



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - 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:	01.01.2023 - 31.12.2023
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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:	06.03.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 03.06.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
General and administrative expenses	5,6,12, 17	1 709 000	1 734 000
Sum kostnader		1 709 000	1 734 000
Driftsresultat		-1 709 000	-1 734 000
Finansinntekter og finanskostnader			
Financial income	16	3 695 000	1 301 000
Sum finansinntekter		3 695 000	1 301 000
Change in fair value shares		98 148 000	71 390 000
Financial costs		9 000	41 000
Sum finanskostnader		98 157 000	71 431 000
Netto finans		-94 462 000	-70 130 000
Ordinært resultat før skattekostnad		-96 171 000	-71 864 000
Ordinært resultat etter skattekostnad		-96 171 000	-71 864 000
Årsresultat		-96 171 000	-71 864 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2,3,11, 15	440 032 000	538 180 000
Lån til foretak i samme konsern	12	83 000	60 000
Sum finansielle anleggsmidler		440 115 000	538 240 000
Sum anleggsmidler		440 115 000	538 240 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		3 685 000	1 300 000
Sum fordringer		3 685 000	1 300 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16	24 000	430 000
Sum bankinnskudd, kontanter og lignende		24 000	430 000
Sum omløpsmidler		3 709 000	1 730 000
SUM EIENDELER		443 824 000	539 970 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Issued capital		5 282 000	5 282 000
Overkurs		471 529 000	471 529 000
Sum innskutt egenkapital		476 811 000	476 811 000



Balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Fund fo valuation differences		0	69 215 000
Retained earnings		-33 708 000	-6 752 000
Sum opptjent egenkapital		-33 708 000	62 463 000
Sum egenkapital		443 103 000	539 274 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	12	659 000	642 000
Sum annen langsiktig gjeld		659 000	642 000
Sum langsiktig gjeld	14	659 000	642 000
Kortsiktig gjeld			
Leverandørgjeld	12	61 000	54 000
Sum kortsiktig gjeld		61 000	54 000
Sum gjeld		720 000	696 000
SUM EGENKAPITAL OG GJELD		443 823 000	539 970 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Gross rental income	4	48 947 000	45 853 000
Property operating expenses		-3 519 000	-4 070 000
Sum inntekter	10	45 428 000	41 783 000
Kostnader			
Annen driftskostnad	5,6,12, 17	7 083 000	7 116 000
Adjustment to value of investment property	10	115 636 000	108 457 000
Sum kostnader		122 719 000	115 573 000
Driftsresultat		-77 291 000	-73 790 000
Finansinntekter og finanskostnader			
Annen finansinntekt	16	12 495 000	19 788 000
Sum finansinntekter		12 495 000	19 788 000
Annen finanskostnad		38 918 000	22 916 000
Sum finanskostnader		38 918 000	22 916 000
Netto finans		-26 423 000	-3 128 000
Ordinært resultat før skattekostnad		-103 714 000	-76 918 000
Income tax expense	8	-25 283 000	-18 540 000
Ordinært resultat etter skattekostnad		-78 431 000	-58 378 000
Årsresultat		-78 431 000	-58 378 000
Equity holders of the parent company		60 845 000	57 990 000
Non-controlling interests		17 586 000	388 000
Sum resultatkomponenter for IFRS-foretak		78 431 000	58 378 000
Totalresultat		0	0



Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Deferred tax assets	8	2 805 000	0
Sum immaterielle eiendeler		2 805 000	
Varige driftsmidler			
Investment property	3,4,10, 11	1 126 043 000	1 241 678 000
Sum varige driftsmidler		1 126 043 000	1 241 678 000
Sum anleggsmidler		1 128 848 000	1 241 678 000
Omløpsmidler			
Varer			
Fordringer			
Other receivables		18 643 000	18 143 000
Sum fordringer		18 643 000	18 143 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	16	35 614 000	24 327 000
Sum bankinnskudd, kontanter og lignende		35 614 000	24 327 000
Sum omløpsmidler		54 257 000	42 470 000
SUM EIENDELER		1 183 105 000	1 284 148 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		5 282 000	5 282 000
Overkurs		471 529 000	471 529 000
Sum innskutt egenkapital	14	476 811 000	476 811 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Retained earnings		-29 332 000	31 605 000
Sum opptjent egenkapital		-29 332 000	31 605 000
Minoritetsinteresser	15	40 079 000	57 665 000
Sum egenkapital		487 558 000	566 081 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	0	22 479 000
Sum avsetninger for forpliktelser		0	22 479 000
Annen langsiktig gjeld			
Interest bearing loans and borrowings	11,13, 14	688 000 000	688 000 000
Sum annen langsiktig gjeld		688 000 000	688 000 000
Sum langsiktig gjeld		688 000 000	710 479 000
Kortsiktig gjeld			
Leverandørgjeld	12	131 000	935 000
Other current liabilities	9,12	7 415 000	6 653 000
Sum kortsiktig gjeld	14	7 546 000	7 588 000
Sum gjeld	9	695 546 000	718 067 000
SUM EGENKAPITAL OG GJELD		1 183 104 000	1 284 148 000



UNION Core Plus Fund I Holding AS

Annual accounts

2023

Auditor's report

Directors' report

Statement of comprehensive income

Statement of financial position at 31 December

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Statement of cash flows

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The board of director report 2023 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 Eiendomskapital 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 31.12.2023 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 -9,31% since 31.12.2022.

The property in the Fund as of 31.12.2023 had a rental occupancy of 100 %, and the average duration of the lease contracts were 3 years.

UNION Core Plus Fund I Holding AS had an operating loss of MNOK 1,7. The Group had an operating loss of MNOK 77,3. Profit before tax was negative with MNOK 96,2 for the parent company and negative MNOK 103,7 for the Group. The Group net profit for the year was negative with MNOK 78,4.

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 (26,96)
- Transferred from for unrealized gains MNOK (69,22)

As per 31.12.2023 the Company had a bank balance of TNOK 24 and for the Group MNOK 35,6.

The total capital pr. 31.12.2023 was MNOK 443,8 for the parent company and MNOK 1 183,1 for the Group. The equity ratio was 99,84% for the Company and 41,21% 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 31.12.2023 MNOK 688 (grossed amount). Of the total debt to credit institutions, MNOK 462,75 were hedged per 31.12.2023. Average interest rate on the loan portfolio was per 31.12.2023 4,3% (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 50 000 000.

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 is made available on the Company's website - <https://union.no/> - by 30 June 2023.

Future development

Interest rates continued to rise throughout 2023, pushing property yields even higher. Concurrently, growth in office rents plateaued. However, several years of rent growth and high inflation resulted in improved cash flows for many assets. The expansion in yields nevertheless contributed to significant declines in property values.

The outlook for 2024 is more optimistic, as property yields are now aligning with the prevailing interest rate environment. Simultaneously, inflation is decreasing 'across the board,' and many market players anticipate central banks initiating base rate cuts this year.

The Board still believes that investments in the Norwegian property market offer attractive long-term opportunities, supported by factors such as robust economic growth, sound public finances, inflation protection in rent contracts, and low volumes of new construction.



Oslo, 6 March 2024

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	
2023	2022	All amounts in NOK 1 000	Note	2023	2022
-	-	Gross rental income	4	48 947	45 853
-	-	Property operating expenses		(3 519)	(4 070)
-	-	Net rental and related income	10	45 427	41 783
-	-	Adjustment to value of investment property	10	(115 635)	(108 457)
(1 709)	(1 734)	General and administrative expenses	5, 6, 12, 17	(7 083)	(7 116)
(1 709)	(1 734)	Operating profit		(77 291)	(73 790)
3 695	1 301	Financial income	16	12 495	19 788
(98 148)	(71 390)	Change in fair value shares		-	-
(9)	(41)	Financial costs		(38 918)	(22 916)
(94 462)	(70 130)	Net financial items	7 13	(26 423)	(3 128)
(96 171)	(71 864)	Profit before tax	12	(103 714)	(76 918)
-	-	Income tax expense	8	25 283	18 539
(96 171)	(71 864)	Profit for the year		(78 431)	(58 378)
		Other comprehensive income			
-	-	Net other comprehensive cost / income	3	-	-
(96 171)	(71 864)	Total comprehensive income for the year		(78 431)	(58 378)
		Profit for the year attributable to:			
		Equity holders of the parent company		(60 844)	(57 990)
		Non-controlling interests		(17 586)	(388)
				(78 431)	(58 378)
		Total comprehensive income attributable to:			
		Equity holders of the parent company		(60 844)	(57 990)
		Non-controlling interests		(17 586)	(388)
				(78 431)	(58 378)

