20250528000972

Årsredovisning

PPFE Gothenburg BidCo AB

Organisationsnummer: 559274-7041
Räkenskapsår: 2024-01-01 - 2024-12-31

Styrelsen avger följande årsredovisning.

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Om inte annat särskilt anges, redovisas alla belopp i hela svenska kronor. Uppgifter inom parentes avser föregående år.

Företagets säte: Stockholm

Fastställelseintyg

Jag intygar att resultaträkningen och balansräkningen har fastställts på årsstämma . 2025-05-23.

Årsstämman beslöt att godkänna styrelsens förslag till vinstdisposition.

Jag intygar att innehållet i dessa handlingar överensstämmer med originalen och att originalen undertecknats av samtliga personer som enligt lag ska underteckna dessa.

Lotte Carlijn van der Vaart
Styrelseledamot

20250528000975

Förvaltningsberättelse

Verksamheten

Viktiga förhållanden och väsentliga händelser

Verksamhetens art och inriktning

Bolaget bildades 2020-09-21 och är ett holdingbolag som ägs i sin helhet av PPFE Holdings S.a.r.l (Luxembourg) och har som verksamhet att direkt eller indirekt, genom hel- eller delägda bolag äga, utveckla och förvalta fast egendom.
Bolaget äger samtliga aktier i fastighetsbolagen L1 LC Landvetter AB (559175-9823), L2 LC Landvetter AB (559175-9807), L3 LC Landvetter AB (559175-9849), Viareds LC AB (559174-8339), Tistlarna LC S3 AB (559058-9221) samt Hätteberget LC S1 AB (559058-9247).

Bolaget har sitt säte i Stockholm.

Bolaget har inte haft några anställda och några löner eller ersättningar har inte betalats ut.

Övriga viktiga förhållanden och väsentliga händelser

Under räkenskapsåret har Ryssland fortsatt invadera Ukraina, men till dags dato har detta inte haft en direkt påverkan på företagets verksamhet eller resultat i sig. Bolaget följer händelseutvecklingen.

Flerårsöversikt

	2024-01-01 -2024-12-31	**2023-01-01 -2023-12-31**	**2022-01-01 -2022-12-31**	**2020-10-02 -2021-12-31**
Resultat efter finansiella poster (kr)	-7 722 172	-7 978 850	-3 620 243	-20 179 072
Balansomslutning (kr)	1 100 396 846	1 173 659 079	1 196 209 816	1 251 001 599
Soliditet (%)	39,7	37,9	37,2	35,9

Nyckeltalsdefinitioner

Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Balansomslutning
Företagets samlade tillgångar

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutningen.

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Förändringar i eget kapital

	Aktie-kapital	Balanserat resultat	Årets resultat	Summa
Belopp vid årets ingång	**25 000**	**445 454 881**	**-1 082 520**	**444 397 361**
Balanseras i ny räkning		-1 082 520	1 082 520	**0**
Årets resultat			-7 102 934	**-7 102 934**
Belopp vid årets utgång	**25 000**	**444 372 361**	**-7 102 934**	**437 294 427**

Resultatdisposition

Till årsstämmans förfogande står följande medel (kr):

Balanserat resultat	444 372 361
Årets resultat	-7 102 934
Summa	**437 269 427**

Styrelsen föreslår att medlen disponeras enligt följande (kr):

Balanseras i ny räkning	437 269 427
Summa	**437 269 427**

20250528800975

Resultaträkning

	Not	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Rörelseintäkter, lagerförändringar m.m.			
Nettoomsättning		0	0
Summa rörelseintäkter, lagerförändringar m.m.		**0**	**0**
Rörelsekostnader			
Råvaror och förnödenheter		-136 681	-141 164
Övriga externa kostnader		-523 903	-1 132 030
Summa rörelsekostnader		**-660 584**	**-1 273 194**
Rörelseresultat		**-660 584**	**-1 273 194**
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter	2	21 252 316	23 228 303
Räntekostnader och liknande resultatposter	3	-28 313 904	-29 933 959
Summa resultat från finansiella poster		**-7 061 588**	**-6 705 656**
Resultat efter finansiella poster		**-7 722 172**	**-7 978 850**
Bokslutsdispositioner			
Erhållna koncernbidrag		619 238	6 896 330
Summa bokslutsdispositioner		**619 238**	**6 896 330**
Resultat före skatt		**-7 102 934**	**-1 082 520**
Årets resultat		**-7 102 934**	**-1 082 520**

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Balansräkning

	Not	2024-12-31	2023-12-31
TILLGÅNGAR	1		
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	4	612 941 134	612 941 134
Fordringar hos koncernföretag		484 318 043	549 457 245
Summa finansiella anläggningstillgångar		**1 097 259 177**	**1 162 398 379**
Summa anläggningstillgångar		**1 097 259 177**	**1 162 398 379**
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		619 238	6 896 330
Förutbetalda kostnader och upplupna intäkter		1 293 002	3 667 678
Summa kortfristiga fordringar		**1 912 240**	**10 564 008**
Kassa och bank			
Kassa och bank		1 225 429	696 692
Summa kassa och bank		**1 225 429**	**696 692**
Summa omsättningstillgångar		**3 137 669**	**11 260 700**
SUMMA TILLGÅNGAR		**1 100 396 846**	**1 173 659 079**

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Balansräkning

	Not	2024-12-31	2023-12-31
EGET KAPITAL OCH SKULDER	1		
Eget kapital			
Bundet eget kapital			
Aktiekapital		25 000	25 000
Summa bundet eget kapital		**25 000**	**25 000**
Fritt eget kapital			
Balanserat resultat		444 372 361	445 454 881
Årets resultat		-7 102 934	-1 082 520
Summa fritt eget kapital		**437 269 427**	**444 372 361**
Summa eget kapital		**437 294 427**	**444 397 361**
Långfristiga skulder			
Skulder till koncernföretag		659 959 303	723 139 672
Summa långfristiga skulder		**659 959 303**	**723 139 672**
Kortfristiga skulder			
Leverantörsskulder		42 713	41 519
Skulder till koncernföretag		3 000 000	4 000 000
Upplupna kostnader och förutbetalda intäkter		100 403	2 080 527
Summa kortfristiga skulder		**3 143 116**	**6 122 046**
SUMMA EGET KAPITAL OCH SKULDER	5	**1 100 396 846**	**1 173 659 079**

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Noter

Not 1. Redovisnings- och värderingsprinciper

Redovisnings- och värderingsprinciper

Årsredovisningen upprättas med tillämpning av årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). Redovisningsprinciperna är oförändrade jämfört med föregående år.

PPFE Gothenburg Bidco AB är ett helägt dotterbolag till PPFE Holdings S.a.r.l (Luxembourg) - reg nr B247385 som ingår i Prime Property Fund Europé S.A, SICAV-RAIF (B257218). Bolaget omfattas av den koncernredovisning som avlämnas av koncernmoderföretaget Prime Property Fund Europé SCSp (B231194) varför någon koncernredovisning inte upprättas i enligthet med undantagsregeln i Årsredovisningslagetn 7 kap 2 §.

Intäkter

Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Hyresintäkter från förvaltningsfastigheter intäktsredovisas i resultaträkningen linjärt över hyresperioden. Förskotts-betalda hyror redovisas som förutbetalda intäkter. Eventuella hyresrabatter periodiseras linjärt över hyresperioden, även om betalning inte sker på samma sätt.

Skatter

Aktuell skatt

Aktuell skatt beräknas på det skattepliktiga resultat för perioden. Skattepliktigt resultat skiljer sig från det redovisade resultatet i resultaträkningen då det har justerats för ej skattepliktiga intäkter och ej avdragsgilla kostnader samt för intäkter och kostnader som är skattepliktiga eller avdragsgilla i andra perioder. Aktuell skatteskuld beräknas enligt de skattesatser som gäller per balansdagen.

Uppskjuten skatt

Uppskjuten skatt redovisas på temporära skillnader mellan det redovisade värdet på tillgångar och skulder i de finansiella rapporterna och det skattemässiga värdet som används vid beräkning av skattepliktigt resultat. Uppskjuten skatt redovisas enligt den sk balansräkningsmetoden. Uppskjutna skatteskulder redovisas för i princip alla skattepliktiga temporära skillnader, och uppskjutna skattefordringar redovisas i princip för alla avdragsgilla temporära skillnader i den omfattning det är sannolikt att beloppen utnyttjas mot framtida skattepliktiga överskott. Obeskattade reserver redovisas inklusive uppskjuten skatteskuld.

Det redovisade värdet på uppskjutna skattefordringar omprövas varje balansdag och reduceras till den del det inte längre är sannolikt att tillräckliga skattepliktiga resultat kommer att finnas tillgängliga för att utnyttjas, helt eller delvis, mot den uppskjutna skattefordran.

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Värderingen av uppskjuten skatt baseras på hur företaget, per balansdagen, förväntar sig att återvinna det redovisade värdet för motsvarande tillgång eller reglera det redovisade värdet för motsvarande skuld. Uppskjuten skatt beräknas baserat på de skattesatser och skatteregler som har beslutats före balansdagen.

Aktuell och uppskjuten skatt för perioden
Aktuell och uppskjuten skatt redovisas som en kostnad eller intäkt i resultaträkningen , utom när skatten är hänförlig till transaktioner som redovisats direkt mot eget kapital. I sådana fall ska även skatten redovisas direkt mot eget kapital.

Koncernbidrag och aktieägartillskott
Aktieägartillskott som bolaget lämnar redovisas som en ökning av andelens redovisade värde.
Aktieägartillskott som bolaget erhåller redovisas direkt i fritt eget kapital.

Erhållna och lämnade koncernbidrag redovisas som bokslutsdisposition

Finansiella instrument
Finansiella instrument värderas utifrån anskaffningsvärdet. Instrumentet redovisas i balansräkningen när bolaget blivit part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Låneskulder och övriga skulder
Låneskulder och övriga skulder redovisas till upplupet anskaffningsvärde.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Nedskrivningsprövning av finansiella tillgångar
Vid varje balansdag bedöms om det finns indikationer på nedskrivningsbehov av någon av de finansiella anläggnings-tillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående och prövas individuellt.

Not 2. Övriga ränteintäkter och liknande resultatposter exkl. nedskrivningar

	2024-12-31	**2023-12-31**
Ränteintäkter och liknande resultatposter avseende koncernföretag	21 193 450	23 188 260
Övrigt	58 866	40 043
Summa	**21 252 316**	**23 228 303**

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Not 3. Räntekostnader och liknande resultatposter

	2024-12-31	2023-12-31
Räntekostnader och liknande resultatposter som avser skulder till koncernföretag	-28 301 607	-29 917 540
Räntekostnader och liknande resultatposter avseende finansiella skulder till andra företag än koncernföretag	-12 297	-16 419
Summa	**-28 313 904**	**-29 933 959**

Not 4. Andelar i koncernföretag

	2024-12-31	2023-12-31
Ingående anskaffningsvärden	886 623 880	881 029 687
Lämnade aktieägartillskott	0	5 594 193
Utgående anskaffningsvärden	**886 623 880**	**886 623 880**
Ingående nedskrivningar	-273 682 746	-273 682 746
Utgående nedskrivningar	**-273 682 746**	**-273 682 746**
Redovisat värde	**612 941 134**	**612 941 134**

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Företagets namn	Org.nr.	Antal andelar	Kapital-andel (%)	Rösträtts-andel (%)	Redovisat värde (tkr)
L1 LC Landvetter AB	559175-9823	50 000	100,0	100,0	125 052 685
L2 LC Landvetter AB	559175-9807	50 000	100,0	100,0	81 672 274
L3 LC Landvetter AB	559175-9849	50 000	100,0	100,0	65 060 665
Viareds LC AB	559174-8339	50 000	100,0	100,0	162 691 382
Tistlarna LC S3 AB	559058-9221	50 000	100,0	100,0	70 086 906
Hätteberget LC S1 AB	559058-9247	50 000	100,0	100,0	108 377 221

Not 5. Ställda säkerheter och eventualförpliktelser

	2024-12-31	2023-12-31
Ställda säkerheter för företagets egen räkning		
För egna skulder och avsättningar		
Andra ställda säkerheter	1 225 429	696 692
Ställda säkerheter till förmån för andra		
Aktier i dotterbolag	612 941 134	612 941 134
Summa ställda säkerheter	**614 166 563**	**613 637 826**

Stockholm 2025-05-22

Lotte Carlijn van der Vaart
Styrelseordförande

Gerald Walus
Ledamot

Carl-Axel Åfors
Ledamot

Vår revisionsberättelse har lämnats. 2025-05-22

Deloitte AB

Pernilla Lihnell
Auktoriserad revisor

20250528000982

Deloitte.

