20240522203692

Årsredovisning för

ERIF Sweden Holding AB

559350-9374

Räkenskapsåret

2023-01-01 - 2023-12-31

Fastställelseintyg

Undertecknad styrelseledamot i ERIF Sweden Holding AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkningen fastställts på årsstämma 2024-04-26. Stämman beslutade också att godkänna styrelsens förslag till resultatdisposition.

Stockholm den 2024-04-26

Henrik Skoog
Styrelseordförande

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20240522203693

Årsredovisning för

ERIF Sweden Holding AB

559350-9374

Räkenskapsåret

2023-01-01 - 2023-12-31

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Förvaltningsberättelse

Styrelsen och verkställande direktören för ERIF Sweden Holding AB, 559350-9374, med säte i Stockholm, får härmed avge årsredovisning för räkenskapsåret 2023-01-01 - 2023-12-31.

20240522203694

Allmänt om verksamheten

Företaget registrerades 2021-12-06 och bolagets verksamhet innebär ägande och förvaltning av fast egendom samt därmed förenlig verksamhet.

ERIF Sweden Holding AB ingår i en koncern där CBRE European Residental Impact Fund S.C.A. SICAV-SIF, med registreringsnummer B245025 med säte i Luxemberg är koncernmoder. Enligt årsredovisningslagen § 7.2 upprättar inte ERIF Sweden Holding AB koncernredovisning då CBRE European Residental Impact Fund S.C.A. SICAV-SIF är koncernmoder och koncernredovisning upprättas där. Det utländska moderföretagets koncernredovisning finns att tillgå hos CBRE European Residental Impact Fund S.C.A. SICAV-SIF, 4 rue du Fort Wallis, L-2714 Luxembourg, Grand-Duchy of Luxembourg.

Bolaget har inga anställda.

Utveckling av företagets verksamhet, resultat och ställning

Belopp i kr

	2023-12-31	*2022-12-31*
Resultat efter finansiella poster	-83 909	-7 925
Balansomslutning	1 156 791	255 144
Soliditet %	63,1	34,7

Definitioner: se not

Verksamhetsåret 2023

Bolaget har erhållit ovillkorade aktieägartillskott från ägare om totalt 647 533 tkr.
Bolaget har även lämnat ovillkorade aktieägartillskott om 422 076 tkr.
Bolaget tecknade den 15 juni 2023 ett aktieöverlåtelseavtal avseende förvärv av aktierna i Barkarbykvarteret AB (org. nr. 559262-0073) och Garage AB (org nr. 559375-7643). Förvärvet slutfördes den 30 juni 2023.

Finansiering och likviditet

Bolaget finansieras med koncerninterna lån om 416 539 tkr samt eget kapital med 730 459 tkr

Framtidsutsikter och långsiktiga finansiella mål

De finansiella målet med verksamheten är att optimera fastighetsförvaltningen för att kunna generera en stabil och långsiktig avkastning och dels genom investeringar skapa ett högre marknadsvärde på fastigheten.

Väsentliga risker och osäkerhetsfaktorer

Risker kan kopplas direkt eller indirekt till den fastighet som ägs av bolagets dotterbolag. Exempel på risker är driftsrisk och likviditetsrisk. Övriga risker hänförs till omvärldsfaktorer som förändringar av skatteregler, legala
förändringar, rådande konjunktur och konkurrenssituation, vilket i sin tur kan påverka bolagets finansiella ställning negativt.

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Förslag till disposition av företagets vinst eller förlust

	Belopp i kr
Styrelsen föreslår att till förfogande stående medel:	
Balanserat resultat	814 270 216
Årets resultat	-83 835 699
Totalt	730 434 517
Disponeras så att	
I ny räkning balanseras	730 434 517
	730 434 517
Summa	

Vad beträffar resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning med tillhörande noter.

Väsentliga händelser efter årets utgång

Bolaget har även lämnat ovillkorade aktieägartillskott om 38 800 tkr till Ursvik Torn Sweden Two AB.

Utöver det har inga väsentliga händelser skett efter räkenskapsårets utgång

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Resultaträkning

Belopp i kkr	*Not*	*2023-01-01-2023-12-31*	*2021-12-06-2022-12-31*
Rörelsens kostnader			
Övriga externa kostnader	*7*	-261	-1 909
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-83 650	-6 000
Rörelseresultat		-83 911	-7 909
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter	*8*	13 260	3 440
Räntekostnader och liknande resultatposter	*9*	-13 258	-3 456
Resultat efter finansiella poster		-83 909	-7 925
Resultat före skatt		-83 909	-7 925
Skatt på årets resultat	*10*	73	-
Årets resultat		**-83 836**	**7 925**

20240522203697

Balansräkning

Belopp i kkr	*Not*	*2023-12-31*	*2022-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*11*	720 715	79 862
Fordringar hos koncernföretag		416 539	163 039
Uppskjuten skattefordran	*13*	73	-
		1 137 327	242 901
Summa anläggningstillgångar		1 137 327	242 901
Omsättningstillgångar			
Kortfristiga fordringar			
Förutbetalda kostnader och upplupna intäkter	*15*	9 544	3 439
		9 544	3 439
Kassa och bank		9 920	8 804
Summa omsättningstillgångar		19 464	12 243
SUMMA TILLGÅNGAR		1 156 791	255 144

20240522035658

Balansräkning

Belopp i kkr	*Not*	*2023-12-31*	*2022-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		25	25
		25	25
Fritt eget kapital			
Balanserad vinst eller förlust		814 270	96 372
Årets resultat		-83 836	-7 925
		730 434	88 447
Summa eget kapital		730 459	88 472
Långfristiga skulder			
Skulder till koncernföretag	*14*	416 539	163 039
		416 539	163 039
Kortfristiga skulder			
Skulder till koncernföretag	*14*	9 505	3 440
Övriga kortfristiga skulder		23	-
Upplupna kostnader och förutbetalda intäkter	*16*	265	193
		9 793	3 633
SUMMA EGET KAPITAL OCH SKULDER		1 156 791	255 144

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Kassaflödesanalys

Belopp i kkr	*Not*	*2023-01-01-2023-12-31*	*2021-12-06-2022-12-31*
Den löpande verksamheten			
Resultat efter finansiella poster		-83 909	-1 908
Erlagd ränta		-13 258	-3 456
Erhållen ränta		13 260	3 440
Årets av- och nedskrivningar		83 650	-
Betald inkomstskatt		-	-
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**-257**	**-1 924**
Kassaflöde från förändringar i rörelsekapital			
Ökning(-)/Minskning (+) av rörelsefordringar		-6 103	-
Ökning(+)/Minskning (-) av rörelseskulder		6 158	193
Kassaflöde från den löpande verksamheten		**-202**	**-1 731**
Investeringsverksamheten			
Lämnade aktieägartillskott		-422 076	-56 900
Investeringar i dotterbolag		-302 427	-28 962
Förändring i långfristiga fordringar		-253 500	-163 039
Kassaflöde från investeringsverksamheten		**-978 003**	**-248 901**
Finansieringsverksamheten			
Nyemission		-	25
Erhållna aktieägartillskott		725 824	96 371
Upptagna lån		253 500	163 039
Kassaflöde från finansieringsverksamheten		**979 324**	**259 435**
Årets kassaflöde		**1 119**	**8 803**
Likvida medel vid årets början		8 803	
Likvida medel vid årets slut		**9 922**	**8 803**

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Noter

Not 1 Företagsinformation

Namn: ERIF Sweden Holding AB
Org nummer: 559350-9374
Huvudsaklig verksamhet:
Bolaget verksamhet innebär ägande och förvaltning av fast egendom samt därmed förenlig verksamhet.

Koncernförhållanden
ERIF Sweden Holding AB ingår i en koncern där CBRE European Residental Impact Fund S.C.A. SICAF-SIF med registreringsnummer B 245025 med säte i Luxemburg är koncernmoder.

Not 2 Grunder för upprättandet av årsredovisningen

Årsredovisningen har upprättats utifrån antagandet om fortlevnad (going concern). Tillgångar och skulder är värderade till sina historiska anskaffningsvärden.

De finansiella rapporterna har upprättats i enlighet med Årsredovisningslagen och RFR 2 - Redovisning för juridiska personer.

Moderbolag i den största koncernen som ERIF Sweden Holding AB är dotterbolag till och där koncernredovisning upprättas är CBRE European Residental Impact Fund S.C.A SICAV-SIF. Org nummer: B245025, med säte i Luxemburg.

Not 3 Förändringar i redovisningsprinciperna

Nya och ändrade standarder och tolkningar
Använda redovisningsprinciper överensstämmer med dem som tillämpas, undantaget ändrade eller nya IFRS och IFRIC tolkningar som trätt ikraft och föranlett ändringar i RFR 2.

Not 4 Väsentliga redovisningsbedömningar, uppskattningar och antaganden

När styrelsen upprättar finansiella rapporter i enlighet med tillämpade redovisningsprinciper måste vissa uppskattningar och antaganden göras som påverkar det redovisade värdet av tillgångar, skulder, intäkter och kostnader. Dessa bedömningar och antaganden baseras på historiska erfarenheter samt andra faktorer som bedöms rimliga under rådande omständigheter. Faktiskt utfall kan skilja sig från dessa bedömningar om andra antaganden görs eller andra förutsättningar föreligger. De områden där uppskattningar och antaganden är av stor betydelse för företaget och som kan komma att påverka resultat- och balansräkning om de ändras är bedömning av nyttjandeperioder för fastigheter, nedskrivningsbehov för fastigheter, gränsdragning mellan investeringar och underhåll samt underskottsavdrag.

Not 5 Räntekostnader och liknande resultatposter

Inkomstskatter

Periodens skattekostnad omfattar aktuell och uppskjuten skatt.

Aktuell inkomstskatt
Kortfristiga skattefordringar och skatteskulder för nuvarande och tidigare perioder fastställs till det belopp som förväntas återfås från eller betalas till Skatteverket. De skattesatser och skattelagar som tillämpas för att beräkna beloppet är de som är antagna eller aviserade på balansdagen.

Uppskjuten inkomstskatt

20240522203701

Uppskjuten skatt redovisas på balansdagen i enlighet med balansräkningsmetoden för temporära skillnader mellan tillgångars och skulders skattemässiga och redovisningsmässiga värden. Uppskjuten skatt beräknas med tillämplig skattesats som beslutats eller aviserats per balansdagen och som förväntas gälla när den uppskjutna skatten realiseras eller regleras. Uppskjutna skatteskulder uppkommer framförallt på grund av skillnader mellan bokföringsmässiga avskrivningar och skattemässiga avskrivningar på förvaltningsfastigheter.

Uppskjutna skattefordringar

Uppskjutna skattefordringar redovisas endast i den omfattning att det är sannolikt att framtida överskott kommer att finnas tillgängliga, mot vilka de temporära skillnaderna kommer att kunna utnyttjas.

Uppskjutna skattefordringar och skatteskulder kvittas när det finns en legal kvittningsrätt för aktuella skattefordringar och skatteskulder och när de uppskjutna skattefordringarna och skatteskulderna hänför sig till skatt debiterade av samma skattemyndighet där det finns en avsikt att reglera saldona genom nettobetalningar.

Lånekostnader

Låneutgifter utgörs av ränta och andra kostnader som uppstår när ett företag lånar pengar. Låneutgifter redovisas som en kostnad i den period de uppkommer.

Nedskrivning

Tillgångar som löpande skrivs av skall nedskrivningstestas närhelst händelser eller förändringar i förhållanden indikerar att det redovisade värdet kanske inte är återvinningsbart.
En nedskrivning görs med det belopp varmed tillgångens redovisade värde överstiger dess återvinningsvärde. Återvinningsvärdet är det högre av tillgångens verkliga värde minskat med försäljningskostnader och dess nyttjandevärde.

Finansiella instrument - redovisning och värdering

Med hänsyn till sambandet mellan redovisning och beskattning har företaget i enlighet ned RFR2 valt att inte tillämpa IAS 39 utan tillämpar en metod med utgångspunkt i anskaffningsvärde i enlighet med ÅRL.

Fordringar

Fordringar med förfallodag mer än 12 månader efter balansdagen redovisas som anläggningstillgångar, övriga som omsättningstillgångar. Fordringar upptas till det belopp som efter individuell prövning beräknas bli betalt. Hyresfordringar redovisas som omsättningstillgångar till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra hyresfordringar.

Likvida medel

Likvida medel omfattar kassa, banktillgodohavanden samt kortfristiga placeringar med en ursprunglig förfallodag på tre månader eller mindre.

Skulder

Skulder redovisas till upplupet anskaffningsvärde, med tillämpning av effektivräntemetoden.

Redovisning av koncernbidrag

Koncernbidrag redovisas som bokslutsdisposition.

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Not 6 Inköp mellan koncernbolag

Av bolagets inköp avser 0 tkr (0 tkr) inköp från koncernbolag.

Not 7 Ersättning till revisorer

	2023-12-31	*2022-12-31*
Öhrlings PricewaterhouseCoopers AB		
Revisionsuppdrag	-122	-100
Övriga tjänster	-25	-20
Summa revisionskostnader	**-147**	**-120**

Med revisionsuppdraget avses granskning av årsredovisningen och bokföringen samt styrelsens förvaltning och övriga granskningsuppgifter som det ankommer på bolagets revisor att utföra.

Not 8 Ränteintäkter och liknande resultatposter

	2023-12-31	*2022-12-31*
Ränteintäkter, koncernföretag	13 260	3 440
Ränteintäkter, övriga		-
Summa övriga ränteintäkter och liknande resultatposter	**13 260**	**3 440**

Not 9 Räntekostnader och liknande resultatposter

	2023-12-31	*2022-12-31*
Räntekostnader, övriga	2	-16
Räntekostnader, koncernföretag	-13 260	-3 440
Summa räntekostnader och liknande resultatposter	**-13 258**	**-3 456**

Not 10 Skatt på årets resultat

	2023-01-01-2023-12-31	*2021-12-06-2022-12-31*
Aktuell skattekostnad	-	-
Årets förändring i uppskjuten skatt	73	-
Summa skatt	**73**	**-**

Avstämning av effektiv skatt

		2023-01-01-2023-12-31		*2021-12-06-2022-12-31*
	Procent	Belopp	Procent	Belopp
Resultat före skatt		-259		-7 925
Skatt enligt gällande skattesats	20,6	53		1 633
Ej avdragsgilla kostnader		-53		-1 593
Ökning av underskottsavdrag utan motsvarande aktivering av uppskjuten skatt				-40
Differens		**-**		**-**

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Not 11 Aktier i dotterföretag

	2023-12-31	*2022-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	79 862	-
-Inköp	302 427	28 962
-Aktieägartillskott	422 076	56 900
-Nedskrivning av aktier i dotterföretag	-83 650	-6 000
Redovisat värde vid årets slut	**720 715**	**79 862**

Specifikation av moderföretagets innehav av aktier och andelar i koncernföretag

	Antal andelar	*i %*	*Redovisat värde*
Ursvik Torn Sweden Two AB	1 000	100	154 463
ERIF Sweden Barkarby AB	500	100	566 252
			720 715

Not 12 Finansiell riskhantering

ERIF Sweden Holding ABs övergripande mål är att ha en kostnadseffektiv finansiering inom företaget och hantera de finansiella riskerna genom att utnyttja finansiella instrument. Företagets främsta finansiella skulder utgörs av lån. De främsta riskerna som företaget utsatt för är finansieringsrisk och ränterisk.

Tabellen nedan visar företagets finansiella tillgångar och skulder som är föremål för finansiell riskhantering.

	Låne- och Hyresfordringar	*2023-12-31 Summa*
Tillgångar i balansräkningen		
Långfristiga fordringar till koncernföretag	416 539	416 539
Kortfristiga fordringar till koncernföretag	9 505	9 505
Likvida medel	9 920	9 920
	435 964	**435 964**

	Övriga finansiella skulder värderade till upplupet anskaffningsvärde	*2023-12-31 Summa*
Skulder i balansräkningen		
Långfristiga skulder till koncernbolag	416 539	416 539
Kortfristiga skulder till koncernbolag	9 505	9 505
	426 044	**426 044**

Ränterisk

ERIF Sweden Holding AB finansieras av koncerninterna lån.
Bolaget är indirekt utsatt för följande finansiella risker:

- kreditförsörjningsrisk - risken att inte ha tillgång till finansiering av sin verksamhet
- ränterisk - risken att marknadsräntan förändras på ett ofördelaktigt sätt
- motpartsrisk - risken att motpart inte kan fullgöra sina åtaganden

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Likviditet och refinansieringsrisk

Likviditetsrisken definieras som risken att vid brist på likvida medel inte kunna fullgöra sina åtaganden för löpande kostnader, investeringar eller amorteringar. Beräkning av framtida kassaflöden utifrån olika scenarion utförs löpande för att säkerställa en beredskap av framtida likviditetsbehov.
Refinansieringsrisk definieras som risken i samband med refinansiering av utestående lån. Målet för den koncern som ERIF Sweden Holding AB tillhör är att upprätthålla en stark och konkurrenskraftig bas av finansiella institutioner gällande finansiering. För att få de bästa marknadsvillkoren och för att undvika beroendet av en motpart, bör all refinansiering inledas i ett tidigt skede och, om möjligt, med flera potentiella långivare. All refinansiering bör också anpassas för att passa den specifika tillgången och den förväntade återstående tiden av innehavet, kostnad för förtida låneåterbetalning etc.
Koncernen är medveten om refinansieringsrisken, men ser ingen omedelbar risk för låneavtalen i de nuvarande portföljerna eftersom lånevillkoren är fasta fram till 2032-09-09 med förfall under 2032-09-09.

Tabellen nedan visar avtalade återstående löptider på de finansiella skulderna.

2023-12-31	**Redovisat värde**	**År 1**	**År 2**	**År 3**	**År 4-5**	**Efter år 5**
Långfr. skulder till koncernftg	416 539					-416 539
Kortfr. skulder till koncernftg	9 505	-9505				
Övriga skulder	23	-23				
Summa	**426 067**	**-9528**				**-416 539**

Skulder till koncernföretag förfaller vid anfordran. Räntan uppgår vid varje tillfälle till av långivaren angivna villkor, baserat på långivarens finansieringskostnad.

Not 13 Uppskjuten skatt

2023-12-31	*Uppskjuten skattefordran*	*Uppskjuten skatteskuld*	*Netto*
Väsentliga temporära skillnader			
Övriga temporära skillnader	73	-	73
Uppskjuten skattefordran/skuld (netto)	**73**	**-**	**73**
2022-12-31			
Väsentliga temporära skillnader			
Övriga temporära skillnader		-	
Uppskjuten skattefordran/skuld		-	
Uppskjuten skattefordran/skuld (netto)		**-**	

Not 14 Räntebärande lån

Tabellen visar företagets räntebärande lån

20240522203705

	2023-12-31
Långfristiga	
Koncerninternt lån (fast ränta)	416 539
Summa långfristiga skulder	**416 539**
Kortfrisitga	
Koncerninternt lån (upplupen ränta)	9 505
Summa kortfristiga skulder	**9 505**
Lånebelopp	**426 044**

I tabellen nedan sammanfattas återbetalningsplanen för långfristiga skulder.

Förfallotider för långfristiga lån är enligt följande:

	2023-12-31
Mellan 1 och 5 år	9 505
Senare än 5 år	416 539
Summa	**426 044**

Not 15 Förutbetalda kostnader och upplupna intäkter

	2023-12-31	*2022-12-31*
Kortfristiga fordringar till koncernföretag	9 505	3 439
Övriga poster	38	-
	9 543	**3 439**

Not 16 Upplupna kostnader och förutbetalda intäkter

	2023-12-31	*2022-12-31*
Upplupna kostnader	265	194
	265	**194**

Not 17 Ställda säkerheter och eventualförpliktelser

Ställda säkerheter

	2023-12-31	*2022-12-31*
För koncernbolags skulder till kreditinstitut		
Samtliga aktier i dotterbolag till ett bokfört värde av	720 715	-
Summa ställda säkerheter	**720 715**	**-**

Not 18 Antal aktier och kvotvärde

Aktiekapitalet var 2023-12-31 fördelat på 25 000 aktier	*Antal aktier*	*Kvotvärde*
	25 000	1,0

ERIF Sweden Holding AB
559350-9374

Underskrifter

Stockholm, undertecknad datum enligt elektronisk signatur

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Henrik Skoog
Styrelseordförande

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Marcus Arvidsson
Styrelseledamot

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Jenny Nygren
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Jenny Nygren
Styrelseledamot

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PricewaterhouseCoopers AB

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Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	•Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

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Revisionsberättelse

Till bolagsstämman i ERIF Sweden Holding AB, org.nr 559350-9374

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för ERIF Sweden Holding AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av ERIF Sweden Holding ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för ERIF Sweden Holding AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till ERIF Sweden Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för ERIF Sweden Holding AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

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Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till ERIF Sweden Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

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PricewaterhouseCoopers AB

Susanne Westman
Auktoriserad revisor

Deltagare

PRICEWATERHOUSECOOPERS AB 556067-4276 Sverige

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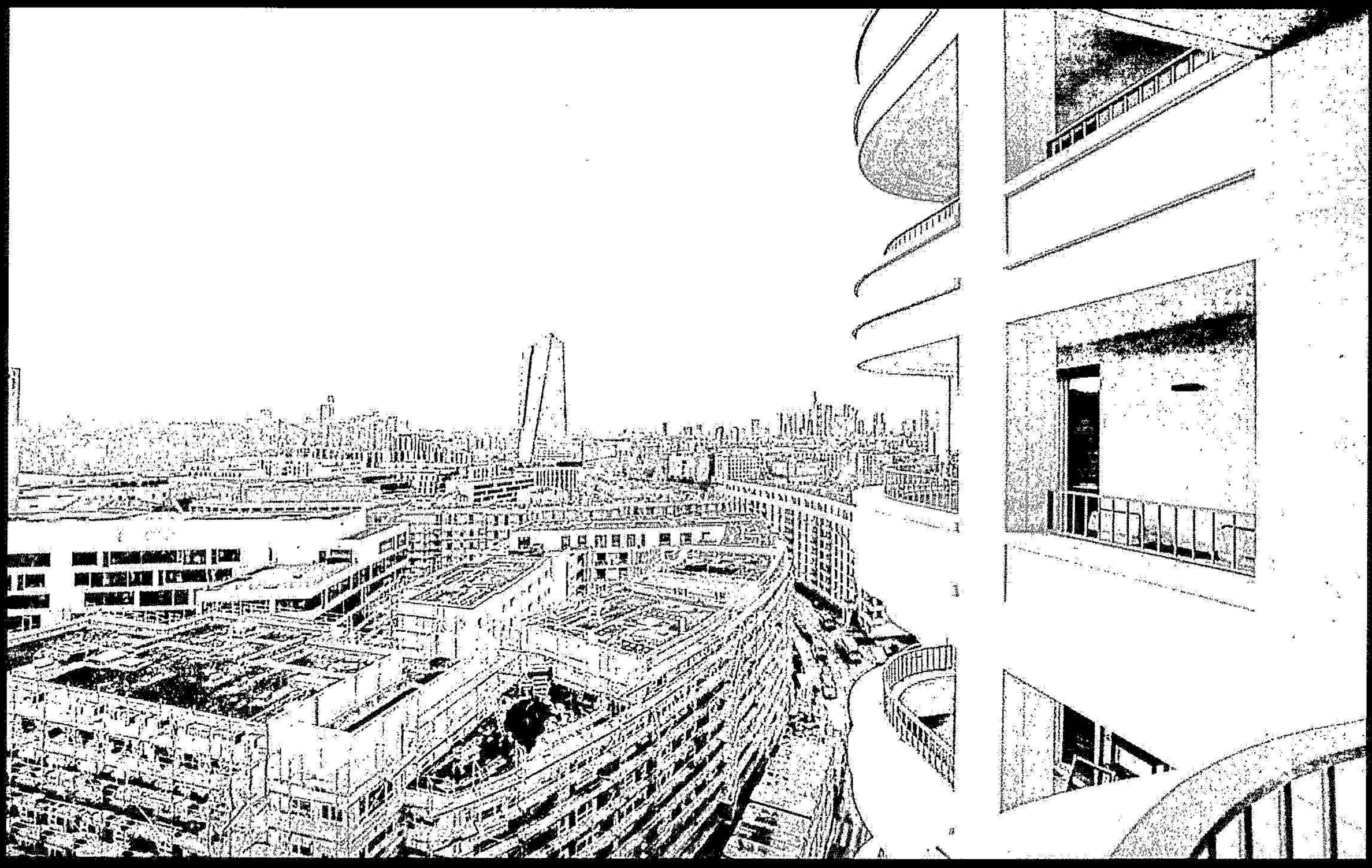
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CBRE Investment Management



Annual report

CBRE Europe Residential Partners S.C.A. SICAV-SIF

2023

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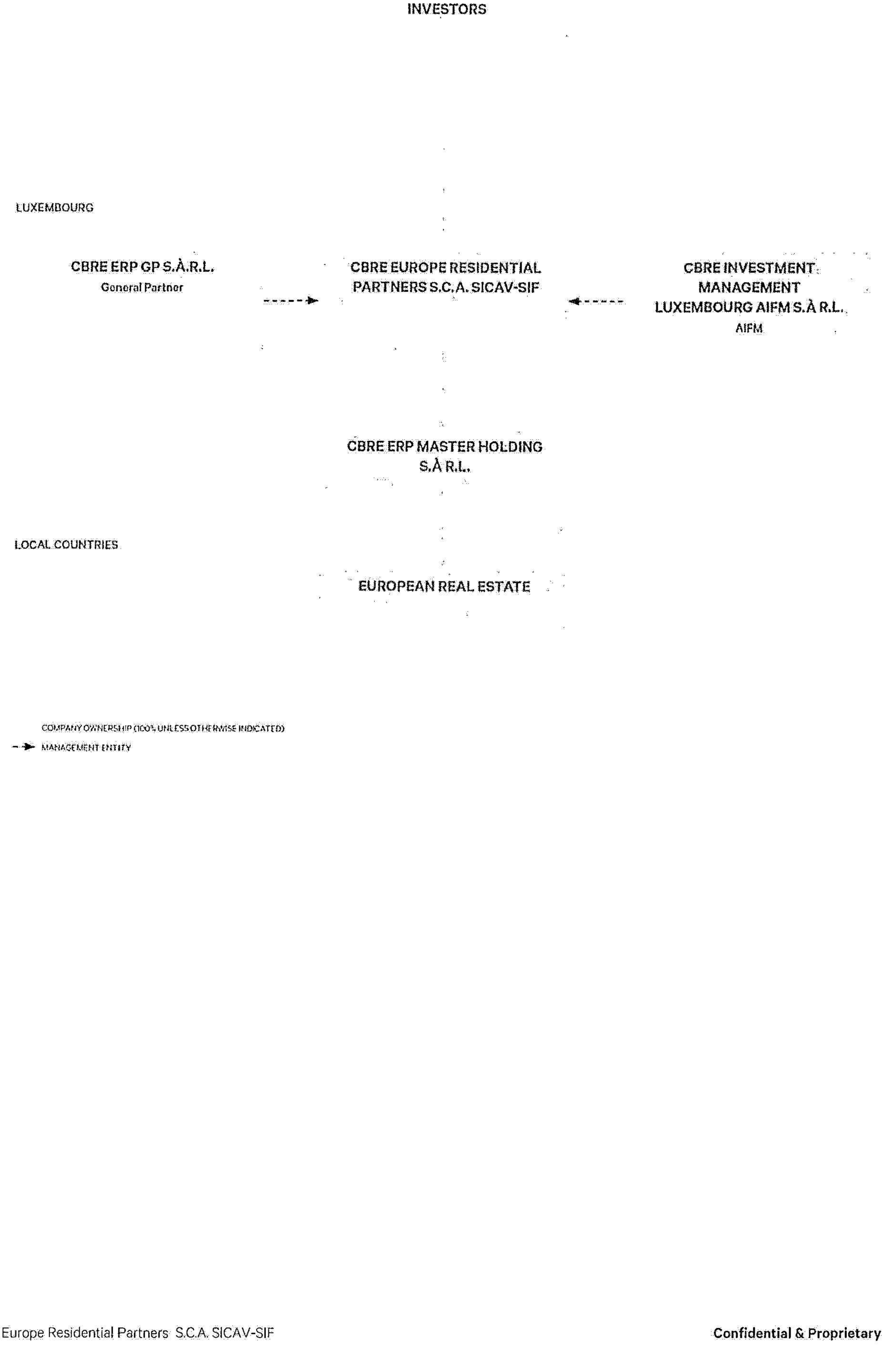
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Fund structure

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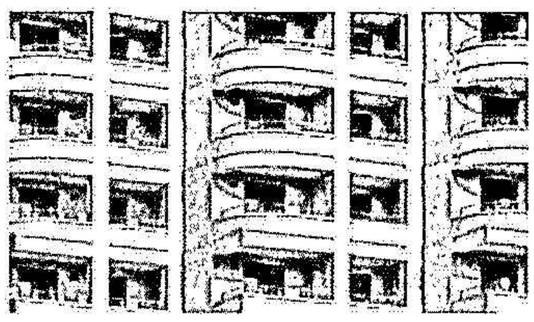
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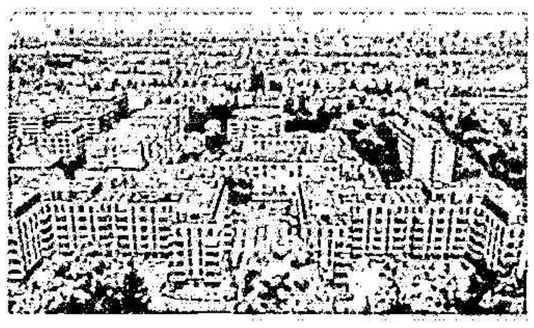
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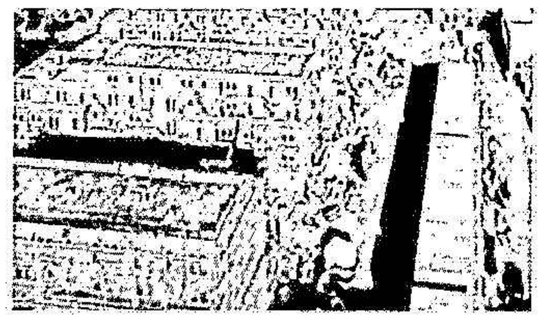
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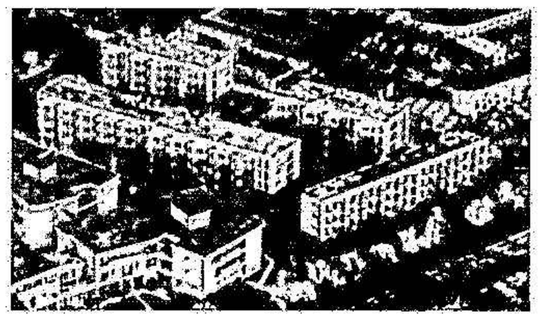
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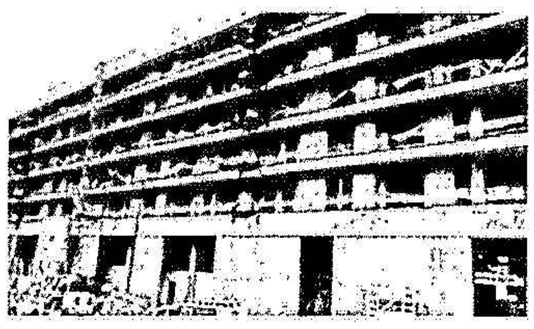
Hofmark, Munich, Germany ›



Karlslunde, Copenhagen, Denmark ›



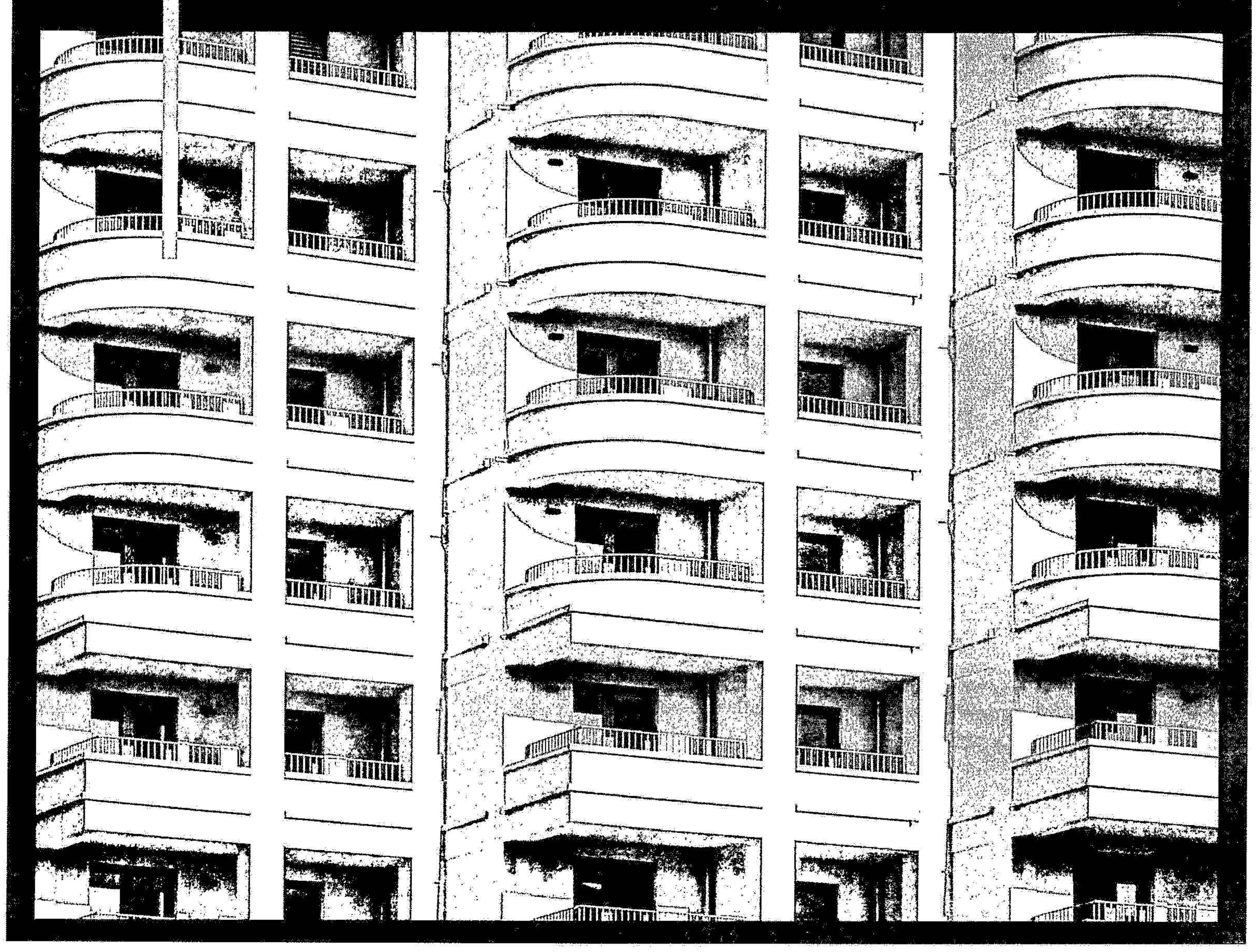
Torrejon, Madrid, Spain ›



Badalona Port, Barcelona, Spain ›

Drei Horizonte

Frankfurt, Germany



1

Annual report 2023

2024061321932

Executive report

To our Shareholders,

CBRE Europe Residential Partners S.C.A SICAV-SIF ("ERP" or the "Fund") is an open-ended, core real estate vehicle with an impact investment strategy in key European markets. The Fund aims to deliver affordable, good quality and sustainable homes, with comprehensive services, to middle income households in major European metropolitan regions. The strategy of the Fund is supported by global structural supply and demand imbalances for affordable housing. The Fund strategy has been defined by a combination of top-down, research driven analysis and in-depth local knowledge.