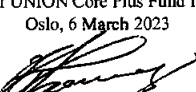


UNION Core Plus Fund I Holding AS
Statement of financial position at 31 December

Parent company		Consolidated group			
2023	2022	All amounts in NOK 1 000	Note	2023	2022
ASSETS					
Non-current assets					
-	-	Investment property	3, 4, 10 11	1 126 043	1 241 678
440 032	538 180	Investments in subsidiaries	2, 3, 11 15	-	-
83	60	Loans to group companies	12	-	-
-	-	Deferred tax assets	8	2 805	-
440 115	538 240	Total non-current assets		1 128 848	1 241 678
Current assets					
3 685	1 300	Other receivables		18 643	18 143
24	430	Cash and cash equivalents	16	35 614	24 327
3 709	1 730	Total current assets	9, 12	54 257	42 470
443 823	539 970	TOTAL ASSETS		1 183 104	1 284 148
EQUITY AND LIABILITIES					
Equity					
Paid in capital					
5 282	5 282	Issued capital		5 282	5 282
471 529	471 529	Share premium		471 529	471 529
476 811	476 811	Total paid in capital	14	476 811	476 811
Accumulated profits					
-	69 215	Fund for valuation differences		-	-
(33 708)	(6 752)	Retained earnings		(29 332)	31 605
(33 708)	62 463	Total accumulated profits		(29 332)	31 605
		Non-controlling interests	15	40 079	57 665
443 103	539 274	Total equity		487 558	566 081
Non-current liabilities					
-	-	Interest-bearing loans and borrowings	11, 13, 14	688 000	688 000
659	642	Liabilities to group companies	12	-	-
-	-	Deferred tax liabilities	8	-	22 479
659	642	Total non-current liabilities	14	688 000	710 479
Current liabilities					
61	54	Accounts payable	12	131	935
-	-	Other current liabilities	9, 12	7 415	6 653
61	54	Total current liabilities	14	7 546	7 588
720	696	Total liabilities	9	695 546	718 067
443 823	539 970	TOTAL EQUITY AND LIABILITIES		1 183 104	1 284 148

The Board of UNION Core Plus Fund I Holding AS
Oslo, 6 March 2023


Lars Even Moe
Board member


Bjørn Henningsen
Chair


Øystein Armulf Landvik
Board member



UNION Core Plus Fund I Holding AS

Statement of changes in equity

All amounts in NOK 1 000

	Note	Attributable to parent company equity holders				Total equity
		Share capital	Share premium	Retained earnings	Non-controlling interests	
Consolidated group						
Group equity at 31.12.2022		5 282	471 529	31 605	57 665	566 081
Dividends distributed		-	-	(93)	-	(93)
Total comprehensive income		-	-	(60 844)	(17 586)	(78 431)
Equity as at 31.12.2023		5 282	471 529	(29 332)	40 078	487 558
Parent company						
		Share capital	Share premium	Fund for unrealised gains	Retained earnings	Total equity
Parent company equity at 31.12.2022		5 282	471 529	69 215	(6 752)	539 274
Dividend		-	-	-	-	-
Total comprehensive income		-	-	(69 215)	(26 956)	(96 171)
Equity as at 31.12 2023		5 282	471 529	-	(33 708)	443 103