REVISIONSBERÄTTELSE

Till bolagsstämman i PPFE Gothenburg BidCo AB
organisationsnummer 559274-7041

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för PPFE Gothenburg BidCo AB för räkenskapsåret 2024-01-01 - 2024-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av PPFE Gothenburg BidCo ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

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 PPFE Gothenburg BidCo 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 den 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. Den 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.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.

- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

20250528000983

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 PPFE Gothenburg BidCo AB för räkenskapsåret 2024-01-01 - 2024-12-31 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.

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 PPFE Gothenburg BidCo 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.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Göteborg 22/5 2025

Deloitte AB

Pernilla Lihnell
Auktoriserad revisor

9295920/25

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Morgan Stanley

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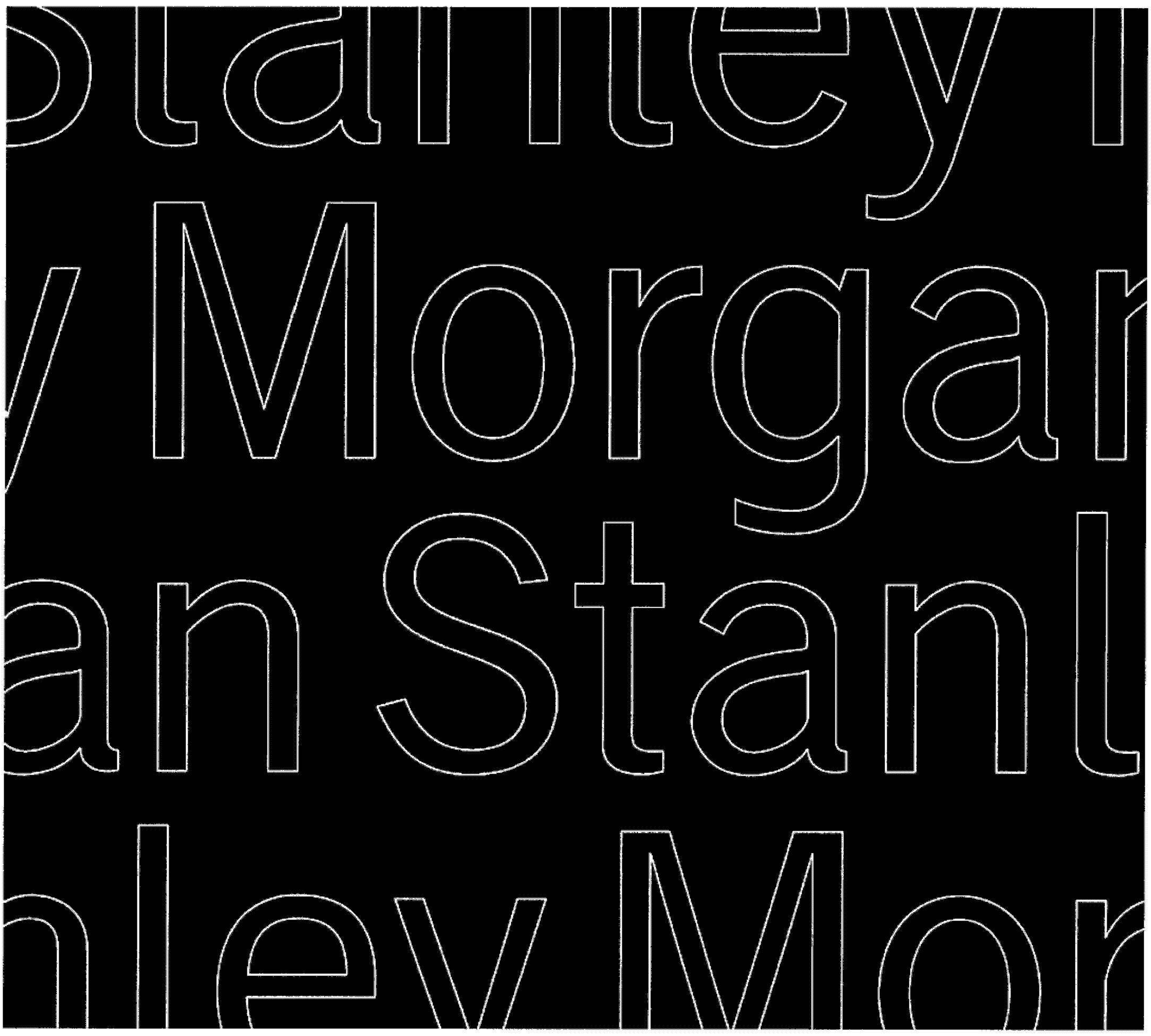
Prime Property Fund Europe SCSp
2024 Audited Annual Report



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Annual AIFMD Regulatory Report Supplement
PRIME PROPERTY FUND EUROPE SCSp

A. Introduction

The Alternative Investment Fund Managers Directive (2011/61/EU) ("AIFMD") is European Union ("EU") legislation aimed at increasing investor protection and reducing systemic risk by seeking to regulate managers of alternative investment funds ("AIFs") in the EU. To increase transparency to investors and regulators, AIFMD requires alternative investment fund managers ("AIFMs") to meet certain organizational, reporting and disclosure requirements, including the preparation of an annual report supplement.

This annual regulatory report supplement (the "Regulatory Supplement"), AIFMD Remuneration and Periodic Disclosures (unaudited), SFDR Periodic disclosures (unaudited), together with Audited report (comprising of the Independent Auditor's Report and consolidated financial statements) constitutes the annual report of Prime Property Fund Europe SCSp (the "Fund") for the period from January 1, 2024 through December 31, 2024 for the purpose of Article 22 of the AIFMD. Information on environmental and/or social characteristics and/or sustainable investments are available under the (unaudited) Sustainable Finance Disclosure Regulation ("SFDR") section of the Annual Report.

References herein to:

- the 'Audited Report' are references to the Fund's audited annual report for the period from January 1, 2024 through December 31, 2024, distributed on February 14, 2025; and
- the 'Offering Memorandum' are references to the Fund's amended and restated offering memorandum dated December 2024.

B. Accessing the Audited Report

To access the documents from our Investor Portal:

- Please type https://matrix.ms.com/ in your browser and log into your Matrix account
- Click "Launch" on the North Haven & PRIME Funds tile
- From the Investor Portal home page, select the large Real Estate Investing button in the middle of the screen to access your December 31, 2024 documents.

C. Disclosures

Please note that all page numbers referred to in this Regulatory Supplement reflect the corresponding page numbers from the Audited Report. To access the Audited Report, please follow the instructions listed in Section B above.

I. Balance sheet or statement of assets and liabilities

The Consolidated Statement of Financial Position as of December 31, 2024 are in the Audited Report on page 35.

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II. Income and expenditure account

The Consolidated Statement of Comprehensive Income (Loss) for the period from January 1, 2024 through December 31, 2024 is in the Audited Report on page 36.

III. Report on the activities of the financial year

The Combined Schedule of Investments as of December 31, 2024 is reported in Note 4 on page 56 of the Audited Report.

IV. Material changes in AIFMD pre-investment disclosure information

For the purposes of Article 22(2)(d) of the AIFMD, there are no further material changes to disclose with respect to the information previously disclosed to shareholders in the Fund's Offering Memorandum pursuant to Article 23 of the AIFMD.

V. Remuneration matters

1. Legal background

This remuneration disclosure has been prepared as required by, and in accordance with, the guidance provided in (1) EU Commission Recommendation on remuneration policies in the financial services sector (2009/384 EC) dated 30 April 2009; (2) EU Directive 2011/61/EU ("AIFMD"); (3) the European Securities and Markets Authority ("ESMA") "Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232)", as amended by ESMA/2016/579) (the "Guidelines") and in particular with section XIII.I (headed "External Disclosure").

The data used in the analysis for this disclosure relates to the financial year ending December 31, 2024 of Morgan Stanley ("the Firm") and to the remuneration of staff of MSIM Fund Management (Ireland) Limited ("the AIFM") and its senior management team and other members of its staff whose actions have a material impact on the risk profile of the AIFs it manages or on the AIFM itself ("Identified Staff").

2. The "Identified Staff" for the purposes of this disclosure letter

The Guidelines define "Identified Staff" as follows:

- "categories of staff, including senior management, risk takers, control functions, staff responsible for heading the investment management, administration, marketing, and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the AIFM's risk profile or the risk profiles of AIF that the AIFM manages" ("Group A"); and

- "categories of staff of the entity(ies) to which portfolio management or risk management activities have been delegated by the AIFM, whose professional activities have a material impact on the AIFM's risk profile or the risk profiles of AIF that the AIFM manages" ("Group B").

References in this disclosure letter to "Identified Staff" or to staff in Group A or Group B, should be construed accordingly.

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Nine Identified Staff were employed or paid by the AIFM itself. All of the remaining Identified Staff are employees of other Morgan Stanley entities whose professional activities are considered to have a material impact on the risk profile of the AIFM or the AIFs that the AIFM manages, taking into consideration the internal organisation, nature, scope and complexity of the AIFM and the AIFs it manages.

The Identified Staff within Group A are staff who have been employed by or seconded to the AIFM and who are therefore subject to the Guidelines as adopted by the Central Bank of Ireland (CBI).

The Identified Staff in Group B are staff of one of the Morgan Stanley group entities to which the portfolio management of one or more of the AIFM's AIFs has been delegated pursuant to Article 20 of the AIFMD. They are not seconded to, or performing a function of, the AIFM. Accordingly, they are not staff of the AIFM. They are subject to applicable rules on remuneration which are deemed "equally as effective" as those which apply to Group A or appropriate contractual arrangements are in place in line with paragraph 18(b) of the Guidelines, and in line with the CBI AIFMD Questions and Answers.

3. Process for determining remuneration policies and principles

The AIFM, as an affiliate of Morgan Stanley, benefits from the resources available within the Firm and is subject to the remuneration policies and practices that are applied on a Firm-wide level, including the Global Incentive Compensation Discretion Policy and the Global Compensation Policy.

The AIFM, including Identified Staff, is subject to the remuneration policies and practices that apply to all Morgan Stanley International Limited (MSI) Group entities, as well as those applying to Morgan Stanley globally and may consult, or receive guidance from, the Firm's control functions and relevant remuneration committees to ensure consistency. The remuneration policy is designed to satisfy four key Firm-wide remuneration objectives: (i) deliver pay for sustainable performance, (ii) align remuneration with shareholders' interests, (iii) attract and retain top talent, and (iv) mitigate excessive risk-taking.

In support of these objectives, annual compensation (i.e. remuneration) for the majority of the Firm's employees, including Identified Staff, is comprised of two key elements: fixed remuneration and variable remuneration (variable incentive remuneration) that is discretionary and based on, among other factors, Firm performance measured against risk-adjusted metrics and individual and business segment performance.

The committee that manages remuneration for the Firm is the Compensation, Management Development and Succession Committee (CMDS Committee) of the Morgan Stanley Board of Directors. As of 31 December 2024, it consisted of four directors, all of whom are independent under the New York Stock Exchange listing standards. Each year, the CMDS Committee's mandate is to review the Firm-wide aggregate variable remuneration pool for variable incentive remuneration and to review and approve the design and structure of Morgan Stanley's Firm-wide deferred incentive remuneration programs, including the form of deferred incentive remuneration awards to be granted, the portion of variable incentive remuneration to be deferred, and the vesting, payment, cancellation and clawback provisions of deferred incentive remuneration awards. The CMDS Committee has adopted the Global Incentive Compensation Discretion Policy, which applies to all Firm entities worldwide and sets forth guidance for managers on the use of discretion and considerations for assessing risk management and outcomes when making variable incentive remuneration decisions, and considerations for assessing risk management and outcomes. It has also approved the Global Compensation Policy which covers compensation philosophy and objectives, framework and governance.

In addition, the Board of the AIFM has adopted a remuneration policy (the "MSIM Fund Management (Ireland) Limited Remuneration Policy") in compliance with AIFMD and the Guidelines as adopted by the CBI.