The General Partner ensures that the Fund is managed according to the defined strategy, investment objectives and investment restrictions, as set out in the Private Placement Memorandum dated 22 February 2024.

This report provides an overview of the activities of the Fund for the year ended 31 December 2023. The financial report comprises the audited consolidated financial statements of the Fund for the year ended 31 December 2023.

Together with the annual report, The Good Economy has produced a separate independent annual Impact Report for the Fund on our impact objectives and performance relative to our impact strategy.

The Fund is open for investment by institutional investors and currently has capital commitments totaling EUR 645.0 million (2022: EUR 645.0 million). The Fund received no new subscriptions or redemptions during the year. Equity was called in the amount of EUR 314.5 million in the year (2022: 128.1 million). Undrawn commitments at the end of the year totalled EUR 198.1 million (2022: EUR 512.5 million).

The Fund has successfully increased the portfolio size to a total of 13 assets as per year end (2022: 4), of which 11 are standing and income producing and two are forward funding contracts. The acquisition of the Gem portfolio (phase I and II) resulted in adding five newly built and income producing assets in three major German cities: Berlin (three assets), Frankfurt am Main and Munich. In addition, the portfolio expanded in Spain with two newly built assets in Madrid and one forward funding asset in Barcelona. Furthermore, one additional high quality and newly built asset was acquired in Stockholm.

As at 31 December 2023, the Fund has a well-diversified portfolio spread over four countries representing EUR 598.7 million fair value, including EUR 55.1 million of investment property under construction. The operating portfolio represents 1,703 units with a financial occupancy of 91.1%. Several partially leased properties were acquired and are currently being leased, leading to an expected increase in the occupancy post year end.

The successful year resulted in a strong financial performance of the Fund, resulting in a total return of 4.7% consisting of an income return of 0.4% and a capital return of 4.3%.

As at the end of 2023, the Fund has three more properties in due diligence (two in Denmark and one in the United Kingdom) with an anticipated closing in Q1 2024. These properties will enhance the already well-diversified portfolio and will increase the spread to five countries, adding the United Kingdom.

The annual Investor Meeting will take place in June 2024. The General Partner will provide a detailed update on the performance, strategy and progress made on the onboarding and active management initiatives on the various assets.

Luxembourg, Grand Duchy of Luxembourg, 6 March 2024

CBRE ERP S.à.r.l.

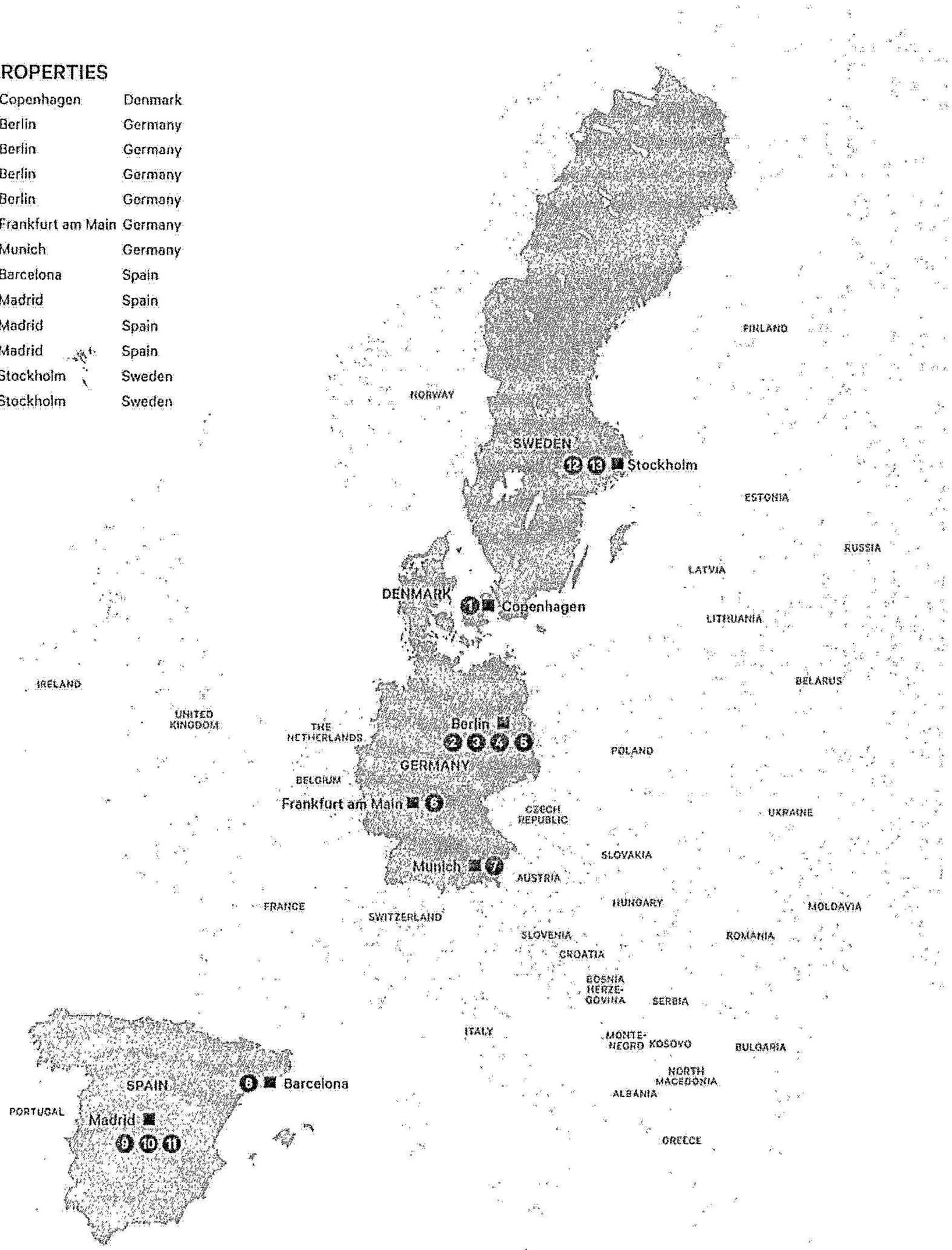
Location of properties

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Figure 1 Location of properties

OPERATING PROPERTIES

1	Karlslunde	Copenhagen	Denmark
2	52° Nord	Berlin	Germany
3	Regatta	Berlin	Germany
4	Thaerstrasse	Berlin	Germany
5	Topas	Berlin	Germany
6	Drei Horizonte	Frankfurt am Main	Germany
7	Hofmark	Munich	Germany
8	Badalona Port	Barcelona	Spain
9	El Cañaveral	Madrid	Spain
10	María Pacheco	Madrid	Spain
11	Torrejón	Madrid	Spain
12	Barkarby	Stockholm	Sweden
13	Ursvik Torn	Stockholm	Sweden



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Fund fact sheet

31 December 2023

The following figures are based on the consolidated financial statements in accordance with INREV NAV Guidelines[1].

(Amounts in € '000, unless otherwise indicated)

General fund information	
Structure	Luxembourg S.C.A. SICAV SIF
Investment strategy	Core
Fund domicile	Luxembourg
Fund inception date	12 June 2020
Commitment period end date	-
Fund maturity date	Perpetual life
Return objective IRR	5-7%
Number of investors	11
Countries of investment	Western Europe
Types	Residential

Shareholders capital	
Capital committed	645,030
Capital contributed	446,955
Capital undrawn	198,075
Total distributions (since inception)	-
Net Asset Value	434,460

Financial ratios	
Weighted average cost of debt	3.6%
Loan-to-value	5.7%
AIFMD leverage (gross method)[2]	181.7%
AIFMD leverage (commitment method)[2]	189.3%

Annual portfolio activity:	
Number of acquisitions	9
Number of disposals	-

Largest investments	GAV (%)
Hofmark, Residential, Germany	13.8
Drei Horizonte, Residential, Germany	12.7
Barkarby, Residential, Sweden	12.5
Topas, Residential, Germany	11.7
Regatta, Residential, Germany	8.9

Key portfolio metrics	
Number of real estate investments	13
Fair value of real estate investments	598,642
YTD Change in fair value of real estate[3]	(18,908)
YTD Change in fair value of real estate (%)[3]	(15.3)%
Average gross yield	3.9%
Average net yield	3.0%
Reversionary yield	4.2%
Gross lettable area (sqm.)	109,170
Occupancy (financial)	91.1%

NAV per share[4]	
IFRS-EU NAV	0.68
INREV NAV	0.71
Trading NAV	0.71
Number of shares at the end of the year	642,146,789

Fund covenant/target	Target %	Actual %
Asset type allocation		
Residential	100.0	100.0
Geographical allocation		
Germany	10-40	61.7
France	5-25	-
Spain	5-25	15.8
Sweden	5-20	16.6
Denmark	5-20	5.9
United Kingdom	0-15	-
Germany	0-7.5	-
Rest of Europe	0-25	-

[1] The INREV NAV is based on IFRS-EU, but include certain adjustments in order to better reflect the investment strategy. For more information reference is made to the Consolidated Financial Statements prepared in accordance with the INREV NAV Guidelines and the recognition and measurement principles as described in the notes to the Consolidated Financial Statements in accordance with INREV NAV Guidelines.
[2] AIFMD leverage calculations are based on IFRS-EU.
[3] These percentages are calculated on a like-for-like basis on the standing portfolio.
[4] Amounts expressed in whole euro.

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Historical performance

31 December 2023

(Amounts in €'000, unless otherwise indicated and based on INREV NAV Guidelines[1])

							Gross returns[2]			Net returns[3]		
Period	LTV %	Net Asset Value €	Committed capital €	Cumulative drawn capital €	Cumulative distributions €	Contribution to date €	Income return %	Capital return %	Total return %	Income return %	Capital return %	Total return %
2022[4]	21.0	123,159	645,030	132,505	-	132,505	0.4	(6.9)	(6.5)	0.2	(6.9)	6.6
2023												
Q1	21.7	115,409	645,030	132,505	-	132,505	-	(6.2)	(6.2)	(0.1)	(6.2)	(6.3)
Q2	9.3	258,459	645,030	261,955	-	261,955	0.2	9.6	9.8	-	9.6	9.6
Q3	8.8	255,068	645,030	261,955	-	261,955	0.3	(1.5)	(1.2)	0.2	(1.5)	(1.3)
Q4	5.7	452,869	645,030	446,955	-	446,955	0.5	3.0	3.5	0.3	3.0	3.3
YTD[5]							**1.1**	**4.3**	**5.3**	**0.4**	**4.3**	**4.7**
Rolling one year							1.1	4.3	5.3	0.4	4.3	4.7
Since inception							0.2	(0.8)	(0.6)	(0.8)	(0.8)	(1.6)

1 The INREV NAV is based on IFRS-EU, but contain certain adjustments in order to better reflect the investment strategy in accordance with INREV Guidelines. For more information see the Consolidated Financial Statements in accordance with INREV Guidelines.
2 The gross returns are calculated before deduction of management fees.
3 The net returns are calculated after deduction of management fees.
4 The General Partner resolved to retrospectively adjust the valuation approach on investment properties under construction for Q2 2022, in order to align the methodology with the subsequent quarters. The change has been discussed and validated by the auditors. The change only impacts the valuation of Q2 2022 for Ursvik Torn. As a result, the time weighted return for the quarter has been adjusted downward, impacting the 2022 annual return and since inception return. The Q4 2022 net asset value and IRR since inception have not been impacted by this change.
5 Annualized performance figures are time weighted returns for the related period.

Fund Level Financials

Statement of shareholders interest

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31 December 2023

Client code	Commitment Capital €	Drawn capital €	Cumulative Distribution €	Contribution to date €	Ownership by shares %	Number of shares
Class A1 shareholders						
189269ei	5,000,000	-	-	-	0.00%	-
Subtotal	**5,000,000**	**-**	**-**	**-**	**0.00%**	**-**
Class A2 shareholders						
189187ei	29,999	29,999		29,999	0.00%	29,999
Subtotal	**29,999**	**29,999**	**-**	**29,999**	**0.00%**	**29,999**
Class B2 shareholders						
188086ei	25,000,000	25,000,000	-	25,000,000	5.54%	35,561,460
Subtotal	**25,000,000**	**25,000,000**	**-**	**25,000,000**	**5.54%**	**35,561,460**
Class C2 shareholders						
176344ei	15.000,000	4.556,144	-	4.556,144	1.05%	6,719,507
189170ei	40,000,000	40,000,000	-	40,000,000	8.86%	56,898,336
189171ei	54,800,000	16,645,108	-	16,645,108	3.82%	24,548,590
189172ei	5,200,000	1,579,462	-	1,579,462	0.36%	2,329,427
Subtotal	**115,000,000**	**62,780,714**	**-**	**62,780,714**	**14.09%**	**90,495,860**
Class D2 shareholders						
189032ei	150,000,000	150,000,000		150,000,000	33.39%	214,416.054
189199ei	100,000,000	30,374,286	-	30,374,286	6.98%	44,796,700
Subtotal	**250,000,000**	**180,374,286**	**-**	**180,374,286**	**40.37%**	**259,212,754**
Class E2 shareholders						
175811ei	250,000,000	178,770,000	-	178,770,000	40.00%	256,846,715
Subtotal	**250,000,000**	**178,770,000**	**-**	**178,770,000**	**40.00%**	**256,846,715**
GP	1	1	-	1	0.00%	1
Total	**645,030,000**	**446,955,000**	**-**	**446,955,000**	**100.00%**	**642,146,789**

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INREV

INREV Net Asset Value

(Amounts in €'000, unless otherwise indicated)

	31 December 2023	31 December 2022
Net Asset Value of Fund per the IFRS-EU financial statements	**434,460**	**117,930**
Reclassification of certain IFRS-EU liabilities as components of equity		
a. Effect of reclassifying shareholders' loans and hybrid capital instruments (including convertible bonds) that represent shareholders long term interest in a vehicle	-	-
b. Effect of dividends recorded as a liability which have not been distribute	-	-
NAV after reclassification of equity-like interests and dividends not yet distributed	**434,460**	**117,930**
Fair value assets and liabilities		
c. Revaluation to fair value of investment properties	-	-
d. Revaluation to fair value of self-constructed or developed investment property	-	-
e. Revaluation to fair value of investment property held for sale	-	-
f. Revaluation to fair value of property that is leased to tenants under a finance lease	-	-
g. Revaluation to fair value of real estate held as inventory	-	-
h. Revaluation to fair value of other investments in real assets	-	-
i. Revaluation to fair value of indirect investments not consolidated	-	-
j. Revaluation to fair value of financial assets and financial liabilities	189	1,073
k. Revaluation to fair value of construction contracts for third parties	-	-
Adjustments to reflect the spreading of one-off costs		
l. Set-up costs	420	653
m. Acquisition expenses	19,786	6.333
n. Contractual fees	-	-
Effects of the expected manner of settlement of sales / vehicle unwinding		
o. Revaluation to fair value of savings of purchaser's costs such as transfer taxes	353	-
p. Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments	(2,339)	(2,830)
q. Effect of subsidiaries having a negative equity (non-recourse)	-	-
Other adjustments		
r. Goodwill	-	-
s. Non-controlling interest effects on the above INREV adjustments	-	-
INREV NAV	**452,869**	**123,159**
Number of shares issued		
Share class A2	29,999	29.999
Share Class B2	35,561,460	13,433,565
Share Class C2	90,495,860	21,493,703
Share Class D2	259,212,754	69,854.537
Share Class E2	256,846,715	69.854,537
Management share	1	1
INREV NAV PER SHARE (in €)	**0.71**	**0.71**

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INREV fee and expense metrics

(Amounts in €'000, unless otherwise indicated)

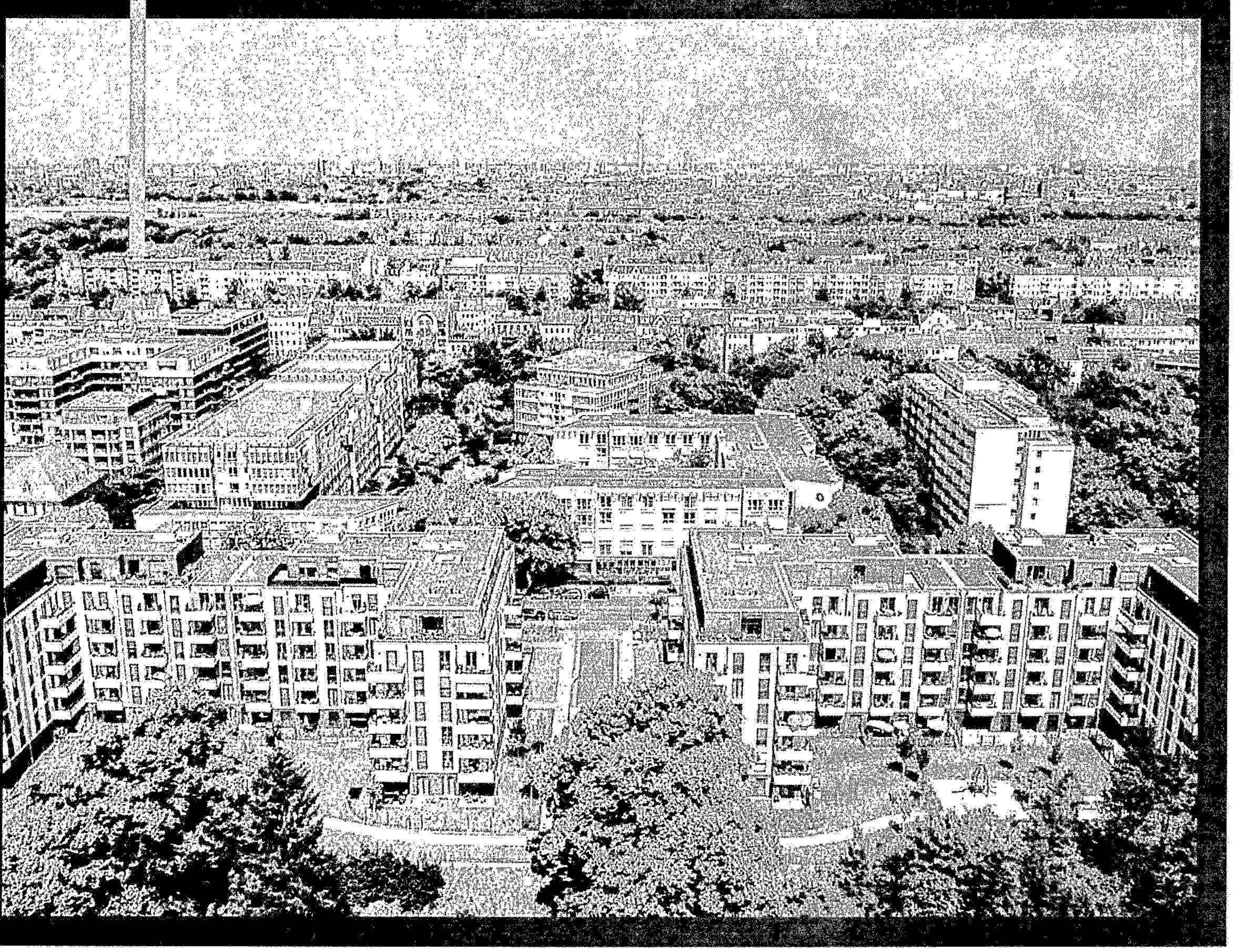
		31 December 2023	31 December 2022
Total management fees[1]		1,422	607
Total vehicle fee and costs[2]		2,986	1,648
Total vehicle fees and costs	**A**	**4,408**	**2,255**
Total operating costs[3]		2,009	98
Acquisition costs (amortisation for the period)		1,998	616
Total property fees and costs	**B**	**4,007**	**714**
TOTAL PROPERTY AND VEHICLE FEES AND COSTS	**C = A + B**	**8,415**	**2,969**
Time-weighted average INREV GAV	D	396,726	99,651
Time-weighted average INREV NAV	E	229,238	75,585
INREV GAV TGER	A / D	1.11%	2.26%
INREV NAV TGER	A / E	1.92%	2.98%
REER	B / D	1.01%	0.72%

All amounts above exclude tax.

[1] Total management fee.
[2] These are the professional services fee (excluding any acquisition and disposal fees), other expenses, bank fee and loans and borrowings arrangement fees and costs (amortisation for the period).
[3] These are the operating costs (excluding any allowances for expected credit loss), made of property management fees as at 31 December 2023.

Topas

Berlin, Germany



2

Report of the General Partner

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Report of the General Partner

Performance

In accordance with IFRS accounting principles, as endorsed by the European Union, the net result for 2023 is a loss of EUR 1.7 million (2022: loss of EUR 11.7 million). The net assets attributable to holders of redeemable shares and total assets amount to EUR 434.5 million (2022: EUR 117.9 million) and EUR 628.5 million (2022: EUR 152.5 million). respectively.

The net result of the Fund in accordance with INREV NAV guidelines amounts to a gain of EUR 11.5 million in 2023 (2022: loss of EUR 7.3 million). Under the Trading NAV, whereby the set-up and acquisition costs are amortised over a period of 10 years instead of five years, the net result of the Fund amounts to a gain of EUR 12.6 million (2022: loss of EUR 6.9 million).

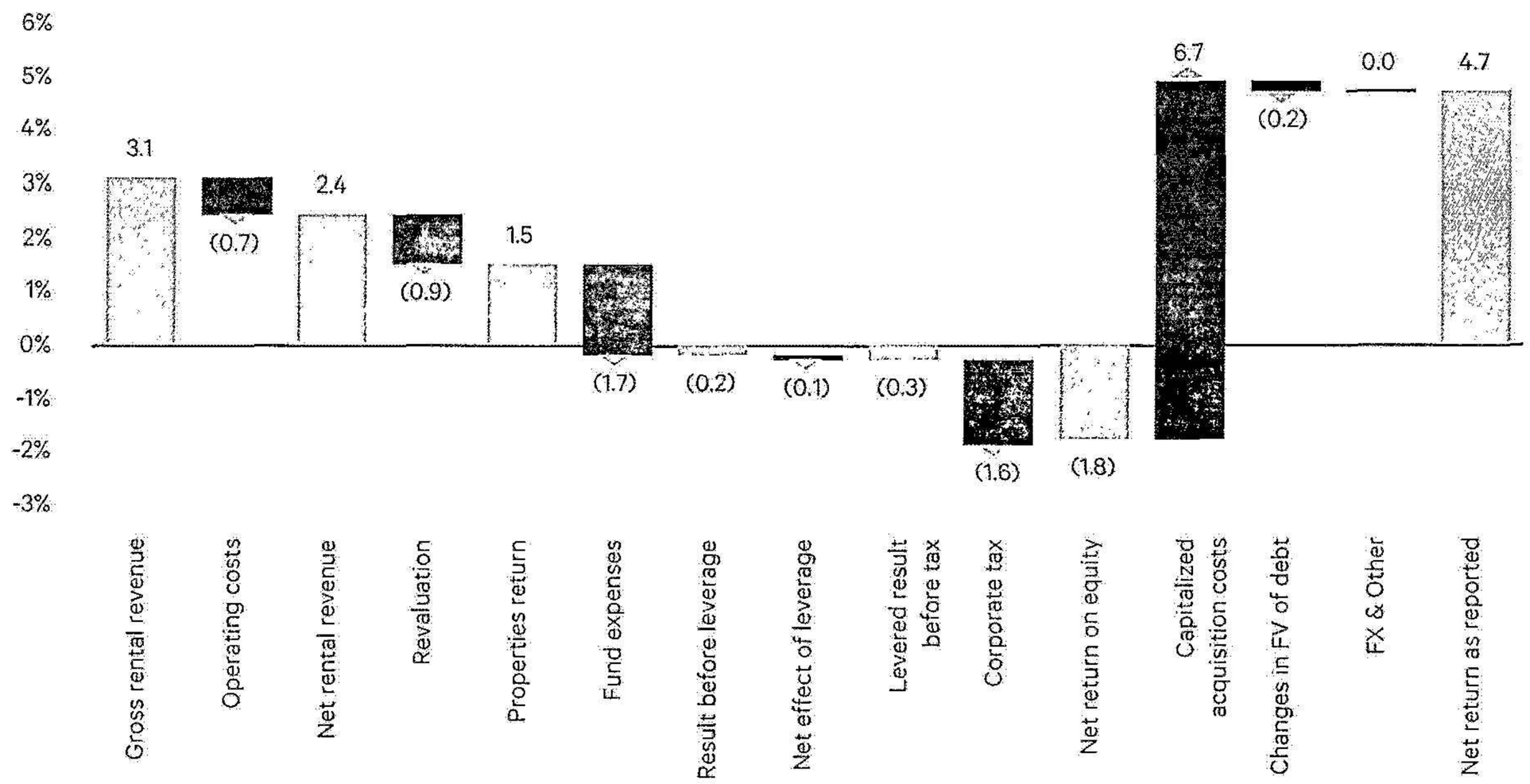
The information provided in the following paragraphs is based on INREV NAV guidelines.

Total return analysis

The net asset value of the Fund as at 31 December 2023 was EUR 452.9 million (2022: EUR 123.2 million), reflecting a total return of 4.7%, composed of a capital return of 4.3% and an income return of 0.4%. The net IRR since inception was 1.9%.

Total distributable result amounted to EUR 1.8 million in 2023. and no interim dividend distributions were made to Shareholders in 2023. The distributable result will be distributed to the Shareholders in the second quarter of 2024.

Figure 2 Breakdown of total return



Rental revenue

The net rental revenue amounted to EUR 6.8 million (2022: EUR 1.6 million). The main driver of the higher rental revenue was the significant increase in the size of the portfolio during the reporting period. As of 31 December 2023, the fund portfolio included 13 assets, compared to four assets in 2022.

The average gross and net yields were 3.9% and 3.0% respectively. Additionally, the financial occupancy rate amounted to 91.1% as at period end (2022: 94.7%).

Fund expenses

The total fund expenses amounted to EUR 4.2 million (2022: EUR 1.9 million), comprised of management fees (EUR 1.4 million); accounting and administration services (EUR 0.6 million); professional services provided by auditors; independent valuation experts and legal and tax advisors (EUR 1.8 million altogether); other expenses of EUR 0.2 million; and amortisation of set-up cost of EUR 0.2 million.

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Revaluation

Revaluations on the existing like-for-like investment properties were impacted by current market circumstances which resulted in a decrease during the year of 15.3% (2022: -4.8%). The negative revaluations were offset by an uplift in the values of the acquired investment properties. The total revaluation gain is representing an overall gain of EUR 17.1 million.

Net effect of leverage

The finance result amounted to EUR 1.4 million (2022: EUR 0.8 million) which was mainly attributable to interest expenses to credit institutions (EUR 1.4 million). These expenses occurred in connection to the total outstanding debt as of 31 December 2023 of EUR 33.9 million. The above represented a weighted average cost of debt ("WACD") of 3.6% in 2023 compared to 3.6% in 2022 (including the amortisation for the financing expenses).

The loan-to-value ratio decreased to 5.7% as at 31 December 2023 (2022: 21.0%). The increase in the portfolio size is the main driver of the lower ratio. The loan-to-value ratio is below the Fund target (25%). The ratio is calculated in line with the Fund documentation.

Financing and derivatives

The total debt amounted to EUR 33.4 million (2022: 27.1 million). The increase in the loan principle is a result of a draw down of the revolving credit facility of EUR 5.0 million. There was no breach or event of default to be reported for 2023 under the loan agreements and related security documents. As of the date of this report no breach or event of default is foreseen for the year 2024.

The Fund entered into a foreign currency hedge in SEK to decrease the exposure to non-euro denominated currencies. As a result of the hedge, the exposure, calculated as a percentage of Trading NAV, decreased to 13.6%. The decrease is the result of the increase in the portfolio of euro denominated assets and the hedging strategy employed by the Fund.

Taxes

Taxes consisted of deferred taxes and current income taxes. The corporate income taxes (EUR 6 million) are composed of corporate income tax (EUR 0.1 million) and deferred income tax (EUR 5.9 million).

Net assets attributable to holders of redeemable shares

The Fund achieved a net gain of EUR 15.2 million in 2023 (2022: loss of EUR 8.5 million). The main contributors to the result were the following: (i) positive revaluation of the investment properties and investment properties under construction (EUR 17.1 million altogether), (ii) positive revaluation of debt at fair value (EUR 0.8 million), (iii) standard operations of EUR 5 million, (iv) overall deferred income tax charges (EUR 6 million).

The net asset value of the Fund amounted to EUR 452.8 million as at 31 December 2023 (2022: EUR 123.2 million). During 2023, the underlying factors were: (i) capital calls for new acquisitions (EUR 314.4 million) and (ii) the positive net result (EUR 17.9 million).

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Market developments

European macro outlook

By no means was 2023 a vintage year for economic growth in Europe. but economic activity did not deteriorate to the extent expected by forecasters at the outset. A Eurozone recession was narrowly avoided at the end of the year. Having fallen in the third quarter, GDP was unchanged in the final quarter of the year. This left Eurozone annual GDP for 2023 0.5% higher than in 2022 (compared to a forecast of no growth made in January 2023). This greater resilience was primarily due to the strength of domestic demand and, in particular. the labour market. Latest estimates are that the total number of employed people will have increased by two million over the course of the year. Consequently, the November (latest available) unemployment rate for the Eurozone stood at 6.4%, which is the lowest since the Eurozone's creation.

The strength of job creation, coupled with a solid increase in earnings, resulted in decent growth of household income - although this was eroded by continued elevated inflation. Consumer confidence, while improved from 2022, remained weak by historical standards throughout the year. With pandemic lockdowns not yet forgotten. spending on travel and tourism was prioritised by Europe's households in 2023. Strong growth of tourism benefitted countries such as Spain. Portugal and Greece, all of which recorded annual GDP growth of in excess of 2%. By contrast, a deterioration in world trade made it a difficult year for goods exporters and this hurt growth in Europe's manufacturing hubs, with Germany being the main example. Here the economy contracted in the final quarter of 2023, with GDP for the year 0.3% lower than in 2022.

Despite remaining above the central bank's 2% target, inflation fell back sharply through the year. In December 2023. Eurozone CPI stood at 2.9%, down from a peak of 10.6% reached in October 2022. A sharp rise in interest rates has contributed to this, although the dampening impact on economic activity is gradual. Consequently, the reigning in of inflation has required more persistent monetary policy tightening than we expected at the start of the year. The ECB's main refinancing interest rate started the year at 2.5% and ended it at 4.5%. However, with inflation now nearing the central bank's 2% target, financial markets (which started 2023 preoccupied with rate rises), ended the year fixated on the potential for cuts.

Capital markets

The persistent uncertainty around interest rate movements was a major influence on real estate capital markets through 2023. Combined with fragile economic sentiment and shifting relative value between asset classes, this resulted in a year of weak liquidity. Provisional data from Real Capital Analytics shows European real estate investment totalled EUR 147 billion in 2023. This was only half the volume recorded in 2022 and roughly 50% below the average figure recorded over the past 10 years. All four quarters of the year were weak by historic comparison.

Transaction activity was below historical norms across all of Europe's major markets, but with some variation. Spain and France saw relatively resilient activity, with transaction volumes around 30% lower than their respective 10-year averages. At the other extreme. volumes in Germany (61% below the 10-year average) were impacted by economic weakness there and activity in Eastern Europe (68% below the 10-year average) was held back by proximity to the conflict in Ukraine.

Across sectors, investor sentiment towards offices deteriorated through the year and this was reflected in particularly weak activity, with transaction volume more than 60% below the 10-year historic average. Greater confidence in the occupier outlook for logistics meant activity here was relatively more resilient, down less than 25% on the 10-year historical average. The retail and residential sectors fell between the two extremes.

Higher interest rates meant a higher cost of debt, so in most segments and markets the use of debt was no longer accretive to returns. This dramatic change in financing terms saw a 'two tier' investment market emerge in 2023, with a clear split between equity driven deals (typically single assets below EUR 100 million) which have continued and those that are more debt-dependent (portfolios and larger single asset deals) which have been very rare.

In late 2022 with real estate values being written down more rapidly than in the early stages of the GFC, and moves based upon sentiment rather than transaction evidence, there was hope that the correction would be completed more rapidly than in previous cycles. Instead, 2023 saw a slower phase of price discovery set in, with the price expectations of buyers and sellers generally still someway apart. even as the year ended. According to CBRE's prime capital value indices, European real estate values at end-2023 were 25% below their early 2022 peak. Approximately half of that value decline occurred through 2023.

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Occupier markets

In contrast to the turbulent investment market, European occupier markets remained healthy in 2023 and rental growth largely exceeded expectations set at the outset of the year.

Residential markets remained strong through 2023. Despite the cost-of-living squeeze and increased regulation in some markets, vacant residential space is scarce across Europe's major cities, and this continues to drive rental growth. Demand has also been boosted by the rapid increase in interest rates, which has restricted access to mortgage finance and kept some households in rented accommodation for longer than would have otherwise been the case. At Q4 2023, prime residential rents were more than 5% higher than a year earlier (CBRE), a growth rate similar to that from late-2022.

European residential market

The 'once in a decade' pivot in monetary policy looks likely to have reached its peak in 2023. with inflation now trending just above the ECB's 2% target. Central banks are likely to remain cautious around the timing and extent of future rate cuts, with interest rates and bond yields expected to remain relatively elevated for the medium term. Residential for-rent, and real estate more broadly, will likely compete much more heavily with fixed income as a result, with both financing and ownership price pressures to persist for the short term at least.

Prime European residential yields have shifted out by 100 – 150 basis points over the last 18 months, ending 2023 at close to 4.0% on average. We expect price discovery to continue over the first half of 2024, before market pricing begins to stabilise. While debt on residential assets is still not accretive in most European markets, yield spreads over bonds are beginning to look broadly attractive again. with improving risk premiums offering further support to price levels. The listed market also saw a late rally in 2023. driven by improved expectations over interest rates, valuation write downs and progress on asset sales helping to lower LTVs.

Pressures in the ownership market remain high despite some moderation in mortgage rates over the latter part of 2023. At the Eurozone level, house prices recorded a modest -1.0% fall over the year to Q3 2023, with the shock to demand counterbalanced by the structural undersupply of housing. Markets such as the Nordics, Germany and the Netherlands, where prices and affordability are most stretched, saw larger price corrections. while Southern Europe, CEE and France were more resilient. While further price corrections are expected in 2024, housing sentiment appears to have bottomed out, which should add further support to values in the build-to-rent market.

The construction sector continues to face several challenges. Higher build costs, restricted financing and fewer sales led to a rise in residential projects being delayed or cancelled in 2023. Construction permits are now falling, with net additions to housing stock forecast to be nearly 30% below their 10-year average over the next five years. While larger developers with stronger balance sheets and pipeline potential are better positioned to absorb these pressures, a rise in distress among smaller developers is expected.