UNION Core Plus Fund I Holding AS

Statement of cash flows

Parent company			Consolidated group		
2023	2022	All amounts in NOK 1 000	Note	2023	2022
		Cash flow from operating activities			
(96 171)	(71 864)	Profit before tax for the year from total operations		(103 714)	(76 918)
98 148	71 390	Change in value shares		-	-
-	-	Adjustment to value of investment property		115 635	108 457
2	(1 299)	(Increase)/decrease in other receivables		(500)	(17 810)
7	(44)	Increase/(decrease) in accounts payable		(804)	680
-	(1 638)	Increase/(decrease) in other current liabilities		762	(9 061)
1 985	(4 754)	Net cash flow from operating activities		11 380	5 348
		Cash flows from investing activities			
-	75 222	Repayment of investments in subsidiaries / distributions		-	-
(2 392)	(1 875)	(Increase)/decrease in intercompany loan		-	-
(2 392)	73 347	Net cash flow used in investing activities		-	-
		Cash flows from financing activities			
-	(68 474)	Dividend		-	(68 474)
-	-	Proceeds from borrowings		-	71 000
-	-	Dividend paid to minority interests		(93)	-
-	(68 474)	Net cash flow from financing activities		(93)	2 526
(406)	119	Net increase/(decrease) in cash and cash equivalents		11 286	7 874
430	311	Cash and cash equivalents at beginning of period		24 327	16 453
24	430	Cash and cash equivalents at end of period		35 614	24 327



UNION Core Plus Fund I Holding AS

Notes 2023

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 2023 were approved in the board meeting at 6 March 2024.

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).

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 disclose 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.

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

(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.



UNION Core Plus Fund I Holding AS

Notes 2023

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)
- 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 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.



UNION Core Plus Fund I Holding AS

Notes 2023

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.

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

1.8 Leases

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 not have any finance leases.

1.9 Investment property

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.

1.10 Financial assets and financial liabilities

Recognition and measurement

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) Financial assets 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 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 profit or loss (FVTPL)

Financial assets not measured at amortised cost 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.

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.

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".



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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.

All hedging instruments is classified as at FVTPL.

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).

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.

1.11 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.

1.12 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.

1.13 Application of new and amended standards

Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current

The International Accounting Standards Board has issued amendments to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current or non-current.

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.



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The amendments clarify:

- The meaning of right to defer settlement
- That the right to defer must exist at the end of the reporting period
- That classification is not affected by the probability that an entity will exercise its deferral right
- That the terms of a liability would not impact its classification, only if an embedded derivative is an equity instrument itself.

Amendments to standards and interpretations with a future effective date

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.14 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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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

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 2023 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 %	55 000
Yield adjustment	0.25 %	(40 500)

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 2023	538 180	1 241 678
Additions	-	-
First day profits/loss (other comprehensive income)	-	-
Change in fair value	(98 148)	(115 635)
Balance as of 31 December 2023	440 032	1 126 043

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.



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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	
	2023	2022
Lease income from operating leases		
Lease income from investment properties	48 947	45 853
Total	48 947	45 853

4 Operating leases continues

The Group's future accumulated rent from non-terminable operational lease contracts at 31.12.	2023	2022
Within 1 year	51 227	45 830
Between 1 and 5 years	101 217	136 309
Later than 5 years	-	64
Total	152 444	182 203

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 2023	Parent company ¹ 2022	Consolidated group 2023	Consolidated group 2022
Expensed audit fee (excl. VAT)				
Statutory audit	76	66	149	139
Other assurance services	71	174	71	174
Total expensed audit fee	147	240	220	313
Non-expensed other non-assurance services	-	-	-	-
Total audit fee	147	240	220	313

¹ Fees to RSM Norge AS and affiliated companies.