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The policy is also appropriate to the AIFM's size, internal organization and the nature, scope and complexity of its activities. As well as complying with all of the AIFM's legal obligations, the principles of the MSIM Fund Management (Ireland) Limited Remuneration Policy support the business strategy, objectives, values and long-term interests of its clients, including the Fund. In particular, the MSIM Fund Management (Ireland) Limited Remuneration Policy is designed to ensure that remuneration is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profile of the AIFs managed by the AIFM.

When determining its own remuneration decisions or influencing the decisions made by other Morgan Stanley entities, the AIFM fully takes into account and complies with (1) Irish, UK and EU legislation; (2) the MSIM Fund Management (Ireland) Limited Remuneration Policy and CBI requirements; and (3) the requirements of other remuneration policies set by the Firm. In doing so, it applies consistent principles with the objective of aligning the incentivisation of Identified Staff with business objectives, supporting the delivery of the AIFM's business plans and corporate values, avoiding conflicts of interest and enabling the right calibre of staff to be recruited. The AIFM always seeks to ensure, therefore, that the remuneration principles applied by it and the Firm are consistent with the risk profiles, rules or instruments of incorporation of the AIFs managed by the AIFM.

The following considerations are taken into account in the design, implementation and oversight of the AIFM's remuneration policies and practices:

- Overall corporate governance principles and structures as well as their interactions with the remuneration system;

- The inputs provided by all control functions (i.e. human resources, risk management, compliance, internal audit, etc.), which will be properly involved in the design of the Remuneration Policy, as further described below; and

- The clear distinction between operating and control functions, the safeguards for preventing conflicts of interests and the internal reporting system.

4. Involvement of control functions in risk management and remuneration of control functions

The control functions of the Firm assist the AIFM in implementing its overall remuneration strategy, having regard to operational, liquidity, market and counterparty risks.

In particular:

- The Risk Management function helps to ensure that the structure and design of remuneration arrangements does not encourage risk taking that is inconsistent with the risk profile of the AIFs managed by the AIFM;

- The Human Resources and Compliance functions analyse how the remuneration structure affects the AIFM's compliance with legislation, regulations and internal policies;

- The Internal Audit function periodically carries out an independent audit of the design, implementation and effects of the Morgan Stanley's remuneration policies;

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- The EMEA Remuneration Oversight Committee (EROC) provides formal oversight of EMEA remuneration matters to ensure remuneration practices in EMEA are compliant with relevant UK and EU legislation and follow good practice standards. The membership of the EROC is made up of the EMEA control function heads as well as the EMEA Chief Executive Officer. The EROC reviews activities of the AIFM that may lead to individual or collective adjustments of remuneration for its employees; and

- The MSI Remuneration Committee was established with effect from 1 January 2017, being appointed by the Board of Directors of MSI to assist in discharging its obligations in relation to remuneration matters of MSI and its subsidiaries (the MSI Group) and identified material risk takers. Its remit includes reviewing the remuneration policies and practices of the AIFM in accordance with the AIFMD and the Guidelines.

The Control Functions, including Risk Management, Compliance, Finance, Internal Audit, and Human Resources, along with Legal, are independent from the businesses they monitor. Those engaged in control functions are remunerated in accordance with objectives linked to their functions. Their objectives are independent of the financial performance of the AIFs of the AIFM. Potential conflicts that may arise in relation to individual remuneration decisions are mitigated by the independent role of Human Resources in the year end remuneration process.

5. Design and structure of remuneration

Remuneration paid to Identified Staff of the AIFM is awarded in accordance with Morgan Stanley principles relating to remuneration. Annual remuneration is comprised of two key elements: fixed remuneration and variable remuneration. Staff eligibility for annual incentive compensation (variable remuneration) is discretionary and subject to a multi-dimensional performance measurement, which considers, as applicable, the performance of the individual, the AIFM, the business segment and the Firm.

Identified Staff receive a total annual remuneration package consisting of fixed pay that is comprised of base salary and, in certain circumstances, one or more allowances that are reviewed at least annually; and variable remuneration[1], payable partially as a cash bonus and partially in the form of deferred incentive remuneration awards. The amount of variable incentive remuneration is discretionary and is determined on the basis of, but not limited to, a variety of factors, including performance measured against risk-adjusted metrics and individual performance. It is possible that an individual could be awarded no variable incentive remuneration. Deferred incentive remuneration awards are typically subject to vesting over a multi-year period and are subject to cancellation until the payment date for competition, cause (i.e., any act or omission that constitutes a breach of obligation to the Company, including failure to comply with internal compliance, ethics or risk management standards, and failure or refusal to perform duties satisfactorily, including supervisory and management duties), disclosure of proprietary information, and solicitation of employees or clients. Awards are also subject to malus until the payment date if an employee's act or omission (including with respect to direct supervisory responsibilities) causes a restatement of the Firm's consolidated financial results, constitutes a violation of the Firm's global risk management principles, policies and standards, or causes a loss of revenue associated with a position on which the employee was paid and the employee operated outside of internal control policies.

[1] The Firm does not award variable remuneration to a non-executive director for their non-executive director role.

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The Firm and/or the AIFM will also consider the exercise of cancellation and/or clawback (whether or not the Identified Staff remains employed by the AIFM or relevant Morgan Stanley entity, as applicable), where it determines that the relevant business unit in the AIFM or other Morgan Stanley entity in which the Identified Staff is employed (or the AIFs in relation to which they carry out some or all their duties) suffers a material failure of risk management.

The AIFM competes for access to talent globally with investment management firms, private equity firms, hedge funds, investment banks, brokerage firms and other companies offering financial services, and the AIFM's ability to sustain or improve its position in this highly competitive environment depends substantially on its ability to continue to attract and retain the most qualified individuals. In support of the AIFM's recruitment and retention objectives, the Firm continually monitors competitive pay levels and structures its incentive awards to include, among other things, vesting, deferred payment and cancellation provisions that protect the AIFM's interests and align the interests of Identified Staff with those of the AIF's investors.

The Firm's Global Incentive Compensation Discretion Policy requires compensation managers to consider only legitimate, business related factors when exercising discretion in determining variable incentive remuneration, including adherence to Morgan Stanley's core values, conduct, disciplinary actions in the current performance year, risk management and risk outcomes. The policy specifically provides that all managers must consider whether or not an individual has managed risk appropriately and effectively managed and supervised the risk control practices of his or her reports during the performance year. Compensation managers are trained on the Global Incentive Compensation Discretion Policy and are required to certify that they have followed the requirements of that policy and have escalated situations potentially requiring attention.

Other financial and non-financial performance criteria that may be taken into account in deciding whether to award, and the amount of any variable incentive compensation to award, includes (but is not limited to):

- business and market conditions;
- individual conduct, including but not limited to, adherence to Morgan Stanley's code of conduct and policies;
- contribution to the performance and profitability of the business unit, the AIFM and Morgan Stanley;
- contribution to the strategic objectives of the AIFM, business unit, the Firm and the team;
- compliance with internal and external rules;
- revenue and profitability of funds managed by a portfolio manager;
- assets managed by a portfolio manager; and
- contribution to client objectives.

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6. Quantitative remuneration disclosure[2]: scope of disclosure

We are required to disclose and include in this report certain aggregate remuneration details for (1) the entire staff of the AIFM[3] and (2) the AIFM's senior management team and other members of its staff whose actions have a material impact on the risk profile of the AIFs the AIFM manages or on the AIFM itself[4].

We have included in our disclosure the relevant remuneration information details for all Identified Staff – i.e. for those in Group A and Group B (defined above).

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[2] Identified Staff and their associated remuneration are not allocated to individual AIFs so a breakdown by AIF does not exist and is not readily available.

[3] Article 22 (2) (e) of AIFMD.

[4] Article 22 (2) (e) of AIFMD.

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SFDR Periodic Disclosures [Unaudited]

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EUROPEAN
COMMISSION

Brussels, 31.10.2022

C(2022) 7545 final

ANNEXES 1 to 4

ANNEXES

to the

COMMISSION DELEGATED REGULATION (EU) .../...

amending and correcting the regulatory technical standards laid down in Delegated Regulation (EU) 2022/1288 as regards the content and presentation of information in relation to disclosures in precontractual documents and periodic reports for financial products investing in environmentally sustainable economic activities

`ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Prime Property Fund Europe SCSp, which is a feeder fund to Prime Property Fund Europe S.A., SICAV-RAIF (the "**Fund**")

Legal entity identifier: 25490076EC7PR5CQSG04

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

○ ○ **Yes**	○ ☒ **NO**
It made **sustainable investments with an environmental objective**: __%	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
in economic activities that qualify as environmentally sustainable under the EU Taxonomy	with an environmental objective 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	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	with a social objective
It made **sustainable investments with an 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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the following characteristics during the reference period January 1, 2024 to December 31, 2024 (hereafter referred to as the "**2024 reference period**"):

- achieve net zero Scope 1 and Scope 2 greenhouse gas emissions[1] ("**GHG**") within its portfolio by 2050 ("**Net Zero GHG Commitment**"); and
- ensure that 75% of Standing Investments (excluding retail and industrial Standing Investments) and New Constructions owned by the Fund hold, or are on track for obtaining, a Green or Health and Wellbeing Building Certification by 2025 (**"ESG Certification"**).

[1] Included in GHG emissions are carbon dioxide, methane and nitrous oxide. PFCs and SF6 are associated with electrical equipment, semiconductor manufacturing and aluminum and not applicable to PRIME Europe. HFC refrigerants are not tracked at this time,

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For more information on the Fund's characteristics and methodology, please refer to the Fund's Sustainable Financial Disclosure Regulation ("**SFDR**") Annex II Pre-Contractual Disclosure and Website Disclosure here.[2]

For the purposes of this disclosure, the following definitions of the characteristics are applied to all sections. Actions described throughout this disclosure are applicable to in-scope real estate assets.

- **Net Zero GHG Commitment:** In-scope real estate assets include assets contributing to the Fund's Scope 1 and Scope 2 GHG emissions.
- **ESG Certification:** In-scope real estate assets include Standing Investments (excluding retail and industrial Standing Investments) and New Constructions owned by the Fund.

Calculations within this disclosure have been made using the gross asset value[3] ("**GAV**") as of December 31, 2024.

Save as defined herein, capitalized terms shall have the meaning given to such term as set out in the Fund's offering documents.

How did the sustainability indicators perform?

Net Zero GHG Commitment:

The indicator used by the Adviser to measure and assess the Fund's attainment of the Net Zero GHG Commitment is GHG intensity which is not available at this time for the 2024 reference period (details below).

GHG intensity is defined for these purposes as the Scope 1 and 2 GHG emissions of each real estate asset within the Fund divided by associated square meters covered by that asset.[4] Intensity data calculations will generally only be conducted where whole building data is available – i.e., 100% data coverage as well as 12-month period coverage.

Indicator Performance Status 2024

- Calculation of GHG intensity requires a complete GHG emissions data set for the 2024 reference period. The Adviser collects asset-level environmental data (i.e., energy consumption data) on a quarterly basis where available. At the time of this disclosure, asset-level energy data is available for the reference period from Q1 2024 through Q3 2024 only and no estimates have been used for Q4 2024 (due to utility billing methods, Q4 data typically becomes available in the subsequent quarter in 2025).
- The Adviser believes estimating one quarter of GHG emissions data may impact the accuracy of the Fund's indicator performance. Estimating GHG emissions data may result in higher or lower emissions compared to the actual GHG emissions undermining the integrity of the Fund's actual GHG emissions data and compromising the essence of transparency.
- The Adviser endeavors to finalize the annual GHG intensity calculation upon availability and collection of Q4 energy data and to update the indicator performance for the Net Zero GHG Commitment in the Fund's annual sustainability report[5] that will be

[2] www.morganstanley.com/im/sfdr-prime-europe

[3] GAV used is the market value of the Fund's real estate assets at ownership after applicable trading adjustments including (a) amortization of Organizational Expenses, (b) adjustments to capitalize and amortize acquisition costs, (c) recognition of a provision for deferred taxation at fair value and (d) adjustment to reflect expected share of savings of transfer taxes and purchaser costs upon disposal of an Investment (as applicable) as of December 31, 2024.

[4] New Constructions out of scope of Net Zero GHG Commitment.

[5] The Fund's annual sustainability report is aligned with INREV's Sustainability Reporting Guidelines

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published in the Fund's 2Q 2025 Supplement to the Confidential Offering Memorandum expected to be published in Q3 2025.