As expected, total investment activity in European residential ended the year at just EUR 30 billion, down -56% on the average for the last three years. That said, this is broadly in line with the wider real estate market. 2024 is unlikely to see a significant recovery in investment volumes, but opportunities are likely to increase for active investors able to capitalise on pockets of distress and market mispricing in both the listed and development sectors. Longer term, we expect the pool of buyers to continue to diversify, with cross border activity picking up and new residential funds entering the market. Forward funds will continue to dominate activity, as greater scrutiny is put on quality and energy efficiency by investors, and Europe undergoes a major upgrade of its housing stock.

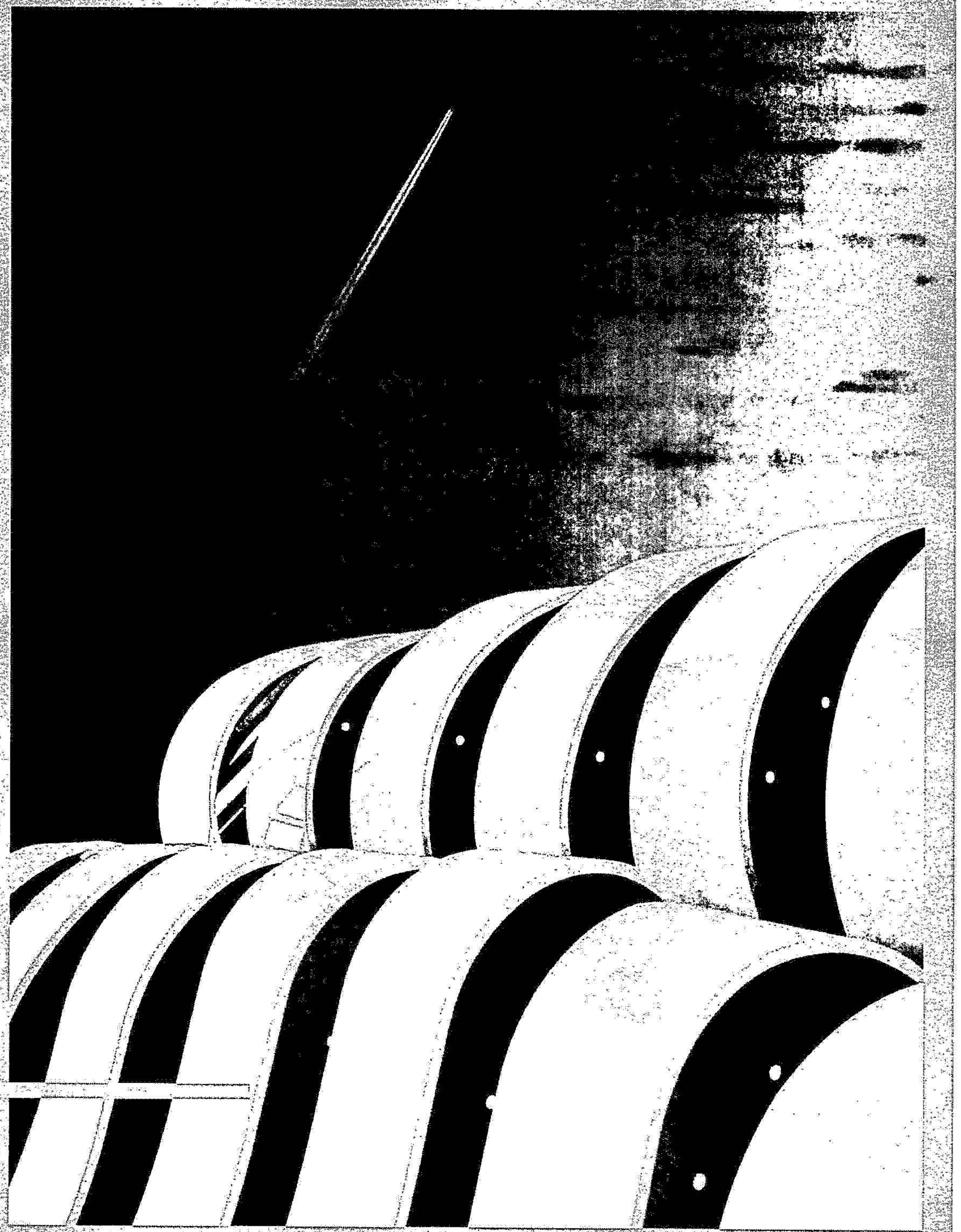
The critical supply shortage and strong urban rental demand continued to drive up residential rents in 2023. Several markets including Denmark, Sweden, Spain and France are still operating with temporary rent caps in place due to previously high inflation. These caps are likely to be removed later in 2024. Vacancy rates in many cities are now consistently below 1%, with supply unlikely to improve in the medium term given the current pressure on developers.

The shift in monetary policy has underpinned a significant improvement in our return outlook for residential, supported by more elevated entry yields and healthy ERV growth expectations. As we enter the next market cycle, enhancing income via CAPEX and improving long term occupancy. rather than market driven yield compression, will be key in driving future residential performance.

El Canaveral

Madrid, Spain

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Portfolio update

The Fund had its first close three years ago with a strategy focusing on affordable housing in demand strong and supply short urban areas and metropolitan regions in selected European countries. Despite ongoing challenges in the macro economic environment. 2023 was a successful year for the Fund, with strong performance and results. Acquisitions during the year led the Fund to reach a fair value of EUR 598.6 million assets under management as at 31 December 2023.

The Fund successfully managed to complete a series of investment transactions. Including the Gem portfolio (phase I and II) for a total agreed purchase price of EUR 289.2 million, the acquisition of three more assets in Spain (including one development) and the completion of a newly built high quality asset in Sweden.

The physical and financial occupancy rates stand at 2023: 92.7% and 2023: 91.1% respectively. The vacancy is primarily related to the Torrejon and El Canaveral asset acquired during the year, which are currently being leased.

As at the end of 2023, the Fund's portfolio comprised a total of 13 properties, totaling 1,703 units providing an annual passing rent of EUR 17.8 million.

Summary by investment[4]



Karlslunde, Denmark

Investment summary

Property type	subtype	Residential
Acquisition date	June 2022
Year built	2022
Size	units	8,094 sqm	108
Financial occupancy	97%
Net yield	4.4%
Cost	EUR 39.9 million
LTV	0%



Thaerstrasse, Germany

Investment summary

Property type	subtype	Residential
Acquisition date	June 2022
Year built	2010
Size	units	12,267 sqm	133
Financial occupancy	94%
Net yield	2.4%
Cost	EUR 64.2 million
LTV	54.8%

[4] The cost consists of purchase price and all capital expenditures since inception (excluding acquisition expenses), converted at current exchange rate where applicable.

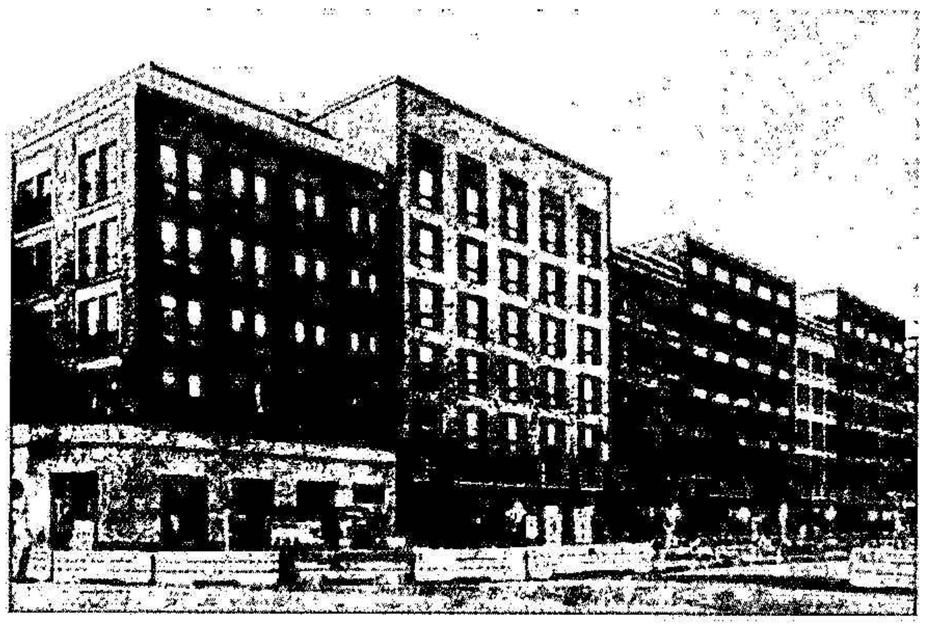
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Maria Pacheco, Spain

Investment summary

Property type | subtype	Residential
Acquisition date	December 2022
Year built	2009
Size | units	7,874 sqm | 82
Financial occupancy	98%
Net yield	4.8%
Cost	EUR 17.0 million
LTV	0%



Barkarby, Sweden

Investment summary

Property type | subtype	Residential
Acquisition date	June 2023
Year built	2022
Size | units	16,874 sqm | 350
Financial occupancy	96%
Net yield	3.6%
Cost	EUR 74.9 million
LTV	0%



Drei Horizonte, Germany

Investment summary

Property type | subtype	Residential
Acquisition date	June 2023
Year built	2021
Size | units	11,040 sqm | 208
Financial occupancy	72%
Net yield	2.3%
Cost	EUR 91.9 million
LTV	0%

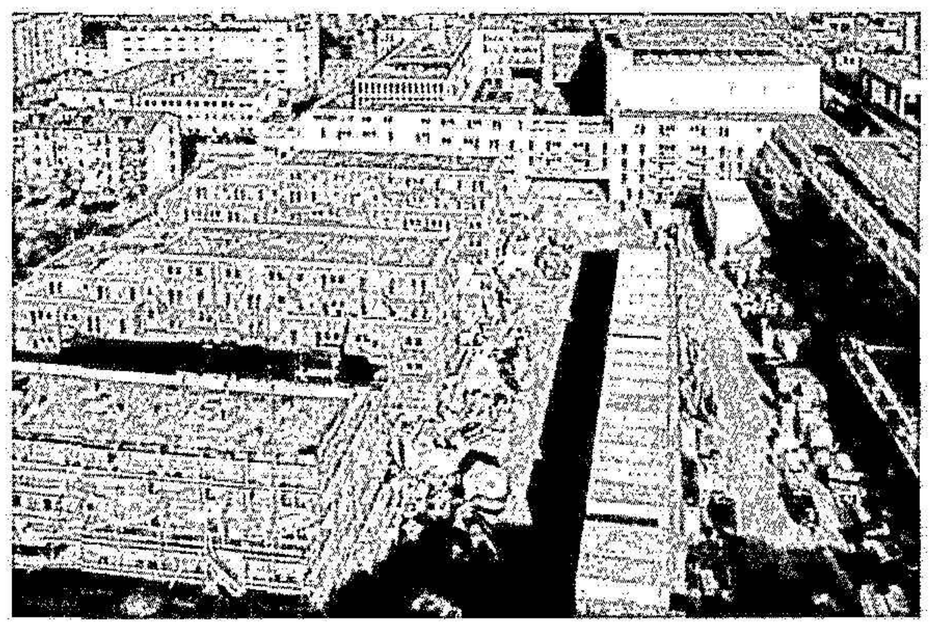


Topas, Germany

Investment summary

Property type | subtype	Residential
Acquisition date	June 2023
Year built	2019
Size | units	14,542 sqm | 214
Financial occupancy	93%
Net yield	2.9%
Cost	EUR 51.0 million
LTV	0%

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Hofmark, Germany

Investment summary

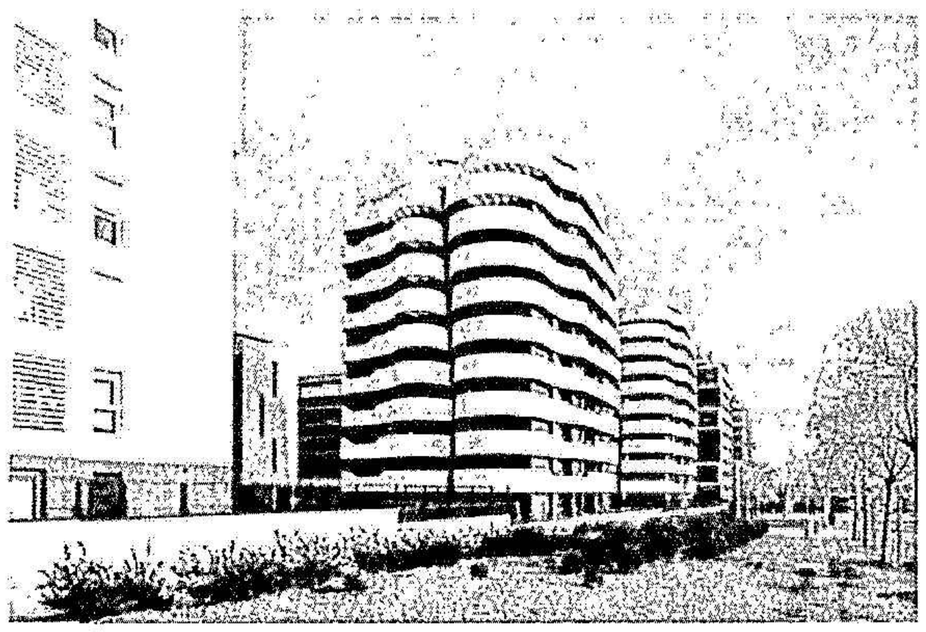
Property type | subtype	Residential
Acquisition date	September 2023
Year built	2023
Size | units	10,145 sqm | 172
Financial occupancy	94%
Net yield	2.5%
Cost	EUR 72.3 million
LTV	0%



Torrejon, Spain

Investment summary

Property type | subtype	Residential
Acquisition date	July 2023
Year built	2022
Size | units	7,754 sqm | 102
Financial occupancy	48%
Net yield	3.8%
Cost	EUR 21.0 million
LTV	0%



El Canaveral, Spain

Investment summary

Property type | subtype	Residential
Acquisition date	December 2023
Year built	2023
Size | units	9,618 sqm | 94
Financial occupancy	-
Net yield	4.1%
Cost	EUR 24.5 million
LTV	0%

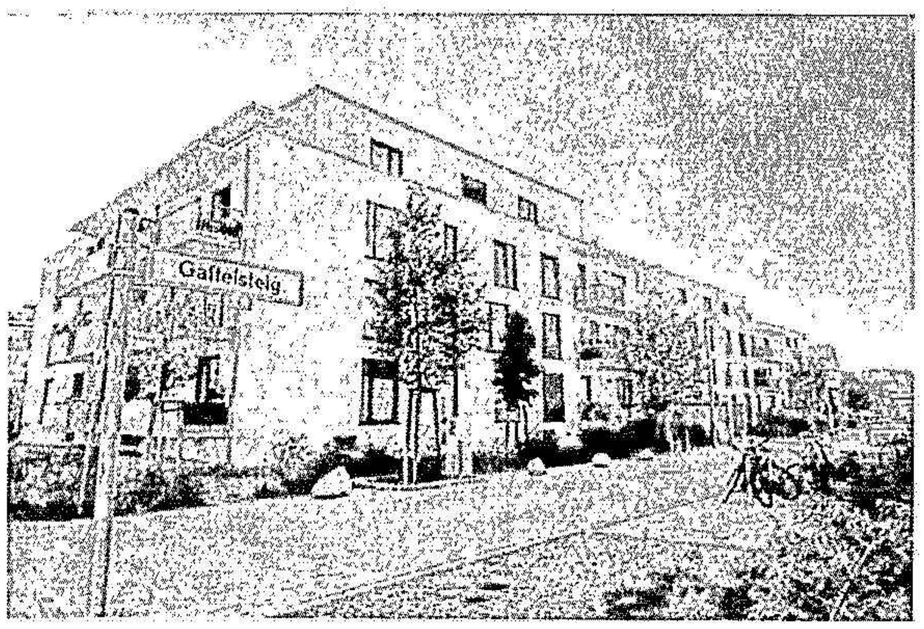


52 Nord, Germany

Investment summary

Property type | subtype	Residential
Acquisition date	December 2023
Year built	2019
Size | units	6,489 sqm | 104
Financial occupancy	83%
Net yield	2.7%
Cost	EUR 29.7 million
LTV	0%

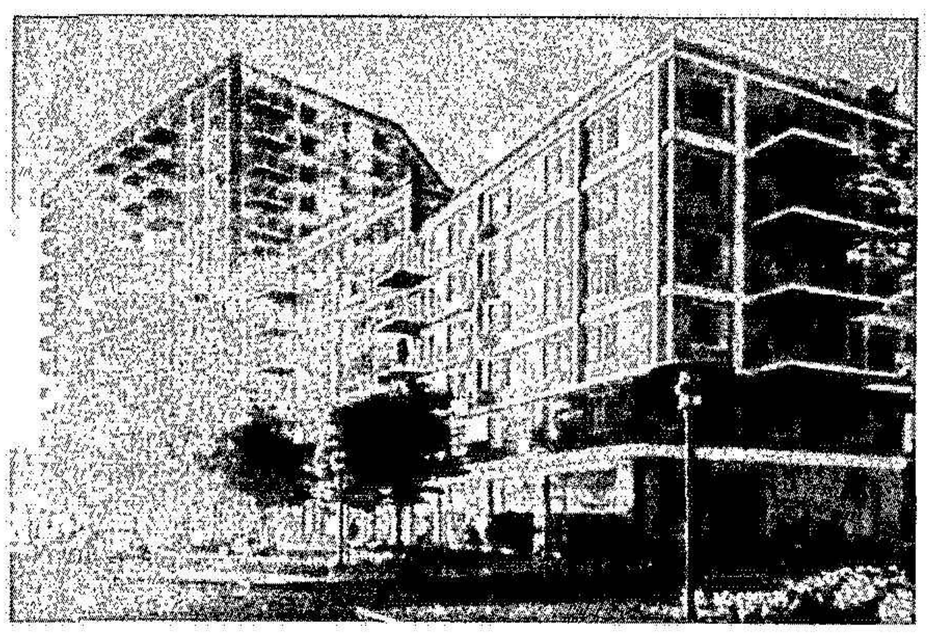
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Regatta, Germany

Investment summary

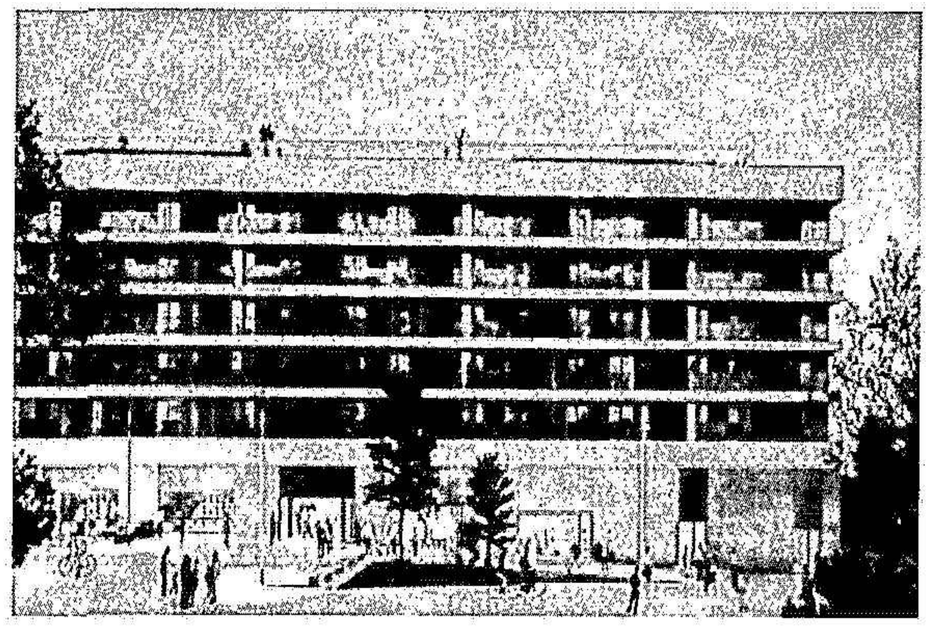
Property type	subtype	Residential
Acquisition date	December 2023
Year built	2019
Size	units	10,210 sqm	136
Financial occupancy	100%
Net yield	2.9%
Cost	EUR 43.7 million
LTV	0%



Ursvik Torn, Sweden

Investment summary

Property type	subtype	Residential
Acquisition date	June 2022
Expected delivery date	H1 2025
Size	units	6,246 sqm	82
Financial occupancy	-
Net yield	4.2%
Cost	EUR 33.4 million
LTV	0%



Badalona Port, Spain

Investment summary

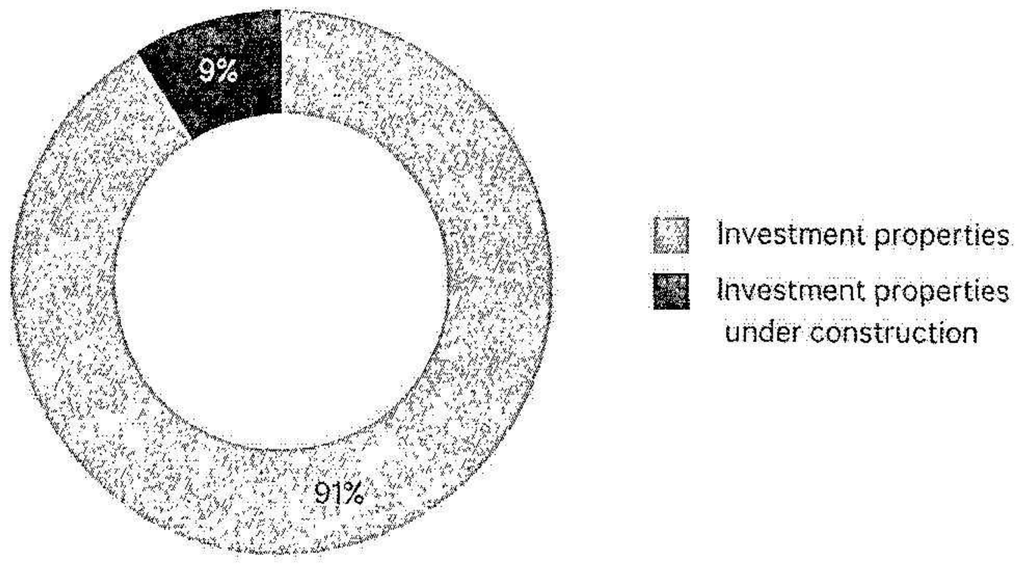
Property type	subtype	Residential
Acquisition date	June 2023
Expected delivery date	H1 2025
Size	units	12,429 sqm	129
Financial occupancy	-
Net yield	4.1%
Cost	EUR 24.3 million
LTV	0%

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Portfolio composition

In line with the fund documentation, the Fund is fully allocated to the residential sector with all investments. The portfolio composition, based on assets under management, consists of 91% investment in properties and 9% investment properties under construction.

Figure 3 Portfolio composition



Geographic allocation

The portfolio is well diversified and focused on the key European residential markets within the countries it invests in. During the year, the Fund acquired the Gem portfolio (phase I & II), increasing its allocation to Germany. The current geographic weighting is broadly in line with Fund's target country allocation.

Figure 4 Geographical allocation

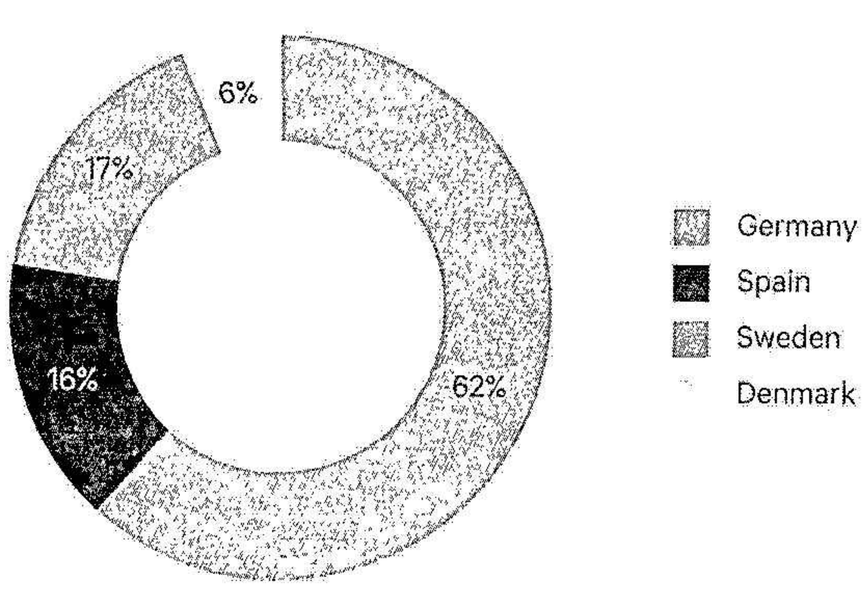


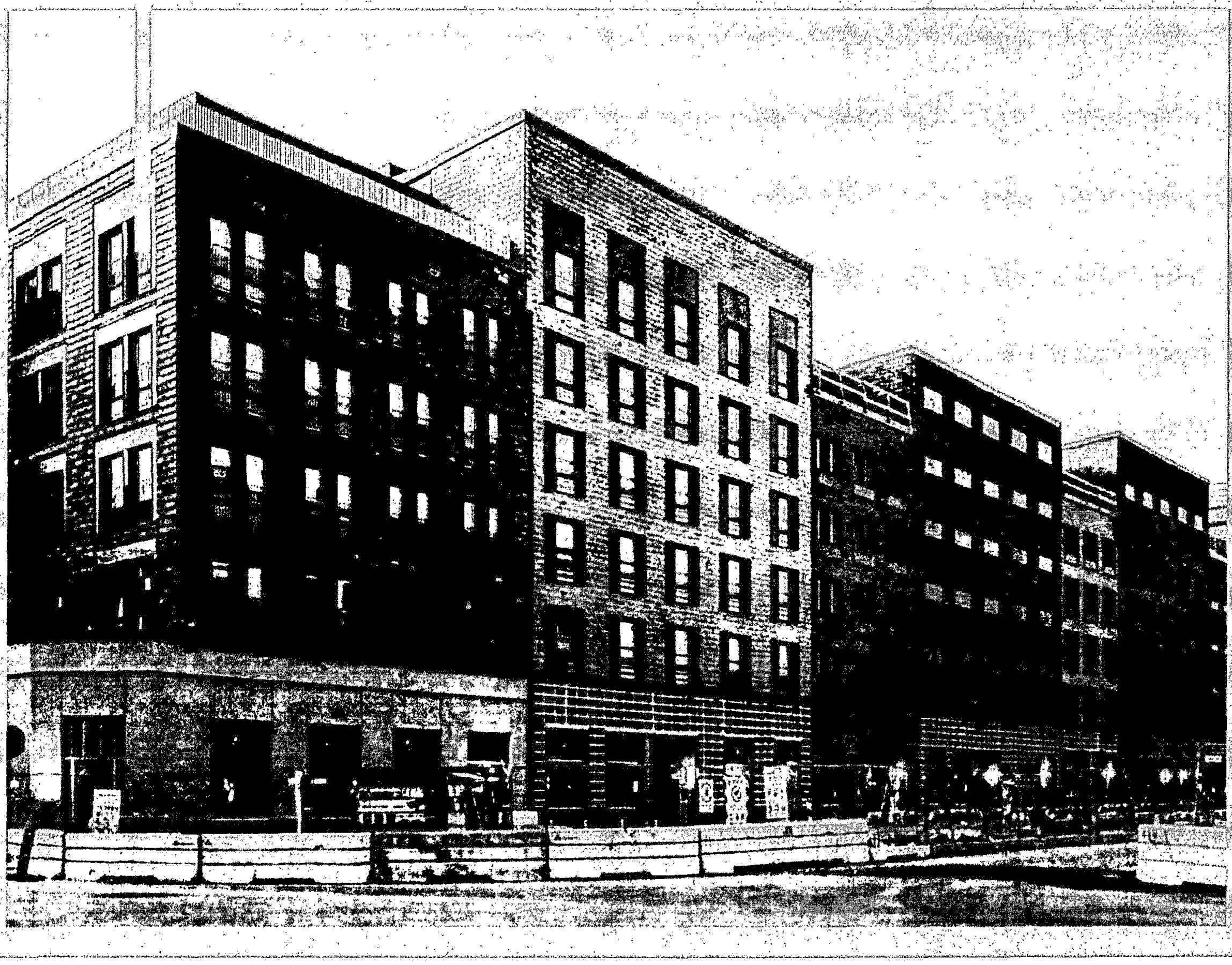
Table 1 Residential key metrics

	2023	2022
AUM (EUR millions)	599	138
GLA (sqm)	109,170	26,605
Units	1,703	497
Financial occupancy	91.1%	94.7%
Physical occupancy	92.7%	95.9%
Rent reversionary potential	4.2%	3.7%

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Barkarby

Stockholm, Sweden



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Sustainability update

CBRE IM Firm-level

2023 Firm sustainability accomplishments

At CBRE Investment Management, we believe that taking a holistic approach to sustainability, considering our climate and people is fundamental to maximizing long-term investment returns and is essential to risk mitigation and value creation. The convergence of sustainable practices and financial performance is becoming a focal point for prudent investors and incorporated in the new sustainability and climate reporting standards issued by the International Sustainability Standards Board (ISSB). 2023 was a pivotal year for sustainability as we completed our Net Zero Asset Managers initiative (NZAMi) target setting and accelerated a shift from strategy and planning to execution. We enhanced the sustainability information discussed in investment committees, portfolio oversight committees and in our asset management process. We also sought to more deeply embed sustainability understanding and practice across the organization. The Sustainability Team grew this year, which allowed us to provide greater support across our strategies and functions. We achieved many firm-wide milestones in 2023. Below are highlights for the firm followed by portfolio-level achievements and 2024 objectives.

Striving for industry leadership in sustainability

Global Net Zero Commitment: Established firm-wide net zero targets under our NZAMi commitment, including interim and long-term targets across investment strategies[1]. The link for our published commitment is here.

Top Notch Team: Grew the Sustainability Team by 44% to 13 dedicated professionals[2].

Reporting and Benchmarking: Continued to provide our clients with transparent reporting, including:

- Published our second annual TCFD-aligned Climate Report.
- Submitted 74 direct real asset portfolios/infrastructure portfolio companies to GRESB3[3] with strong results.
  - We achieved a four-point increase in our real estate average score and a 13-point increase in our infrastructure average score.
  - Our average real estate score was 10 points higher than the GRESB averages for performance and development.
  - We received 30 out of 30 for our GRESB management score for the fourth consecutive year.
- Disclosed SFDR information for all in-scope portfolios.
- Completed the PRI reporting framework for the firm and four investment strategies.[2]

Influence: Sought to drive positive outcomes through our collaborative participation in industry working groups, boards and committees to help shape the frameworks and guidance needed to advance the industry. In 2023, we were involved with 19 sustainability-related industry groups and participated throughout the year in many sustainability-related interviews, panels and articles. Highlights of our organizational involvement include the following:

- ULI Greenprint Center steering committee to help establish CRREM pathways for North America.
- GRESB Real Estate Standards Committee.
- Real Estate Roundtable Sustainability Committee.
- PRI's Sustainable Systems Investment Managers Reference Group (SSIMRG).
- Active participant in the development of the ISO Net Zero Guidelines.
- Vice Chair of the Institute for Corporate Responsibility and Sustainability (ICRS).
- Steering committee member for Mapping ESG: A Landscape Review of Certifications, Reporting Frameworks and Practices sponsored by ULI, INREV and PRI and contributed a best practice case study in the report.

Accelerating action and embedding sustainability

Launched Decarbonization Program: Formalized a decarbonization audit process and have begun asset audits. Launched Project Helios, a global rooftop solar initiative to support decarbonization efforts.

Building Sustainability Fluency & Accountability: Delivered 1,600+ hours of sustainability training, in addition to special trainings and webinars on a variety of sustainability-related topics. Expanded and evolved our Sustainability Ambassador program with over 120 professionals globally who are trained and tasked with integrating sustainability within their relevant function and geography.

Corporate Sustainability: Launched global CBRE IM Office Sustainability Guidelines.

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[1] From 9 in Q4 2022 to 13 as of December 11, 2023.
[2] Direct Private Real Estate, Indirect Private Real Estate, Private Infrastructure and Listed Real Assets.
[3] Please note that the GRESB Survey is conducted annually with results published in Q3 every year. There can be no assurance that the GRESB average takes into account all relevant peer firms.

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Diversity, Equity & Inclusion (DE&I): We continued to strengthen and evolve our culture. so each person feels safe, valued and heard and has the opportunity to succeed. In 2023, we continued to build programs around DE&I pillars: culture, talent and community.

2024 Firm sustainability outlook

The sustainability landscape continues to evolve and be influenced by dynamic market forces, regulatory shifts, and amplified stakeholder expectations. Looking ahead to 2024,[4] it will be important for us to focus on managing the risk and opportunities created by this evolving environment and landscape. In 2024, we will seek to continue to build on the foundation set out in prior years to execute on our commitments and more deeply embed sustainability into our operations and investment process. We will also seek to continue to actively engage with investors, underlying managers, portfolio companies, and tenants. as well as industry organizations to advance global sustainability strategies and bring the best market-based solutions to fruition.

Portfolio-level

Metrics and Targets

Portfolio Ambition and Performance Targets

The fund team has created an extensive ESG Impact Framework together with external advisor The Good Economy. The Impact Framework is build on the pillars 'intentionality, additionally and measurement' and is in alignment with GIIN and IMP frameworks.

The impact goal of delivering affordable, good quality and sustainable homes – with comprehensive services – for middle income households in the major European cities is supported by 5 impact objectives: affordability, quality of living, environmental sustainability. increase of supply and quality partnerships). Each impact objective has its own measurable targets. The fund will be transparent on achieving those targets in an annual Impact Report drafted by The Good Economy, accompanying the Fund's annual report.

Metrics and targets

The table below displays the environmental performance indicators in line with the INREV sustainability recommendations. All data is sourced from Measurabl for the appropriate reporting years. Information for the following key performance indicators is not available and therefore not disclosed: renewable energy, climate change and energy intensity performance.

Total Reported Floor Area (m2)

	2022
Portfolio	66,267

Energy consumption

INREV ID		Unit	2022
ENV1	Energy consumption - landlord's control	kWh	1,753,768
ENV2	Energy consumption - tenant's control	kWh	-
ENV3	Estimated energy consumption[5]	kWh	6,122,454
ENV4	Total energy consumption	kWh	7,876,221
ENV5	Total energy data coverage[6]	% of m2	25%

[4] Based on CBRE Investment Management's subjective views and subject to change. There can be no assurance any targets or business initiatives will occur as expected. Forecasts are inherently uncertain and subject to change.

[5] CBRE IM estimate data for assets that satisfy one of more of these criteria: unreasonably low floor area (less than 5 m2), insufficient data coverage (less than 75%), and/or intensities that fall outside of GRESB's reasonable range.

[6] This metric was introduced with the EU Sustainable Finance Disclosure Regulation, which was finalised during the 2022 calendar year. As such this is not available for the years covered in this report, but is reported by CBRE IM's Article 8 and 9 funds for calendar year 2023.

