on the Group's debt balances at 31 December 2022, a 1% increase in interest rates would increase the annual net interest payable in the income statement and reduce equity by TNOK 2 253 (before tax). The fair value of the interest rate swaps would decrease by TNOK 9 727.

The sensitivity has been calculated by applying the interest rate change to the variable rate borrowings, net of interest-rate swaps and cash and cash equivalents.



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

13 Information on financial risks continues

The expected maturity profiles of the Group's interest rate swaps are as follows (based on nominal values):

	Parent company 2022	Consolidated group 2022
One year or less, or on demand	-	-
More than one year but not more than two years	-	-
More than two years but not more than five years	-	462 750
More than five years	-	-

13.4. Foreign exchange risk

The Group is not exposed to currency risk in relation to the translation of net assets, currency transactions or the translation of net assets and income statement of foreign subsidiaries.

14 Share capital, shareholder information and dividend

(Number of shares are in whole numbers)

	2022
14.1 Share capital	
Ordinary shares, nominal amount NOK 1	5 447 912
Sponsorshares, nominal amount NOK 1	4 459
Total number of shares	5 452 371

The sponsorshares have the right to elect the board members of the company, ordinary shares are without voting rights concerning the board election.

Reconciliation of total number of shares in issue:

	Ordinary shares	Sponsor shares	Total
As at December 31 2022	5 447 912	4 459	5 452 371
Issued as of 31 December 2022 - fully paid in	5 447 912	4 459	5 452 371

14.2 Shareholders

	Ordinary shares	Sponsor shares	Ownership interest	Voting interest
UNION Core Plus Fund I AS	5 447 912	-	99,92 %	99,92 %
UCP Sponsor AS	-	4 459	0,08 %	0,08 %
Total number of shares 31.12.2022	5 447 912	4 459	100 %	100 %

14.3 Dividends

	2022	
	NOK pr share	Total
Cash dividends approved and paid		
Ordinary shares		
Total dividends approved and paid	12,56	68 419
Sponsor shares		
Total dividends approved and paid	12,56	56
Total		68 475

Dividends to non-controlling shareholders in UNION Core Plus Fund I Holding's subsidiaries are reported as dividends in the consolidated statement of changes in equity.

14.4 Estimated allocation of equity

The shareholders of UNION Core Plus Fund I Holding AS have entered into a shareholders agreement where the allocation of profits have been set out. This allocation will be settled on the date of liquidation of the fund.



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

14 Share capital, shareholder information and dividend continues

14.5 Capital Resources

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to be able to implement future investments. The fund will target a gross compounded annual internal rate of return of 10% to 12 % with a targeted average dividend of at least 5% on invested capital per annum over the life of the fund, utilising target leverage of 50% of portfolio value.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as borrowings less cash and cash equivalents.

The table below illustrates the gearing ratio for the consolidated group at December 31. Non-controlling interests are included in the total equity.

	2022
Borrowings	688 000
Less cash and cash equivalents	(24 327)
Net debt	663 673
Total equity	566 081
Total capital resources	1 229 754
Gearing ratio	54.0 %

14.6 Financial Covenants

Under the terms of the borrowing facility, the Group is required to comply with certain financial covenants. There are loan agreements with a total carrying amount of NOK 688 million for which the banks have imposed requirements in the form of financial covenants.

The covenants under these facility the Group must achieve a maximum Loan to Value (LTV) of 75 per cent as. At least 50 per cent of the loan portfolio has to be secured.

Since the year end, the Group has increased the carrying amount to NOK 688 million.

15 Subsidiaries with material non-controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

The information below represents the consolidated figures of the subsidiary at 100 per cent, and the amounts are before intercompany eliminations.

	2022
The Company's ownership	
Pilestredet 35 Holding AS	91,7 %
Summarised income statement for Pilestredet 35 Holding AS	
Revenue	45 853
Profit/(Loss) for the year	(56 810)
Summarised balance sheet for Pilestredet 35 Holding AS	
Total assets	1 284 148
Total liabilities	(718 067)
Net assets	566 081
Non-controlling interests	57 665
Equity attributable to shareholders of UNION Core Plus Fund I Holding AS	508 416

3,8 MNOK have been paid out to non-controlling interests in 2022.



UNION Core Plus Fund I Holding AS

Notes 2022

All amounts in NOK 1 000 unless otherwise stated

16 Reconciliation of liabilities arising from financing activities

This section sets out an analysis of net debt and the movements in net debt at Group level for each of the periods presented.

Net debt	2022	2021
Cash and cash equivalents	24 327	16 453
Borrowings - repayable after one year	(688 000)	(617 000)
Net debt at 31.12	(663 673)	(600 547)
Cash and liquid investments	24 327	16 453
Gross debt - fixed interest rates	(516 000)	(462 750)
Gross debt - variable interest rates	(172 000)	(154 250)
Net debt at 31.12	(663 673)	(600 547)

	Other assets		Liabilities from financing activities		Net debt
	Cash/cash equivalents	Borrowings due within 1 year	Borrowings due after 1 year		
Net debt as at 31.12.2022	-	-	-	-	-
Cash flows	24 327	-	(688 000)	(663 673)	(663 673)
Net debt as at 31.12.2022	24 327	-	(688 000)	(663 673)	(663 673)

17 Alternative Investment Fund disclosure

Compensation to the Manager

UNION Core Plus Fund I Holding AS is managed by UNION Eiendomskapital UREF AS. As UNION Eiendomskapital UREF AS also manages other funds, the managers' compensation also derives from the results from managing these funds. For 2022 the employees in the management company received a total of MNOK 55,171 as wage compensation (including fixed and variable compensation). The leading management of the management company received a total of MNOK 10,580 as wage compensation (including fixed and variable compensation). Final variable compensation for leading employees will be decided by the board of directors after the annual accounts are approved. Total compensation is charged the 2022-accounts.

Annual report, disclosure to investors and reporting to competent authorities

The following table provides information about the direct and indirect costs, where the columns "direct costs" illustrate the costs expensed in UNION Core Plus Fund I Holding AS and the columns "indirect costs" illustrate UNION Core Plus Fund I Holding AS' share of the costs, according to ownership share, in the consolidated accounts (where UNION Core Plus Fund I Holding AS is the parent).

	Direct costs		Indirect costs	
	2022	2022	2022	2022
Auditor's fee	131		73	
Management fee	937		4 261	
Other fees	548		946	
Establishing Costs pooling vehicle	-		-	
Other general and administrative expenses	118		13	
Total general and administrative expenses	1 734		5 293	



To the General Meeting of UNION Core Plus Fund I Holding AS

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Independent Auditor's Report

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Opinion

We have audited the financial statements of UNION Core Plus Fund I Holding AS, which comprise:

- the financial statements of the parent company UNION Core Plus Fund I Holding AS (the Company) showing a loss of NOK 71 864 000, which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of UNION Core Plus Fund I Holding AS and its subsidiaries (the Group) showing a loss of NOK 58 378 000, which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/is a member of Den norske Revisorforening.

Penneo Dokumentnøkkel: FYE/C-EQUIN-E088M-05VKS-DQ11Q-7DEDM



Independent Auditor's Report 2022 for Union Core Plus Fund I Holding AS



In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 24 March 2023
RSM Norge AS

Per-Henning Lie
State Authorised Public Accountant
(This document is signed electronically)

Penneo Dokumentnøkkel: FYE/C-EQUIN-E088M-05VK5-DQ11Q-7DEDM



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Per-Henning Schulz Lie

Statsautorisert revisor

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