ESG Certification:

The indicator used by the Adviser to measure and assess the Fund's attainment of the ESG Certification characteristic is the percentage (%) of the GAV of the Fund that 'Holds' or is 'On Track' to obtain an ESG Certification by 2025.

- **'Holds'** an ESG Certification refers to formal ESG Certification having been obtained.
- **'On Track'** to obtain an ESG Certification refers to the Adviser either having conducted a gap analysis against the relevant standards of the selected ESG Certification or the relevant formal certification submission being in process.

Indicator Performance Status 2024

- 100% of the assets in-scope of the ESG Certification characteristic either 'Holds' or is 'On Track' to obtain an ESG Certification by 2025.
- Table 1 presents the breakdown of the percentage of 'Holds' and 'On Track'.

Table 1: 'Holds' and 'On Track' Status

ESG Certification Status	% of GAV In-Scope
'Holds'	92%
'On Track'	8%
Total	100%

...and compared to previous periods?

The performance for the current 2024 reference period compared to the previous reference periods is evaluated below under sections Net Zero GHG Commitment and ESG Certification.

Net Zero GHG Commitment:

The Net Zero GHG Commitment indicator for the 2024 reference period (i.e., full year of data) will be finalized and published in the Fund's annual sustainability report.[6] This final dataset will offer comparability of Scope 1 and Scope 2 GHG emissions and GHG intensity between the 2024 and 2023 reference periods. Lower GHG intensity indicates improved environmental performance of a building.

For context, Table 2 provides an overview of the indicator performance, i.e., GHG intensity, for the 2022 to 2023 reference periods which was published in the Fund's latest sustainability report.[7] [8]

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https://www.inrev.org/guidelines/module/reporting#inrev-guidelines:~:text=Environmental%2C%20social%2C%20and%20governance%20(ESG).

[6] Will be published in the Fund's 2Q 2025 Supplement to the Confidential Offering Memorandum expected to be published in Q3 2025.

[7] Intensity data calculations conducted for assets where whole building data is available – i.e., 100% data coverage as well as 12-month period coverage. Intensity figures are equal to the total consumption divided by the gross floor area.

[8] Found in Appendix A of PRIME Europe's November 2024 Supplement to the Confidential Offering Memorandum.

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Table 2: 2023 GHG intensity[9]

Property Type	2022 GHG Intensity (CO_2e /m^2)	2023 GHG Intensity (CO_2e /m^2)
Industrial: Non-Refrigerated Warehouse *(10 / 10 assets included in calculation)*	5	5
Office: Low-Rise *(1 / 1 assets included in calculation)*	44	31
Office: Mid-Rise *(2 / 2 assets included in calculation)*	61	59
Residential: Mid-Rise[10] *(1/14 assets included in calculation)*	0	0
Residential: High-Rise[11] *(0/2 assets included in calculation)*	n/a	n/a

Actions Update:

Since the GHG intensity indicator performance is not available at the time of this disclosure, the Fund reports on measures that aim to help reduce GHG emissions and will impact the GHG intensity indicator performance.

PRIME Europe reports coverage of net zero audits for each reference period. Net zero audits are conducted by the Fund to identify asset-specific energy and emission reduction opportunities.

The Adviser has a net zero audit strategy based on standing assets owned for at least 2 years and the asset construction year, distinguishing between assets built before and after 2020 to ensure older assets are prioritized.[12] Table 3 summarizes the status of net zero audits completed for standing assets owned for at least 2 years and built before 2020, which includes all in-scope assets within the 2022, 2023, and 2024 reference periods. By the end of 2024, 100% of in-scope assets have completed a net zero audit, highlighting the Adviser's focus on improving energy efficiency.

During the 2024 reference period, the Fund acquired two newly built student accommodation assets in Barcelona, Spain and a Finnish residential asset constructed after 2020 was stabilized (i.e., reaching at least 70% leased). Given recent construction, these buildings were designed to meet modern energy efficiency standards, achieving high energy ratings. Additionally, for the two Spanish assets, an external advisor was engaged to conduct an ESG due diligence assessment. The Adviser determined that conducting net zero audits for these assets during the 2024 reference period was not necessary, but endeavors to conduct a net zero audit when deemed appropriate. The Adviser will continue to review this approach as the portfolio evolves overtime.

For more information about the energy performance attributes of the new in-scope assets refer to section *"What actions have been taken to meet the environmental and/or social characteristics during the reference period?"*.

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[9] Intensity data calculations conducted for assets where whole building data is available – i.e., 100% data coverage as well as 12-month period coverage. Intensity figures are equal to the total consumption divided by the gross floor area.
[10] There is one Residential: Mid-Rise asset with whole building data available – i.e., 100% data coverage as well as 12-month period coverage. However, due to vacancy, the asset's emissions are very low resulting in a GHG intensity of 0.
[11] Accurate GHG intensity figure not possible to calculate as complete whole building energy data not available (tenant-controlled data not provided to landlord).
[12] The Adviser's approach to conducting net zero audits may be subject to change as the Adviser continues to review this approach as the portfolio evolves overtime.

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Table 3: Net Zero Audit Status (Assets Built Before 2020)

Net Zero Audit	2022 % of GAV In-Scope	2023 % of GAV In-Scope	2024 % of GAV In-Scope
Completed	97%	100%	100%
Planned	3%	n/a	n/a

ESG Certification:

Actions Update:

During the 2024 reference period, the Adviser continued initiatives to progress the status of the 'On Track' assets (see Table 1 above). In 2023, three Finnish residential assets completed a BREEAM[13] In-Use gap analysis. During the 2024 reference period, these assets successfully submitted BREEAM In-Use applications. Overall, the status of the Fund that either 'Holds' or is 'On Track' remains the same at 100%.

Additionally, the Adviser acquired two student accommodation assets in Barcelona, Spain which contribute to the Fund's ESG Certification characteristic. Both assets hold BREEAM International New Construction certifications.

Table 4 shows the progress made from 2022 to 2024 reference periods.

Table 4: ESG Certification Progress

Status of Certification	2022 % of GAV In-Scope	2023 % of GAV In-Scope	2024 % of GAV In-Scope
'Holds'	80%	91%	92%
'On Track'	19%	9%	8%
Total	99%	100%	100%

Table 5 provides a detailed, asset-level breakdown of the ESG Certification change status during the 2024 reference period compared to the previous reference period.[14]

Table 5: ESG Certification Status

Sector	Investment Name	Asset Name (Standing Investment)	2023 Action Status	2024 Action Status
Residential	Alice	12-14 Hauenkalliontie	• On track: Gap analysis completed	• On track: BREEAM In-Use application successfully submitted
	Museum	Residential Museokatu 18	• On track: Gap analysis completed	• On track: BREEAM In-Use application successfully submitted
	Tolo	Residential Töölönkatu 34	• On track: Gap analysis completed	• On track: BREEAM In-Use application successfully submitted
Alternatives	Dolce	Pedralbes	• N/A – Asset acquired on 4/3/2024	• Certified - BREEAM International New Construction 2015: Residential – Pass

[13] Building Research Establishment Environmental Assessment Methodology
[14] 'Holds' an ESG Certification refers to formal ESG Certification having been obtained. 'On Track' to obtain an ESG Certification refers to the Adviser either having conducted a gap analysis against the relevant standards of the selected ESG Certification or the relevant formal certification submission being in process.

Table 5: ESG Certification Status

Sector	Investment Name	Asset Name (Standing Investment)	2023 Action Status	2024 Action Status
	Dolce	Poblenou	• N/A – Asset acquired on 4/3/2024	• Certified - BREEAM International New Construction 2015: Residential – Pass

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable. The Fund does not make any sustainable investments.

[Include a statement for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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How did this financial product consider principal adverse impacts on sustainability factors?

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.

The Fund considers principal adverse impacts ("**PAIs**") on sustainability factors. The Fund takes into account the fossil fuel, energy inefficiency and GHG emissions PAI applicable to real estate assets in its due diligence procedures and in its ongoing asset management approach. During the 2024 reference period, the Fund tracked the PAIs presented in Table 6 and Table 7 below.

PAI Calculation Methodology:

- The Regulation states the determination of PAIs should be undertaken on at least four specific dates during the reference period and the average results should be disclosed on an annual basis.[15]
- As such, the four specific dates used for this disclosure are aligned with the Fund's quarterly valuations:
  - Q1 - March 31, 2024
  - Q2 - June 30, 2024
  - Q3 - September 30, 2024
  - Q4 - December 31, 2024

Table 6: Fossil Fuel and Energy Efficiency PAI

Adverse Sustainability Indicator	Metric	2022	2023	2024	Explanation	Actions taken, and actions planned and targets set for the next reference period (i.e., 2025 reference period)
Fossil Fuels	17. 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	3%[16]	4%	4%	Investing in real estate assets directly involved in the extraction, storage, transport and manufacture of fossil fuels is not the investment strategy of the Fund. From time to time, the Fund may gain exposure to fossil fuels from ancillary activities carried out on the respective land plots by tenants, e.g., a fuel dispensing station on a large industrial site. These activities typically may represent a minor part of the activity of such asset. For this purpose, the 'share of investments' (%) is calculated using the quarterly snapshot GAV exposed to fossil fuels divided by the Fund's quarterly GAV. During the 2024 reference period, one real estate asset within the Fund's portfolio was exposed to fossil fuels through a fuel dispensing station located at the French industrial asset Boulevard d'Otaloe. The fuel dispensing station contains a diesel oil tank with one dispensing point and a fuel oil tank with one dispensing point. The diesel fuel tank is used by only one of the two tenants and is not the primary use of the tenant's activities as it is used only to re-fill the tenant's trucking fleet. The diesel fuel is not resold by the tenant. This is the same real estate asset that was identified as exposed to fossil fuel in the 2022 and 2023 reference periods. No additional real estate assets owned by the Fund were exposed to fossil fuels	**Actions taken (2024):** The diesel oil and fuel oil tanks located at Boulevard d'Otaloe are equipped with double skin and a leak detection system which are both maintained in accordance with jurisdiction regulations. **Actions planned (2025):** The Adviser will continue to monitor the exposure to fossil fuels within its portfolio. **Targets (2025):** The Adviser has not set any specific targets in this regard as it generally expects to have very limited exposure to fossil fuels through its investments.

[15] Average of the quarterly GAV that is exposed to fossil fuels and average of the quarterly GAV that is exposed to energy-inefficient real estate assets.

[16] GAV at 100% ownership was used for calculations for the 2022 reference period. Recalculating the 2022 figure using GAV at % ownership (consistent with the 2023 calculations), the percentage remains unchanged.

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Table 6: Fossil Fuel and Energy Efficiency PAI

Adverse Sustainability Indicator		Metric	2022	2023	2024	Explanation	Actions taken, and actions planned and targets set for the next reference period (i.e., 2025 reference period)
						during the 2024 reference period. The change in the percentage exposure between the 2022, 2023 and 2024 reference periods is a result of GAV changes.	
Energy Efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	26%[17]	27%	21%	According to Regulatory requirements 'inefficient real estate assets' shall be calculated in accordance with the following formula: *Value of real estate assets built before 31 12 2020 with "EPC of C or below) - (Value of real estate assets built after 31 12 2020 with PED below NZEB in Directive 2010 31 EU)) / (Value of real estate assets required to abide by EPC and NZEB rules)* For this purpose, the 'share of investments' (%) is calculated using the quarterly snapshot GAV below the thresholds set in the formula divided by the Fund's quarterly GAV. Notes: 1) *1) <u>Definition of 'built before' or 'built after':</u>* For this disclosure, the Fund has defined the date of obtaining planning permission as the threshold date to determine the status of 'built before' or 'built after'. The stated formula uses Energy Performance Certificate ("**EPC**") and Nearly Zero Energy Buildings ("**NZEB**") thresholds. 2) *<u>Exclusions from calculations</u>*: Due to differing implementation of EPC rules across EU jurisdictions, German and Polish EPC certificates do not present the energy performance according to an alphabetic system (A-G). Therefore, the classification of 'EPC of C or below' is not available for these assets. The GAV of assets located in Germany and Poland has been excluded from the calculation presented (representing a quarterly average of 49% of the Fund's total GAV of real estate assets). As a result, the metric presented in this table represents a quarterly average of 51% of the Fund's total GAV of real estate assets.	**Actions taken (2024):** The Adviser collects and maintains a record of EPCs for the real estate assets within the Fund's portfolio where feasible. • EPCs are collected during the ESG due diligence process for new investments. • During 2024, the Adviser ensured that assets within the portfolio held a valid EPC, where required. • The Adviser works with relevant stakeholders to ensure compliance with NZEB rules in each jurisdiction where relevant. **Actions planned (2025):** • The Adviser will continue to collect and maintain a database of all EPCs for real estate assets within the Fund's portfolio. • The Adviser will work with relevant stakeholders to monitor national EPC requirements for Standing Investments and NZEB requirements for New Constructions across the European markets to ensure new national requirements are met. **Targets (2025):** • The Fund promotes a Net Zero GHG Commitment characteristic and seeks to improve energy efficiency of operationally controlled spaces within the Fund.