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GHG emissions[7,8,9]

		Unit	2022
ENV14	Direct emissions - Scope 1	tCO2e	-
ENV15	Indirect emissions - Scope 2	tCO2e	175
ENV16	Indirect emissions - Scope 3	tCO2e	45
ENV17	Estimated emissions - Scope 1	tCO2e	-
ENV17	Estimated emissions - Scope 2	tCO2e	490
ENV17	Estimated emissions - Scope 3	tCO2e	739
ENV18	Total operational carbon	tCO2e	1,449
ENV19	Total operational carbon data coverage	% of m2	25%

Water consumption & Waste Management

		Unit	2022
ENV24	Water consumption - landlord's control	m3	33
ENV25	Hazardous waste generated - landlord	tonnes	-
ENV25	Non-hazardous waste generated - landlord	tonnes	-

Building Certifications & Energy Ratings

		Unit	2022
ENV26	Assets with a buiding certificate	% of m2	0%
ENV27	Assets with an energy rating[10]	% of m2	94%
ENV28	Exposure to energy-inefficent assets - actual[11]	% of AUM	N/A
ENV28	Exposure to energy-inefficent assets - proxy[11]	% of AUM	N/A

GHG (kgCO2e/m2)

			2022
ENV21	Residential [9]	kgCO2e/m2	5.0
ENV20	Total	kgCO2e/m2	5.0

2023 Portfolio Achievements

The portfolio achievements have been assessed by The Good Economy in the annual impact report. The summary of the outcome of the report is presented below.

Affordability

- 85% of which are affordable to targeted middle income households below the 60th percentile disposable household incomes[12].
- Rents are on average 20% of the Fund's housing income threshold.

Quality of Living

- Average tenant satisfaction score 3/5.
- 10 out of 13 schemes (77%) are within 30 minutes of the city centre by public transport.

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7 CBRE IM estimate data for assets that satisfy one of more of these criteria: unreasonably low floor area (less than 5 m2), insufficient data coverage (less than 75%), and/or intensities that fall outside of GRESB's reasonable range.

8 Carbon emissions are calculated using a location-based approach, applying the latest publicly available datasets from sources including the International Energy Agency (IEA) emission factors (2019) for national electricity grids. CBRE IM is working to obtain the most recent available emission factors for future reports. Please note that the CBRE IM Scorecard reports market-based emissions, and as such is expected to present different results.

9 Carbon emissions are calculated using a location-based approach, applying the latest publicly available datasets from sources including the International Energy Agency (IEA) emission factors (2019) for national electricity grids. CBRE IM is working to obtain the most recent available emission factors for future reports. Please note that the CBRE IM Scorecard reports market-based emissions, and as such is expected to present different results.

10 Any assets without energy ratings are exempt from mandatory rating schemes. At present, EU Energy Performance Certificate (EPC) ratings and European equivalents are the only schemes considered in the calculation.

11 This metric was introduced with the EU Sustainable Finance Disclosure Regulation, which was finalised during the 2022 calendar year. As such this is not available for the years covered in this report, but is reported by CBRE IM's Article 8 and 9 funds for calendar year 2023.

12 According to the new methodology, as described in the PPM. 89% of homes in the total portfolio have rents below 30% of the Fund's income threshold

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Environmental Stewardship

- 88% of homes are aligned with the Fund's nearly zero-energy building (NZEB) targets.
- Of the operational assets, 90% of homes are EPC A or APC B, and 62% of the homes are EPC A.

Increase of supply

- 1,509 homes invested in this year. Of those, 1,260 homes were within the Fund's housing income threshold. Exceeding the Fund target of 1.000 homes per year.
- 21.5% of total capital invested is forward funded or forward committed, contributing to the supply of new homes to the market.
- The Good Economy have reviewed all 13 assets in portfolio. The result of the impact screens were as follows: one asset is rated 'Very Good', additionally 10 assets are rated 'Good' and two assets are rated 'Satisfactory'.

Quality of partnerships

- Average score of building management score is 2/5..

2024 Annual sustainability objectives

The Fund has set fund wide targets based on the 5 impact objectives, to be reached once the Fund is stabilized (the sooner of 5 year anniversary or EUR 2bn capital deployed). In order to reach that targets, for the year 2024 the following objectives apply:

Affordability

- 80% of units in the total portfolio shall have a (net) rental price not exceeding 30% of the net median income (as defined on unit level)
- 60% incoming residents are key worker and senior residents
- Rental increase of existing tenants is equal to or below CPI increase.
- Average rent vs. Local net median income ratio below 35%

Quality of Living

- 100% assets within 30 minutes of city centre (45 minutes for London)
- BREEAM In-Use certification 'Very Good'
- Average tenant satisfaction score 4 or higher (scale: 1-5)

Environmental Stewardship

- Average energy performance in alignment with NZEB (2025)
- Carbon intensity reduction aligned with NZAM commitment
- 100% renewable landlord electricity (2025)
- 100% climate risk screening (427)
- For new developments, developers to complete a life cycle assessment and to review feasibility of reducing high embodied carbon materials

Increase of supply

- Add 1.000 affordable homes per year
- Of which > 25% built-to-rent forward acquisitions.
- All projects with a "high" or "medium" additionality
- All investments with a > 10 year investment horizon.

Quality of partnerships

- Average score building management score 4 or higher (scale: 1-5)

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Sustainability Important Information

The information contained herein is given as of December 2023, unless indicated otherwise. CBRE Investment Management has not made any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any of the information contained herein (including but not limited to information obtained from third parties), and they expressly disclaim any responsibility or liability therefore. CBRE Investment Management does not have any responsibility to update or correct any of the information provided in this presentation. Certain assumptions may have been made in the analysis which resulted in any information and returns/results detailed herein. No representation is made that any results/returns indicated will be achieved or that all assumptions in achieving these returns have been considered or stated. Additional information is available on request. Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on market conditions. Unless otherwise indicated, figures presented are preliminary, unaudited, subject to change and do not constitute CBRE Investment Management's standard books and records.

Statements contained in this presentation that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of the investment vehicle's manager. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Additionally, this presentation contains "forward looking statements." Actual events or results or the actual performance of any investment vehicle may differ materially from those reflected or contemplated in such forward looking statements.

It should not be assumed that any sustainability principles, initiatives, standards, or metrics described herein will apply to each investment strategy or asset in which CBRE Investment Management invests or that they have applied to each of CBRE Investment Management's prior investments. While CBRE Investment Management considers sustainability in connection with pursuing the investment strategies described herein, sustainability is only one of the many factors that CBRE Investment Management will consider in making an investment, and other considerations can be expected in certain circumstances to outweigh sustainability considerations. There is no guarantee that CBRE Investment Management will successfully implement and make investments in companies that are sustainable or that otherwise create positive environmental, social or governance impact while enhancing long-term shareholder value and achieving financial returns. The information provided in this presentation is intended solely to provide an indication of the sustainability principles, initiatives and standards that CBRE Investment Management applies when seeking to evaluate and/or improve the sustainability characteristics of an asset as part of the larger goal of maximizing financial returns on reinvestments. Accordingly, certain investments and strategies may exhibit characteristics that are inconsistent with the principles, initiatives, standards, or metrics described in this material.

It should not be assumed that the successful implementation of any individual sustainability initiatives will have any positive impact on financial performance of any fund or account sponsored by CBRE Investment Management. Considering sustainability qualities when evaluating an investment may result in the selection or exclusion of certain investments based on CBRE Investment Management's view of certain sustainability-related and other factors, and while CBRE Investment Management believes considering these qualities will lead to maximizing long-term returns of its clients, this approach carries the risk that the strategies described herein (or other strategies that incorporate sustainability factors) may underperform strategies that do not take sustainability-related factors into account because the market may ultimately have a different view of a particular investment's performance than that anticipated by CBRE Investment Management.

Successful engagement efforts on the part of CBRE Investment Management will depend on CBRE Investment Management's skill in properly identifying and analyzing sustainability and other sustainability factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Consideration of sustainability factors may affect CBRE Investment Management's exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact CBRE Investment Management's performance depending on whether such investments are in or out of favor. Applying impact investing goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by CBRE Investment Management or any judgment exercised by CBRE Investment Management will reflect the beliefs or values of any particular investor.

In evaluating an investment, CBRE Investment Management is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause CBRE Investment Management to incorrectly assess an investment's sustainability practices and/or related risks and opportunities. Sustainability-related practices differ by region, industry and issue and are evolving accordingly, and a company's sustainability-related practices or CBRE Investment Management's assessment of such practices may change over time.

SFDR periodic disclosure

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ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:
CBRE Europe Residential Partners S.C.A. SICAV-SIF (the "Fund")

Legal entity identifier: 529900R9UHRT9X5K1602

Sustainable investment objective

Did this financial product have a sustainable investment objective? *(tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments)*

○ ○ ✖ **Yes**

It made sustainable investments with an environmental objective: 0%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

✖ It made sustainable investments with a social objective: 95.8%

○ **No**

It promoted Environmental/Social (E/S) characteristics and
while it did not have as its objective a sustainable investment, it had a proportion of
__% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but did not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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Sustainability indicators measure how the sustainable objectives of this financial product are attained.

To what extent was the sustainable investment objective of this financial product met? *[list the sustainable investment objective of this financial product, and describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, indicate to which environmental objectives set out in Article 9 of Regulation (EU) 2020/852 to the investment underlying the financial product contributed to. For the financial products referred to in Article 9(3) of Regulation (EU) 2019/2088, indicate how the objective of a reduction in carbon emissions was aligned with the Paris Agreement]*

The AIFM recognises that the world faces many significant environmental and social challenges. Our investments are made into real assets, with the intention to generate a substantial positive impact on material social and environmental challenges along with competitive risk-adjusted financial return.

The Fund's strategy is underpinned by global structural supply and demand imbalances for affordable housing. The Fund will employ a sustainable investment approach to deliver affordable, good quality and sustainable rental homes, with comprehensive services, for middle income households in major European metropolitan regions. The preferred target sector is the private rented sector where there is a lack of affordable housing via:

- (newly built) standing stock; and
- "build to rent" projects.

The Fund's primary sustainable investment objective is a social objective to deliver affordable housing for middle income households in major European metropolitan regions.

In the reporting period, the Fund updated its pre-contractual disclosure to align with the Regulatory Technical Standards ("RTS") on gas and nuclear energy activities, published in the Official Journal on 17 February 2023, and that entered into force on 20 February 2023, supplementing the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) ("SFDR").

During the reporting period the Fund's pre-contractual disclosure has been further updated to reflect new concepts of "Affordability" and "Minimum Disposable Income" as well as to update the indicator used to measure the attainment of the Fund's sustainable objective: these amendments will be the basis for the Fund's annual report for the financial year 2024.

In the most recent pre-contractual disclosure, the Fund committed to having all deployed capital aligned with its sustainable investments with a social objective. In the reporting year, the Fund met its target as described below.

How did the sustainability indicators perform?

To measure the attainment of the social objective of the Fund the following indicator was used in alignment with the Fund's pre-contractual disclosure: a minimum of 70% of homes in each portfolio scheme should be affordable to households earning less than the 60thpercentile of disposable household income in the applicable metropolitan area.

'Affordable' is defined as the (net) rental price not exceeding 30% of disposable household income, in alignment with OECD, World Bank and UN definitions.

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The Fund has successfully increased the portfolio size to a total of 13 assets as per year end (2022: 4), of which 11 are standing and income producing and 2 are forward funding contracts. The standing properties account for 1,703 homes, 86% of which are affordable to targeted middle income households below the 60th percentile disposable household incomes. Each individual asset also comprises at least 70% homes affordable to households in the target income group. All new acquisitions met the sustainable investment objective, and the Fund continued to maintain alignment in all assets that were acquired prior to 2023. As such the portfolio met its sustainable investment objective.

Sustainability Indicator	2023 performance
% GAV meeting the sustainable investment objective (detailed above)	95.8%

...and compared to previous periods? *[include for financial products where at least one previous periodic report was provided]*

Sustainability Indicator	2023 performance	2022 performance
% GAV meeting the sustainable investment objective (detailed above)	95.8%	90.2%

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective? *[include where the financial product includes sustainable investments]*

The sustainability indicators used by the Fund to assess whether the sustainable investments caused significant harm to the environmental sustainable investment objective included relevant principal adverse impact indicators (**"PAI Indicators"**), as set out in Tables 1 and 2 of Annex I of Commission Delegated Regulation (EU) 2022/1288.

The mandatory PAI Indicators used for this purpose are exposure to fossil fuels through real estate assets and exposure to energy-inefficient real estate assets. The Fund has also selected to use two additional PAI indicators: GHG emissions and energy consumption intensity. The performance against these metrics are detailed in the table below.

With respect to GHG emissions, the Fund focused on Scope 1 and 2 emissions, as well as Scope 3 emissions generated by tenants of real assets, which included fuel, district and electricity consumption, as well as any value chain emissions from landlord-controlled areas such as transmission and distribution emissions. At present, emissions from waste disposal and Whole Life-Cycle GHGs are not included

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as part of Scope 3 emissions reporting, but the Fund will continue to assess whether and when it will have sufficient data to include this. This could include the GHG emissions resulting from the materials, construction and use of a building over its entire life, including its demolition and disposal.

As the final RTS did not include any social PAI indicators for real estate investments, the Fund has not reported on social PAIs (Table 3). The Fund continues to include social considerations, such as accessibility and hazardous materials, as part of the acquisition process. The Fund will consider any further PAI Indicators focused on social sustainability factors which are introduced for investments in real estate assets in future.

The Fund continues to work towards CBRE IM's climate mitigation target of net zero by 2050 or sooner and, as such, is simultaneously working towards improving the energy and GHG performance of any acquired assets..

PAI Indicator		2023 performance	2022 performance[5]
Exposure to fossil fuels through real estate assets Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels		0%	n/a
Exposure to energy-inefficient assets[3] Share of investments in energy-inefficient real estate assets		5.0%	n/a
GHG emissions[1][2][4] Absolute emissions (tCO2e)	Scope 1	-	n/a
	Scope 2	145	n/a
	Scope 3	4,302	n/a

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Total	4,447	n/a
Energy consumption intensity[2] (GWh/m2)	0.0000574	n/a

1 CBRE IM estimate data for assets that satisfy one of more of these criteria: unreasonably low floor area (less than 5 m2), insufficient data coverage (less than 75%) and/or intensities that fall outside of GRESB's reasonable range (source: GRESB Asset Portal Guide).

2 GHG and energy consumption intensity reflect assets that were operational in the reference period. At present, emissions from waste disposal and Whole Life-Cycle GHGs are not included as part of Scope 3 emissions reporting, but the Fund will continue to assess whether and when it will have sufficient data to include this.

3 Any assets without energy ratings are exempt from mandatory rating schemes and are as such not included in the exposure to inefficient assets analysis for buildings built before the end of 2020.

4 GHG emissions are calculated using a location-based approach, applying the latest publicly available datasets from sources including the International Energy Agency (IEA) emission factors (2019) for national electricity grids. CBRE IM is working to obtain a licence for the most recent available emission factors for future reports. Please note that the CBRE IM Scorecard reports market-based emissions, and as such is expected to present different results

5 The Fund did not have any assets in portfolio for a full year in 2022 and as such is reporting PAIs for the first time for the 2023 reference period.

The proprietary CBRE Investment Management's ("CBRE IM") SFDR Calculation Methodology builds on the guidance provided in the RTS and incorporates assumptions to ensure a precise approach is defined. The full methodology is available upon request.

Key assumptions applied:

- Exposure to fossil fuels through real estate assets: CBRE IM considers assets that are purpose-built for the extraction, storage, transport or manufacture of fossil fuels to be defined as exposed to fossil fuels.
- Exposure to energy inefficient buildings: CBRE IM apply final energy demand in such calculations when primary energy demand is not available. For buildings without letter-based EPC ratings, a proxy approach is applied comparing the typical energy consumption intensity for each EPC rating per country with the assets energy performance.
- GHG emissions: CBRE IM calculate GHG emissions in alignment with PCAF and the GHG Protocol as defined in the Firm's GHG Management Framework which is aligned with ISO14064-1. Any gaps in data coverage are filled using an estimation methodology to ensure comparability across years, and the actual data coverage is provided for reference.

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- Energy consumption intensity: If no data is available, CBRE IM apply a region specific benchmark intensity.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Fund refers to relevant indicators for adverse impacts on sustainability factors set out in Annex I, Tables 1 and 2 of the RTS in assessing whether its sustainable investments cause any significant harm to environmental or social factors and these indicators are incorporated into three processes internally: portfolio management, asset management and new asset acquisitions.

Portfolio management:

The CBRE IM proprietary Portfolio Management ESG Toolkit allows the Fund team to assess the ESG performance of the portfolio in aggregate and make strategic decisions regarding improvements. The Portfolio Management Toolkit includes the CBRE IM ESG Scorecard and the SFDR Tool, which analyses the Fund's ESG performance for internal decision making and includes PAI and Taxonomy KPIs. This approach allows the Fund team to screen assets within the portfolio using ESG criteria and prioritise actions at the asset level.

The outputs from the ESG Scorecard are also presented to the Portfolio Oversight Committee for review as part of the standard performance review process.

Asset management of standing assets:

The CBRE IM proprietary Asset Management ESG Toolkit allows the asset managers to assess the ESG performance of each individual asset within the portfolio and subsequent prioritization of further actions. The ESG Asset Analytics Tool is part of this toolkit, and this allows the asset and portfolio managers to analyse the energy and GHG performance of each asset against relevant GRESB and CRREM benchmark values. EPC ratings were also reviewed as part of this process and supported prioritisation for action plans to improve performance.

Acquisition of assets:

For the acquisition process for new assets during the reporting period, relevant PAIs are considered as part of the analysis in the screening process of new investments using the ESG Acquisition Toolkit. All potential acquisitions are presented to the Investment Committee where a senior member of the Sustainability Team is a voting member and uses the output from the ESG Acquisition tool to make their decision.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

As a member of the CBRE Group platform, CBRE Investment Management is subject to and benefits from the CBRE Human Rights Policy and CBRE Standards of Business Conducts which detail the firm's commitment to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

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The Fund seeks to also introduce contractual assurances and ongoing due diligence for service providers, to enable monitoring of potential breaches throughout the contracted time frame.

Considering the above-mentioned policies and processes in place, the Fund has concluded that sustainable investments are aligned with the minimum safeguards.

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 1 January 2023 – 31 December 2023.

How did this financial product consider principal adverse impacts on sustainability factors? *[include section if the financial product considered principal adverse impacts on sustainability factors]*

Please see the processes detailed under the question "How were the indicators for adverse impacts on sustainability factors taken into account?" above.

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Hofmark	Residential	13.8%	Germany
Drei Horizonte	Residential	12.7%	Germany
Barkarby	Residential	12.5%	Sweden
Topas	Residential	11.7%	Germany
Regatta	Residential	8.9%	Germany
Thaerstraße	Residential	8.8%	Germany
Karlslunde	Residential	5.9%	Denmark
52 Nord	Residential	5.8%	Germany
Badalona Port*	Residential	5.1%	Spain
El Canaveral	Residential	4.4%	Spain
Ursviks Torn*	Residential	4.1%	Sweden
Torrejón de Ardoz	Residential	3.5%	Spain
Maria Pacheco	Residential	2.8%	Spain

These are forward funding assets, investment amounts are expected to increase over time.

What was the proportion of sustainability-related investments?

Please see the asset allocation of the Fund set out below. This demonstrates the proportion of the Fund invested in sustainable investments.

What was the asset allocation?

The Fund is targeting real estate assets and expects the investments in the portfolio to generate a substantial positive impact on the social housing challenge by providing

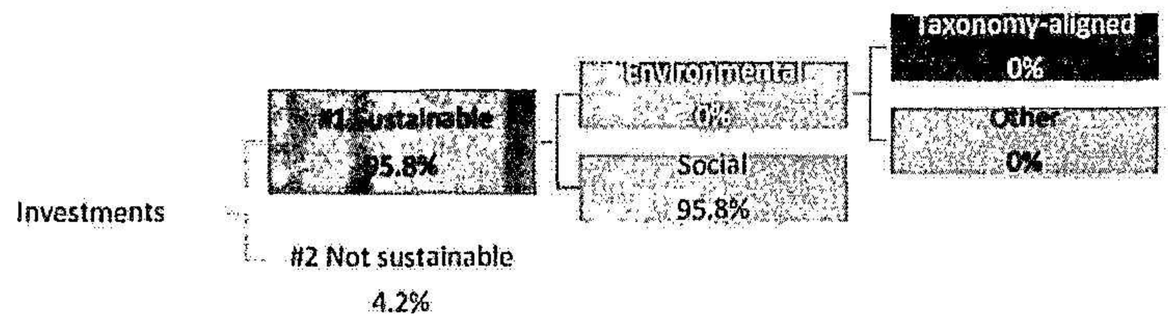
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affordable, good quality and sustainable rental homes. The Fund is committed to being 90% invested in assets which are '#1 Sustainable', all of this 90% being 'Social'. As the Fund is expanding there is an expectation to have temporary reserves of cash for upcoming investments in sustainable assets. The Fund expects for a long-term average cash holding to be 10%, which whilst having a neutral impact on the sustainability objective, is classified as '#2 Not sustainable' under SFDR. The Fund understands that this is a binding limit that should not be breached.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852

Details on the asset allocation in the reference period are included in the illustration below.

[Include only relevant boxes, remove irrelevant ones for the financial product]



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

The Fund invests in real estate assets, of which 100% is residential properties.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy? *[include section for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 and include information in accordance with Article 59 of this Regulation]*

Not applicable as the Fund only made sustainable investments with a social objective.

In the absence of a defined social taxonomy technical screening criteria, the Fund cannot commit to a percentage of Taxonomy alignment and instead has drawn on the latest guidance to set appropriate indicator(s) to measure alignment with the Fund's social objective. Accordingly, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]***

Yes: *[Specify below, and details in the graph of the box]*

In fossil gas ***In nuclear energy***

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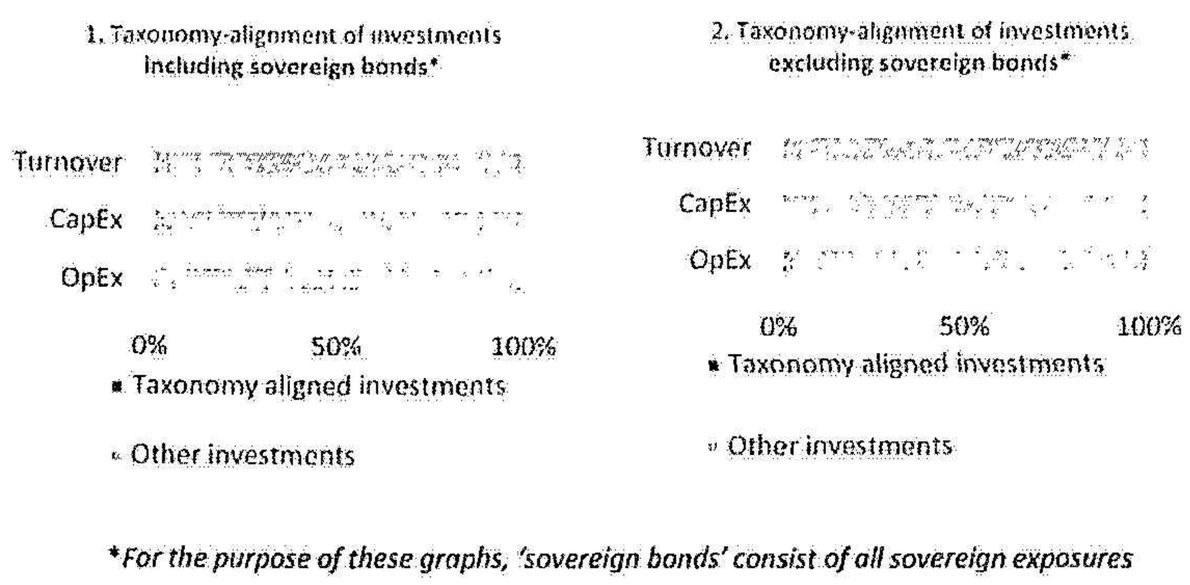
[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that do not **take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

✖ ***No***

[6]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities? *[include a breakdown of the proportions of investments during the reference period]*

Not applicable.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods? *[include where at least one previous periodic report was provided*

Not applicable.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy? *[include only for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 where the financial product included investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities and explain why the financial product invested in economic activities that were not taxonomy-aligned]*

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Not applicable.

What was the share of socially sustainable investments? *[include only where the financial product includes sustainable investments with a social objective]*

The Fund had all deployed capital invested in sustainable investments during the reporting period resulting in 95.8% of GAV allocated to socially sustainable investments.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Not sustainable" related to cash held as ancillary liquidity. The Fund did not make any investments for hedging purposes.

What actions have been taken to attain the sustainable investment objective during the reference period? *[list the actions taken within the period covered by the periodic report to attain the sustainable investment objective of the financial product, including shareholder engagement as referred to in Article 3g of Directive 2007/36/EC and any other engagement relating to the sustainable investment objective]*

The Fund started its operations in August 2021 and during 2022 the Fund acquired three standing assets and forward-funded one new development. During the reporting year, 2023, the Fund acquired nine new assets of which seven standing investments, one forward-funded development and one forward committed development. All acquisitions underwent an "ESG Impact Screening" and "ESG Impact Due Diligence" by a social impact advisory firm which acts as the Fund's Impact Advisor (FIA).

Acquisitions

The assets aquired during 2023 account for 1,509 homes, 85% of which are affordable to targeted middle income households below the 60th percentile disposable household incomes. Each individual asset also comprises at least 70% homes affordable to households in the target income group , with a break-down as follows:

- Drei Horizonte (Frankfurt) – 208 homes of which 87% is affordable to the target income group;
- Topas (Berlin) – 214 homes of which 85% is affordable to the target income group;
- Barkarby (Stockholm) – 350 homes of which 100% is affordable to the target income group;

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- Hofmark (Munich) – 172 homes of which 79% is affordable to the target income group;
- Torrejón de Ardoz (Madrid – Development completed during 2023) – 102 homes of which 100% is affordable to the target income group;
- Badalona Port (Badalona – Forward funding development) – 129 homes of which 70% expected to affordable to the target income group at completion in 2025;
- Regatta (Berlin) – 136 homes of which 74% is affordable to the target income group;
- 52° Nord (Berlin) – 104 homes of which 74% is affordable to the target income group;
- El Cañaveral (Madrid – Development completed during 2023) – 94 homes of which 70% is affordable to the target income group;

Process improvements

- Rent increase approach aligned to affordability criteria: Rent increases for existing tenants are subject to a local CPI cap as well as any national legislation (such as national rent caps) and the affordability criteria outlined above.

Impact Measurement and Management

- The Fund: Fund team works with local asset managers to ensure its affordability criteria are understood and implemented, including by the Property Managers who the Fund employs at the property level to manage and lease the units and support with screening.
- External scrutiny: FIA supported the Fund to further develop its overarching impact framework and objectives. Each year, FIA produces an independent annual ESG Impact Report, which involves data analysis including of rents vs updated income bandwidths as well as qualitative validation of the achievement of the Fund's objectives (interviews, site visits, etc.).

[include note for the financial products referred to in Article 9(1) of Regulation (EU) 2019/2088]

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

How did this financial product perform compared to the reference sustainable benchmark? *[include section only for the financial products referred to in Article 9(1) of Regulation (EU) 2019/2088 and indicate where the methodology used for the calculation of the designated index can be found]*

Currently, there is no appropriate reference sustainable benchmark index available for sustainable investment with a social objective, in particular one focused on affordable housing, and therefore no reference benchmark has been designated for the purposes of attaining the sustainable investment objective.

How did the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

Not applicable.

How did this financial product perform compared with the reference benchmark?

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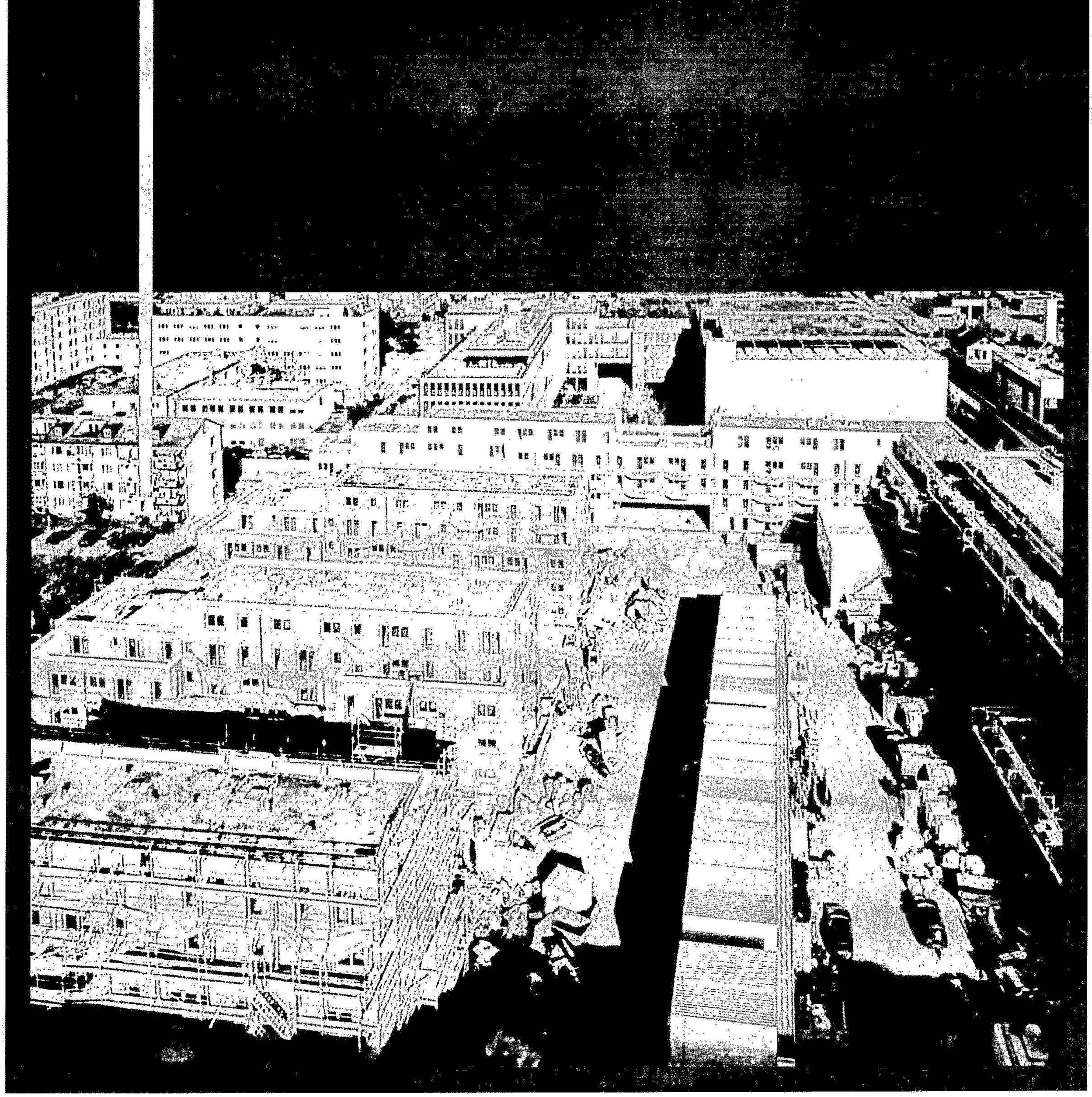
Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Hofmark

Munich, Germany



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Portfolio outlook

Strategy

The Fund will continue to deliver on its impact investment strategy with a focus on the residential property in the major metropolitan regions in Europe, employing a balanced risk structure and optimising a risk-weighted return profile. The Fund anticipates a continued structural demand for affordable housing, driven by several major trends: intensified urbanisation, the dominance of 'Winning Cities', shortage in supply and generation of rent.

Finance

Leverage will remain part of the investment strategy of the Fund. In the coming year, the Fund will look to increase LTV ratio towards its average gearing limit of 25%. The Fund will seek to benefit from the best available rates within the capital markets in lower cost of debt countries, such as Denmark and Germany.

Portfolio management

Fund management continuously seeks to improve the quality of the portfolio of the Fund by active investment and asset management. It starts with selecting the right acquisitions that will contribute to the returns of the portfolio and fit within the strategy. The next step is to guide the construction process to be in line with the needs of future residents and ESG targets. For standing investments, it is a matter of regular maintenance and opportunity capex projects if they can increase net operating income growth, sustainability and resident satisfaction. The Fund aims to increase renewable energy, for example, by adding solar panels to our standing portfolio.

Acquisition pipeline

The Fund provides good quality homes through new developments in tight urban areas and will continue to build an attractive pipeline of turnkey projects fitting the strategy and living needs of the target group of residents. In 2023, a total of 129 apartments were added to the committed pipeline with the acquisition of Badalona Port. The Fund will continue to source attractive residential investments that meet the affordable and environment suitable targets.

Outlook

In 2024, the Fund will continue to deliver on its mission to provide affordable, good quality and sustainable rental homes—with comprehensive services—for middle income households in major European cities. The imbalance will persist in the near future as the challenges facing the construction sector, such as the low number of building permits issued, high construction costs and capacity constraints, remain intact. The increasingly tight housing market forms a strong foundation for market rent and investment value. With this, a recovery seems like it will take shape in the second half of the year.

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Risk appetite and risk management

Risk appetite

Strategic and business risks

CBRE Investment Management EMEA manages real estate and real estate related investments for its investors. CBRE Investment Management EMEA strives to provide best in class service to its investors. To ensure CBRE Investment Management EMEA will meet its targets, operating conditions have been incorporated to effectively employ the resources and procedures that are necessary for the proper performance of its business activities. All policies, procedures and process flowcharts are documented.

The Fund has a documented strategy to pursue growth within a well-defined asset class, acquisition criteria and geography. Within this strategy, CBRE Investment Management EMEA is prepared to take risks in a responsible and sustainable way that is in line with the interest and appetite of its stakeholders, which is detailed in the Fund documentation.

Our investment management activities are based on strong corporate governance, transparency, consistent and regular reporting, active portfolio and asset management through effective risk management and proactive investor relations. Together, these are essential criteria for building and maintaining our long-term client relationships.

The principal risks, along with investment and economic uncertainties that the Fund might face, are included in the consolidated financial statements, as well as in the placing documents.

Financial risks

In respect of financial risks, the Fund has an investment policy in place that covers the overall funding position of the Fund. The aim of this policy is to manage the interest rate, liquidity and, if applicable, foreign currency risks in line with Fund documentation.

All assets of the Fund are subject to commercial insurance coverage to limit the financial impact of events that can affect the assets.

Compliance risks

One of our key values is transparency and this means that CBRE Investment Management EMEA and its employees are responsible to act with Respect, Integrity, Service and Excellence, the 'RISE Corporate Values'.

The RISE Corporate Values support the highest standards regarding the internal control environment. These Corporate Values (part of the Standards of Business Conduct) are incorporated in the policies and procedures that are in place. CBRE Investment Management EMEA has implemented measures to ensure compliance with laws and regulations wherever the Funds and assets under management are active.

Risk related with our efforts to create this environment will be balanced by the related rewards, which are documented in our remuneration policy.