Shares held by Board members²

	Position	2023
Bjørn Henningsen	Chair	0.71 %
Lars Even Moe	Board member	0.71 %
Øystein Landvik	Board member	0.71 %
Total		2.13 %

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 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
General and administrative expenses				
Auditor's fee	147	240	220	313
Management fee	778	937	5 138	5 198
Other fees	670	439	932	1 474
Other general and administrative expenses	114	118	793	131
Total general and administrative expenses	1 709	1 734	7 083	7 116



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7 Financial income and costs

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Financial income				
Change fair value shares	-	-	-	-
Interest income on cash and cash equivalents	5	2	12 495	19 788
Interest income on group receivables	5	-	-	-
Dividends and other contributions	3 685	1 299	-	-
Change fair value swaps	-	-	-	-
Total financial income	3 695	1 301	12 495	19 788
Financial costs				
Change fair value shares	98 148	71 390	-	-
Interest expense on financial liabilities	9	12	38 918	22 916
Interest expense on group liabilities	-	29	-	-
Other financial costs	-	-	-	-
Total financial costs	98 157	71 431	38 918	22 916
Net financial items	(94 462)	(70 130)	(26 423)	(3 128)

8 Income tax

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Income tax expense				
<i>Current tax:</i>				
Tax payable	-	-	-	-
<i>Deferred tax:</i>				
Changes in deferred tax	-	-	156	4 891
Changes in deferred tax on value of investment property	-	-	(25 440)	(23 431)
Total income tax expense	-	-	(25 283)	(18 539)

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Reconciliation of the effective rate of tax				
Income taxes calculated at 22% of profit before tax	(21 158)	(71 864)	(22 817)	(22 824)
Adjustment in respect of current income tax of previous years	-	-	-	-
Tax related to change in value of shares	21 968	71 391	-	-
Tax effect on non deductible expenses	-	6	-	6
Non-taxable income	-	-	-	-
Tax effect on non-recognised tax asset / acquired tax assets	(810)	467	(2 466)	4 279
Total income tax expense	-	(0)	(25 283)	(18 539)

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Deferred tax and deferred tax assets:				
<i>Deferred tax assets</i>				
Tax losses carried forward	13 305	15 281	13 388	15 322
Other deferred tax assets	-	-	(15 208)	(14 496)
Deferred tax assets - gross	13 305	15 281	(1 820)	826
<i>Deferred tax liabilities</i>				
Investment property	-	-	(27 957)	87 678
Other deferred tax liabilities	-	-	-	-
Deferred tax liabilities - gross	-	-	(27 957)	87 678
Net deferred tax asset/(liabilities)	13 305	15 281	26 137	(86 852)
Net recognised deferred tax asset/(liabilities)	-	-	12 750	(102 177)
Book value at 31.12 (22 %)	-	-	2 805	(22 479)



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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 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Financial assets - non current				
<i>Financial assets designated as FVTPL</i>				
Investments in subsidiaries	440 032	538 180	-	-
<i>Financial assets at amortised cost</i>				
Loans to group companies	83	60	-	-
Total non current financial assets	440 115	538 240	-	-
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	3 685	1 300	18 643	18 143
<i>Cash and cash equivalents</i>				
Cash and cash equivalents	24	430	35 614	24 327
Total current financial assets	3 709	1 730	54 257	42 470

9 Carrying amounts and fair value of financial instruments continues

Financial liabilities - non current				
<i>Financial liabilities held at amortised cost</i>				
Secured bank debt	-	-	688 000	688 000
Debt to group companies	659	642	-	-
Other non current liabilities	-	-	-	-
Total non current liabilities	659	642	688 000	688 000
Financial liabilities - current				
<i>Financial liabilities at FVTPL</i>				
Interest rate swap	-	-	-	-
<i>Financial liabilities at amortised cost</i>				
Accounts payables	61	54	131	937
Debt to group companies	-	-	-	-
Deferred revenue	-	-	-	-
Accrued expenses / other current liabilities	-	-	7 415	6 653
Total current liabilities	61	54	7 546	7 588

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 2023	Consolidated group 2022
Investment property		
Opening balance as at 1 July	1 241 678	1 348 182
Additions from acquisitions	-	1 953
Enhancement expenditure capitalised	-	-
First-day-profit/(loss)	-	-
Net gain/loss on changes in fair value	(115 635)	(108 457)
Balance at 31 December	1 126 043	1 241 678

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:



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10 Investment property continues

	2023
Yields (%)	6,10 %
Inflation rate (%)	4,80 %
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 2023 valued at an average net yield of 6.54 %. The corresponding gross yield was 6.9 % and average owner's costs were 5.77%. 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 4.80 % in 2023 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 2023, 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 2023. 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.