[17] GAV at 100% ownership was used for calculations for the 2022 reference period. Recalculating the 2022 figure using GAV at % ownership (consistent with the 2023 calculations), the percentage remains unchanged.

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GHG Methodology:

- The greenhouse gas ("**GHG**") emissions reported for the reference period are calculated as GHG emissions equivalent (CO_2e).[18] These figures are reported according to the market-based and/or location-based approach in line with the GHG Protocol.[19]
- The Fund uses the "Operational Control Approach" defined by the GHG Protocol. The operational boundary for the Fund includes the emissions associated with operations of Standing Investments (excludes embodied GHG emissions from New Constructions).
- At the time of disclosure, the reported GHG emissions represent data for Q1 through Q3 of the 2024 reference period. Data presented in Table 7 has not been third-party limited assured at the time of this disclosure. The Advisor seeks to obtain third-party limited assurance by July 2025. Estimates have not been used to fill GHG data gaps as the Advisor believes estimating one quarter of GHG data may impact the accuracy of the Fund's GHG metric.
- The Adviser endeavors to finalize the GHG intensity calculation upon availability and collection of Q4 energy data and update the metric for the GHG PAI in the Fund's annual sustainability report that will be published in the Fund's 2Q 2025 Supplement to the Confidential Offering Memorandum expected to be released in Q3 2025.
- Table 7 presents the Fund's GHG emissions for the 2023 and 2024 reference periods (represents data for Q1 – Q3 of the respective reference period).
    - Note: The 2023 (Q1-Q3) data presented below has been updated, where applicable, from the prior year's periodic disclosure (i.e., 2023 reference period) to account for additional data that was made available. The 2023 (Q1-Q3) data is aligned with the Fund's 2024 final GRESB submission and the Fund's sustainability report and has been third-party limited assured.
    - Note: As a result of the change in property management and ongoing upgrades to the assets' metering systems, a few 2024 meter readings for select sites are not available at this time and not reflected in the 2024 (Q1-Q3) data presented below. Details below.
        - 3 out of 14 electric meters in Alteburger Str. 288-298 and 1 out of 7 electric meters in Krohstraße 2-4.

[18] Included in GHG emissions are carbon dioxide, methane and nitrous oxide. PFCs and SF6 are associated with electrical equipment, semiconductor manufacturing and aluminum and not applicable to PRIME Europe. HFC refrigerants are not tracked at this time.

[19] Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition 2004) and the WRI/WBCSD's Greenhouse Gas Protocol – Scope 2 Guidance. Market-based emissions calculates the emissions based on the purchased electricity, including green power purchases. Where an emission factor is not specified by the utility provider, a residual mix emission factor may be used. Location-based emissions calculates the emissions from electricity use based on the average emission intensity of the grid on which energy consumption occurs.

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Table 7: GHG PAI (Absolute)

Adverse Sustainability Indicator	Metric (mtons CO_2e)	2022 (Q1-Q3)	2023 (Q1-Q3)	2024 (Q1-Q3)
Greenhouse Gas ("**GHG**") Emissions	Scope 1	• Location-based: 151	• Location-based: 80	• Location-based: 128
	Scope 2	• Location-based: 6,104 • Market-based: 2,451	• Location-based: 5,088 • Market-based: 2,279	• Location-based: 4,292 • Market-based: 2,160
	Scope 3	• Location-based: 1,143 • Market-based: 1,063	• Location-based: 2,019 • Market-based: 974	• Location-based: 2,009 • Market-based: 1,414
	Total GHG emissions generated by real estate assets	• Location-based: 7,399 • Market-based: 3,665	• Location-based: 7,187 • Market-based: 3,333	• Location-based: 6,429 • Market-based: 3,701

Note:
The table below presents the Q1-Q3 2024 data coverage based on floor area (square meters).[20]
The 2023 (Q1-Q3) data is aligned with the Fund's 2024 final GRESB submission and includes data collected after this disclosure, resulting in slightly higher coverage of scope 3 emissions in 2023.

Table 8: Q1-Q3 Data Coverage Based on Floor Area (sqm)		
GHG Scopes	**2023 (Q1-Q3)**	**2024 (Q1-Q3)**
Scope 1	100%	100%
Scope 2	100%	100%
Scope 3	78%	74%

Table 9: GHG PAI (Like-for-Like) [21]

Adverse Sustainability Indicator	Metric (mtons CO_2e)	2023 (Q1-Q3)	2024 (Q1-Q3)
Greenhouse Gas ("**GHG**") Emissions	Scope 1	• Location-based: 80	• Location-based: 79
	Scope 2	• Location-based: 5,088 • Market-based: 2,279	• Location-based: 4,157 • Market-based: 2,011
	Scope 3	• Location-based: 1,930 • Market-based: 968	• Location-based: 1,533 • Market-based: 938
	Total GHG emissions generated by real estate assets	• Location-based: 7,098 • Market-based: 3,328	• Location-based: 5,769 • Market-based: 3,027

[20] All percentages (%) based on floor area (square meters) of Standing Investments only.
[21] Like-for-Like (LFL) assesses year-over-year changes in energy, water, or emissions for assets with comparable data, excluding impacts from acquisitions, disposals, or major changes. Eligible assets must have full-year data with consistent coverage and be classified as Standing Investment.

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What were the top investments of this financial product?

Table 10 presents the Fund's top Real Estate investments calculated using the average GAV of the Funds quarterly valuations within the 2024 reference period. The investments listed in Table 10 constitute more than 50% of the GAV of the Fund.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2024.

Table 10: Top Investments

Sector	Largest Investments	% Assets	Country
Real Estate - Office	Metropolitan	15%	Poland
	Park Kolonnaden	11%	Germany
Real Estate – Alternatives	Poblenou	7%	Spain
	Pedralbes	5%	
Real Estate - Office	101 Cambridge Science Park	5%	United Kingdom
Real Estate - Residential	Alteburger Str. 288-298	5%	Germany
Real Estate - Industrial (also referred to as Logistics)	John Bunyans väg 2	4%	Sweden

What was the proportion of sustainability-related investments?

The Fund did not make any sustainable investments within the meaning of the EU SFDR.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

The asset allocation presented below is calculated using the GAV as of December 31, 2024, which as noted in the Fund's Pre-Contractual Disclosure, will vary over time.

Progress update: The proportion of the Fund's investments 'Aligned with E/S Characteristics' reported below for the 2024 reference period (i.e., 71%) is greater than the proportion specified in the Fund's Pre-Contractual Disclosure (i.e., 66%). This is because as of year-end 2024, 100% of the Standing Investments (excluding industrial) and New Constructions either 'Hold' or are 'On Track' to obtain an ESG Certification. The Fund's characteristic is to ensure that 75% of certain Standing Investments and New Constructions owned by the Fund hold, or are on track for obtaining, a Green or Health and Wellbeing Building Certification by 2025, as specified in the Fund's Pre-Contractual Disclosure.

The 'Other' investments in the portfolio will consist of real estate-related assets that are not covered by the Fund's E/S characteristics (e.g., industrial/logistics assets). Cash and derivatives for hedging purposes are not considered for this purpose.

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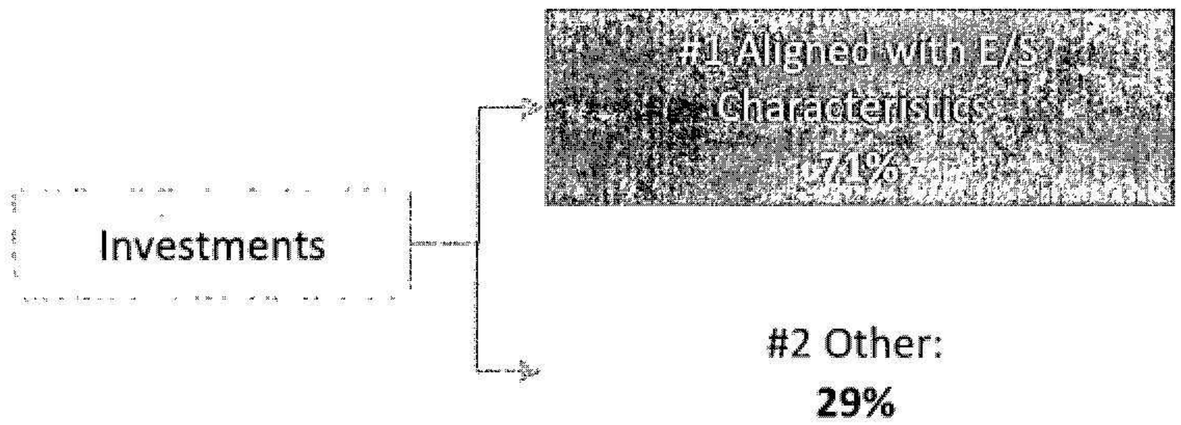

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investment.

Table 11 below presents a historical comparison of the asset allocation for the Fund.

Table 11: Historical Asset Allocation

Historical comparison of the asset allocation for Article 8	2022	2023	2024
#1 Aligned with E/S characteristic	67%	69%	71%
#2 Other	33%	31%	29%
#1A Sustainable	0%	0%	0%
#1B Other E/S Characteristic	0%	0%	0%
Taxonomy-aligned	0%	0%	0%
Other environmental	0%	0%	0%
Social	0%	0%	0%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?

100% of the Fund's investments were made in the economic sector of Real Estate. Cash and derivatives for hedging purposes have not been considered for this purpose.

The proportion of each sub-sector was calculated using the average GAV of the Fund's quarterly valuations within the 2024 reference period, and is as follows:

- 31% Real Estate – Office
- 28% Real Estate – Industrial
- 29% Real Estate – Residential
- 12% Real Estate – Alternatives

0% of the Fund's investments were made in sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels.

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To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable – The Fund does not commit to making sustainable investments or Taxonomy aligned investments.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[22]?

Yes:

In fossil gas In nuclear energy

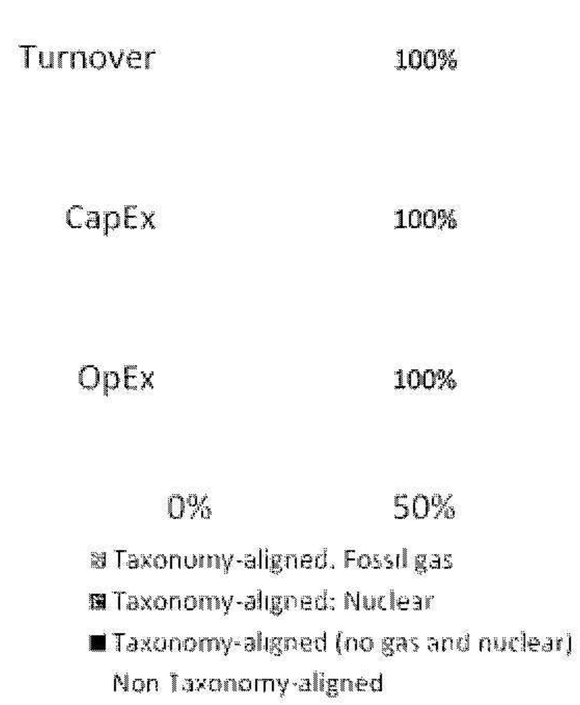
✖ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

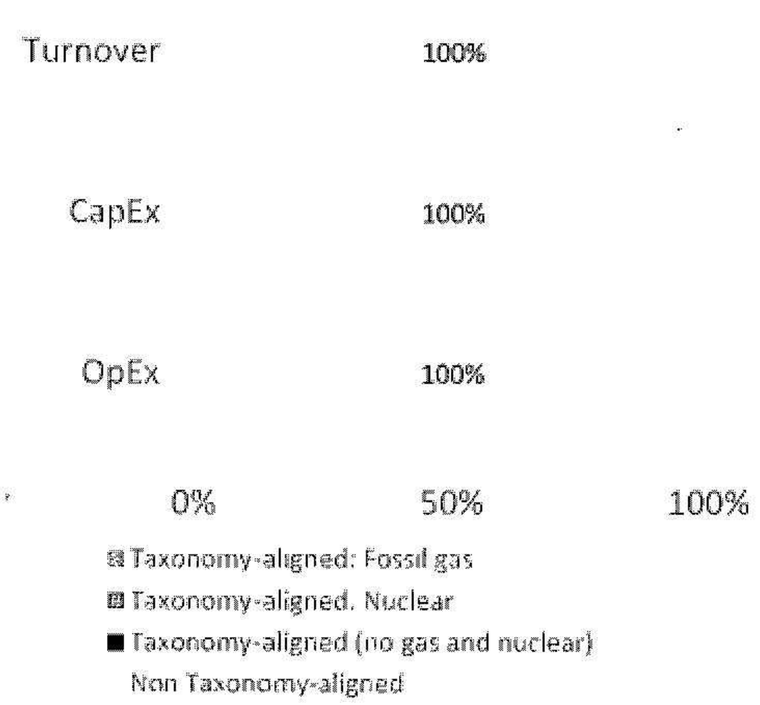
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product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

The Fund does not commit to making sustainable investments or Taxonomy aligned investments and so the Fund is 0% Taxonomy aligned.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 100% of the total investments.