Risk management

Sound risk management is of utmost importance to our business. For that reason, CBRE Investment Management EMEA has established a risk management framework to help achieve its organisational and business objectives while keeping risks within acceptable boundaries and complying with (local) regulations.

CBRE Investment Management EMEA has implemented risk management processes in order to ensure that risks are properly dealt with. This process includes the following items: identifying, assessment, mitigation and monitoring of risks.

Effective risk monitoring requires a structure of reporting and review to ensure that risks are effectively identified and assessed. Risks are reported through three key information reporting flows:

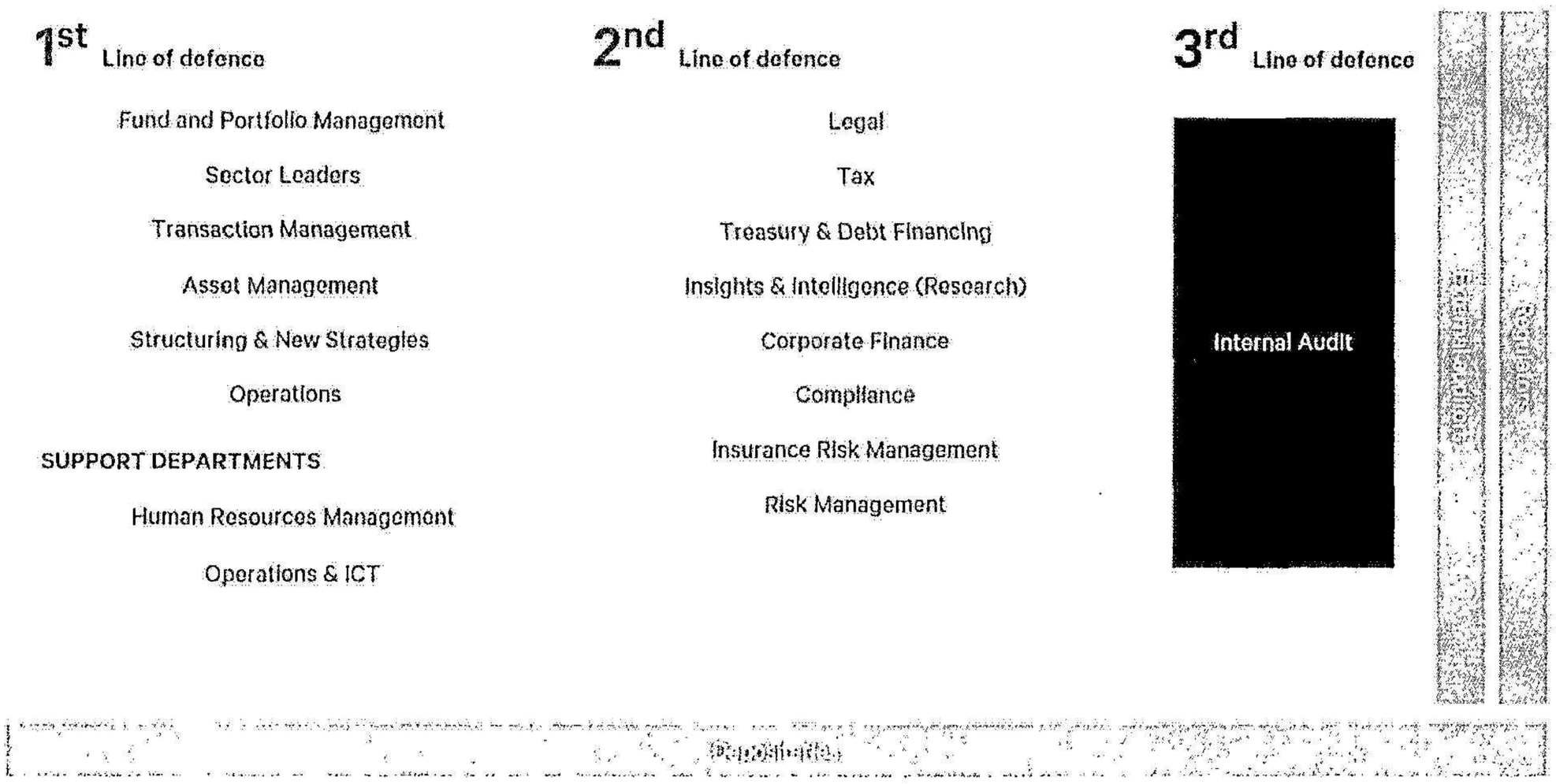
1. Investment proposal: For all capital transactions, including new product approval, an investment proposal is submitted that should cover mitigating controls for identified relevant risks. This risk assessment includes an assessment of the economic environment as well as technical developments that are relevant for the proposed transaction.
2. Portfolio Performance Review: On a bi-annual basis, the portfolio performance and issues are reviewed and assessed by the RMC (Risk Management Committee) and reported, including RMC advice, to the Investment Committee and the board of directors of the Luxembourg AIFM. The portfolio performance review includes the impact of the developments in the economic environment as well as foreseen trends. Based on this information, hold/sell analyses are performed on an annual basis to maintain the quality of the portfolio in line with Fund requirements.

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3. Risk Reporting: On a quarterly basis, emerging and ongoing risks are reported to the board of directors of the Luxembourg AIFM, through the RMC. This risk report covers (legal/regulatory/tax) compliance and operational risks related to the Fund and investment management activities that are performed by CBRE Investment Management EMEA.

To embed risk management within the organisation. it is structured along a three lines of defence model. Within this governance structure of CBRE Investment Management EMEA, it is essential that the three lines of defence work closely together to provide advice and support in order to mitigate the risks that (may) have an impact on the organisational and business objectives of CBRE Investment Management EMEA. while maintaining their independent roles and responsibilities.

The three lines of defence model ensure proper segregation of duties of these the three lines and provides clear responsibilities and accountabilities for decision making. Through the implementation of the three lines of defence model independent reporting and effective risk management facilitated.



1st Line of Defence Responsibilities

The first line of defence lies with the business and process owners. The first line takes risks and is directly responsible for the operational management of those risks, to facilitate the achievement of the organization's objectives.

The first line owns the risk and is responsible for the design and execution of mitigating controls and is responsible to ensure that the business activities are in compliance with external and internal requirements. Furthermore, the first line is responsible for staying within the limits of the company's risk appetite, investment strategy risk appetite and criteria as described in policies. For that purpose, the first line should have appropriate processes and controls in place that aim to ensure that risks are identified, assessed, mitigated, monitored, and reported.

2nd Line of Defence Responsibilities

Second line risk management is responsible for the design and monitoring of second line policies. Furthermore, it facilitates and challenges the implementation of policies and a sound internal control framework in the first line, throughout the company to identify, assess, mitigate, monitor and report risks relevant for both the company and for each investment strategy (both fund and investment mandates, collectively "programs"). This to ensure that the internal control framework is properly designed and effective.

The second line of defence includes risk management and compliance, who help to ensure processes, procedures, and controls, implemented by the first line of defence are designed appropriately and operating as intended (keeping in mind the requirements as prescribed in the applicable Risk Management/Compliance Policies). The second line of defence is separate from the first line of defence but is still under the control and direction of senior management and typically perform some management functions. The second line essentially manages and/or oversees the whole risk management cycle.

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Risk management facilitates the implementation of a sound internal control framework throughout the company and has responsibility for further identifying, assessing, mitigating, monitoring, and reporting on risks and forming a holistic view on all risks. Risk management will implement effective second line policies and procedures to identify, assess, mitigate, monitor. and report periodically, all relevant risks the company and the programs are or may be exposed to (including risk profiles, appetites and limits).

Compliance establishes, implements and maintains adequate second line compliance policies and procedures sufficient to ensure compliance with the company's regulatory obligations and monitors and assesses the adequacy of those policies and procedures. Compliance assists and provides advice on compliance to the management body and other relevant staff.

Both risk management and compliance may act as their second line responsibility prescribes and intervene to ensure the modification of internal control and risk management systems within the first line of defence where necessary.

3rd Line of Defence Responsibilities

The third line provides independent assurance to senior management and the board by critically assessing the adequacy and effectiveness of the company's systems, internal control mechanisms and arrangements in order to assist the senior management and the board to enable them to have the best control over their activities and the risks related thereto and thus to protect its organisation and reputation. The independent internal audit function. as the third line of defence, conducts risk-based and general audits and reviews the internal governance arrangements, processes and mechanisms to ascertain that they are sound and effective, implemented and consistently applied. The internal audit function is in charge also of the independent review of the first two lines of defence. The internal audit function performs its tasks fully independently of the other lines of defence and follows a 3 year audit plan.

For more details on the main risks identified for the Fund we refer to the risk section in the accounting principles on page 75.

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Remuneration policy

Purpose and scope

The investment culture of CBRE Investment Management EMEA stems from one simple yet profound precept which is always to place the interests of our investors and clients first. This precept is ingrained by our leadership into all of our employees at all levels of CBRE Investment Management EMEA, not because we are altruists but rather because if we abide by it, we will be successful in the long run, even if in the short run it can sometimes conflict with CBRE Investment Management EMEA's interests. As a result, we have designed our remuneration policy to foster co-operation and team spirit in our employees as it is in our clients' collective interest. The remuneration policy is applicable to CBRE Investment Management EMEA and is amended from time to time. CBRE Investment Management EMEA's remuneration framework is designed to support business strategy, CBRE's RISE values and long-term interests of CBRE Investment Management EMEA, Investors and other stakeholders and it contains measures that prevent conflicts of interest. In addition to best market practices, it takes into account the following key principles:

1. CBRE Investment Management EMEA's remuneration policy takes into account its specific activities and risk profile as well as various local and/or regional rules and regulations applicable to it.
2. The remuneration policy has been designed so as to take into account the Group's (CBRE Group, Inc.) remuneration policies where required, as long as they are aligned with local regulations. It sets principles for their application at the level of CBRE Investment Management EMEA.
3. The remuneration policy of CBRE Investment Management EMEA is designed so as not to encourage the taking of excessive risk. In that context, it integrates – in its performance management system – risk criteria specific to the activities and business lines concerned.

The remuneration policy applies to all employees, including 'identified staff' in respect of CBRE Investment Management EMEA and therefore covers (i) members of the General Partner,(ii) employees in control functions and (iii) any other employees who have a material impact on the risk profile of CBRE Investment Management EMEA ('Risk takers') or the investment funds under management. Definitions for each category of identified staff have been established and documented.

Governance

The remuneration policy is in line with general remuneration principles as set by the Global Remuneration Framework and subject to annual approval by the EMEA Remuneration Governance Committee and relevant Boards. The EMEA Remuneration Governance Committee advises on the annual variable remuneration and merit budget and the relevant Boards approve. The Global Remuneration Committee reviews and approves the EMEA annual variable remuneration and merit amounts and will seek further approval from the Group where required. The implementation of the remuneration policy is subject, at least on an annual basis, to central and independent internal review by Internal Auditor or by a Group Auditor for compliance with policies and procedures defined/updated by the Global Head of People and the Compliance Officer. They report on the outcome of this review to the Global Head of People and the Global Remuneration Committee.

Remuneration framework

CBRE Investment Management has a total remuneration approach to compensation acknowledging the importance of well-balanced but different remuneration packages derived from business and local market needs, as well as the importance of compensation being consistent with and promoting sound and effective risk management, not encouraging excessive risk-taking or counteracting our long-term interests. Identified staff are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

Main components of the remuneration framework

The remuneration policy defines the purpose of each remuneration component, eligibility and overall performance criteria as well as a description on governance, application and follow-up. The remuneration components described in the policy are:

- Fixed remuneration (including fixed supplements), the fixed remuneration is determined by reference to the relevant external peer group of companies as well as internal peers. The peer group benchmark is completed annually;
- Variable performance based remuneration, rather than based on the profits of particular funds or client accounts, the bonus pools are based on the annual result of CBRE Investment Management EMEA. The individual performance is evaluated during his/her annual appraisal. Individual objectives are set based using SMART principle which include financial and non- financial measures;
- Pension schemes (where appropriate);
- Employee Co-Investments in Investment Products (where appropriate); to further align the interests of investors and employees;
- Employee Carried Interest in Investment Products (where appropriate); to further align the interests of investors and employees;

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- Stock Awards (in exceptional cases only);
- Other Benefits (what and where appropriate).

The remuneration packages are in general determined based on local market conditions which take into consideration the individual employee's job, responsibilities and skills. The Job Architecture Framework forms the basis for the assessment of an employee's job including level, job function and career step. The fixed salary of the staff should cover at least the basic cost of living. Staff is not dependent on the variable remuneration for the basic cost of living.

Additional information regarding variable performance based remuneration

All bonuses are paid or vest only if they are sustainable according to the financial situation of CBRE Investment Management Luxembourg AIFM S.à r.l. as a whole, and justified according to the performance of the group, company and the individual concerned.

CBRE Investment Management EMEA has embedded in the EMEA Remuneration Policy the right to hold back (by way of applying a malus) unpaid or unvested variable remuneration and to claw back paid/vested variable remuneration from any current (or ex-) identified staff in circumstances outlined in the EMEA remuneration policy.

Table 2 Remuneration

(Amounts in € '000, unless otherwise indicated)

All employees allocating time to CBRE Investment Management Luxembourg AIFM S.à r.l.	**2023**	2022
Number of employees (average over the year)	25	24
Remuneration[1]		
Fixed salary expenses	3,095	2,613
Variable salary expenses[2]	3,568	2,568

Table 3 Remuneration

2023	**All employees CBRE Investment Management Luxembourg AIFM S.à r.l.[3]**	**'Identified Staff' in senior management functions[4]**	**All other Staff**	**Total**
Number of employees	9	7	9	25
Remuneration[5]				
Fixed salary expenses	1,021	1,315	758	3,095
Variable salary expenses[6]	604	2,269	695	3,568

This is the allocated remuneration of all employees allocating time to CBRE Investment Management Luxembourg AIFM S.à r.l. which is the alternative investment fund manager ('AIFM') of twenty-three real estate funds, managing total assets under management of EUR 15.6 billion as at 31 December 2023 (EUR 15.3 billion as at 31 December 2022). Four employees received remuneration in excess of EUR 1 million. The total remuneration related to all these employees (not only for time allocated to CBRE Investment Management Luxembourg AIFM S.à r.l.) amounts to EUR 16.4. million, of which EUR 4.1 million relates to management staff and EUR 12.3 million relates to other staff members.

Luxembourg, Grand Duchy of Luxembourg, 6 March 2024

[1] The remuneration includes social premiums, pension premiums and other staff related expenses
[2] The variable remuneration expenses mainly relate to the pay out of the bonus granted to our staff for their performance in the preceding year
[3] Includes identified staff and risk takers directly allocated to CBRE Investment Management Luxembourg AIFM S.à r.l.
[4] Includes identified staff and risk takers that are indirectly allocated to CBRE Investment Management Luxembourg AIFM S.à r.l. (e.g. fund managers)
[5] Based on pro-rata allocation to CBRE Investment Management Luxembourg AIFM S.à r.l.
[6] The variable remuneration expenses mainly relate to the pay out of the bonus granted to our staff for their performance in the preceding year

Investments in real estate

31 December 2023

Table 4 Details of investments in real estate

(Amounts in €'000, unless otherwise indicated)

Name	Type	Location	Ownership %	Date acquired	Gross rentable area sqm[1]	Financial Occupancy %[1,2]	Annual base rent €[3]	Cost €[3,4]	Capex €[3,5]	Leasehold (Y/N)	Net operating income €[3,4]	Fair value €[2,3]
Investment properties												
Karlslunde	Residential	Copenhagen, Denmark	100	21 June 2022	8,092	97.4%	1,831	39,874	-	N	1243	35,161
Thaerstrasse	Residential	Berlin, Germany	100	30 June 2022	12,267	93.5%	1,574	64,200	-	N	1427	52,700
Maria Pacheco	Residential	Madrid, Spain	100	15 December 2022	6,247	97.8%	850	17,025	-	N	723	16,994
Barkarby	Residential	Stockholm ,Sweden	100	30 June 2023	16,874	96.2%	2,979	74,965	-	N	1196	74,756
Drei Horizonte	Residential	Frankfurt am Main, Germany	100	01 June 2023	11,040	72.0%	2,135	91,977	-	N	889	76,100
Hofmark	Residential	Munich, Germany	100	30 September 2023	10,145	94.0%	2,757	72,784	-	N	468	82,500
Topas	Residential	Berlin, Germany	100	30 June 2023	14,542	92.6%	2,485	51,019	-	N	1139	70,100
Torrejón de Ardoz	Residential	Madrid, Spain	100	15 July 2023	6,044	48.0%	242	21,000	-	N	(115)	20,910
El Canaveral	Residential	Madrid, Spain	100	13 December 2023	7,220	-	-	24,500	-	N	(74)	26,161
52 Nord	Residential	Berlin, Germany	100	31 December 2023	6,489	82.7%	1,145	29,712	-	N	-	34,900
Regatta	Residential	Berlin, Germany	100	31 December 2023	10,210	99.6%	1,850	43,684	-	N	-	53,300
Subtotal					**109,170**		**17,848**	**530,740**			**6,896**	**543,582**
Investment properties under construction												
Badalona Port	Residential	Badalona, Spain	100	15 July 2023	-	-	-	24,264	24,264	N	-	30,710
Ursvik Torn	Residential	Stockholm, Sweden	100	8 June 2022	-	-	-	33,359	14,042	N	(62)	24,350
Subtotal					**-**	**-**	**-**	**57,623**	**38,306**		**(62)**	**55,060**
TOTAL					**109,170**		**17,848**	**588,363**	**38,306**		**6,834**	**598,642**

1 Information disclosed reflects full property details (100%), regardless of Fund ownership %.
2 For two assets, Torrejon de Ardoz and El Canaveral, the valuations are prepared based on special assumptions.
3 Information disclosed is based on Fund ownership %.
4 Consists of purchase price and all capital expenditures since inception (excluding acquisition expenses), converted at current exchange rate where applicable.
5 For the period of twelve months ended 31 December 2023.

Loans and borrowings

31 December 2023

Table 5 Loans and borrowings

(Amounts in €'000, unless otherwise indicated)

Lender	Facility €	Amount outstanding[1] €	Maturity	Interest rate charged %	All in rate %	LTV cov %	LTV act[2] %	DYR cov %	DYR act %
Secured financing									
STANDARD CHARTERED BANK	50,000	5,000	24 March 2024	0.97%	5.53%	n/a	16.28%	n/a	n/a
DEBLB - Bayern LB	28,900	28,900	08 September 2027	1.60%	3.25%	60.00%	54.84%	4.00%	4.94%
TOTAL	78,900	33,900							

[1] Disclosure at asset level.
[2] Actual as per reporting date.

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Audit report

To the General Partner of
CBRE Europe Residential Partners S.C.A. SICAV-SIF

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of CBRE Europe Residential Partners S.C.A. SICAV-SIF and its subsidiaries (the "Fund") as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

What we have audited

The Fund's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in net assets attributable to holders of redeemable shares and equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The General Partner is responsible for the other information. The other information comprises the information stated in the annual report but does not include the consolidated financial statements and our audit report thereon.

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Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the General Partner for the consolidated financial statements

The General Partner is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the General Partner determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the General Partner is responsible for assessing the Fund'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 the General Partner either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;

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- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Partner;

- conclude on the appropriateness of the General Partner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Fund to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Fund audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on distribution and use

This report, including the opinion, has been prepared for and only for the General Partner and the Shareholders in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

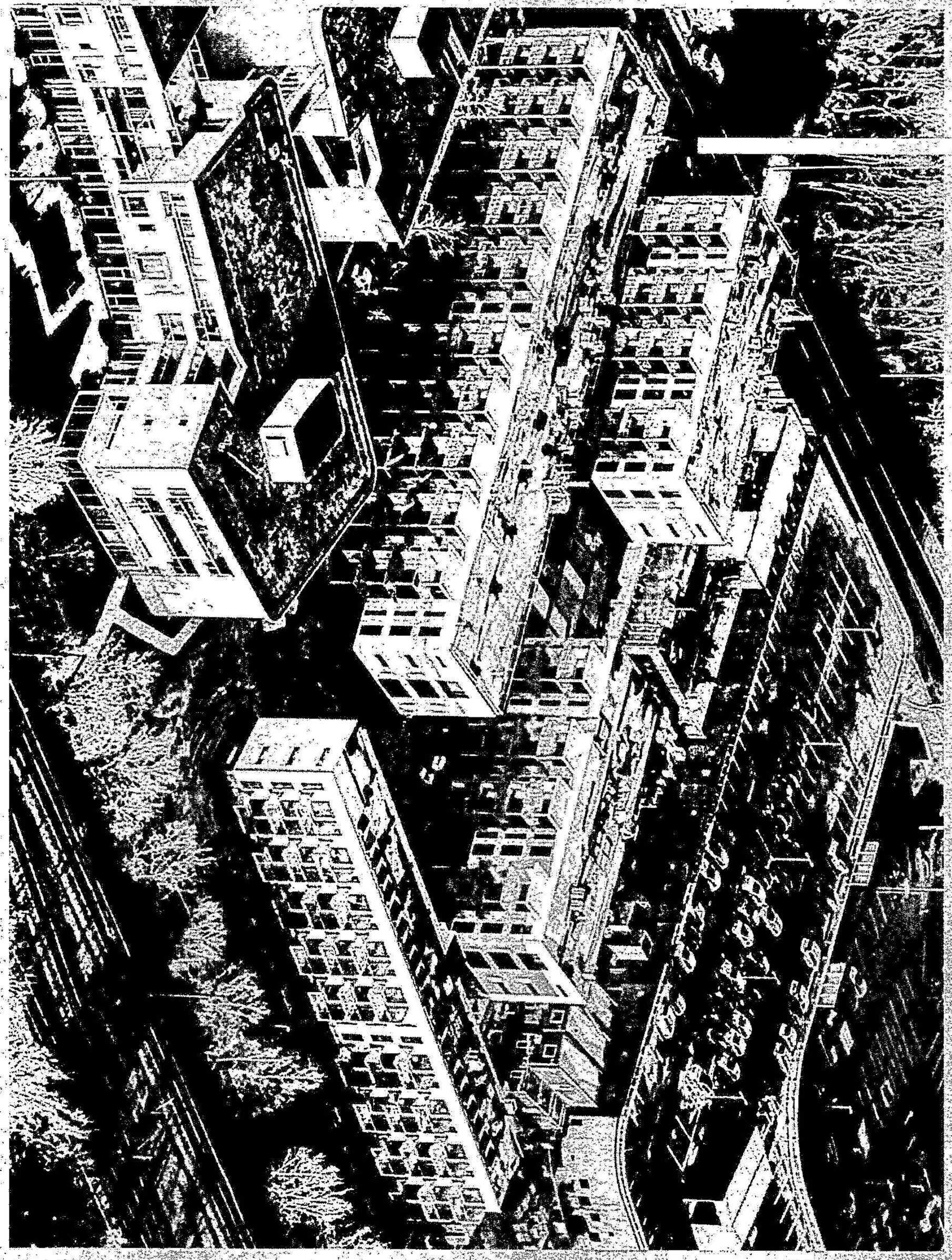
PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 8 March 2024

Electronically signed by
Emanuela Sardi

Emanuela Sardi

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Karlslunde

Copenhagen, Denmark

3

Financial statements

Consolidated financial statements
in accordance with IFRS-EU

20240613321983

Consolidated statement of financial position

(Amounts in €'000. unless otherwise indicated)

	Notes	31 December 2023	31 December 2022
ASSETS			
Non-current assets			
Investment properties	1	543,582	124,175
Investment properties under construction	2	55,060	13,798
Deferred tax assets		172	-
Other non-current assets		171	3
Total non-current assets		**598,985**	**137,976**
Current assets			
Trade and other receivables	3	911	918
Prepayments	4	140	35
Other current assets		653	-
Cash and cash equivalents	5	27,834	13,550
Total current assets		**29,538**	**14,503**
TOTAL ASSETS		**628,523**	**152,479**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	7	28,687	28,220
Deferred tax liability	17	7,732	1,321
Other non- current liabilities	8	1,198	580
Total non-current liabilities		**37,617**	**30,121**
Current liabilities			
Loans and borrowings	7	4,889	-
Trade and other payables	9	150,740	4,052
Other current liabilities	10	126	139
Derivatives	12	471	-
Deferred income	11	220	237
Total current liabilities		**156,446**	**4,428**
Total liabilities excluding net assets attributable to holders of redeemable shares		194,063	34,549
Net assets attributable to holders of redeemable shares		434,460	117,930
TOTAL LIABILITIES		**628,523**	**152,479**

Notes 1 - 5, 7 - 12, 17 see pages 80-89.

The accompanying notes form an integral part of the consolidated financial statements.

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Consolidated statement of comprehensive income

(Amounts in € '000, unless otherwise indicated)

	Notes	Year ended 31 December 2023	Year ended 31 December 2022
Gross rental revenue	13	8,812	1,751
Recovered property costs charged to tenants	13	1,044	114
Total operating income		**9,856**	**1,865**
Operating costs		(2,009)	(155)
Recoverable property costs		(1,044)	(114)
NET RENTAL REVENUE		**6,803**	**1,596**
Professional services	14	(2,390)	(1,114)
Management Fees	15	(1,422)	(607)
Other expenses		(144)	-
Total fund expenses		**(3,956)**	**(1,721)**
Changes in fair value of investment properties	1	528	(3,768)
Changes in fair value of investment properties under construction	2	2,807	(5,682)
Realised foreign exchange gains/(losses)		(297)	(65)
Other (un)realised gains and losses		64	59
Net gains/(losses)		**3,102**	**(9,456)**
OPERATING RESULT		**5,949**	**(9,581)**
Finance expense	16	(1,704)	(760)
Finance income		563	-
Finance result		**(1,141)**	**(760)**
NET RESULT BEFORE TAX		**4,808**	**(10,341)**
Tax expense	17	(6,519)	(1,331)
NET RESULT		**(1,711)**	**(11,672)**
Other comprehensive income that may be reclassified to income statement in subsequent periods			
Changes in fair value of net investment hedge	12	(471)	-
Foreign Currency Translation		4,263	(1,169)
Other comprehensive income		**3,792**	**(1,169)**
TOTAL CONSOLIDATED COMPREHENSIVE INCOME		**2,081**	**(12,841)**
Net result attributable to:			
Holders of redeemable shares		(1,711)	(11,672)
Basic and diluted net result per share (in €)		(0.003)	(0.07)
Number of shares (entitled to profit)	6	642,146,789	174,666,342
Consolidated comprehensive income attributable to:			
Holders of redeemable shares		2,081	(12,841)

Notes 1-2, 6, 12-17 see pages 80-89.

The accompanying notes form an integral part of the consolidated financial statements.

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Consolidated net assets attributable to holders of redeemable shares

(Amounts in €'000, unless otherwise indicated)

	2023	2022	2021
Net assets value			
Share Class A2	20	20	30
Share Class B2	24,068	9,065	201
Share Class C2	61.189	14.505	322
Share Class D2	175,356	47,161	1,046
Share Class E2	173,827	47.179	1,046
Management share class	-	-	-
TOTAL	**434,460**	**117,930**	**2,645**
Number of shares			
Share Class A2	29,999	29,999	29,999
Share Class B2	35,561,460	13,433,565	334.616
Share Class C2	90,495,860	21,493,703	535.384
Share Class D2	259,212,754	69,854,537	1,740,000
Share Class E2	256,846,715	69,854.537	1,740.000
Management share class	1	1	1
TOTAL	**642,146,789**	**174,666,342**	**4,380,000**
Net asset value per share			
Share Class A2	0.67	0.67	1.00
Share Class B2	0.68	0.67	0.60
Share Class C2	0.68	0.67	0.60
Share Class D2	0.68	0.68	0.60
Share Class E2	0.68	0.68	0.60
Management share class	1.00	1.00	1.00
AVERAGE NET ASSET VALUE PER SHARE	**0.68**	**0.68**	**0.60**

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Consolidated statement of changes in net assets attributable to holders of redeemable shares and equity

(Amounts in €'000, unless otherwise indicated)

	Net asset attributable to holders of redeemable shares		Equity	
	Subscribed cumulative units	increase\(decrease) in NAV	Hedging and Currency translation reserves	Total
As at 1 January 2021	30	(879)	-	(849)
Proceeds from redeemable shares issued	4,350	-	-	4,350
Increase\(Decrease) in Net Assets	-	(851)	-	(851)
Other comprehensive income\(loss)				
Currency translation differences	-	-	(4)	(4)
As at 31 December 2021	**4,380**	**(1,730)**	**(4)**	**2,646**
As at 1 January 2022	4,380	(1,730)	(4)	2.646
Proceeds from redeemable shares issued	128,125	-	-	128,125
Increase\(Decrease) in Net Assets	-	(11,672)	-	(11,672)
Other comprehensive income\(loss)				
Currency translation differences	-	-	(1,169)	(1.169)
As at 31 December 2022	132,505	(13,402)	(1,173)	117,930
As at 1 January 2023	**132,505**	**(13,402)**	**(1,173)**	**117,930**
Proceeds from redeemable shares issued	314,448	-	-	314,448
Increase\(Decrease) in Net Assets	-	(1,711)	-	(1,711)
Adjustment	2	(2)	-	-
Other comprehensive income\(loss)				
Currency translation differences	-	-	4,263	4,263
Changes in Fair value of Hedge	-	-	(471)	(471)
As at 31 December 2023	446,955	(15,115)	2,619	434,460

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Consolidated cash flow statement

(Amounts in €'000, unless otherwise indicated)

	Notes	31 December 2023	31 December 2022
Cash flows from operating activities			
Net result before tax		4,808	(10,341)
Adjustments to net operating cash flows			
Other (un)realised gains and losses		(64)	(59)
Changes in fair value of investment properties	1	(528)	3,768
Changes in fair value of investment properties under construction	2	(2,807)	5,682
Finance income		(452)	-
Finance expense	16	1,366	760
Amortisation of finance expenses		334	-
Loss allowance on financial assets		262	-
Net foreign exchange differences		297	65
Operating cash flow before changes in working capital		3,216	(125)
Increase in trade and other receivables	3	7	205
Decrease in prepayments		(105)	-
Decrease in other current assets		(653)	-
Decrease in other non-current assets		(168)	-
Increase in current and other non-current liabilities other than loans	8,9,10,11	3,564	3,094
Changes in working capital		2,645	3,299
Corporate income tax paid	17	(51)	(4)
NET CASH FROM OR USED IN OPERATING ACTIVITIES		5,810	3,170
Cash flow from or used in investing activities			
Acquisition of investment property	1	(108,494)	(64,200)
Acquisition of subsidiaries, net of cash acquired	1	(163,148)	(74,091)
Acquisition of investment property under construction	2	(24,264)	-
Acquisition expenses relating to investment properties and investment properties under construction	1,2	(4,323)	(6,949)
Capitalised subsequent expenditures investment properties under construction	2	(14,115)	(2,173)
Interest received		452	-
NET CASH FROM OR USED IN INVESTING ACTIVITIES		(313,892)	(147,413)
Cash flow from or used in financing activities			
Capital contribution		314.448	128.125
Proceeds from loans and borrowings	7	32.411	58.353
Loan repayments	7	(27.327)	(29,453)
Capitalised finance expenses	2,7	(62)	(842)
Interest paid	16	(1.366)	(598)
NET CASH FROM OR USED IN FINANCING ACTIVITIES		318,104	155,585
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		10,022	11,342
Cash and cash equivalents at the beginning of the year	5	13.550	3,377
Impact of currency translations on cash		4,263	(1,169)
Cash and cash equivalents at end of the year		27,835	13,550

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Changes in liabilities arising from financing activities for the year ended 31 December 2023:

	Loans and borrowings	Derivatives	Total
Balance as at the beginning of the year	28,220	-	28,220
Movements			
- Net cash flow	5,084	-	5,084
- Changes in fair value	-	471	471
- Capitalised finance expenses	(62)	-	(62)
- Amortisation of finance expenses	334	-	334
Balance at the end of the year	33,576	471	34,047

The total balance of cash and cash equivalents of EUR 27.8 million is freely available to the Fund.

The accompanying notes form an integral part of the consolidated financial statements.

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Notes to the consolidated financial statements

(Amounts in €'000, unless otherwise indicated)

General

CBRE Europe Residential Partners Fund S. C. A. SICAV- SIF ("ERP") is an investment company organised as a partnership limited by shares (société en commandite par actions) qualifying as an investment company with variable capital (société d'investissement à capital variable) open-ended specialised investment fund (fonds d'investissement spécialisé) under the laws of the Grand Duchy of Luxembourg of 13 February 2007 as amended and the Law of August 10th, 1915, as amended. ERP was established on 12 June 2020 and has its registered office at 4 rue du Fort Wallis, L-2714 Luxembourg, Grand Duchy of Luxembourg.

The Fund's initial closing took place on 25 August 2021. The Fund's principal activities are to invest in and manage a portfolio of high-quality residential properties. As at balance sheet date, the Fund acquired thirteen real estate assets in Sweden, Denmark, Germany and Spain.

The Fund changed its name from CBRE European Residential Impact Fund S. C. A. SICAV- SIF ("ERIF") to CBRE Europe Residential Partners Fund S. C. A. SICAV- SIF ("ERP") in November 2023.

The Fund may take any measures and carry out any transaction which it may deem useful for the fulfilment and development of its purpose to the largest extent permitted under the SIF Law.

The Fund has been incorporated for an unlimited period of time. It qualifies as an alternative investment fund under the law of 12 July 2013 on alternative investment fund managers as may be amended from time to time (the "AIFM Law") and is therefore subject to the SIF Law. The articles of association of the Fund (the "Articles") have been deposited with the Registre de Commerce et des Sociétés de Luxembourg (the "RCS") and have been published in the Recueil Electronique des Sociétés et Associations. The amount of the share capital of the SICAV will be at all times equal to its Net Asset Value.

Investors offer to subscribe for Shares in the Fund pursuant to a Subscription Agreement, which is governed by the laws of the Grand Duchy of Luxembourg.

AIFMD

Information pursuant to article 23 of the AIFMD or material changes thereto have been disclosed in this Annual Report, the placing documents and/or the amended Fund documentation and presentations provided at investor meetings. The Fund is open to investors and marketing of the Fund has not taken place.

Each of the Fund's legal entities in which the Fund participates reports statutory accounts under the local reporting standards of the country where the entity is established. For consolidation purposes, all entities are booked in EUR in accordance with IFRS-EU.

The consolidated financial statements for the year ended 31 December 2023 have been authorised for issue in accordance with a resolution of the General Partner on 6 March 2024. The Board of Managers of the General Partner will present the consolidated financial statements in the annual meeting of shareholders of the Fund and will request the approval of the consolidated financial statements and the appropriation of result.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements of CBRE Europe Residential Partners Fund S. C. A. SICAV- SIF and its subsidiaries (henceforth referred to as the "Fund") are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS-EU). The Fund's reporting currency as well as functional currency is the euro.

Going concern

The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for investment properties and derivatives that have been measured at fair value.

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Based on the continued strength of the Fund's balance sheet, including its liquidity position at the year end, its forecast future operating and investment activities. The Directors have a reasonable expectation that the Fund has adequate financial resources to manage business risks in the current economic environment, and continue in operational existence for a period of at least 12 months from the date of this report. Accordingly, the General Partner continues to adopt the going concern basis in preparing these consolidated financial statements.