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Income and expenditure relating to investment properties				
Rental income	-	-	48 947	45 853
Direct operating expenses of properties that generated income	-	-	(3 519)	(4 070)
Balance at 31 December	-	-	45 428	41 783

11 Pledged assets

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
<i>Carrying amount secured debt</i>				
Secured long-term debt	-	-	688 000	688 000
<i>Book value of pledged assets</i>				
Fair value of investment property (land, building and fixtures)	-	-	1 126 043	1 241 678

It has been issued mortgages on the investment properties, as collateral for floating interest bank loans. At 31 December 2023 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.



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12 Related parties continues

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 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Amount of transactions				
Management fee	925	959	5 138	4 838
Rental fee	-	-	-	-
Project fee	-	29	-	-
Aquisition fee	-	-	-	-
	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Outstanding balances				
Accounts receivable	-	-	-	-
Accounts payable	-	-	-	-
Balance at 31 December	-	-	-	-

Transactions with subsidiaries

	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Amount of transactions				
Interest received / paid	(4)	-	-	-
Dividends received	-	-	-	-
Management fee	-	-	-	-
	Parent company 2023	Parent company 2022	Consolidated group 2023	Consolidated group 2022
Outstanding balances				
Non-current receivable	83	60	-	-
Non-current liabilities	(659)	(642)	-	-
Balance at 31 December	(576)	(582)	-	-

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.

Maturity plan - Parent company	2024	2025	2026	2027	2028 and later
Interest-bearing loans and borrowings	-	-	-	-	-
Maturity plan - Consolidated group	2024	2025	2026	2027	2028 and later
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.



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13 Information on financial risks continues

At 31 December 2023 the group have accounts receivable of TNOK 35. 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 2023, 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 2023, a 1% increase in interest rates would increase the annual net interest payable in the income statement and reduce equity by TNOK 5 344 (before tax). The fair value of the interest rate swaps would decrease by TNOK 18 470.

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.

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

	Parent company 2023	Consolidated group 2023
One year or less, or on demand	-	-
More than one year but not more than two years	-	462 750
More than two years but not more than five years	-	-
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)

14.1 Share capital	2023
Ordinary sponsor shares, nominal amount NOK 1	140 692
Ordinary shares, nominal amount NOK 1	3 404 761
Ordinary ko-investor shares, nominal amount NOK 1	1 717 041
Sponsor ko-investor shares, nominal amount NOK 1	19 736
Total number of shares	5 282 230

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



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14.2 Shareholders

	Ordinary shares	Ordinary sponsor shares	Ko-investor shares	Sponsor ko-investor shares	Ownership interest	Voting interest
Spleismark Næring AS	937 951	-	-	-	17,76 %	17,76 %
Joh Johannson Eiendom AS	937 951	-	-	-	17,76 %	17,76 %
Spleismark Handel AS	-	-	858 521	-	16,25 %	16,25 %
Farvatn Capital AS	-	-	493 402	-	9,34 %	9,34 %
Laerdal Invest AS	468 975	-	-	-	8,88 %	8,88 %
Benestad Eiendom A S	375 179	-	-	-	7,10 %	7,10 %
Sjømennenes Hus Eiendom AS	187 590	-	49 340	-	4,49 %	4,49 %
Aakvik Holding AS	93 795	-	98 681	-	3,64 %	3,64 %
Øylaks Drift AS	187 590	-	-	-	3,55 %	3,55 %
Ucp Sponsor AS	-	19 736	-	140 692	3,04 %	3,04 %
Netrom AS	140 693	-	-	-	2,66 %	2,66 %
Seamt Invest AS	-	-	98 681	-	1,87 %	1,87 %
Nistua 3 AS	46 898	-	49 340	-	1,82 %	1,82 %
UF1 AS	-	-	49 340	-	0,93 %	0,93 %
Sjøoffiserenes Hus AS	28 139	-	19 736	-	0,91 %	0,91 %
Total number of shares 31.12.2023	3 404 761	19 736	1 717 041	140 692	100 %	100 %