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

[22] 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

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What was the share of investments made in transitional and enabling activities?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The 'Other' investments in the portfolio will consist of real estate-related assets that are not covered by the Fund's E/S characteristics (e.g., industrial sector assets). Cash and derivatives for hedging purposes are not considered for this purpose.

For each acquisition, as part of the due diligence and investment decision process, investment teams review ESG items as part of completion of the Investment Committee ("**ICOMM**") Checklist to ensure the transaction does not present environmental or social risk red flags and complies with Morgan Stanley's Environmental and Social Policy Statement.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the 2024 reference period, the Adviser focused on the following actions to meet the E/S characteristics promoted by the Fund.

Net Zero GHG Commitment:

In 2024, the Adviser sought to advance its Net Zero GHG Commitment through key actions, including enhanced data collection, net zero pathway assessment, asset-level ESG plans, energy benchmarking, and renewable energy use.

Data Collection and Asset Onboarding

Accurate utility data is critical for managing environmental performance. In 2024, energy data for all assets was tracked, achieving strong 80% data coverage for electricity and 100% for natural gas and district heating (Q1–Q3 2024, based on floor area).

To ensure data completeness, the Adviser expedited onboarding for two newly acquired student accommodation assets in Barcelona, Spain. This resulted in a full Scope 1 and Scope 2 GHG emissions dataset for Q1–Q3 2024 at the time of this disclosure.

Net Zero Pathway Assessment

The Fund used the Carbon Risk Real Estate Monitor ("**CRREM**") to evaluate portfolio alignment with 1.5°C emission reduction targets and to assess decarbonization roadmaps. Whole building data, including Scope 3 emissions where available, was utilized for accuracy.

In 2024, the Adviser assessed the portfolio's decarbonization pathway using the final GHG emissions dataset for 2023, focusing on 13 Standing Investments with complete, 12-month

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.

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whole building data coverage which represented 75% of total Fund by floor area (square meters). [23] This process helps track progress toward net zero commitment.

CRREM assessment findings highlight that based on current data and the CRREM methodology, the Adviser is on track to meet the Fund's Net Zero GHG Commitment. The portfolio's stranding year is 2038, with only two assets (5% of GAV) identified as stranded before 2030.

The two pre-2030 stranded assets, French industrial assets fully tenant-controlled (Scope 3 emissions only), are excluded from the Fund's Net Zero GHG Commitment. In 2024, tenant space lighting was converted to LED lighting to improve energy efficiency. The Adviser engaged specialist consultants to review net zero audit reports and help prioritize measures to include in the annual assets' Business Plans, where feasible, to reduce energy consumption and emissions. Example measures include hydraulic balancing of heating systems, retrofitting predictive building controls, and conducting on-site solar feasibility studies.

Figure 1 and Table 12 below present the findings of the CRREM assessment.

For more information regarding the CRREM assessment, please refer to the Fund's sustainability report.[24]

Figure 1: CRREM Assessment Findings

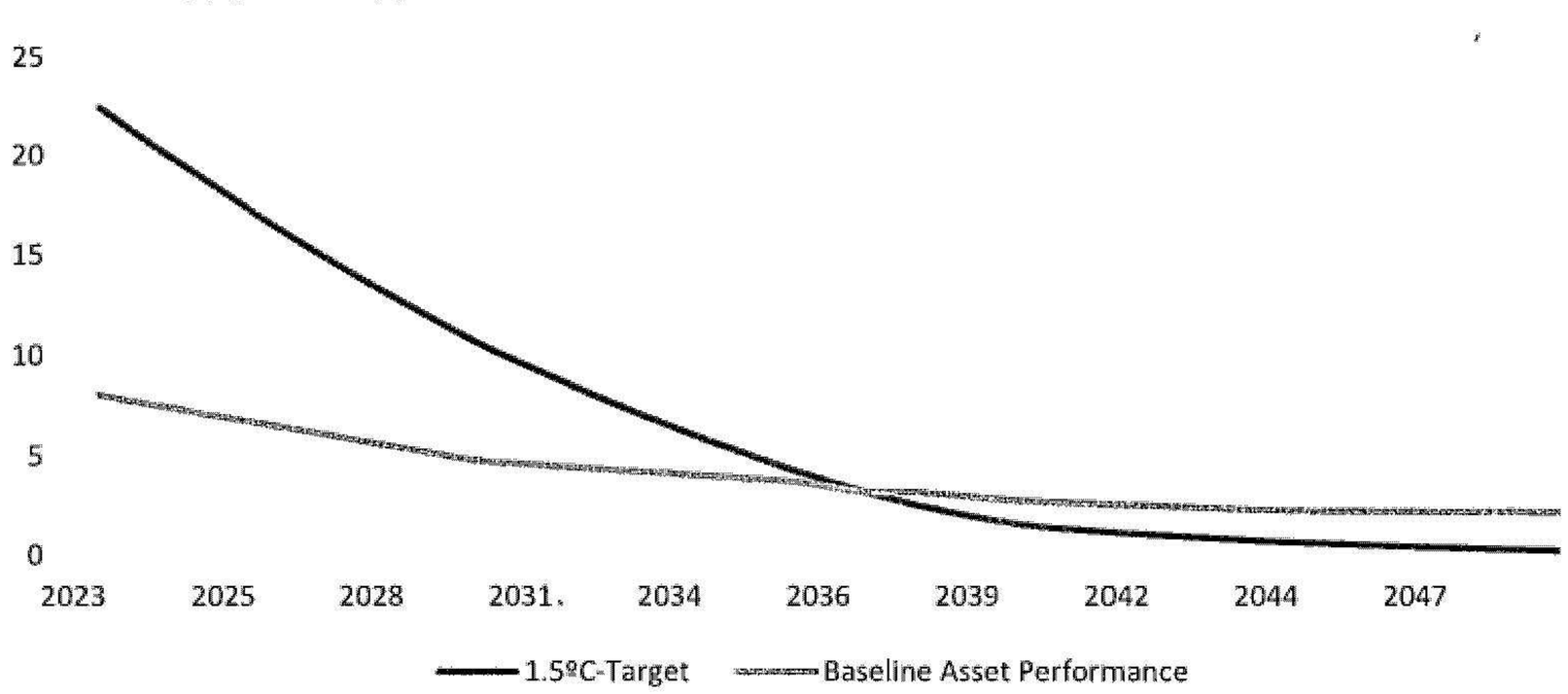

Table 12: CRREM Pathway Assessment Findings	
Assessment	**2024 Findings**
Weighted average stranded year for portfolio for GHG (e.g., using CRREM pathways)	• The portfolio's stranding year for GHG 1.5°C Pathway is **2038** • Stranding analysis takes into account both on-site and off-site renewables for

[23] Data as of 12/31/2023. Includes standing investments only. Cologne Residential Klerschweg 2 not included in analysis given very low energy consumption due to vacancy. Assets acquired in 2024 are not included in CRREM portfolio analysis.
[24] Found in Appendix A of PRIME Europe's November 2024 Supplement to the Confidential Offering Memorandum.

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	reducing carbon risk • Analysis completed where whole building energy consumption data was available
Proportion of assets in stranding year ranges identified as relevant to the strategy (e.g., CRREM GHG pathways; before 2030)	• CRREM GHG 1.5°C Pathway: **Stranding year before 2030: 5% of GAV** - Cross II – 1 bis Rue le Chatelier - Cross IV – Avenue de Satolas Green

Asset-Level ESG Plans

The Adviser engaged an external technical advisor to refine asset-level ESG plans (known as decarbonization roadmaps) for assets in the portfolio. These plans were developed based on net zero audit reports and other building analyses, identifying ESG measures to improve environmental performance across energy and emissions. The tailored plans were reviewed with asset and property management teams, and ESG capital expenditures ("**CapEx**") were incorporated into the Fund's annual asset Business Plans as appropriate to support these improvements.

Energy Benchmarking Analysis

The Adviser engaged a technical advisor to conduct an energy benchmarking analysis to evaluate the portfolio's performance and align with industry best practices. This analysis supported the development of asset-level ESG plans.

The benchmarking compared the portfolio's energy use against established industry standards and to address limitations in existing benchmarks, such as inconsistent data quality, lack of a verified asset database and inadequate differentiation between common and tenant area energy consumption. The Adviser collaborated with the technical advisor to create additional customized benchmarks. These benchmarks improved the accuracy of energy consumption comparisons across countries and asset classes.

The results of the benchmarking analysis directly informed the development of the asset-level ESG plans.

Renewable Energy

As part of the Fund's net-zero strategy, the Adviser aims to increase the share of renewable energy consumption across the portfolio, utilizing both off-site and on-site renewable sources. In 2024, 100% of landlord-procured electricity for office and residential assets (which represents 59% of GAV as of 4Q24) came from carbon free sources.

The Adviser continues to assess opportunities for on-site solar installations, where financially and operationally viable. As of year-end 2024, 560.3kW of on-site solar capacity was installed across 27% of the Fund's portfolio (by GAV). During the 2024 reporting period, 49% of total electricity consumption (Q1-Q3) was renewable, including both off-site and on-site sources.

ESG Certification:

The Adviser leverages external consultants to perform ESG certification gap analyses and pursues certifications where feasible. In 2024, three residential assets submitted applications for BREEAM In-Use certification, with results expected in coming months.