Adoption of new and revised standards

Standards and interpretations effective in current period

There were several amendments that became effective in the current period. these are listed below:

- IFRS 17 – Insurance Contracts including Amendments to IFRS 17, effective 1 January 2023 .
- Disclosure of Accounting Policies (Amendments to IAS 1and IFRS Practice Statement 2), effective 1 January 2023.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12), effective 1 January 2023.
- Definition of Accounting Estimates (Amendments to IAS 8) effective 1 January 2023.
- Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17), effective 1 January 2023
- Amendment to IAS 12 - International tax reform - pillar two model rules effective 1 January 2023*

The General Partner has assessed the impact of the amendments, none of the amendments have a material impact on the financial position or performance of the Fund.

Early adoption of standards and interpretations

Standards issued but not yet effective up to the date of issuance of the Fund's consolidated financial statements are listed below:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1), effective 1 January 2024*
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback effective 1 January 2024*
- Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements. effective 1 January 2024*
- Amendments to IAS 21 on lack of Exchangeability effective 1 January 2025*
- IFRS 10 and IAS 28 – Amendments – Sale or contribution of assets between an investor and its associate or joint venture.

(*) Not yet endorsed by the EU to date.

The Fund has not early adopted any new International Financial Reporting standards. interpretations or amendments that has been issued but is not yet effective. None of the standards, interpretations or amendments are expected to have a material impact on the financial position or performance of the Fund.

Significant accounting judgements and estimates

Judgements

In the process of applying the accounting policies, the manager has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Business combination vs Asset acquisition

The Fund may acquire subsidiaries that own real estate. At the time of acquisition, the Fund analyses whether the acquisition represents the acquisition of a business or acquisition of an asset. For this purpose a concentration test is applied in line with IFRS 3 i.e the consideration paid is allocated to the identifiable assets and liabilities acquired on the basis of their relative fair values at the acquisition date to assess concentration. If substantially all of the fair value of the gross assets acquired are concentrated in a single identifiable asset or group of similar identifiable assets then set of activities is not a business and is rather an asset acquisition than business combination.

The Fund accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of ancillary services provided by the subsidiary (e.g., maintenance, cleaning, security. bookkeeping, etc.). The significance of any process is judged with reference to the guidance in IAS 40 about ancillary services. When the acquisition of subsidiaries does not represent a business i.e concentration test is met, it is accounted for as an acquisition of a group of assets and liabilities (i.e As asset acquisition). The transaction cost in case of asset acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised whereas its expenses in case of business combination.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year, are below.

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Fair value of investment properties and investment properties under construction

Fair value, in the case of investment property and investment property under construction, is the valuation based on valuations by two independent experts taking into account the nature, location and condition of the specific assets. In 2023, the properties in the portfolio were valued by the independent experts, being Savills (UK) Limited and Jones Lang LaSalle ("JLL"). The valuation undertaken was based on an open market value, supported by market evidence in which assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an at arm's length transaction at the date of the valuation in accordance with the Appraisal and Valuation Manual published by the Royal Institute of Chartered Surveyors and International Valuation Standards/guidelines of the MSCI. The valuations are based on the assumption that the properties are let and sold to third parties based on the actual letting status and are net of purchasers' costs.For two properties, Torrejon and El Caneveral, the valuation is based on special assumptions. The fair value of the properties is based on the special assumption that the proposed development works have been completed and that it is let to almost fully capacity on stabilised occupancy at the maximum rental limit allowed. According to the position on the last day of every quarter, a quarter of the portfolio is appraised, on a rotating basis.Valuations drawn up earlier in the year are updated if necessary to reflect the situation at year-end.

The valuations are based on DCF analysis of each property combined, where necessary, with valuations based on market evidence. The DCFs have been adjusted to existing lease terms. This has been done in order to cover the full period of existing leases. The DCF analyses are based on calculations of the future rental revenue in accordance with the terms in existing leases, and estimations of the rental values when leases expire.

The Direct Capitalisation method ("BAR/NAR") is a valuation method that utilises capitalisation (cap) rates and multipliers extracted from sales (of similar investment properties) to provide a value estimate. The value is calculated by applying a market based cap rate to the appropriate rental review revenue minus operating costs ("Rental review NOI") and adjusting for transaction costs and important capital expenditures a buyer would incur.

The basis for the estimation of the discount rate is the nominal interest rate for 10-year government bonds. This rate should be raised with the risks that are involved with property investments.

The values stated in the valuation reports represent the objective opinion of the independent valuation experts of fair value in accordance with the definition set out above as of the date of the valuation. Among other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date. However, short notice disposal price of assets might be lower than the current appraisal value. No adjustments are made to the valuation as determined by the external valuer. The significant assumptions related to the valuations are set out in note 1 and 2 on page 80-81.

In addition, as in the case of investment properties under construction, the fair value is assessed by reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and less an estimate of the time value of money to the date of completion. Development risks (such as construction and letting risks) are taken into consideration when determining the fair value of investment properties under construction. The fair value determination included the necessary estimates involved, using recognised valuation techniques.

Provision for expected Credit losses on trade receivable and contract assets

Trade and other receivable (Refer note 3), cash and other receivables are the major financial assets (Refer note 5) are subject to the expected credit loss ('ECL') model within IFRS 9. The Fund uses the simplified approach for the determination of the ECL. The Group applied the practical expedient to calculate ECL using a provision matrix. The calculation of allowances is based on the materiality of outstanding balances, aging of trade and other receivables, tenant's payment history, probability of defaults, whether covered by deposits/bank guarantees, type of tenant, and expected future economic condition of the tenant, these include financial factors affecting the tenant such as rising costs of operations as a result of rising inflation. Funds will need to consider if the simplified ECL approach model is still applicable as a result of rising inflation and associated costs. Accounts of customers who are in financial difficulties or customers with unpaid invoices that are significantly overdue for more than 90 days, without reasonable expectation of recovery, are classed as doubtful debts. When there ceases to be any reasonable prospect of recovering such doubtful debts, they are written off. As the Fund has many counterparties in different jurisdictions and diverse industries. there is not considered to be any concentration of credit risk within these assets. The ECLs relating to cash and short-term deposits of the Group rounds to zero.

Deferred Taxes

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date. Income tax relating to items recognised directly in net assets attributable to holders of redeemable shares is recognised in net assets attributable to holders of redeemable shares and not in the consolidated comprehensive income statement. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same Tax Authorities.

Some subsidiaries in the Fund have losses carried forward from prior years. The manager has assessed the recoverability of these losses based on local regulations and forecasted results. For the part of the losses that are deemed recoverable, the Fund has recognised a deferred tax asset.

Consolidation

The consolidated financial statements incorporate the financial statements of the Fund and entities controlled by the Fund up to 31 December, which are disclosed in Table 7. Subsidiaries are all entities over which the Fund has control. The Fund controls an entity when the Fund is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Fund. They are deconsolidated from the date that control ceases.

The non-controlling interests (NCI) are stated at their proportion of the fair values of the assets and liabilities recognised.

The results of subsidiaries where control is acquired or disposed of during the year are included in the consolidated comprehensive income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by subsidiaries of the Fund.

The relative part of total equity and net income attributable to third parties is included as non-controlling interest in the consolidated statement of financial position and the consolidated statement of comprehensive income.

Foreign currency translation

Transactions in foreign currencies are initially recorded by the Fund's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss, with the exception of monetary items that are designated as part of the hedge of the Fund's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss. respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

As at 31 December 2023. the closing exchange rates against EUR are 11.130 and 7.454 for SEK and DKK respectively; the average exchange rates against EUR are 11.454 and 7.458 for SEK and DKK respectively.

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Principles of recognition and measurement of the consolidated statement of financial position

Investment properties

Investment properties, which are properties held to generate long-term rental revenue and/or for capital appreciation, are initially accounted for at cost including transaction costs.

After initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date determined by an accredited external independent valuer. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated comprehensive income statement for the period in which they arise.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on derecognition of an investment property are recognised in the consolidated comprehensive income statement in the year of derecognition.

Investments, that have been made in existing properties since the last valuation was carried out, are capitalised at the cost value in addition to the carrying amount of the investment up to the next valuation.

Properties under construction subject to forward purchase agreements

The Fund may enter into forward purchases of real estate assets under construction, where the legal title is transferred in the future, at completion. The Company recognises the purchase when the control over asset is obtained; control refers to the ability to obtain substantially all of the remaining benefits from the asset.

When the following conditions are met, the asset is recognised as investment property under construction;

1. transaction is binding,
2. the purchase price is substantially fix and payable in full regardless of any cancellation intention of the buyer for reasons other than seller's fault,
3. the features of the asset cannot be significantly changed unilaterally by the seller,
4. the asset cannot be substituted.

The investment property under construction is initially recognised at cost on the balance sheet. Subsequently, at each reporting period, the investment property under construction is measured at fair value, any changes to fair value are recognised in the statement of profit and loss as Changes in fair value of investment properties under construction. In case the control is not transferred such an advance for purchase of property is recognized as prepayment.

Investment properties under construction

Investment properties under construction ('IPUC'), which are properties that are being constructed or developed for future use as an investment property, are initially accounted for at cost.

After initial recognition, investment properties under construction are measured at fair value, assuming the fair value of such property can be reliably determined.

Gains or losses arising from changes in the fair value of investment properties under construction are included in the consolidated comprehensive income statement for the period in which they arise. However, where fair value is not reliably measurable, the property is measured at cost and tested for impairment until the earlier of the date construction is completed or the date at which fair value becomes a reliable measure.

Investment properties under construction are derecognised when they have been moved to investment properties or disposed. Any gains or losses on the derecognition of an investment property under construction are recognised in the consolidated comprehensive income statement in the year of derecognition.

Investment properties under construction are not subject to depreciation. Borrowing costs regarding loans needed to invest in investment properties are capitalised during the development period.

Revaluation is the difference between the market value at year-end and the market value at the beginning of the year including the capitalised subsequent expenditure.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

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As a lessor

The investment properties are leased out under operating leases because the Fund does not transfer all the risks and benefits of ownership of the investment property. Initial direct costs incurred in negotiating an operating lease are recognised over the lease term on the same basis as rental revenue. Contingent rents are recognised as revenue in the period in which they are earned.

Financial instruments

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, fair value through other comprehensive income and at amortised cost in accordance with conditions from IFRS 9.The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Fund determines the classification of its financial assets at initial recognition. At initial recognition, financial assets are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. The Fund makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial assets are derecognised when contractual rights to receive cash flows from the asset have expired or when the Fund transfers substantially all risks and rewards of ownership.

Financial assets recognised in the statement of financial position as loans receivable, trade and other receivable and other current assets are classified as financial assets measured at amortized cost. They are initially recognised at fair value (except trade receivables which are measured at their transaction price in accordance with IFRS 15) and subsequently measured at amortised cost using the effective interest method, less provision for impairment. These financial assets are held to collect contractual cashflows and consist of solely payments of principal and interest on the principal amount outstanding.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost as in accordance with conditions from IFRS 9. The Fund determines the classification of its financial liabilities at initial recognition. At initial recognition, financial liabilities are measured at fair value, less, in the case of liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

Financial liabilities recognised in the statement of financial position as loans and borrowings including debt from related parties which are classified as "loans" are measured at amortized cost. They are initially recognised at fair value less related transaction costs and subsequently measured at amortised cost using the effective interest method. When liabilities are derecognised, gains and losses are recognised in net profit or loss.

The other non-derivative financial liabilities, which comprise of trade and other payable, accruals and other liabilities are initially measured at fair value and subsequently measured at amortised cost.

Derivatives

Financial assets (and liabilities) recognised in the statement of financial position as derivatives are classified as financial assets (and liabilities) at fair value through profit or loss. Gains or losses arising from changes in fair value of derivatives are recognised in the consolidated statement of profit or loss, except when hedge accounting is applied for effective hedges.

Hedge accounting

The Fund uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

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For the purpose of hedge accounting, hedges are classified as:

- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecast transaction; or
- hedges of a net investment in a foreign operation.

The gain or loss relating to the ineffective portion is recognised immediately in income statement, and is included in the 'Changes in fair value of investments at fair value through profit and loss'.

The effective portion of the gain or loss on the cash flow hedge is recognised via other comprehensive income in the hedging reserve.

The effective portion of the gain or loss on the hedge of net investments in a foreign entity is recognised via other comprehensive income in the foreign currency translation reserve.

To assess the effectiveness of the cashflow hedging relationship the Fund compares the term, interest payment dates, counterparty, floating interest percentage and notional amount of the hedging relationship. When there are no differences the Fund considers the hedge effective. When there are differences, the Fund performs a retrospective test to assess the (in)effectiveness. For net investment hedges, the exposure to a foreign investment is compared to the notional amount of the foreign currency forward contract. when this exposure is not significantly less than the notional of the contract, the hedge is considered effective.

Trade and other receivables

Trade and other receivable and other receivables are initially carried at their transaction price and subsequently at amortised cost less any impairment losses.

The Fund recognizes an allowance for expected credit losses (ECLs) for all debt instruments except those held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. As of 31 December 2023, the Fund has debt instruments for which ECLs are calculated (2022: Nil).

Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term. highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

The cash and cash equivalents are freely available unless otherwise disclosed.

Net assets attributable to holders of redeemable shares

Redeemable shares

Redeemable participating shares are redeemable at the shareholders' option and are classified as financial liabilities in accordance with IAS 32. These are subsequently measured at Fair value through Profit and Loss as the value is essentially the Net asset value of fund. Distributions payable to holders of redeemable shares are disclosed as a separate line item in the consolidated comprehensive income statement.

The General Partner shall issue ten Classes of Shares. Shares shall be issued to Shareholders corresponding to their Capital Commitments and their status as a Seed Investor (Seed Shareholder) as follows:

- Class E1 Shares will be issued to any Shareholder whose aggregate Capital Commitment amounts to EUR 250 million or greater;
- Class E2 Shares will be issued to Seed Shareholder whose aggregate Capital Commitment amounts to EUR 250 million or greater;
- Class D1 Shares will be issued to any Shareholder whose aggregate Capital Commitment is equal to or more than EUR 100 million but less than EUR 250 million;
- Class D2 Shares will be issued to Seed Shareholder whose aggregate Capital Commitment is equal to or more than EUR 100 million but less than EUR 250 million;
- Class C1 Shares will be issued to any Shareholder whose aggregate Capital Commitment is equal to or more than EUR 50 million but less than EUR 100 million;
- Class C2 Shares will be issued to Seed Shareholder whose aggregate Capital Commitment is equal to or more than EUR 50 million but less than EUR 100 million;

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- Class B1 Shares will be issued to any Shareholder whose aggregate Capital Commitment is equal to or more than EUR 25 million but less than EUR 50 million;
- Class B2 Shares will be issued to Seed Shareholder whose aggregate Capital Commitment is equal to or more than EUR 25 million but less than EUR 50 million;
- Class A1 Shares will be issued to any Shareholder whose aggregate Capital Commitment is less than EUR 25 million;
- Class A2 Shares will be issued to Seed Shareholder whose aggregate Capital Commitment is less than EUR 25 million;

The mechanism to determine the aggregate investment amount and amalgamation investment amount are defined in the Private Placement Memorandum of the Fund dated 22 February 2024.

The mechanism to redeem the shares and the redemption value of the shares are defined in the Private Placement Memorandum of the Fund dated 22 February 2024.

Shares will be redeemable on a quarterly basis.

Capital management

For the purpose of the Funds' capital management, capital includes issued shareholders capital, additional paid-in capital, retained earnings and all other reserves attributable to the Fund.

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund may vary depending on the demand for redemptions and subscriptions to the Fund.

The primary objective of the Fund's capital management is to maximise the shareholder's value. The Fund manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Fund may adjust the dividend payments to the shareholders, return capital to shareholders or issue shareholder's capital. Dividends are maximised for the part of the realised retained earnings.

The Fund monitors capital primarily using the loan-to-value ratio, which is calculated as the amount of outstanding debt (EUR 33.9 million) divided by the valuation of the investment portfolio (EUR 599 million). The Fund's objective is to keep its average loan-to-value ratio lower than 25%. The actual loan-to-value ratio as at 31 December 2023 is 5.7% (2022: 20.9%).

Additional paid-in capital

The additional paid-in capital reflects share premium paid by investors on top of the nominal value of the commitment value.

Cumulative realised earnings

The net result of the Fund is added to the retained earnings of the Fund in such a way that a distinction can be made between results relating to realised gains and losses and results relating to unrealised gains and losses. The portion of net result transferred to cumulative realised earnings is the difference between the total net result and unrealised gains and losses. Refer to accounting principle of cumulative unrealised earnings disclosed separately. Cumulative realised earnings and Cumulative unrealised earnings are alternative performance measures not defined by IFRS and therefore may not be comparable to similarly titled measures presented by other real estate Funds. The Fund has however. decided to make this distinction in order to clearly present to the partners of the Fund which part of the earnings are realised and therefore distributable, and which part of the earnings are unrealised.

Cumulative unrealised earnings

The unrealised portion of the net result recognised in the statement of comprehensive income is allocated to the unrealised retained earnings in the consolidated statement of equity.

The unrealised gain and losses consist of changes in fair value of investment properties. investment properties under construction, assets held for sale and financial instruments at fair value through PL, straight lining of rent incentives, fit-outs and reletting expenses and deferred tax charges.

The unrealised retained earnings cannot be distributed.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of the Fund's foreign subsidiaries. It is also used to record the effect of hedging the net investments in foreign operations. Foreign currency translation reserves arising from translation differences cannot be distributed, any cash received on net investment hedges can be distributed.

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Provisions

Provisions are recognised when the Fund has a present obligation as a result of a past event, when it is probable that the Fund will have to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect on the time-value of money is material, provisions are discounted using an estimated pre-tax discount rate that reflects. where appropriate. the risks specific to the liability. Provisions are recognized in accordance with best estimates regarding amounts and timing of cash flows.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Fund has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Accounts payable and accrued expenses

Accounts payable and accrued expenses are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Principles for determination of result

Income is increases in assets, or decreases in liabilities, that result in increases in equity, other than those relating to contributions from holders of equity claims.

Expenses are decreases in assets. or increases in liabilities. that result in decreases in equity. other than those relating to distributions to holders of equity claims.

Gross rental revenue

Gross rental revenue is the actual rents charged to tenants, including the net effect of straight-lining of granted rent incentives.

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis. as a reduction of rental income.

Turnover rent

Turnover rent is a variable lease income which is classified part of gross rental revenue. The lease income depends on the turnover of the tenant.

Property costs charged to tenants (service costs)

Under IFRS 15, the Fund is obliged to present the service costs and service charges separately in the consolidated financial statements because the Fund controls the service and bears the risk of recovery of these costs from tenants and therefore is a principal rather than an agent.

Recovered property costs charged to tenants

Where there are service contracts with third parties, service charges are recovered from tenants. They mainly relate to gas, water. electricity, cleaning and security which are shown on gross basis in consolidated statement of comprehensive income as part of revenue.

Recoverable property costs

Recoverable property costs are the costs that can be directly allocated to the recovered property costs charged to tenants in consolidated statement of comprehensive income on accrual basis as part of revenue.

Finance income and expenses

Interest income and interest charges are recognised in the statement of consolidated comprehensive income using the effective interest method. This method includes amortisation of any discounts or premiums or other differences (including transaction costs and related commissions) between the initial carrying amount of an interest-bearing instrument and the amount at maturity, calculated using the effective interest rate.

The interest expenses relate to loans and borrowing, lease liabilities. financial liabilities at fair value through profit or loss, as well as commission in the nature of interest, penalties for unscheduled redemption and discounts. Penalty interest on unscheduled redemption, discounts, and gains and losses on debts. are recognised using the effective interest method.

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Taxation

The Fund subsidiaries are subject to taxation in the countries in which they operate.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of Funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals of the General Partner of the Fund supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Fund measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date. Income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated comprehensive income statement. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same Tax Authorities.

As at 31 December 2023, the Fund is subject to corporate income tax and to net wealth tax. The Fund is also subject to subscription tax at a rate of 0.01% per annum on its net assets. The Fund is an independent fiscal entity for VAT purposes.

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Principles for the consolidated cash flow statement

The cash flow statement has been drawn up according to the indirect method, separating the cash flows from operating activities, investment activities and financing activities. The result has been adjusted for accounts in the consolidated comprehensive income statement and movements in the consolidated statement of financial position which have not resulted in cash flows in the financial year.

The cash and cash equivalents and bank overdraft values in the consolidated cash flow statement include those assets that can be converted into cash without any restrictions and with insignificant changes in value as a result of the transaction.

Distributions are included in the cash flows from financing activities.

In the statement of cashflows, the fund chose to present the interest received as cash flows from investing activities and the interest paid as cash flows from financing activities.

Related party relationships

All relationships with companies related to CBRE Investment Management are listed in a separate overview on page 89.

CBRE Global Investment Administration Luxembourg S.à r.l. is the service provider of the accounting and transfer agent services charged to the Fund.

CBRE Investment Management Luxembourg AIFM S.à r.l. is the AIFM and domiciliation agent of the Fund and charges a domiciliation fee to the Fund.

CBRE Investment Management Luxembourg S.à r.l. provided the initial share capital and partially paid professional expenses of the Fund in 2021.

CBRE Investment Management Europe B.V. is the portfolio advisor of the Fund and partially covered professional expenses of the Fund in 2021. The Fund repaid the expenses covered by CBRE Investment Management Europe B.V. in 2022.

CBRE ERP GP S.à r.l. is the General Partner of the Fund and charges a management fee to the Fund. The charged amount is presented under management fees in note 15, page 88.

All the transactions with related parties are made on terms equivalent to those that prevail in arm's-length transactions.

Financial risk management

CBRE Investment Management Luxembourg AIFM S.à.r.l. prepares internal risk reports in which analyses of exposure by degree and magnitude of risks are reflected. The Fund actively manages these risks based on these risk reports and implements measures to mitigate these financial risks as far as necessary based on the pre-defined acceptable boundaries. These boundaries are amongst others based on placing documents as well as (hedging) policies applicable to the Fund. The proposed measures are based on in-depth expertise, concerning domestic and international financial markets.

Fund risk assessment

CBRE Investment Management AIFM S.à.r.l. has established a risk management organisation to help achieve its organisational and business objectives while keeping risks within acceptable boundaries and complying with (local) regulations.

As part of the risk management process, the Fund has also identified the main risks that are associated to the activities of the Fund and which could have an impact on the financial performance and position of the Fund. Management of these risks is part of the risk management organisation of CBRE Investment Management AIFM S.à.r.l. which results in mitigating the financial impact of these risks within the acceptable bounds as far as possible. The risk analysis below covers the risks related to the Fund and assets under management of the Fund. Risks related to the Fund management activities of CBRE Investment Management AIFM S.à.r.l. are not covered in this analysis.

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Table 6 Fund risk assessment

Market risk

Risk Category	Inherent Risk Level	Risk Assessment and Mitigation
Interest rate risk	Low	The Fund has a number of loans with a floating interest rate. If interest rates rise, it could have a material adverse effect. High Inflation and continued increased in interest rates as a result of war in Ukraine impacts the fair value of the investment properties which results in higher market rents and vacant possession values. The Fund's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates. The risk is defined as low as on 31 December 2023, 100% of the interest rate exposure was fixed. Accounts receivable and other receivables and trade and other payables are interest free and with a term of less than one year, which is assumed that there is no interest rate risk associated with those financial assets and liabilities.
Currency rate risk	Low	Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. Currency risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency (EUR) in which they are measured. The Fund currently operates in Luxembourg, Sweden, Denmark, Germany and Spain, and thus is exposed to foreign exchange risk on the Swedish krona (SEK) and Danish krone (DKK). As the Danish krone is pact to the Euro the foreign currency risk related to this exposure is low. If values of foreign currency fluctuate, it could have a material adverse effect. Based on the Private Placement Memorandum the target maximum gearing limit on each individual real estate asset of the Fund is 50% of the fair market value of the relevant real estate asset. Equity at risk to local currency movement could be reduced this way where interest rates are accretive. For the purpose of IFRS 7, currency risk does not arise from financial instruments that are non-monetary items or from financial instrument denominated in an entity's functional currency.
Geographical risk	Low	As a result of the ongoing conflicts in the Middle East and between Russia and Ukraine, potential impacts on the regional and global economy remain uncertain and are difficult to assess in terms of duration and severity. The uncertainty could have an adverse impact on the Fund, including but not limited to the fair market value of its investments and/or cash flow; the potential impact of this cannot be fully and reliably estimated. The General Partner will continue to monitor market conditions as information becomes available and to evaluate the potential impact, if any, on the value of the Fund's/Company's real estate investments and its operations going forward.

Real estate risk

Risk Category	Inherent Risk Level	Risk Assessment and Mitigation
Real estate risk (including valuation risk)	High	The real estate portfolio of the Fund is assumed to be impacted by changes in macro-economic indicators of the different locations. These indicators are impacting consumer confidence, consumer spending and lease income. In addition, there could be more indirect effects, such as the real estate portfolio value and business growth prospects. Each investment is unique and requires a specific and progressive business plan. At CBRE Investment Management EMEA, each investment is executed by a dedicated asset management team. Each team focuses on a specific geography and style of investing, actively managing the assets by integrating local market intelligence, risk management tests and continuous performance monitoring into their decision-making processes. The market value of our assets is an important metric. These valuations can be affected by cash generated, the general macro-economic environment and local influences. A devaluation of the portfolio will result in lower net income and could affect the borrowing capacity and the possibilities to raise equity. CBRE Investment Management EMEA manages its assets in a responsible way and keeps them up to date in order to remain attractive. This is to ensure tenant retention at market prices. The properties are valued by external independent valuers. A number of valuers are used and they are frequently rotated to ensure sufficient expertise. In recent years, technological developments such as internet shopping and new ways of working have increased substantially. If this trend continues, the demand for retail and office space might decrease. On the other hand, an increase in logistics space is the counter development linked to these developments. CBRE Investment Management EMEA aims to keep its assets up to date by incorporating good design, diversified tenant mixes and latest trends in technology.
ESG risks linked to real estate	Low	The real estate portfolio of the Fund is assumed to be impacted by climate change linked to the different locations. These changes may result in additional risk of losses linked to these assets. As part of the investment management process the risks linked climate change are assessed and are part of the decision making process. Furthermore, the portfolio of assets are insured for catastrophic risks which are linked to climate change. Based on these measurements the financial impact of increased risk linked to climate change are within the acceptable bandwidth an largely covered by an insurance policy.

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Financial risk

Risk Category	Inherent Risk Level	Risk Assessment and Mitigation
Credit risk	Low	The Fund mitigates the credit risk on financial instruments by only dealing with banks with solid credit ratings assigned by international credit-rating agencies. The Fund's exposure and the credit ratings of its counterparties are monitored quarterly and the aggregate value of transactions concluded is spread amongst counterparties.
Counterparty risk	Low	The risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. Receivables from tenants and property managers consist of a large number of customers, spread across diverse industries and geographical areas. On-going credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, a bank guarantee from tenants is obtained or a credit guarantee insurance cover is purchased.
Liquidity risk	Low	Funding with loans and borrowings involves refinancing risk. CBRE Investment Management EMEA aims for continuous access to the financial markets by means of prudent capital structures, the use of diversified funding sources, a well spread maturity profile of issued loans and borrowings and a continuous dialogue with investors, banks and other financial institutions. The Fund has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Operational risk

Please note that the following risks are primarily the responsibility of the asset managers, so the Funds is only indirectly exposed to these risks.

Risk Category	Inherent Risk Level	Risk Assessment and Mitigation
Process risk	Low	When acquiring a property, the Fund may fail to uncover hidden deficiencies/defects in the building, fail to assess the financial strength of the tenants or overvalue the properties. Warranties from the seller may not be sufficient to cover the issue, there is an extensive transaction due diligence process in place with several checks and balances.
Financial reporting	Low	Reporting to the investors and other stakeholders is key to report on performance regarding the investment management activities. Financial reporting by the Fund is based on general accounting principles applied by real estate industry and for the key driver of the performance, real estate valuations, external independent appraisers are engaged by the Fund. The financial reporting, including the processing of the underlying data as well as valuation reports are outsourced to an external party. The performance of this external party is monitored on a periodical basis. Because of engaging external independent appraisers for real estate valuations and other items which are part of the financial reporting are to lesser extent subject to significant estimations the financial reporting is considered to be low.
Information and communication technology ICT-risk	Low	The reliable use of ICT infrastructure and applications is of upmost importance for the daily operations in order to sufficiently be prepared for any cybersecurity risk. Therefore the data integrity and ICT continuity are essential and several policies and plans (e.g., business continuity and disaster recovery) have been implemented. The Funds themselves do not include operational activities, most activities are initiated by the Fund manager or external property managers. the inherent ICT-risk exposure of the Funds is estimated low.
Third-party risk	Medium	When hiring a third party the Fund or Fund manager may hire a party who, afterwards, is not able to meet our standards. This is prevented by a service provider due diligence before contracting the service provider and monitoring of the service provided.

Legal, Tax and Regulatory risk

Risk Category	Inherent Risk Level	Risk Assessment and Mitigation
Legal Risk	Medium	Legal Risk is defined as the risk that can arises from unenforceable contracts, lawsuits, or adverse judgments which can disrupt or otherwise negatively affect the Funds. The global geopolitical environment remains uncertain, heightened by the recent war in Ukraine, with potential impacts on security, cyber risks, sanctions compliance, supply chains and reputational risks. This risk is mitigated by specialised legal team and in case external expertise is required an external law firm is hired.
Regulatory compliance risk	Low	This risk may arise from violations or non-compliance with rules and regulations or ethical standards. This risk is mitigated by specialised regulatory compliance team and in set of policies which are implemented to ensure compliance with the supervisory regulations. The Compliance team is monitoring the proper adherence to these policies.
Tax risk	High	This is the risk that transactions or business relationships may have unforeseen adverse fiscal events, including unexpected liabilities and the failure to obtain appropriate relief, and the adverse consequences of these events. This risk may arise from existing tax laws and practice, or from changes in tax laws and practice. The Tax team is involved during the set-up or restructuring of a Funds and monitors the developments regarding tax legislation.

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Tables referenced in accounting principles

Table 7 List of subsidiaries

Name	Registered office	Main activity	2023 Interest		2022 Interest	
Subsidiaries						
CBRE ERP Master Holding S.a.r.l.	Luxembourg	Holding entity	100%	Consolidated	100%	Consolidated
ERIF Thaestrasse S.a.r.l.	Luxembourg	Property company	100%	Consolidated	100%	Consolidated
ERIF PropCo 1 S.a.r.l.	Luxembourg	Property company	100%	Consolidated	100%	Consolidated
ERIF PropCo 2 S.a.r.l.	Luxembourg	Property company	100%	Consolidated	-	-
ERIF PropCo 3 S.a.r.l.	Luxembourg	Property company	100%	Consolidated	-	-
ERIF New Bailey Propco Limited	United Kingdom	Property company	100%	Consolidated	-	-
ERIF Denmark Holding Aps	Denmark	Holding entity	100%	Consolidated	100%	Consolidated
ERIF Karlslunde ApS	Denmark	Property company	100%	Consolidated	100%	Consolidated
ERIF Spain Holding S.L.	Spain	Holding entity	100%	Consolidated	100%	Consolidated
ERIF SS Reyes. S.L.U.	Spain	Property company	100%	Consolidated	100%	Consolidated
ERIF Torrejón Residencial. S.L.U.	Spain	Property company	100%	Consolidated	100%	Consolidated
ERIF Badalona Port Residencial S.L.	Spain	Property company	100%	Consolidated	-	-
ERIF Cañaveral Residencial S.L.U	Spain	Property company	100%	Consolidated	-	-
ERIF Sweden Holding AB	Sweden	Holding entity	100%	Consolidated	100%	Consolidated
Ursvik Torn Sweden Two AB	Sweden	Property company	100%	Consolidated	100%	Consolidated
ERIF Sweden Barkarby AB	Sweden	Property company	100%	Consolidated	-	-
ERIF Sweden Parking AB	Sweden	Property company	100%	Consolidated	-	-
ERIF Service GmbH	Germany	Property company	100%	Consolidated	-	-
ERIF Drei Horizonte S.a.r.l. (ERIF Drei Horizonte S.a.r.l. GmbH)	Luxembourg	Property company	100%	Consolidated	-	-

Table 8 Sensitivity analyses

A number of external factors were identified where a change could affect the Fund's profit before tax. The real estate sensitivity affects the unrealised gains or losses, the interest rate sensitivity affects the finance result. The following table summarises the results:

External factor	2023			2022		
	Percentage increase / (decrease)	**Effect on result before tax**	**Effect on equity**	Percentage increase / (decrease)	Effect on result before tax	Effect on equity
Real estate sensitivity						
Gross yield	0.50%	(128,137)	(104,585)	0.50%	(32,505)	(26,416)
Gross yield	(0.50%)	242,433	197,874	(0.50%)	68,220	55,440
Reversionary yield	0.50%	(35,742)	(29,173)	0.50%	(15,079)	(12,255)
Reversionary yield	(0.50%)	107,524	89,210	(0.50%)	20,199	16,455
Estimated rental value	5.00%	27,179	22,361	5.00%	6,209	5,004
Estimated rental value	(5.00%)	(27,179)	(22,361)	(5.00%)	(6,209)	(5,004)
Interest rate sensitivity[1]						
Interest rate	1.00%	(61)	(61)	1.00%	-	-
Interest rate	(1.00%)	(36)	(36)	(1.00%)	-	-
Other sensitivity						
Foreign exchange rate (SEK)	10.00%	(5,612)	(4,580)	10.00%	(1,254)	(1,019)
Foreign exchange rates (DKK)	10.00%	(3,196)	(2,609)	10.00%	(3,817)	(3,102)

[1] As the Fund applies hedge accounting for the fair value of derivatives, the effect of a shift in interest rates on the fair value of derivatives is only accounted for in equity and not in result before tax.

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Significant increases (decreases) in estimated rental value in isolation would result in a significantly higher (lower) fair value measurement. Significant increases (decreases) in the weighted average discount rate and average vacancy rate in isolation would result in significantly lower (higher) fair value measurement. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally:

- similar change in the discount rate
- opposite change in the average vacancy rate.

The Group's liquidity position is monitored on a continuous basis by management. The maturity of financial assets and liabilities were analyzed. The cash and cash equivalents of EUR 28 million substantially exceeds the current liabilities totaling EUR 18 million, excluding the payables to the seller of EUR 138 million. Payables to the seller will be settled using the funding from undrawn commitment. reassuring low liquidity risk. Please refer to note 7 regarding the borrowing maturity.

Table 9 Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised according to the fair value hierarchy, described as follows; based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between levels during 2023 or 2022.

FV hierarchy table below reflects the classification of the Investment property and financial instruments based on the inputs / valuation technique used to determine their fair value, This is done to ensure that in the FV hierarchy table includes all financial instruments for which the carrying amount does not approximates their fair value at the end of the reporting date.