14.3 Dividends

	2023	
	NOK pr share	Total
Cash dividends approved and paid		
Ordinary shares		
Total dividends approved and paid	-	-
Ordinary sponsor shares		
Total dividends approved and paid	-	-
Ko-investor shares		
Total dividends approved and paid	-	-
Sponsor ko-investor shares		
Total dividends approved and paid	-	-
Total	-	-

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.

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.

	2023
Borrowings	688 000
Less cash and cash equivalents	(35 614)
Net debt	652 386
Total equity	487 558
Total capital resources	1 139 944
Gearing ratio	57.2 %



UNION Core Plus Fund I Holding AS

Notes 2023

All amounts in NOK 1 000 unless otherwise stated

14 Share capital, shareholder information and dividend continues

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 70 per cent as. At least 50 per cent of the loan portfolio has to be secured.

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.

	2023
The Company's ownership	
Pilestredet 35 Holding AS	91.7 %
Summarised income statement for Pilestredet 35 Holding AS	
Revenue	48 947
Profit/(Loss) for the year	(29 046)
Summarised balance sheet for Pilestredet 35 Holding AS	
Total assets	2 564 873
Total liabilities	(89 597)
Net assets	2 475 276
Non-controlling interests	40 079
Equity attributable to shareholders of UNION Core Plus Fund I Holding AS	2 435 197

94 TNOK have been paid out to non-controlling interests in 2023.

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.

	2023	2022
Net debt		
Cash and cash equivalents	35 614	24 327
Borrowings - repayable after one year	(688 000)	(688 000)
Net debt at 31.12	(652 386)	(663 673)
Cash and liquid investments	35 614	24 327
Gross debt - fixed interest rates	(516 000)	(516 000)
Gross debt - variable interest rates	(172 000)	(172 000)
Net debt at 31.12	(652 386)	(663 673)

	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	35 614	-	(688 000)	-	(652 386)
Net debt as at 31.12.2023	35 614	-	(688 000)	-	(652 386)



UNION Core Plus Fund I Holding AS

Notes 2023

All amounts in NOK 1 000 unless otherwise stated

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 2023 the employees in the management company received a total of MNOK 33,501 as wage compensation (including fixed and variable compensation). The leading management of the management company received a total of MNOK 4,200 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 2023-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
	2023	2023
Auditor's fee	190	94
Management fee	925	3 864
Other fees	29	-
Establishing Costs pooling vehicle	-	-
Other general and administrative expenses	-	-
Total general and administrative expenses	1 734	5 293



Skatteetaten

Vår dato 05.12.2019	Din/Deres dato 14.11.2019	Saksbehandler Lars Waalorp
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.



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

RSM Norge AS

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Independent Auditor's Report

www.rsmnorge.no

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 96 171 000, which comprise the balance sheet as at 31 December 2023, 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 material accounting policy information, and
- the consolidated financial statements of Union Core Plus Fund I Holding AS and its subsidiaries (the Group) showing a loss of NOK 78 431 000, which comprise the balance sheet as at 31 December 2023, 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 material accounting policy information.

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 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting 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 relevant laws and regulations in Norway 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: EEZCV-VP4HM-UFXBH-PS44C-EOGC3-KDVVN



Independent Auditor's Report 2023 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 statutory 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 IFRS Accounting 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/revisionsberetninger>

Oslo, 6 March 2024

RSM Norge AS

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

Penneo Dokumentnøkkel: EEZCV-VP4HM-UFXBH-PS44C-EOGC3-KDVVN



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Per-Henning Schulz Lie

Statsautorisert revisor

På vegne av: RSM Norge AS

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