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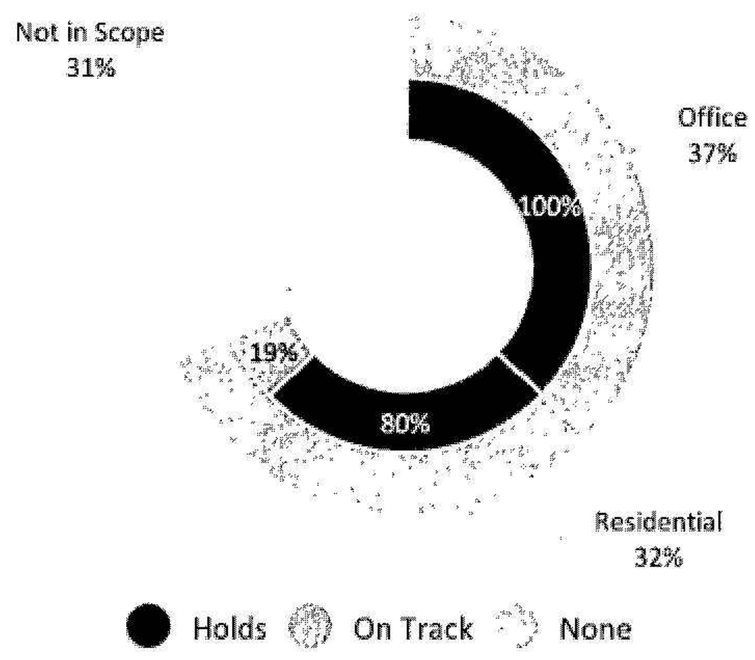
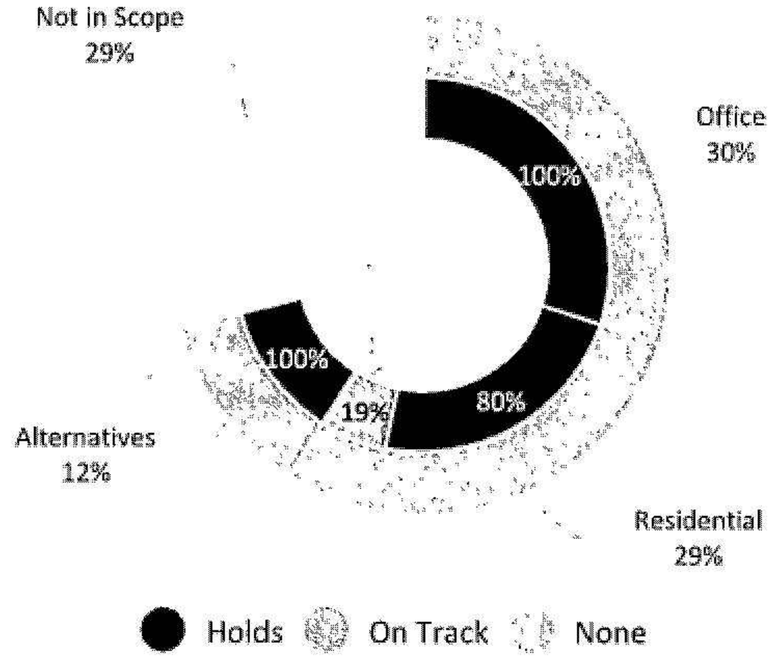
Figure 2 illustrates progress toward achieving 100% ESG Certification across the portfolio. For detailed updates and comparisons to prior periods, refer to section above.

Figure 2: ESG Certification Progress (2023 to 2024)

ESG Certification Status *2023*	**ESG Certification Status** *2024*
	
Percentage allocations in outer circle is Fund's asset allocation based on GAV as of December 31, 2023	Percentage allocations in outer circle is Fund's asset allocation based on GAV as of December 31, 2024

Please refer to Table 13 below to review the Fund's assets that are in scope or not in scope of the Fund's SFDR characteristics.

For additional details regarding PRIME Europe's ESG strategy and progress towards the Fund's E/S characteristics, please refer to the Fund's sustainability report.[25]

Table 13: Assets In-Scope vs. Not In-Scope

Asset Name	Net Zero GHG Commitment	ESG Certification
[redacted]	[redacted]	[redacted]

[25] Found in Appendix A of PRIME Europe's November 2024 Supplement to the Confidential Offering Memorandum.

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Lötsträde 2-4	Aligned with E/S Characteristics	Aligned with E/S Characteristics
Sockenvägen Tobiasstu 34	Aligned with E/S Characteristics	Aligned with E/S Characteristics
42-18 Fabriksgatan 1	Other	Aligned with E/S Characteristics
Tobiasbo	Other	Aligned with E/S Characteristics
Tobiasvo	Other	Aligned with E/S Characteristics
Leveransvägen 1	Other	Other
Logistikvägen 8	Other	Other
Logistikvägen 2	Other	Other
Stormgatan 10	Other	Other
Boulevard d'Otaloe	Other	Other
Avenue_de_Satolas_Green	Other	Other
1 bis Rue le Chatelier	Other	Other
18 Rue des Vieilles Vignes	Other	Other
John Bunyans väg 6	Other	Other
John Bunyans väg 2	Other	Other
Sabadell	Other	Other

Note: The 'Aligned with E/S Characteristics' includes assets that fall within either the Net Zero GHG Commitment or ESG Certification characteristic. The 'Other' investments in the portfolio consist of real estate assets that are not covered by the Fund's SFDR characteristics.

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

Not applicable.

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To the Partners of
Prime Property Fund Europe SCSp
12E, rue Guillaume Kroll
L-1882 Luxembourg
Luxembourg

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the consolidated financial statements of Prime Property Fund Europe SCSp (the "Fund"), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of comprehensive income (loss), consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information and other explanatory information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Prime Property Fund Europe SCSp as of December 31, 2024, and 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.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with auditing standards generally accepted in the United States of America (GAAS) and in accordance with International Standards on Auditing (ISAs) as adopted by the *"Commission de Surveillance du Secteur Financier"*. Our responsibilities under those standards and the Law of July 23, 2016 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 are independent of the Fund, and we have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit which include relevant ethical requirements in the United States of America and the International Ethics Standards Board for Accountants' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Société à responsabilité limitée au capital de 360.000 €
RCS Luxembourg B67.895
Autorisation d'établissement 10022179

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Other information Included in the Annual Report

The Board of Managers of the General Partner is responsible for the other information included in the annual report. The other information comprises the information stated in the annual report but does not include the consolidated financial statements and our report of the *"réviseur d'entreprises agréé"* thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether a material inconsistency exists between the other information and the consolidated financial statements or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is an uncorrected material misstatement of this other information, we are required describe it in our report. We have nothing to report in this regard.

Responsibilities of the Board of Managers of the General Partner and Those Charged with Governance for the Consolidated Financial Statements

The Board of Managers of the General Partner is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Fund's ability to continue as a going concern at least, but not limited to, 12 months (one year) from the end of the reporting period, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Managers of the General Partner is responsible for overseeing the Fund's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Consolidated Financial Statements

Our objectives 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore it is not a guarantee that an audit conducted in accordance with the Law dated July 23, 2016, US GAAS and ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could influence the judgment made by a reasonable user based on the consolidated financial statements.

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Deloitte.

As part of an audit in accordance with the Law of July 23, 2016, GAAS and ISAs as adopted for Luxembourg by the CSSF, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.
- 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 or 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 group audit. We remain solely responsible for our audit opinion.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

For Deloitte Audit, *Cabinet de révision agréé*

[Lize Griffiths]

Lize Griffiths, *Réviseur d'entreprises agréé*
Partner

February 14, 2025

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Consolidated Financial Statements

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Prime Property Fund Europe SCSp

Consolidated Statement of Financial Position

As of December 31, 2024 and 2023

	Note	December 31, 2024	December 31, 2023
Assets			
Non-current assets			
Investment properties, at fair value	2, 4, 14	€ 1,341,387,094	€ 1,115,693,472
Deferred rent	2	4,157,854	4,036,866
Derivative financial assets	2, 10, 14	587,525	–
Total non-current assets		**1,346,132,473**	**1,119,730,338**
Current assets			
Derivative financial assets	2, 10, 14	145,894	24,820
Other assets	2	2,037,270	5,986,539
Prepaid expenses	2	3,272,625	922,430
Accounts receivable	2, 5, 21	18,564,184	14,407,699
Short-term investments	2, 7, 21	–	63,000,000
Cash and cash equivalents	2, 6, 21	40,076,301	39,524,155
Total current assets		**64,096,274**	**123,865,643**
Total assets		**1,410,228,747**	**1,243,595,981**
Liabilities			
Non-current liabilities			
Loans payable	2, 8, 9	(224,941,549)	(335,749,064)
Derivative financial liabilities	2, 10, 14	(5,315,168)	(4,253,195)
Security deposits payable	2, 11	(2,505,120)	(2,987,203)
Deferred tax liabilities net	2, 26	(18,071,147)	(7,850,243)
Total non-current liabilities		**(250,832,984)**	**(350,839,705)**
Current liabilities			
Accounts payable and accrued expenses	2, 12	(21,231,756)	(16,534,118)
Loans payable	2, 8	(182,407,988)	–
Security deposits payable	2, 11	(3,178,011)	(2,073,141)
Other liabilities	2, 13	(14,877,869)	(6,876,032)
Investment management and incentive fees payable	2, 20	(2,402,368)	(2,366,198)
Accrued capital expenditures	2	(4,119,823)	(5,064,195)
Derivative financial liabilities	2, 10, 14	(1,517,053)	(682,478)
Total current liabilities		**(229,734,868)**	**(33,596,162)**
Total liabilities		**(480,567,852)**	**(384,435,867)**
Total net assets		**929,660,895**	**859,160,114**
Less: Net deficit / (assets) attributable to non-controlling interest	2	5,356,942	5,273,570
Net assets attributable to controlling interests		**€ 935,017,837**	**€ 864,433,684**

The accompanying notes are an integral part of the consolidated financial statements

20250823002681

Prime Property Fund Europe SCSp

Consolidated Statement of Comprehensive Income (Loss)

For the years ended December 31, 2024 and 2023

	Note	December 31, 2024	December 31, 2023
Income			
Revenues	2, 15	€ 72,110,704	€ 58,556,273
Net change in unrealized gain (loss) on investment properties through profit or loss	2, 14	25,566,552	(126,869,944)
Realized gain (loss) on derivative financial instruments	2, 10	–	14,871,896
Realized foreign currency (loss) gain	2	(54,516)	1,178
Net change in unrealized gain (loss) on derivative financial instruments	2, 10	(1,187,949)	(17,671,831)
Unrealized gain (loss) on foreign currency	2	9,542	(45,938)
Total income (loss)		**96,444,333**	**(71,158,366)**
Expenses			
Real estate operating expenses	2, 16	(20,224,271)	(15,883,950)
Real estate taxes		(3,397,836)	(3,599,490)
Other non-operating expenses	2, 17	(13,346,110)	(14,106,790)
Investment management and incentive fees	2, 20	(5,477,595)	(5,463,280)
Total expenses		**(42,445,812)**	**(39,053,510)**
Interest income	2, 7, 8	4,899,696	3,052,509
Finance income		**4,899,696**	**3,052,509**
Interest expense on loans payable	2, 8	(15,727,567)	(10,759,429)
Distribution to holders of redeemable units	2	(18,640,748)	(13,797,370)
Finance costs		**(34,368,315)**	**(24,556,799)**
Changes in net assets attributable to partners, before tax		**24,529,902**	**(131,716,166)**
Total income tax (expense) benefit	2, 26	(10,766,473)	4,346,482
Changes in net assets attributable to partners, after tax		**13,763,429**	**(127,369,684)**
Attributable to:			
Controlling interests		13,856,253	(120,354,426)
Non-controlling interests	2, 23	(92,824)	(7,015,258)
Changes in net assets attributable to partners, after tax		**13,763,429**	**(127,369,684)**
Other comprehensive (loss) income			
Foreign currency translation reserve	2	(512,703)	819,884
Total other comprehensive (loss) income		**(512,703)**	**819,884**
Total comprehensive income (loss)		**13,250,726**	**(126,549,800)**
Attributable to:			
Controlling interests		13,343,550	(119,534,542)
Non-controlling interests		(92,824)	(7,015,258)
Total comprehensive income (loss)		**€ 13,250,726**	**€ (126,549,800)**

The accompanying notes are an integral part of the consolidated financial statements

Prime Property Fund Europe SCSp

Consolidated Statement of Changes in Net Assets

For the years ended December 31, 2024 and 2023

	Partners' capital	Retained Earnings / (Accumulated Deficit)	Other comprehensive income (loss)	Net assets attributable to controlling interests	Net assets / (deficit) attributable to non-controlling interests	Total net assets
As of January 1, 2023	**€ 907,148,215**	**€ 11,263,713**	**€ (15,138,504)**	**€ 903,273,424**	**€ 1,661,079**	**€ 904,934,503**
Capital contributions	181,400,000	–	–	181,400,000	80,609	181,480,609
Redemption	(105,798,718)	–	–	(105,798,718)	–	(105,798,718)
Reinvested distributions	5,093,520	–	–	5,093,520	–	5,093,520
Foreign currency translation reserve	–	–	819,884	819,884	–	819,884
Changes in net assets attributable to partners	–	(120,354,426)	–	(120,354,426)	(7,015,258)	(127,369,684)
As of December 31, 2023	**€ 987,843,017**	**€ (109,090,713)**	**€ (14,318,620)**	**€ 864,433,684**	**€ (5,273,570)**	**€ 859,160,114**
As of January 1, 2024	**€ 987,843,017**	**€ (109,090,713)**	**€ (14,318,620)**	**€ 864,433,684**	**€ (5,273,570)**	**€ 859,160,114**
Capital contributions	75,000,000	–	–	75,000,000	9,452	75,009,452
Redemption	(25,000,000)	–	–	(25,000,000)	–	(25,000,000)
Reinvested distributions	7,240,603	–	–	7,240,603	–	7,240,603
Foreign currency translation reserve	–	–	(512,703)	(512,703)	–	(512,703)
Changes in net assets attributable to partners	–	13,856,253	–	13,856,253	(92,824)	13,763,429
As of December 31, 2024	**€ 1,045,083,620**	**€ (95,234,460)**	**€ (14,831,323)**	**€ 935,017,837**	**€ (5,356,942)**	**€ 929,660,895**