The table below represents the valuation methods applied for investment properties, investment properties under construction, properties held for sale. investments at fair value through profit or loss, financial instruments carried at fair value and financial instruments measured at amortised costs for which the fair value is disclosed:

(Amounts in € '000, unless otherwise indicated)

	Level	**Fair value 2023**	Fair value 2022
Investments in real estate			
Investment properties	3	543,582	124,175
Investment properties under construction	3	55,060	13,798
Financial instruments			
Assets			
Other non-current assets	2	171	3
Trade and other receivables	2	911	918
Cash and cash equivalents	1	27,834	13,550
Liabilities			
Net Assets attributable to holders of redeemable shares	3	434,460	117,930
Loans and Borrowings	3	33,387	27,147
Other non-current liabilities	2	1,198	580
Derivatives	12	471	-
Trade and other payables	2	150,740	4,122

For the level 3 reconciliation on investment in real estate together with key inputs for valuation, further reference is made to notes to the consolidated statement of financial position (notes 1 and 2 on pages 80-81).

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Table 10 Undiscounted cash flows, by contractual maturity, of financial instruments exposed to fixed or floating rate

Fixed Rate

(Amounts in € '000, unless otherwise indicated)

31 December 2023	<1 year €	1-5 years €	>5 years €	Total €
Secured bank loans	-	28,900	-	28,900
Interest payment	940	3,467	-	4,407
Trade and other payable	150,740	-	-	150,740
Other current liabilities	21	-	-	21
Other non-current liabilities	61	693	444	1,198
Net assets attributable to holders of redeemable shares	434,460	-	-	434,460

Floating Rate

(Amounts in € '000, unless otherwise indicated)

31 December 2023	<1 year €	1-5 years €	>5 years €	Total €
Secured bank loans	5,000	-	-	5,000

Table 11 Foreign exchange risk

The tables below summarise the reports provided to key management personnel and are used to monitor the Group's exposure to foreign currency risk arising from financial instruments as at 31 December. The Group's financial assets and liabilities are included in the table categorised by currency at their carrying amount.

As at 31 December 2023	EUR	DKK	SEK	Total
Financial assets				
Non-Current assets				
Other Non-Current Assets	171	-	-	171
Current assets				
Trade and other receivables	862	-	49	911
Cash and cash equivalents	23,153	870	3,811	27,834
Total financial assets	**24,186**	**870**	**3,860**	**28,916**
Financial liabilities				
Non-current Liabilities:				
Loans and borrowings	28,687	-	-	28,687
Non-current liabilities	635	475	88	1,198
Current Liabilities:				
Loans and borrowings	4,889	-	-	4,889
Trade payables	148,714	370	1,656	150,740
Other current liabilities	20	-	1	21
Derivatives	-	-	471	471
Total financial liabilities	**182,945**	**845**	**2,216**	**186,006**

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Notes to the consolidated statement of financial position

(Amounts in € '000, unless otherwise indicated)

Non-current assets

Investment properties

	31 December 2023	31 December 2022
Balance as at the beginning of the year	124,175	-
Movements		
- Acquisition	404,541	121,139
- Acquisition expenses	15,154	6.796
- Changes in fair value	528	(3,768)
- Currency translation difference	(816)	8
Balance at the end of the year	**543,582**	**124,175**

During the year, eight assets were acquired - five in Germany, one is Sweden and two in Spain. Two of them were acquired through a share deal for a net purchase price of EUR 92 million in Germany (Drei Horizonte) and EUR 71 million in Sweden (Barkarby). Remaining six assets were acquired through asset deal for a total purchase price of EUR 243 million. For detailed split please refer to Table 4: Details of investments in real estate, column 'Cost' on page 52.

The assets and liabilities recognised in the consolidated statement of financial position on the dates of the acquisitions through share deal during 2023 were following:

Financial Items	Share deal acquisition Drei Horizente	Share deal acquisition Barkarby
Investment properties	91,410	70,863
Total non-current assets	91,410	70,863
Total current assets	421	454
TOTAL ASSETS	**91,831**	**71,317**
Net asset value	(28,937)	49,455
Loans and borrowings	117,631	21,616
Total non-current liabilities	117,631	21,616
Total current liabilities	3,137	246
TOTAL LIABILITIES	91,831	71,317

The balances for Barkarby were converted from SEK to EUR. At the date of acquisition, the FX Rate used was 11.770 .

Acquisition of subsidiaries, net of cash acquired amounted to EUR 163.1 million. The amount mostly consists of: (i) EUR 20.5 million payment on net assets and (ii) EUR 142.6 million current and non-current liabilities. offset by (iii) EUR 0.2 million transferred cash.

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A description of each asset within the portfolio is summarized below:

Acquisitions	Acquisition date	Property type	Location	Size (sqm)	Initial yield	Annual base rent (€ '000)
Barkarby	30 June 2023	Residential	Sweden	16,874	4%	2,979
Drei Horizonte	01 June 2023	Residential	Germany	11,040	2%	2,135
Hofmark	30 September 2023	Residential	Germany	10,145	3%	2,757
Topas	30 June 2023	Residential	Germany	14,542	3%	2,485
Torrejón de Ardoz	15 July 2023	Residential	Spain	6,044	4%	242
El Canaveral	13 December 2023	Residential	Spain	7.220	4%	-
52 Nord	31 December 2023	Residential	Germany	6,489	3%	1,145
Regatta	31 December 2023	Residential	Germany	10,210	3%	1,850
Karlslunde (share deal)	21 June 2022	Residential	Denmark	8,094	4%	1,831
Thaestrasse (asset deal)	30 June 2022	Residential	Germany	12.267	2%	1.574
Maria Pacheco (share deal)	15 December 2022	Residential	Spain	6,246	5%	850

The significant assumptions made relating to valuations are set out below:

	31 December 2023	December 31, 2022
Current rent (EUR/sqm)[1]	112.22 - 1,767.62	462
Estimated rental value (EUR/sqm)[1]	140.78 - 1,731.3	176
Reversionary yield (%)[1]	3.32 - 5.82	4

Investment properties under construction

	31 December 2023	December 31, 2022
Balance as at the beginning of the year	**13,798**	-
Movements		
- Acquisition	24,264	18,179
- Acquisition expenses	229	162
- Capitalised subsequent expenditures	14,115	2.173
- Changes in fair value	2,807	(5.787)
- Currency translation difference	(153)	(929)
Balance at the end of the year	**55,060**	**13,798**

During 2023, one asset was purchased in Badalona, Spain through asset deal for the amount of EUR 24 million.

A description of the acquired asset within the portfolio is summarised below:

Acquisitions	**Acquisition date**	**Property type**	**Location**	**Initial yield**
Badalona Port	15 July 2023	Residential	Spain	4.1 %
Ursvik Torn (share deal)	8 June 2022	Residential	Sweden	4.2%

The significant assumptions made relating to valuations are set out below:

	31 December 2023	December 31. 2022
Initial yield on completion	4.14 - 4.16	3.8
Reversionary yield (%)	4.32 - 4.79	4.3

The cost to completion of Ursvik Torn is EUR 20 million (SEK 224.9 million) and Badalona port is EUR 28 million as at 31 December 2023.

In December 2023, an incident at the construction site of Ursvik Torn has occurred. Although the detailed impact on the work and timeline are still being assessed, the valuation of this property as at 31 December 2023 properly reflects the impact of this event on the development project.

[1] Significant unobservable input

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Trade and other receivables

	31 December 2023	December 31. 2022
Accounts receivable from tenants	322	101
Accounts receivable	502	522
Other receivables	87	295
Total	**911**	**918**

Accounts receivable mainly consists of a short-term receivable in Sweden, Germany and Spain.

Prepayments

	31 December 2023	31 December 2022
Prepaid property tax	30	19
Other	110	16
Total	**140**	**35**

Cash and cash equivalents

	31 December 2023	31 December 2022
Balance as at the beginning of the year	**13,550**	**3,377**
Movements		
- Deposit in Money Market fund	12,000	-
- Net movement of cash equivalents as presented in cash flow statement	2,284	10.173
Balance at the end of the year	**27,834**	**13,550**

The total balance of cash and cash equivalents of EUR 27.8 million is freely available to the Fund.

Bank name	Rating	Total EUR
Commerzbank	A-	1,919,103
Santander bank	A	1.431,380
Northern Trust Corporation	AA-	16.571,257
SKANDINAVISKA ENSKILDA BANKEN AB	A+	4,693,324
BNP Paribas	A+	1,008,170
Société Générale S.A.	A	1,595,735
Aareal Bank	BBB+	565.581
Hamburger Commercial Bank	A3	49,938
Total		**27,834,488**

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Movements in number of redeemable shares

Net asset attributable to redeemable shares

Issued capital

The Fund's initial closing took place on 25 August 2021.

The total capital commitment to the Fund is EUR 645 million as at 31 December 2023 (2022: EUR 645 million).

The proceeds from redeemable shares issued are EUR 314.4 million in 2023.

As at 31 December 2023 the movements in the number of shares and drawn capital are as follows:

	Management Share	Series of Class A1	Series of Class A2	Series of Class B2	Series of Class C2	Series of Class D2	Series of Class E2	Total
Number of shares as at the beginning of the year	1	-	29,999	13,433,565	21,493,703	69,854,537	69,854,537	174,666,342
Shares issued	-	-	-	22,127.895	69,002,157	189.358,217	186,992,178	467.480,447
Number of shares as at the end of the year	1	-	29,999	35,561,460	90,495,860	259,212,754	256,846,715	642,146,789
Capital drawn as at the end of the year	1	-	29,999	25,000,000	62,780,714	180,374,286	178,770,000	446,955,000
Capital to be called as at the end of the year	-	5,000,000	-	-	52,219.286	69,625,714	71,230,000	198,075.000
Total committed capital	1	5,000,000	29,999	25,000,000	115,000,000	250,000,000	250,000,000	645,030,000

Basic and diluted NAV per share is EUR 0.68.

As at 31 December 2022 the movements in the number of shares and drawn capital are as follows:

	Management Share	Series of Class A1	Series of Class A2	Series of Class B2	Series of Class C2	Series of Class D2	Series of Class E2	Total
Number of shares as at the beginning of the year	1	-	29,999	334,616	535,384	1,740,000	1,740,000	4,380,000
Issuance of shares	-	-	-	13,098,949	20,958,319	68,114,537	68,114.537	170,286,342
Number of shares as at the end of the year	1	-	29,999	13,433,565	21,493,703	69,854,537	69,854,537	174,666,342
Capital drawn as at the end of the year	1	-	29,999	10,190,385	16.304.615	52,990,000	52.990,000	132.505,000
Capital to be called as at the end of the year	-	5.000,000	-	14,809.615	98,695,385	197.010,000	197,010,000	512.525.000
Total committed capital	1	5,000,000	29,999	25,000,000	115,000,000	250,000,000	250,000,000	645,030,000

Basic and diluted NAV per share is EUR 0.68.

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Loans and borrowings

	31 December 2023	31 December 2022
Balance as at the beginning of the year	28,220	-
Movements		
- Loans taken	32,411	58,353
- Loans repayments	(27,327)	(29,453)
- Amortisation of borrowing costs	334	162
- Capitalised finance expenses	(62)	(842)
Balance at the end of the year	33,576	28,220
TOTAL LOANS AND BORROWINGS	33,576	28,220
The fair value of the loans and borrowings is approximately	33,387	27,147

As at 31 December 2023, the loans and borrowings based on undiscounted contractual cash flows including interest is repayable as follows:

		Repayment						Un-amortised				Amortised
	Principal	<1 year	1-2 year	2-3 year	3-4 year	4-5 year	Effective interest rate	(re) financing	LTV	LTV (cov)	Maturity date	Cost
Lender	€	€	€	€	€	€	%	expenses	%	%		
Long-term												
DEBLB - Bayern LB	28,900	-	-	-	28,900	-	3.25	(213)	55	60	8 Sep 2027	28,687
Total long-term	28,900	-	-	-	28,900	-		(213)				28,687
Short-term												
Standard Chartered	5,000	5,000	-	-	-	-	5.53	(133)	16		24 Mar 2024	4,867
Total interest payment		22	-	-	-	-						22
Total short-term	5,000	5,022	-	-	-	-		(133)				4,889
TOTAL	**33,900**	**5,022**	-	-	**28,900**	-	-	**(346)**	-	-	-	**33,576**

The accrued interest on loans and borrowings have been fully paid and no accrued interest are outstanding as of 31 December 2023.

Debt Financing

On 17 June 2022, the Fund has entered in a two year credit facility for a total amount of EUR 50 million. Undrawn facility as at end of the year amounts to EUR 45 million and EUR 5 million remains outstanding. The credit facility matures on 24 June 2024. The interest rate is the aggregate of the applicable margin of 1.6% and compounded reference rate (Euribor 3 months). The credit facility is subject to pledge over certain collateral accounts opened in the name of the Fund and into which capital contributions from the Fund's holders of redeemable shares are deposited.

One of the subsidiary of the Fund, ERIF Thaestrasse Sarl, entered into a loan agreement for a total amount of EUR 28.9 million on 8 September 2022. The loan amount has been fully drawn at year-end. The loan has fixed interest rate of 3.25% per annum. Financial covenants are composed of LTV that shall not exceed 60% at asset level and DYR ('Debt yield ratio') that shall not be less than 4%. tested annually. The loan is not subject to cash collateral.

Further disclosure to the fair value of the loans and borrowings is outlined in Table 9 of the financial risk management paragraph in the accounting and valuation principles.

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Other non-current liabilities

	31 December 2023	31 December 2022
Security deposits	1,198	580
Total	**1,198**	**580**

Current liabilities

Trade and other payables

	31 December 2023	31 December 2022
Accounts payable	1,631	868
Accounts payable to seller*	137,999	-
Accounts payable with related parties	112	112
Accrued management fees	1,627	747
Accrued expenses and other payables**	9,369	2,323
Accounts payable to tenants and property managers	2	2
Total	**150,740**	**4,052**

* Accounts payable to seller of EUR 138mn includes two items - EUR 68million represents the amounts payable in relation to the GEM I deal (Hofmark & Topas) that is due to be settled by end of Q1 2024; EUR 69 million related to GEM II deal (52 Nord & Regatta) deal that is due to be settled by end of Q3 2024.

** Accrued expenses and other payables of 9.4mn include mainly EUR 5.4 million related to GEM II deal (52 Nord & Regatta), EUR 0.5 million related to GEM I deal (Hofmark & Topas), EUR 1.1 million related to Capex for Ursvik Torn, EUR 1 million accrued professional fees, EUR 0.7mn accrued operating expenses and EUR 0.4 million of accrued property taxes.

Other current liabilities

	31 December 2023	31 December 2022
VAT payable	-	16
Other taxes payable	105	14
Other current liabilities	21	109
Total	**126**	**139**

Deferred income

	December 31, 2023	December 31, 2022
Tenants prepaid rents	173	147
Deferred income - rent	47	90
Total	**220**	**237**

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Derivatives

The Fund entered in the first forward currency contract on 7 December 2023 to hedge its risks associated with SEK currency fluctuations, covering the FX exposure investment up to 50%. The asset volume under the hedging agreement is SEK 415 million, FX rate 11.2629 and maturity date is set on 25 March 2024. The market value of the hedge is EUR 0.5 million as at 31 December 2023.

Hedge accounting

Based on the effectiveness testing the hedge relationship for foreign currency forward contracts qualify for hedge accounting under IFRS 9. The effective portion of the gain or loss on hedging instruments is recorded in other comprehensive income. In the year ended 31 December 2023 the fair value of the financial derivatives amounts to EUR 471 thousand (2022: nil).

The ineffective portion of the gain or loss on hedging instruments is recognised directly in the income statement. In the year ended 31 December 2023 the ineffective portion on hedging instruments was EUR 1 thousand (2022: nil) in the consolidated statement of comprehensive income. Due to immateriality of the amount, EUR 1 thousand was recognised in other comprehensive income.

The effect of the cash flow hedge and the net investment hedge in the statement of profit or loss and other comprehensive income is as follows:

	Total hedging gain/ (loss) recognised in OCI	Ineffectiveness recognised in statement of comprehensive income	Cost of hedging recognised in OCI	Amount reclassified from OCI to statement of comprehensive income
Year ended 31 December 2023	**(471)**	**-**	**-**	**-**

Derivatives designated and effective as hedging instruments carried at fair value:

	Current		Non-Current	
Foreign currency Hedge	**December 31, 2023**	December 31, 2022	**December 31, 2023**	December 31, 2022
Liabilities	471	-	-	-

[redacted]

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Notes to the statement of consolidated comprehensive income

(Amounts in €'000, unless otherwise indicated)

Gross rental revenue

	Year ended 31 December 2023	Year ended 31 December 2022
Gross rental revenue	8,812	1,751
Recoverable property costs	1,044	114
Total operating income	**9,856**	**1,865**
Rent		
Contractual rent	9,391	1,738
Vacancy	(951)	(27)
Parking revenues	372	40
Total	**8,812**	**1,751**

	Year ended 31 December 2023	Year ended 31 December 2022
Net Rental revenue		
Gross rental revenue	8,812	1.751
Recovered property costs charged to tenants	1,044	114
Recoverable cost of properties	(1,044)	(114)
Operating costs	(2,009)	(155)
Total	**6,803**	**1,596**

The operating costs are mainly composed of recovered property costs charged to tenants, maintenance costs, property management fees, utility costs, loss allowance and professional services related to the properties.

All residential contracts are cancellable within 1 month.

Professional services

	Year ended 31 December 2023	Year ended 31 December 2022
Legal fees	759	153
Accounting fees	614	334
Audit fees	473	163
Personnel expenses	154	135
Appraisal fees	122	14
Tax advisory fees	121	27
Other professional fees	59	214
Depositary fees	55	58
Domiciliation fees	33	16
Total	**2,390**	**1,114**

The audit fees are related only to audit services provided by the auditor PwC to the Fund. PwC did not provide any non-audit services to the Fund.

Concerning personnel expenses, CBRE Investment Management Luxembourg S.à r.l. had employees providing fund administration and treasury duties during the year ended 31 December 2023. The personnel expenses of these employees are recharged to the Fund's direct subsidiary, CBRE ERP Master Holding S.à r.l.

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Management fees

	Year ended 31 December 2023	Year ended 31 December 2022
Management fee	1,422	607
Total	**1,422**	**607**

In line with Private Placement Memorandum, during the life of the Fund, the General Partner shall be entitled to receive out of the assets of the Fund an annual fee (the Management Fee). This fee shall amount (per annum) to the higher of EUR 600,000 and 0.9% of the NAV of the Fund. The management Fee shall be calculated and payable quarterly in arrears. The management fee shall be allocated to each Shareholder according to its proportionate shareholding in the Fund and in accordance with the respective share class rates.

In order to pay the Management Fee, the General Partner shall be entitled to use the liquid assets of the Fund or drawdown Capital Commitments from Investors.

The remuneration of the AIFM, the Portfolio Advisor and the Local Asset Managers is a part of the Management Fee.

The management fees were accrued and EUR 1.6 million remain outstanding as at 31 December 2023 (2022: EUR 0.6 million), EUR 0.5 million was paid in 2023.

Finance expenses

	Year ended 31 December 2023	Year ended 31 December 2022
Interest expense on loans	1,366	417
Other finance costs	4	1
Amortization of borrowing cost	334	342
Total	**1,704**	**760**

Tax expense

Income taxes

Income tax recognised in consolidated statement of comprehensive income

	Year ended 31 December 2023	Year ended 31 December 2022
Current income tax charge	142	(7)
Deferred tax	6,246	1,327
Other tax	131	11
Total charge for income tax	**6,519**	**1,331**

Deferred tax:

	31 December 2023		31 December 2022	
	Balance sheet position	Charge to income statement	Balance sheet position	Charge to income statement
Deferred tax liabilities:				
Differences between tax and book basis of properties	(7,732)	(6,418)	(1,321)	(1,327)
Deferred tax assets:				
Tax losses carried forward	172	172	-	-
Total	**(7,560)**	**(6,246)**	**(1,321)**	**(1,327)**

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Reconciliation of tax expense and the accounting profit:

	Year ended 31 December 2023	Year ended 31 December 2022
Net result before tax and distributions to holders of redeemable shares	**4,808**	**(10,341)**
Tax calculated at (weighted average) statutory tax rate of 21.89% (2022: 15.53%)	**(457)**	**(1,606)**
Income not subject to taxes	3,648	(59)
Expenses not deductible for tax purpose	1,396	352
Non- temporary taxable items	(409)	11
Unrecognized deferred tax assets	2,341	2,633
Total corporate income tax	**6,519**	**1,331**
EFFECTIVE INCOME TAX	**n.a.**	**n.a.**

The difference between the average tax rate and the effective income tax rate is due to local statutory and IFRS-EU accounting. A number of entities within the Fund structure are subject to corporate income tax charges at an average tax rate of 22%. The Fund itself is tax transparent.

Some deferred tax liabilities are not presented on the balance sheet as a result of the initial recognition exemption under IAS 12. The nominal value of the deferred tax liabilities, including the exempt balances, amounts to EUR 7.7 million (2022: 8.4 million).

Deferred tax assets of EUR 2.3 million have not been recognized in 2023. The Fund will however be subject to subscription tax at an annual rate of 0.01% based on the NAV, payable on a quarterly basis. The amount of subscription tax applicable for the year is EUR 0.1 million (2022: EUR 0.01 million) and is reflected under "Other tax".

Personnel

During 2023, the Fund did not have any directly employed personnel but the salary of the Fund Administrator and Treasury Controller are recharged to the Fund's direct subsidiary, CBRE ERP Master Holdings S.à r.l.

Related party relationships

		Income statement		Balance sheet	
Name related party	Service provided	**2023**	2022	**2023**	2022
CBRE ERP GP S.à r.l.	Management services	20	20	20	20
CBRE Global Investment Administration Luxembourg S.à r.l.	Fund administration	769	392	202	545
CBRE Investment Management Luxembourg AIFM S.à r.l.	Domiciliation services, fund administration, related services	784	637	773	1,044
CBRE Investment Management Luxembourg S.à r.l.	Personnel expenses	129	135	25	184
CBRE Investment Management Europe B.V.	Portfolio advisory	50	(1.138)	-	(76)
CBRE Investment Management Germany GmbH	Management services	440	-	134	-
CBRE Investment Management Nordics AB	Management services	172	-	117	-
CBRE Investment Management Spain	Management services	-	-	138	-
Total		**2,364**	**46**	**1,409**	**1,717**

During the life of the Fund, the General Partner shall be entitled to receive out of the assets of the Fund an annual fee (the "Management Fee") as disclosed in note 15.

In line with the Private Placement Memorandum, the Fund is not subject to carried interest.

DocuSigned by:
20240613220015

Contingent assets and liabilities

In December 2023, an incident at the construction site of Ursvik Torn has occurred. We are working closely with the Developer, Construction Contractor and Project Manager to understand what has happened. The Fund has not been approached by the investigating authorities but will of course cooperate if so asked. Given the facts and the contractual chain of responsibility, the Fund is not thought to be at risk of being held responsible for this incident.

In 2023, the Fund committed to the development of Badalona Port in Spain. Outstanding development cost amounts to EUR 28 million and is payable in tranches of EUR 4.3 million on a quarterly basis until the completion in H1 2025, when the closing payment of EUR 10.2 million is scheduled. The building will include 129 units.

In 2023, the Fund signed a SPA to acquire the El Canaveral asset. Within the SPA a variable purchase price adjustment is agreed for the maximum amount of EUR 1.0 million. The final amount is dependent on the achievement of the seller to realize certain annual gross rental income thresholds within 12 months from the execution of the sale and purchase deed.

In 2023, the Fund signed the SPA's to acquire four assets in Germany with the final purchase price settlement scheduled in 2024. The amount of EUR 68.3 million will be paid to the seller of the portfolio GEM 1. including assets Hofmark and Topas in H1 2024. The amount of EUR 69.7 million will be paid to the seller of GEM 2 portfolio. including assets Regatta and 52 Nord in H3 2024.

There were no other contingent assets and liabilities as at 31 December 2023 (31 December 2022: Nil) that require reporting.

Subsequent events

A new version of Private Placement Memorandum was visa stamped by CSSF on 22 February 2024, including the updated terms and condition approved by investors in November 2023.

The Fund issued a capital call notice for EUR 120 million with a value date 22 February 2024. The Fund acquired two standing assets in Denmark via share deal for the purchase price of EUR 74 million. The Fund signed an SPA for the acquisition of a forward funding project in Manchester in the UK for an amount of EUR 64 million.

4

Financial statements

Special purpose consolidated financial statements
in accordance with INREV NAV Guidelines

20240613220017

Consolidated statement of financial position in accordance with INREV NAV Guidelines

(Amounts in €'000, unless otherwise indicated)

		31 December 2023			31 December 2022		
	Notes	IFRS-EU	Adjustments	INREV	IFRS-EU	Adjustments	INREV
ASSETS							
Non-current assets							
Investment properties	5	543,582	353	543,935	124.175	-	124,175
Investment properties under construction		55,060	-	55,060	13.798	-	13,798
Capitalised set up costs	2	-	420	420	-	653	653
Capitalised acquisition costs	3	-	19,786	19,786	-	6,333	6.333
Deferred tax assets		172	-	172	-	-	-
Other non-current assets		171	-	171	3	-	3
Total non-current assets		**598,985**	**20,559**	**619,544**	**137,976**	**6,986**	**144,962**
Current assets							
Trade and other receivables		911	-	911	918	-	918
Prepayments		140	-	140	35	-	35
Other current assets		653	-	653	-	-	-
Cash and cash equivalents		27,834	-	27,834	13.550	-	13,550
Total current assets		**29,538**	**-**	**29,538**	**14,503**	**-**	**14,503**
TOTAL ASSETS		**628,523**	**20,559**	**649,082**	**152,479**	**6,986**	**159,465**
LIABILITIES							
Non-current liabilities							
Loans and borrowings	1	28,687	(189)	28,498	28,220	(1,073)	27,147
Deferred tax liability	4	7.732	2,339	10,071	1,321	2,830	4,151
Other non- current liabilities		1,198	-	1,198	580	-	580
Total non-current liabilities		**37,617**	**2,150**	**39,767**	**30,121**	**1,757**	**31,878**
Current liabilities							
Loans and borrowings		4,889	-	4,889	-	-	-
Trade and other payables		150,740	-	150,740	4.052	-	4,052
Other current liabilities		126	-	126	139	-	139
Derivatives		471	-	471	-	-	-
Deferred income		220	-	220	237	-	237
Total current liabilities		**156,446**	**-**	**156,446**	**4,428**	**-**	**4,428**
Total liabilities excluding net assets attributable to holders of redeemable shares		**194,063**	**2,150**	**196,213**	**34,549**	**1,757**	**36,306**
Net Assets attributable to holders of redeemable shares		**434,460**	**18,409**	**452,869**	117,930	5,229	123,159
TOTAL LIABILITIES		**628,523**	**20,559**	**649,082**	**152,479**	**6,986**	**159,465**

Notes 1 -5 see pages 95-96.

The accompanying notes form an integral part of the consolidated financial statements.

20240613220018

Consolidated comprehensive income statement in accordance with INREV NAV Guidelines

(Amounts in €'000, unless otherwise indicated)

		Year ended 31 December 2023			Year ended 31 December 2022		
		IFRS-EU	Adjustments	INREV	IFRS-EU	Adjustments	INREV
Gross rental revenue		8,812	-	8,812	1,751	-	1,751
Recovered property costs charged to tenants		1,044	-	1,044	114	-	114
Total operating income		9,856	-	9,856	1,865	-	1,865
Operating costs		(2,009)	-	(2,009)	(155)	-	(155)
Recoverable property costs		(1,044)	-	(1,044)	(114)	-	(114)
NET RENTAL REVENUE		6,803	-	6,803	1,596	-	1,596
Professional services		(2,390)	-	(2,390)	(1,114)	-	(1,114)
Management fees		(1,422)	-	(1,422)	(607)	-	(607)
Amortised setup costs	2	-	(233)	(233)	-	(232)	(232)
Other expenses		(144)	-	(144)	-	-	-
Total Fund expenses		(3,956)	(233)	(4,189)	(1,721)	(232)	(1,953)
Changes in fair value of investment properties	3, 5	528	13,795	14,323	(3,768)	6,343	2,575
Changes in fair value of investment properties under construction		2,807	-	2,807	(5,682)	-	(5,682)
Changes in fair value of debt	1	-	(884)	(884)	-	1,073	1,073
Realised foreign exchange (losses)		(297)	-	(297)	(65)	-	(65)
Other (un)realised gains and losses		64	-	64	59	-	59
Net gains/(losses)		3,102	12,911	16,013	(9,456)	7,416	(2,040)
OPERATIONAL RESULT		5,949	12,678	18,627	(9,581)	7,184	(2,397)
Finance expense		(1,704)	-	(1.704)	(760)	-	(760)
Finance income		563	-	563	-	-	-
Finance result		(1,141)	-	(1,141)	(760)	-	(760)
NET RESULT BEFORE TAX		4,808	12,678	17,486	(10,341)	7,184	(3,157)
Tax expense	4	(6,519)	514	(6.005)	(1,331)	(2,839)	(4,170)
NET RESULT		(1,711)	13,192	11,481	(11,672)	4,345	(7,327)
Other comprehensive income that may be reclassified to income statement in subsequent periods							
Changes in fair value of net investment hedge		(471)	-	(471)	-	-	-
Foreign Currency Translation	3	4,263	(11)	4,252	(1,169)	-	(1,169)
Other comprehensive income		3,792	(11)	3,781	(1,169)	-	(1,169)
TOTAL CONSOLIDATED COMPREHENSIVE INCOME		2,081	13,181	15,262	(12,841)	4,345	(8,496)
Net result attributable to:							
Holders of redeemable shares		(1,711)	13,192	11,481	(11,672)	4,345	(7,327)
Basic and diluted net result per Share (in €)		(0.003)		0.02	(0.07)		(0.05)
Number of shares (entitled to profit)		642,146,789		642,146,789	174.666,342		174,666,342
Comprehensive income attributable to:							
Holders of redeemable shares		2,081	13,181	15,262	(12.841)	4,345	(8,496)

The accompanying notes form an integral part of the consolidated financial statements.

20240613220019

Reconciliation of net asset value attributable to holders of redeemable shares from IFRS-EU to INREV NAV Guidelines

(Amounts in €'000, unless otherwise indicated)

	31 December 2023	31 December 2022
Net Asset Value of Fund per the IFRS-EU financial statements	**434,460**	**117,930**
Reclassification of certain IFRS-EU liabilities as components of equity		
a. Effect of reclassifying shareholders' loans and hybrid capital instruments (including convertible bonds) that represent shareholders long term interest in a vehicle	-	-
b. Effect of dividends recorded as a liability which have not been distribute	-	-
NAV after reclassification of equity-like interests and dividends not yet distributed	**434,460**	**117,930**
Fair value assets and liabilities		
c. Revaluation to fair value of investment properties	-	-
d. Revaluation to fair value of self-constructed or developed investment property	-	-
e. Revaluation to fair value of investment property held for sale	-	-
f. Revaluation to fair value of property that is leased to tenants under a finance lease	-	-
g. Revaluation to fair value of real estate held as inventory	-	-
h. Revaluation to fair value of other investments in real assets	-	-
i. Revaluation to fair value of indirect investments not consolidated	-	-
j. Revaluation to fair value of financial assets and financial liabilities	189	1,073
k. Revaluation to fair value of construction contracts for third parties	-	-
Adjustments to reflect the spreading of one-off costs		
l. Set-up costs	420	653
m. Acquisition expenses	19,786	6,333
n. Contractual fees	-	-
Effects of the expected manner of settlement of sales / vehicle unwinding	-	-
o. Revaluation to fair value of savings of purchaser's costs such as transfer taxes	353	-
p. Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments	(2,339)	(2.830)
q. Effect of subsidiaries having a negative equity (non-recourse)		-
Other adjustments	-	-
r. Goodwill	-	-
s. Non-controlling interest effects on the above INREV adjustments	-	-
INREV NAV	**452,869**	**123,159**
Number of shares issued		
Share class A2	29,999	29.999
Share Class B2	35,561,460	13,433,565
Share Class C2	90,495,860	21,493,703
Share Class D2	259,212,754	69,854,537
Share Class E2	256,846,715	69,854,537
Management share	1	1
INREV NAV PER SHARE (in €)	**0.71**	**0.71**

20240613220200

Notes to Reconciliation of Net Asset Value attributable to holders of redeemable shares from IFRS-EU to INREV NAV Guidelines

(Amounts in €'000, unless otherwise indicated)

In line with the Private Placement Memorandum of the Fund, the consolidated statement of financial position and consolidated statement of comprehensive income in accordance with the INREV NAV are also included in this report. The INREV NAV guidelines are structured for investors with a long-term objective. These INREV NAV guidelines form the basis for the calculation of the performance figures.

The separate financial statements in accordance with INREV NAV Guidelines are based on IFRS-EU figures plus the adjustments as defined by the INREV NAV Guidelines as at 31 December 2023. The INREV NAV Guidelines are published from time to time by INREV, the European Association for Investors in Non- Listed Real Estate Vehicles. The following notes give an overview of the adjustments on the IFRS-EU figures and the accounting principles related to these adjustments.

Revaluation to fair value of financial assets and financial liabilities

The financial liabilities (loans) are valued at their fair value in line with INREV NAV guidelines and IFRS 13 principles. Refer to page 78 (Table Fair value hierarchy) for disclosures regarding fair value calculation on the basis of which the Fund adjusted financial instruments to fair value.

The (re)financing expenses are amortised from the moment they are incurred until the maturity of the loans to which they relate.

	31 December 2023	31 December 2022
Loans and borrowings according to IFRS-EU	33,576	28,220
Movements		
- Revaluation to fair value of fixed rate loans and borrowings	(189)	(1.073)
Loans and borrowings according to INREV NAV Guidelines	**33,387**	**27,147**

Set-up costs

Under IFRS-EU, vehicle set-up costs (establishment expenses) are charged immediately to income after the inception of the Fund. Under INREV NAV Guidelines, the establishment expenses incurred in relation with the establishment of the Fund are capitalised when these occur and amortised over a period of five years. A possible impairment test is taken into account every time that the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalised set-up costs can be recovered.

	31 December 2023	31 December 2022
Balance at the beginning of the year	653	884
Movements		
- Amortisation	(233)	(231)
Balance at the end of the year	**420**	**653**

Acquisition expenses

Under IFRS-EU, property acquisition expenses are effectively charged to income when fair value is calculated at the first subsequent measurement date after acquisition. When a property is acquired through a share deal, the acquisition expenses are recognised immediately in the professional services. Under INREV NAV Guidelines, property acquisition expenses are capitalised and amortised over the first five years after the acquisition of the property.

A possible impairment test is taken into account every time that the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalised acquisition costs can be recovered.

When a property is sold during the amortisation period or is classified as held for sale, the balance of capitalised acquisition expenses of that property is expensed.

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	31 December 2023	31 December 2022
Balance at the beginning of the year	**6,333**	**-**
Movements		
- New acquisition expenses	15,440	6,948
- Amortisation	(1.998)	(615)
- FX translation differences	11	-
Balance at the end of the year	**19,786**	**6,333**

Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments

Under IFRS-EU, deferred tax assets and liabilities are measured at the nominal statutory tax rate. Under INREV NAV Guidelines, the manner in which the Fund expects to realise deferred tax is taken into consideration. Therefore, the adjustment represents the impact on the NAV of the difference between the amount determined in accordance with IFRS-EU and the estimate of deferred tax, which takes into account the expected manner of settlement. The deferred tax assets and liabilities will be valued with a discount in accordance with local market practice. A discount of 50% is assumed in Denmark. Spain and a discount of 25% is assumed in Sweden. All existing real estate assets in these countries will be sold via share exit.

In accordance with IFRS-EU, the initial recognition exemption for deferred taxes has a positive impact on the change in fair value of the investment properties. As deferred tax assets and liabilities are revalued to fair value in accordance with INREV NAV Guidelines, the gains as a result of the initial recognition exemption in accordance with IFRS-EU are reversed. Furthermore, the tax effect of other INREV NAV adjustments are included in the deferred tax liabilities.

	31 December 2023	31 December 2022
DTL according to IFRS-EU	**(7,732)**	**(1,321)**
Movements		
- Fair value change	(2,339)	(2,830)
DTL according to INREV NAV Guidelines	**(10,071)**	**(4,151)**

Revaluation to fair value of savings of purchaser's costs such as transfer taxes

Transfer taxes and purchaser's costs which would be incurred by the purchaser when acquiring a property are generally deducted when determining the fair value of investment properties under IAS 40.

The effect of an intended sale of shares in a property-owning vehicle, rather than the property itself, should be taken into account when determining the amount of the deduction of transfer taxes and purchaser's costs, to the extent this saving is expected to accrue to the seller when the property is sold.

The adjustment therefore represents the positive impact on the NAV of the possible reduction of the transfer taxes and purchaser's costs for the benefit of the seller based on the expected sale of shares in the property-owning vehicle

	31 December 2023	31 December 2022
Investment properties according to IFRS-EU	**543,582**	**124,175**
Movements		
- Transfer taxes and purchaser cost	353	-
Investment properties after INREV NAV Guidelines adjustment	**543,935**	**124,175**

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Financial statements

Special purpose consolidated financial statements
(Trading NAV)

20240613220230

Consolidated statement of financial position (Trading NAV)

(Amounts in €'000, unless otherwise indicated)

	Notes	31 December 2023 IFRS-EU	31 December 2023 Adjustments	31 December 2023 Trading NAV	31 December 2022 IFRS-EU	31 December 2022 Adjustments	31 December 2022 Trading NAV
ASSETS							
Non-current assets							
Investment properties	5	543,582	353	543,935	124,175	-	124,175
Investment properties under construction		55,060	-	55,060	13,798	-	13,798
Capitalised set up costs	2	-	791	791	-	906	906
Capitalised acquisition costs	3	-	21,092	21,092	-	6,641	6,641
Deferred tax assets		172	-	172	-	-	-
Other non-current assets		171	-	171	3	-	3
Total non-current assets		**598,985**	**22,236**	**621,221**	**137,976**	**7,547**	**145,523**
Current assets							
Trade and other receivables		911	-	911	918	-	918
Prepayments		140	-	140	35	-	35
Other current assets		653	-	653	-	-	-
Cash and cash equivalents		27,834	-	27,834	13,550	-	13,550
Total current assets		**29,538**	**-**	**29538**	**14,503**	**-**	**14,503**
TOTAL ASSETS		**628,523**	**22,236**	**650,759**	**152,479**	**7,547**	**160,026**
LIABILITIES							
Non-current liabilities							
Loans and borrowings	1	28,687	(189)	28,498	28,220	(1,073)	27,147
Deferred tax liability	4	7,732	2,339	10,071	1,321	2,830	4,151
Other non- current liabilities		1,198	-	1,198	580	-	580
Total non-current liabilities		**37,617**	**2,150**	**39,767**	**30,121**	**1,757**	**31,878**
Current liabilities							
Loans and borrowings		4,889	-	4,889	-	-	-
Trade and other payables		150,740	-	150,740	4,052	-	4,052
Other current liabilities		126	-	126	139	-	139
Derivatives		471	-	471	-	-	-
Deferred income		220	-	220	237	-	237
Total current liabilities		**156,446**	**-**	**156,446**	**4,428**	**-**	**4,428**
Total liabilities excluding net assets attributable to holders of redeemable shares		**194,063**	**2,150**	**196,213**	**34,549**	**1,757**	**36,306**
Net Assets attributable to holders of redeemable shares		434,460	20,086	454,546	117,930	5,790	123,720
TOTAL LIABILITIES		**628,523**	**22,236**	**650,759**	**152,479**	**7,547**	**160,026**

Notes 1-5 see pages 101-102.

The accompanying notes form an integral part of the consolidated financial statements.

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Consolidated statement of comprehensive income (Trading NAV)

(Amounts in €'000, unless otherwise indicated)

		Year ended 31 December 2023			Year ended 31 December 2022		
		IFRS-EU	Adjustments	Trading NAV	IFRS-EU	Adjustments	Trading NAV
Gross rental revenue		8,812	-	8,812	1,751	-	1,751
Recovered property costs charged to tenants		1,044	-	1,044	114	-	114
Total operating income		**9,856**	**-**	**9,856**	**1,865**	**-**	**1,865**
Operating costs		(2,009)	-	(2,009)	(155)	-	(155)
Recoverable property costs		(1,044)	-	(1,044)	(114)	-	(114)
NET RENTAL REVENUE		**6,803**	**-**	**6,803**	**1,596**	**-**	**1,596**
Professional services		(2,390)	-	(2,390)	(1,114)	-	(1,114)
Management fees		(1,422)	-	(1,422)	(607)	-	(607)
Amortised setup costs	2	-	(115)	(115)	-	(116)	(116)
Other expenses		(144)	-	(144)	-	-	-
Total Fund expenses		**(3,956)**	**(115)**	**(4,071)**	**(1,721)**	**(116)**	**(1,837)**
Changes in fair value of investment properties	3, 5	528	14,793	15,321	(3,768)	6,651	2,883
Changes in fair value of investment properties under construction		2,807	-	2,807	(5,682)	-	(5,682)
Changes in fair value of debt	1	-	(884)	(884)	-	1,073	1,073
Realised foreign exchange (losses)		(297)	-	(297)	(65)	-	(65)
Other (un)realised gains and losses		64	-	64	59	-	59
Net gains/(losses)		**3,102**	**13,909**	**17,011**	**(9,456)**	**7,724**	**(1,732)**
OPERATIONAL RESULT		**5,949**	**13,794**	**19,743**	**(9,581)**	**7,608**	**(1,973)**
Finance expense		(1,704)	-	(1,704)	(760)	-	(760)
Finance income		563	-	563	-	-	-
Finance result		**(1,141)**	**-**	**(1,141)**	**(760)**	**-**	**(760)**
NET RESULT BEFORE TAX		**4,808**	**13,794**	**18,602**	**(10,341)**	**7,608**	**(2,733)**
Tax expense	4	(6,519)	514	(6,005)	(1,331)	(2,839)	(4,170)
NET RESULT		**(1,711)**	**14,308**	**12,597**	**(11,672)**	**4,769**	**(6,903)**
Other comprehensive income that may be reclassified to income statement in subsequent periods							
Changes in fair value of net investment hedge		(471)	-	(471)	-	-	-
Foreign currency translation	3	4,263	(11)	4,252	(1,169)	-	(1,169)
Other comprehensive income		**3,792**	**(11)**	**3,781**	**(1,169)**	**-**	**(1,169)**
TOTAL CONSOLIDATED COMPREHENSIVE INCOME		**2,081**	**14,297**	**16,378**	**(12,841)**	**4,769**	**(8,072)**
Net result attributable to:							
Holders of redeemable shares		(1,711)	14,308	12,597	(11,672)	4,769	(6,903)
Basic and diluted net result per share (in €)		(0.003)		0.02	(0.07)		(0.05)
Number of shares (entitled to profit)		642,146.789		642,146,789	174.666,342		174,666,342
Comprehensive income attributable to:							
Holders of redeemable shares		2,081	14,297	16,378	(12,841)	4,769	(8,072)

The accompanying notes form an integral part of the consolidated financial statements.

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Reconciliation of net asset value attributable to holders of redeemable shares from IFRS-EU to Trading NAV

(Amounts in €'000, unless otherwise indicated)

	31 December 2023	31 December 2022
Net Asset Value of Fund per the IFRS-EU financial statements	**434,460**	**117,930**
Adjustments		
- Fixed loans at fair value	189	1.073
- Capitalisation of set-up costs	791	906
- Capitalisation of acquisition expenses	21,092	6,641
- Revaluation to fair value of savings of purchaser's costs such as transfer taxes	353	-
- Deferred tax asset and liabilities	(2,339)	(2,830)
Trading NAV	**454,546**	**123,720**
Number of shares issued		
Share class A2	29,999	29,999
Share Class B2	35,561,460	13,433,565
Share Class C2	90,495,860	21,493,703
Share Class D2	259,212,754	69,854,537
Share Class E2	256,846,715	69,854,537
Management share	1	1
TRADING NAV PER SHARE (in €)	**0.71**	**0.71**

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Notes to Reconciliation of Net Asset Value attributable to holders of redeemable shares from IFRS-EU to Trading NAV

(Amounts in €'000, unless otherwise indicated)

In line with the Private Placement Memorandum of the Fund, the separate statement of financial position and separate statement of comprehensive income in accordance with the Trading NAV are also included in this report. The Trading NAV is based on the adjusted INREV NAV guidelines for open end institutional vehicles to adopt pricing models that seek to equitably allocate such costs between investors in different subscriber vintages, as they leave or enter a vehicle.

The consolidated financial statements based on Trading NAV are based on IFRS-EU figures plus the adjustments as defined by the INREV NAV Guidelines for open end funds as at 31 December 2023. The INREV NAV Guidelines are published from time to time by INREV, the European Association for Investors in Non- Listed Real Estate Vehicles. The following notes give an overview of the adjustments on the IFRS-EU figures and the accounting principles related to these adjustments.

Revaluation to fair value of financial financial assets and financial liabilities

The financial liabilities (loans) are valued at their fair value in line with Trading NAV Guidelines and IFRS 13 principles. Refer to page 78 (Table Fair value hierarchy) for disclosures regarding fair value calculation on the basis of which the Fund adjusted loans and borrowings to fair value.

The (re)financing expenses are amortised from the moment they are incurred until the maturity of the loans to which they relate.

	31 December 2023	31 December 2022
Loans and borrowings according to IFRS-EU	**33,576**	**28,220**
Movements		
- Revaluation to fair value of fixed rate loans and borrowings	(189)	(1,073)
Loans and borrowings according to INREV NAV Guidelines	**33,387**	**27,147**

Set-up costs

Under IFRS-EU, vehicle set-up costs (establishment expenses) are charged immediately to income after the inception of the Fund. Under INREV NAV Guidelines, the establishment expenses incurred in relation with the establishment of the Fund are capitalised when these occur and amortised over a period of five years. Under Trading NAV, the amortisation period is extended to ten years. A possible impairment test is taken into account every time that the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalised set-up costs can be recovered.

	31 December 2023	31 December 2022
Balance at the beginning of the year	**906**	**1,021**
Movements		
- Amortisation	(115)	(115)
Balance at the end of the year	**791**	**906**

Acquisition expenses

Under IFRS-EU, property acquisition expenses are effectively charged to income when fair value is calculated at the first subsequent measurement date after acquisition. When a property is acquired through a share deal, the acquisition expenses are recognised immediately in the professional services. Under INREV NAV Guidelines, property acquisition expenses are capitalised and amortised over the first five years after the acquisition of the property. Under Trading NAV, the amortisation period is extended to first ten years after the acquisition of the property.

A possible impairment test is taken into account every time that the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalised acquisition costs can be recovered.

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When a property is sold during the amortisation period or is classified as held for sale, the balance of capitalised acquisition expenses of that property is expensed.

	31 December 2023	31 December 2022
Balance at the beginning of the year	**6,641**	-
Movements		
- New acquisition expenses	15,440	6,949
- Amortisation	(1,000)	(308)
- FX translation differences	11	-
Balance at the end of the year	**21,092**	**6,641**

Revaluation to fair value of deferred taxes and tax effect of trading nav adjustments

Under IFRS-EU, deferred tax assets and liabilities are measured at the nominal statutory tax rate. Under INREV NAV Guidelines, the manner in which the Fund expects to realise deferred tax is taken into consideration. Therefore, the adjustment represents the impact on the NAV of the difference between the amount determined in accordance with IFRS-EU and the estimate of deferred tax, which takes into account the expected manner of settlement. The deferred tax assets and liabilities will be valued with a discount in accordance with local market practice. A discount of 50% is assumed in Denmark, Spain and a discount of 25% is assumed in Sweden. All existing real estate assets in these countries will be sold via share exit.

In accordance with IFRS-EU, the initial recognition exemption for deferred taxes has a positive impact on the change in fair value of the investment properties. As deferred tax liabilities are revalued to fair value in accordance with INREV NAV Guidelines, the gains as a result of the initial recognition exemption in accordance with IFRS-EU are reversed. Furthermore, the tax effect of other INREV NAV adjustments are included in the deferred tax assets and liabilities.

	31 December 2023	31 December 2022
DTL according to IFRS-EU	**(7,732)**	**(1,321)**
Movements		
- Fair value change	(2,339)	(2,830)
DTL according to INREV NAV Guidelines	**(10,071)**	**(4,151)**

Revaluation to fair value of savings of purchaser's costs such as transfer taxes

Transfer taxes and purchaser's costs which would be incurred by the purchaser when acquiring a property are generally deducted when determining the fair value of investment properties under IAS 40.

The effect of an intended sale of shares in a property-owning vehicle, rather than the property itself, should be taken into account when determining the amount of the deduction of transfer taxes and purchaser's costs, to the extent this saving is expected to accrue to the seller when the property is sold.

The adjustment therefore represents the positive impact on the NAV of the possible reduction of the transfer taxes and purchaser's costs for the benefit of the seller based on the expected sale of shares in the property-owning vehicle

	31 December 2023	31 December 2022
Investment properties according to IFRS-EU	**543,582**	**124,175**
Movements		
- Transfer taxes and purchaser cost	353	-
Investment properties after Trading NAV adjustment	**543,935**	**124,175**

Torrejon

Madrid, Spain



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Appendices

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Appendix 1: Guidelines and regulations

INREV Guidelines compliance statement

The European Association for Investors in Non-Listed Real Estate Vehicles (INREV) published the revised INREV Guidelines in 2014 incorporating industry standards in the fields of Reporting, Fees and Expense Metrics, Property Valuation, INREV NAV, Liquidity, Sustainability, Governance, Code of Tax Conduct and Performance Measurement. The Assessments follow these guidelines.

INREV provides an Assessment Tool to determine a vehicle's compliance rate with the INREV Guidelines as a whole and its modules in particular.

The overall INREV Guidelines compliance rate of the CBRE Europe Residential Partners Fund SCA SICAV-SIF is 98%, based on 9 out of 9 assessments. The compliance rate for each completed module is:

- Reporting 100%
- Fee and expense metrics 100%
- Property valuation 100%
- INREV NAV 100%
- Liquidity 90%
- Sustainability 100%
- Governance 100%
- Code of Tax Conduct 89%
- Performance measurement 100%

Alternative investment Fund Managers Directive (AIFMD)

Both the AIFM and its AIFMD regulated Funds in EMEA will be supervised by financial regulators.

The Fund is domiciled in Luxembourg and in scope of AIFMD and will be managed by the CBRE Investment Management Luxembourg AIFM S.à r.l.

Liquidity arrangements

The investments made by the Fund in real estate assets are generally illiquid by nature. This illiquidity tends to limit the ability of the manager/general partner to offer liquidity for the shareholders. However, the Fund offers a liquidity possibility by the right of the shareholders to offer their shares for redemption at specific times during the lifetime of the Fund.

During the reporting period, no changes have been made to the redemption mechanism as laid down in the Private Placement Memorandum. For more information we refer to the latest version of the (amended and restated) Private Placement Memorandum dated 22 February 2024.

Leverage

During the reporting period the maximum ratio between the utilised facility on property financing and the fair value of all properties ("the loan-to-value"), calculated at Fund level, has not been adjusted and remains at the level of 25% as mentioned in the Private Placement Memorandum dated 22 February 2024.

Governance

Several amendments of the Placement Memorandum of the Fund were adopted during 2023 on 19 February 2023 and 7 July 2023. The last amendment of the Placement Memorandum was approved by the CSSF on 22 February 2024, which include the updated Fund name, strategy and certain commercial amendments.

In line with the INREV guidelines for corporate governance, the Fund has an Advisory Board with a consultative role. The Advisory Board's approval/consultation is sought for matters prescribed in the Placement Memorandum.

Foreign Account Tax Compliance Act (FATCA)

The purpose of the U.S. Foreign Account Tax Compliance Act (FATCA) legislation is to prevent a perceived tax abuse by U.S. persons through the use of off-shore financial accounts. FATCA will impose material U.S. tax documentation, reporting and

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withholding requirements on many banks, insurance companies, investment Funds (like the Fund) and other financial institutions located outside the U.S. FATCA requires Foreign Financial Institutions (FFIs) to provide the Internal Revenue Service ("IRS") with information on U.S. persons invested in accounts outside of the U.S. and for non-U.S. entities to provide information about any U.S. owners. All investments (U.S. source and non-U.S. source) and all revenues and proceeds from investments undertaken by a U.S. person need to be reported to the IRS. To incentivise FFIs to provide the required information, FATCA imposes a 30% withholding tax on payments made to FFIs that do not enter into an agreement with the IRS.

The United States collaborated with other governments to develop two model intergovernmental agreements (IGAs) to implement FATCA. All IGAs contemplate that a partner government will require all FFIs located in its jurisdiction (that are not otherwise exempt) to identify U.S. accounts and report information about U.S. accounts. Most European governments have entered into an IGA with the U.S. Under the IGA, the reporting and other compliance burdens on the financial institutions in those jurisdictions will be simplified. The management organisation of the Fund is taking all necessary measures to comply with the requirements of FATCA, if and where applicable.

European Market Infrastructure Regulation (EMIR)

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR") entered into force on 16 August 2012. The aim of EMIR is to introduce greater transparency and better risk management to the 'over the counter' (OTC) derivatives market. Concretely EMIR introduced: i) a clearing obligation for eligible OTC derivatives with measures to reduce counterparty credit risk and operational risk for bilaterally cleared OTC derivatives, ii) common rules for central counterparties (CCPs), iii) a reporting obligation for OTC derivatives, iv) rules on the establishment of interoperability between CCPs and v) the concept of data trade repositories. All or some of the different obligations apply depending on the situation of the entity entering into OTC derivative contracts. The management organisation of the Fund has taken all necessary measures to comply with the requirements of the EMIR. If and where applicable the Fund has extended the licensing for the LEI code which is for one necessary to comply with the reporting requirements under EMIR.

OECD Global Anti-Base Erosion Model Rules (Pillar 2)

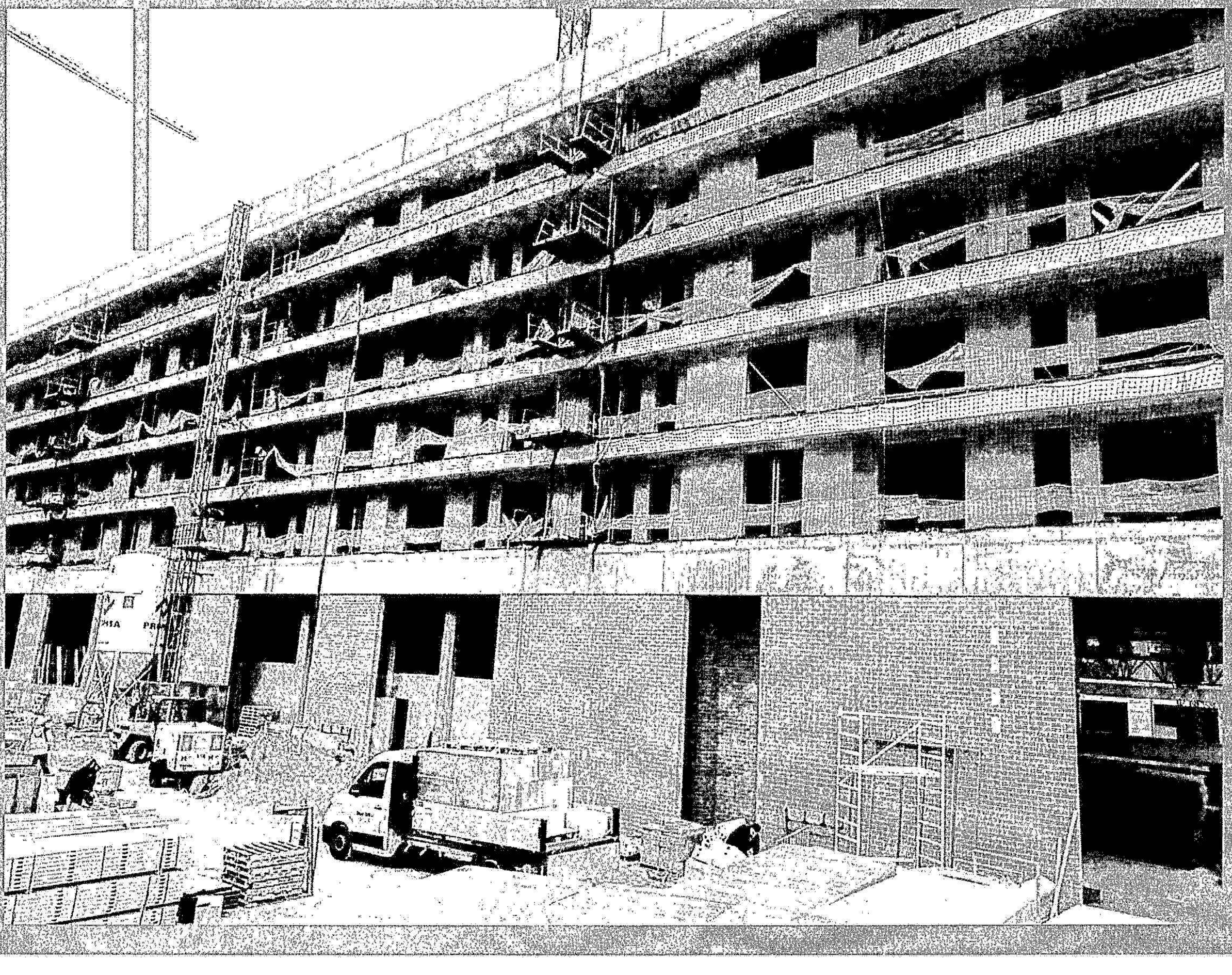
In December 2021, the members of the OECD's Inclusive Framework reached an agreement on reforms to international tax system as part of the solution for addressing the tax challenges of the digital economy. This included the introduction of 'top-up' tax rules to ensure a minimum effective taxation of 15% in each jurisdiction where multinational enterprise groups with a consolidated revenue of at least EUR 750 million have a taxable presence. In December 2022, the European Union Council Directive 2022/2523 formalized the implementation of the so-called Pillar 2 into European Union Law.

Pillar 2 has been enacted or substantially enacted in jurisdictions where the Fund has a presence. The key consolidated revenue criterion being lower than EUR 750 million threshold over two of the four preceding years, Pillar 2 should not apply to the Fund. The Fund's consolidated revenue will be monitored accordingly going forward.

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Badalona Port

Barcelona, Spain



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Appendix 2: Definitions

The Fund utilises certain defined terms as described in the Private Placement Memorandum.

Certain of these defined terms or definitions used in this Annual Report are described below. Where applicable reference is made to the comparable or equivalent INREV definition.

The INREV definitions are part of the INREV Integrated Guidelines and cover a wide range of Fund, reporting and real estate definitions. A number of INREV definitions are not used in this Annual Report or are not relevant. Furthermore, some INREV definitions may differ from the Funds constitutional terms, corporate governance provisions and fees and costs provisions as defined in the Private Placement Memorandum. The regulations and provisions of the Private Placement Memorandum supersede the INREV definitions and therefore no reference to these INREV definitions are incorporated in this Annual Report.

The regulations and provisions of the Private Placement Memorandum supersede the INREV definitions and therefore no reference to these INREV definitions are incorporated in this Annual Report.

Definitions

AIFMD commitment leverage

The AIFMD commitment leverage is calculated by dividing the commitment exposure by NAV, whereby commitment exposure is equal to the gross exposure subject to derivative positions which are converted to their fair value if certain criteria are met and the inclusion of cash & cash equivalents. For more details we refer to the Directive 2011/61/EU of the European Parliament and the council of 8 June 2011 and subsequent supplements and guidelines.

AIFMD gross leverage

The AIFMD gross leverage is calculated by dividing the gross exposure by NAV, whereby gross exposure means the sum of absolute values of all positions, excluding cash & cash equivalents, including long- and short-term assets and liabilities, borrowings, derivative instruments and any other method increasing the exposure where the risks and rewards of assets and liabilities are with the Fund, and all other positions that make up the net asset value. Derivative positions (interest rate swaps or options and currency rate swaps) are included at their notional amount of their respective underlying asset. For more details we refer to the Directive 2011/61/EU of the European Parliament and the council of 8 June 2011 and subsequent supplements and guidelines.

AIFMD leverage

Any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. Leverage of a Fund is expressed as the ratio between the exposure of a Fund and its net asset value (NAV). For more details we refer to the Directive 2011/61/EU of the European Parliament and the council of 8 June 2011 and subsequent supplements and guidelines.

Average gross yield

Gross yield is gross rental revenue over the last four quarters divided by the average market value of the properties over the last four quarters.

The definition deviates from the INREV definition 'gross initial yield'.

Average net yield

Net yield is net rental revenue over the last four quarters divided by the average market value of the properties over the last four quarters.

The definition deviates from the INREV definition 'net initial yield'.

Base rent

Base rent is part of gross rental revenue. The calculation is based on the actual fixed rents as agreed upon in the contract.

Book value

The book value is the amount for which a property is recorded in the administration of the Fund. This amount includes the cost price plus accumulated changes in fair value.

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BREEAM

Building Research Establishment Environmental Assessment Method (BREEAM) is a sustainability benchmarking scheme providing third party certification for the built environment, including planning, new construction, refurbishment and operation. Certification is awarded by Building Research Establishment (BRE) 5 level scale from 'Pass' to 'Outstanding'.

Capital return

The appreciation return is the realised and unrealised capital gain/loss on assets during the period as a percentage of the time-weighted average NAV over the same period.

Carbon emissions

Emissions of greenhouse gases measured in tons of carbon dioxide equivalent (CO2e) using the global warming potential of each greenhouse gas.

Carbon footprinting

A measure of the total amount of emissions caused by an individual, event, organisation, or product, calculated as carbon dioxide equivalent (CO2e), using the relevant 100-year global warming potential.

Contractual Rent

Contract Rent is the rent being charged/collected on existing leases at a property, excluding rent incentives. In contrast to Market Rent, contract rent is not based on market conditions but rather is based on the lease contract signed between the landlord and tenant.

Distributed income return

Income return to the investor is the geometrically linked income return per quarter, based on distributed dividends/capital distributions. The distributed income return per quarter as a percentage is equal to the distributed dividends/capital distribution divided by the net asset value at the beginning of the quarter, increased for any capital calls and decreased for any distributed dividends/capital repayments. INREV applies the definition 'dividend yield' which is the amount of income (or shareholder loan interest payments), the Fund distributes to investors on a rolling 12 months basis as a percentage of the average NAV over the same period.

Environmental, social and governance (ESG)

Environmental, Social and Governance (ESG) issues are assessed by investors to screen non-financial or sustainability performance and inform responsible investment. Environmental issues include how a company performs in terms of energy and water consumption, waste, carbon emissions, biodiversity and water management. Social issues include how a company manages relationships with its employees, suppliers, customers and the communities in which it operates. Governance issues include board diversity, equitable pay, internal ethical policies and controls and shareholder rights.

Estimated rental value

The estimated rental value is the current rent at which space/vacant units within the property could reasonably be expected to be let given the current market conditions. This is line with INREV definition.

Equity multiple

The equity multiple is the reported equity value plus the distributions made divided by the total capital contributed.

Fair value

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The IFRS-EU definition of fair value is assumed in the INREV Guidelines, except where specifically mentioned otherwise.

Forward acquisitions (off-balance)

Off-balance-sheet commitments are contractual obligations for the purchase of investment property, in which the purchase price for the property has not been fixed. Off-balance-sheet commitments are not capitalised but disclosed in the notes to the consolidated statement of financial position.

Forward acquisitions (on-balance)

On-balance-sheet commitments are contractual obligations for the purchase of investment properties at a fixed price. On-balance-sheet commitments are capitalised in the consolidated statement of financial position until the moment of conveyance. The property is classified as investment property after the moment of conveyance.

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Gross initial (current) yield

Gross initial yield is the passing rent divided by the property value. The definition is the same as the INREV Definition 'gross initial yield'.

Gross lettable area

Gross lettable area is the total floor area of an investment property to be occupied by tenants as at the reporting date.

Gross rental revenue

Gross rental revenue is the actual rents charged to tenants plus turnover rent, mall revenue and parking revenues including the net effect of straight-lining of granted rent incentives.

Identified staff

Based on article 22 sub 2 of the Alternative Investment Fund Managers Directive ("AIFMD") and section XIII (Guidelines on disclosure) of 'ESMA Guidelines on sound remuneration policies under the AIFMD', managers should report on the remuneration of staff that materially influences the risk profile of the AIF ("identified staff").

Income return

The income return is the net investment income during the period as a percentage of the time-weighted average NAV over the same period.

Internal rate of return (since inception)

Internal rate of return is the cumulative annualised internal rate of return as of the initial closing of the Fund. based on actual cash flows.

Internal rate of return gross (since inception)

The internal rate of return before fees and carried interest.

Internal rate of return net (since inception)

The internal rate of return after fees and carried interest.

Loan-to-value ratio

The loan-to-value is calculated as the utilised facility on property related financing divided by the fair value of the investment property including property under construction. The INREV Definition of loan-to-value is the consolidated total external leverage/ gearing at the Fund level as a percentage of the gross asset value of the Fund.

Net asset value

The net asset value is equal to the shareholders' equity of the Fund.

Net asset value per share

Net asset value divided by the number of shares as at the reporting date.

Net initial (current) yield

Net initial yield is the passing rent or net operating income divided by the gross property value including notional acquisition costs. The definition is the same as the INREV Definition 'net initial yield'.

Net rental revenue

Net rental revenue is gross rental revenue less operating costs, being those costs relating to owning and using the property, such as the costs of maintenance, property tax, insurance premiums, marketing expenses and property management expenses (excluding the management fee as defined in the LPA).

The definition is comparable to the INREV Definition "net operating income".

Occupancy rate (financial)

The financial occupancy rate of the portfolio is calculated based on rental revenue according to contracts as at the reporting date, as a percentage of the sum of the contractual rental income of occupied space + estimated rental income of vacant space.

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Passing rent

The annual rental income currently receivable on a property as at the balance sheet date. Excludes rental income where a rent free period is in operation. Excludes service charge income.

Realised result

This is a recapitulation of the result composed of all elements that are based on real cash transactions. The net result of the Fund is added to the equity of the Fund in such a way that a distinction can be made between results relating to realised gains and losses and results relating to unrealised gains and losses. The realised result is distributable and the unrealised result cannot be distributed without extra financing to the Fund or liquidation of assets.

Revaluation

The revaluation is calculated as the change in fair value of investment properties (as presented in the consolidated comprehensive income statement) divided by the weighted average fair value of investment properties including property under construction.

Rent incentives

Rent incentives are a form of tenant incentives, granted to tenants that are used as a commercial instrument to encourage tenants to enter into a contract. Straight-lining with regard to rent incentives proportionally distributes rent incentives over the contract period resulting in equal distribution of rent over the contract period. Rent incentives are recognised as rent in the rent-free period, and they are subsequently recorded as decrease of base rent on a linear basis during the contract period.

Reversionary yield

Reversionary yield is the estimated rental value as a percentage of gross property value which is in line with INREV.

RISE

The CBRE corporate values, consisting of Respect (Treat everyone with dignity, value their contributions, and help one another succeed), Integrity (Uphold the highest ethical standards in our business practices), Service (Dedicate ourselves to making a meaningful impact with our clients and in our communities) and Excellence (Aspire to be the best in everything we do and drive for continuous improvement).

Science based targets (SBTs)

Carbon reduction targets are considered "science-based" if they are in line with the level of decarbonisation required to keep global climate temperature increase below 2°C compared to pre-industrial temperatures.

Service costs/service charges

Service costs are expenses that are made for a property as a whole but charged to the individual tenants at cost. The nature of service costs can vary widely by property or contract, but they often include: electricity. central heating, water, lighting, security, cleaning, etc. Service costs and service charges are not balanced in the comprehensive income statement but presented separately. If properties are (partly) vacant, the service charges might be proportionally divided among other tenants or the Fund is liable for the service costs attributable to the vacant units. The service costs for the Fund are recognised under the operating cost of properties.

Tenant incentives

Tenant incentives are incentives granted to tenants that are used as a commercial instrument to encourage tenants to enter into a contract. Tenant incentive could have the form of rent incentives or could have the form of fitting out costs when grants are paid for refurbishment of units.

Theoretical rental revenue

The theoretical rental revenue is the expected rental revenue without taking into account any vacancy or other loss of rent. The theoretical rental revenue is based on passing rent of existing contracts for leased units and the estimated market rent (estimated rental value as given in the valuation report) for vacant units. 'Revenue' is the IFRS-EU compliant term for the more general term 'income'. Theoretical rental revenue is an alternative performance measure not defined by IFRS and therefore may not be comparable to similarly titled measures presented by other real estate Funds.

The theoretical rental revenue is comparable to the INREV Definition 'Estimated Rental Value'.

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Total return

The total return is the change in the market value of the portfolio, adjusted for all capital expenditures (subtracted), net proceeds from sales (added), and investment income accrues (added) during the measurement period expressed as a percentage of the capital employed in the portfolio over the measurement period.

Total return gross

The total return before fees and carried interest.

Total return net

The total return after fees and carried interest.

Turnover rent

Turnover rent is a variable lease income which is classified as part of gross rental revenue. The lease income depends on the turnover of the tenant.

United Nations sustainable development goals (SDGs)

The Sustainable Development Goals were adopted in 2015 by all 193 Member States of the United Nations to target achievement of various social and environmental development challenges by 2030. The SDGs cover 17 topics related to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

For Real Estate. an impact investing Fund would typically be linked to the SDG 1: No poverty, SDG 3: Good health and well-being, SDG 4: Quality education, SDG 6: Clean water and sanitation, SDG 7: Affordable Clean Energy, SDG 11: Sustainable Cities and Communities and SDG 12: Responsible consumption and production.

Utilised facility

The utilised facility is the short-term and long-term Loans and borrowings including capitalised interest, excluding VAT financing. un-amortised financing cost, accrued interest and Loans and borrowings used for financing of operational activities.

Vacancy (Based on estimated rental value)

Estimated rental income of vacant space / (contractual rental income of occupied space + estimated rental income of vacant space).Weighted average cost of debt.

Vacancy (Based on leasable floor space)

Estimated rental income of vacant space / (contractual rental income of occupied space + estimated rental income of vacant space).

Void rate

A measure of the level of vacant space, which is calculated based on floor space or estimated rental value.

Weighted average cost of debt

The INREV Definition for weighted average cost of Debt is the interest rate on each external debt in the Fund weighted by the size of such instruments.

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Appendix 3: Administration

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