The accompanying notes are an integral part of the consolidated financial statements

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Prime Property Fund Europe SCSp

Consolidated Statement of Cash Flows

For the years ended December 31, 2024 and 2023

	Note	December 31, 2024	December 31, 2023
Cash flow from operating activities			
Changes in net assets attributable to partners, after tax		€ 13,763,429	€ (127,369,684)
Adjustments to reconcile changes in net assets attributable to partners, after tax to net cash provided by (used in) operating activities:			
Net change in unrealized (gain) loss on investment properties through profit or loss	14	(25,566,552)	126,869,944
Realized (gain) loss on derivative financial instruments	10	—	(14,871,896)
Net change in unrealized (gain) loss on derivative financial instruments	10	1,187,949	17,671,831
Interest accrued on short-term investments	7	—	(987,788)
Interest income	8	—	(2,064,721)
Deferred rent		(120,988)	(583,829)
Deferred income tax (benefit) expense	2, 26	10,220,904	(5,199,253)
Tax expense	2, 26	(12,402)	886,888
Interest expense on loans payable	8	15,727,567	10,759,429
Distribution to holders of redeemable units		18,640,748	13,797,370
Additions to investment properties	4	(204,875,394)	(25,819,610)
Proceeds from termination of derivative financial instruments	10	—	14,871,896
Income tax paid	2	(414,434)	(355,535)
Adjustments for working capital:			
Other assets	2	3,897,714	(5,988,181)
Short-term investments	7	63,000,000	(63,000,000)
Prepaid expenses		(2,350,195)	1,057,340
Accounts receivable	2, 5	(4,156,485)	(7,150,748)
Accounts payable and accrued expenses	2, 12	3,170,606	(85,077)
Security deposits payable	2, 11	622,787	168,887
Other liabilities	2, 13	8,001,838	1,081,497
Investment management and incentive fees payable	2, 20	36,170	(1,762,698)
Due to affiliated entity	2	—	(62,268)
Net cash flow provided by (used in) operating activities		**(99,226,738)**	**(68,136,206)**
Cash flow from financing activities			
Proceeds from capital contributions		75,000,000	181,400,000
Contributions from non-controlling interests	2	9,452	80,609
Distributions paid to holders of redeemable units, net	2	(11,400,145)	(8,703,850)
Proceeds from loans payable	2, 8, 9	76,000,000	20,000,000
Proceeds from revolving line of credit	2, 8, 9	25,000,000	—
Repayments on loans payable	2, 8, 9	—	(48,960,325)
Repayments on revolving line of credit	2, 8, 9	(25,000,000)	—
Redemptions paid	2, 18	(25,000,000)	(105,460,370)
Interest paid on loans payable	8	(10,849,902)	(7,265,793)
Interest received	8	—	2,064,721
Financing cost paid on loans payable	8	(4,234,417)	(1,276,224)
Net cash flow provided by (used in) financing activities		**99,524,988**	**31,878,768**
Net change in cash and cash equivalents		**298,250**	**(36,257,438)**
Effects of exchange rate changes on cash and cash equivalents		253,896	(42,828)
Cash and cash equivalents - beginning of period		39,524,155	75,824,421
Cash and cash equivalents - end of period		**€ 40,076,301**	**€ 39,524,155**
Supplemental disclosure of non-cash activities during the period			
Reinvested distributions	2	7,240,603	5,093,520
Capital expenditures accrued but not yet paid	2	4,119,823	5,064,195
Redemption accrued but not paid	18	—	338,348

The accompanying notes are an integral part of the consolidated financial statements

20250820002684

Prime Property Fund Europe SCSp

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

1. General Information

Prime Property Fund Europe SCSp (the "Fund") is a Luxembourg special limited partnership established under the laws of the Grand Duchy of Luxembourg. The Fund was constituted on January 17, 2019 and commenced operations on November 1, 2019 (First Closing Date). The Fund invests all of its investible capital into Prime Property Fund Europe S.A., SICAV-RAIF (the "Master Fund" and together with the Fund further referred to herein as "PRIME Europe" or the "Fund"). The Master Fund was constituted on July 9, 2021.

The registered office of the Fund is at 12E, rue Guillaume Kroll L-1882 Luxembourg, Grand Duchy of Luxembourg.

The purpose of the Fund is to (i) identify potential investments, (ii) acquire, hold, improve, develop, re-develop, construct, maintain, operate, manage, lease, mortgage, finance, refinance, sell, exchange, dispose of and otherwise deal in and exercise control over the property or other assets, instruments or interests relating to the underlying investments and (iii) pending utilization or disbursement of funds, invest such funds in accordance with the terms of the Limited Partnership Agreement.

Prime Property Fund Europe GP S.à r.l. (the "General Partner"), a Luxembourg private limited liability company incorporated under the laws of the Grand Duchy of Luxembourg, is the general partner of the Fund. The Master Fund has appointed MSIM Fund Management (Ireland) Limited, an Irish limited liability company, as the alternative investment fund manager of the Fund (the "AIFM"). The AIFM has delegated the portfolio management with respect to the Fund to MSREF Real Estate Advisor, Inc., a Delaware corporation as the investment adviser to the Fund (the "Adviser"). The AIFM retains the risk management function with respect to the Fund. The General Partner has no economic interest in the Fund. The articles of incorporation of the General Partner were published in the Recueil Electronique des Sociétés et Associations (RESA) on 11-13, boulevard de la Foire L-1528, Luxembourg Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Registry section B under number B231.126. The registered office of the General Partner is located at 12E, rue Guillaume Kroll L-1882 Luxembourg, Grand Duchy of Luxembourg.

All terms not defined herein shall have the meaning ascribed to them in the Limited Partnership Agreement.

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2. Summary of Material Accounting Policies

Basis of Preparation

The consolidated financial statements and notes of the Fund have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS).

In accordance with *IAS 32, Financial Instruments: Presentation*, since the Fund is an indefinite life entity, the Partners are holders of redeemable units and the distributions of Partners' capital are not considered to be pro rata at liquidation, the investments made by Partners do not meet the criteria for equity classification and are considered to be financial liabilities of the Fund.

Standards and Amendments Issued and Effective

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2024 that have a material effect on the consolidated financial statements of the Fund.

- 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;

Management has assessed the impact of the amendments and concluded none of the amendments have a material impact on the financial position or performance of the Fund.

Standards Issued But Not Yet Effective

This listing is of standards and interpretations issued, which the Fund reasonably expects to be applicable at a future date. The Fund intends to adopt those standards when they become effective. Standards issued but not yet effective up to the date of issuance of the Fund's consolidated financial statements are listed below:

- Amendments to *IAS 21* on lack of Exchangeability effective 1 January 2025*
- Amendments to *IFRS 9* and *IFRS 7* on Classification and Measurement of Financial Instruments effective 1 January 2026*
- *IFRS 19* Subsidiaries without Public Accountability: Disclosures effective 1 January 2027*
- *IFRS 18* Presentation and Disclosure in Financial Statements effective 1 January 2027*
- *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.

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2. Summary of Material Accounting Policies (continued)

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Fund and its subsidiaries. Specifically, the Fund controls an investee if, and only if, it has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

The Fund re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Fund obtains control over the subsidiary and ceases when the Fund loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Fund gains control until the date it ceases to control the subsidiary.

The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Fund. Consistent accounting policies are applied to like transactions and events in similar circumstances.

Profit or loss and each component of other comprehensive income (loss) are attributed to the Partners of the Fund and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance.

Inter-entity transactions, balances and unrealized gains (losses) on transactions between the Fund entities are eliminated.

Investment Transactions

The Fund acquires subsidiaries that own real estate. At the time of acquisition, the Fund considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Fund accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, hotel services, etc.). When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. This is generally the case if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets such as investment properties. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized. The Fund marks its investment properties to fair value each reporting period.

2. Summary of Material Accounting Policies (continued)

Any adjustments are recorded on the accompanying consolidated statements of comprehensive income (loss) in unrealized gain (loss) on investment properties through profit or loss.

Real estate property acquisitions and dispositions are recorded as of the date of closing.

Expenditures that extend the economic life of the property or directly relate to revenues of future periods are capitalized.

Capitalized amounts are not depreciated or amortized since appraisals take into account the estimated effect of physical depreciation.

The Fund determines realized gain (loss) by comparing net proceeds from the disposition of investments to the cost of the investments sold. The unrealized gain (loss) previously recorded for these investments is then reversed and reported as realization of gain (loss) on investments sold or disposed of in the accompanying consolidated statements of comprehensive income (loss).

Foreign Currency

Functional and presentation currency

The consolidated financial statements are presented in Euro ("EUR" or "€"), which is also the Fund's functional currency. All values are rounded to the nearest EUR except where otherwise indicated. Each entity in the Fund determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rate or the spot exchange rate, as applicable. The following table shows the spot exchange rate at December 31, 2024 and December 31, 2023 and the average exchange rate calculated during the years ended December 31, 2024 and 2023:

	December 31, 2024		**December 31, 2023**	
	Spot rate	Average rate	Spot rate	Average rate
Polish Zloty (PLN)	0.2340	0.2322	0.2302	0.2204
Pound Sterling (GBP)	1.2088	1.2016	1.1535	1.1500
Swedish Krona (SEK)	0.0873	0.0870	0.0898	0.0872

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of comprehensive income (loss), except when they are attributable to part of the net investment in a foreign operation.

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2. Summary of Material Accounting Policies (continued)

Translation of foreign operations

The monetary and non-monetary assets and liabilities of foreign operations, including fair value adjustments arising on consolidation, are translated to EUR at the foreign exchange rates ruling at the reporting date. Non-monetary assets and liabilities are translated to EUR at the foreign currency exchange rate at the date of the transaction. Equity is translated at the historical rate.

The income and expenses of foreign operations are translated to EUR at the average foreign exchange rate for the period. Foreign exchange differences arising on translation are recognized as foreign currency translation reserve within the consolidated statements of comprehensive income (loss).

The following table shows the spot exchange rate at December 31, 2024 and December 31, 2023 and the average exchange rate calculated during the years ended December 31, 2024 and 2023:

	December 31, 2024		**December 31, 2023**	
	Spot rate	Average rate	Spot rate	Average rate
Pound Sterling (GBP)	1.2088	1.2016	1.1535	1.1500
Swedish Krona (SEK)	0.0873	0.0870	0.0898	0.0872

Investment Properties

Investment properties are properties that are owned by the Fund and are either held to earn rental revenue or for capital appreciation, or both, rather than for use in the production or supply of goods or services, for administrative purposes, or in the ordinary course of business.

Investment properties comprise predeveloped and developed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. In the circumstances where the Adviser is required to obtain an Acquisition Appraisal for regulatory requirements, the Acquisition Appraisal will form the basis of valuation of the quarter in which the investments are acquired. Unrealized gains or losses arising from changes in the fair values of investment properties are included in the consolidated statements of comprehensive income (loss) in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statements of comprehensive income (loss) in the year of retirement or disposal.

The Fund's investment properties are all freehold in nature except for PPFE Office Cambridge Sarl which has a ground lease contract. This ground lease has been accounted for in accordance with *IFRS 16, Leases*.

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2. Summary of Material Accounting Policies (continued)

Derivative Financial Instruments

The Fund may use forward currency contracts, interest rate swaps, and interest rate caps to manage the risks associated with movement in foreign currency rates and interest rates, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Change in unrealized gains or losses on derivative financial instruments is recorded in net change in unrealized (loss) gain on derivative financial instruments in the consolidated statements of comprehensive income (loss).

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair Value

Fair value measurement – definition and hierarchy

In determining fair value, the Fund uses various valuation approaches. *IFRS 13, Fair Value Measurements* establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that the market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Fund. Unobservable inputs are inputs that reflect the Fund's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

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2. Summary of Material Accounting Policies (continued)

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including the type of product, whether the product is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination for fair value requires more judgment. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

Valuation policy and controls

The General Partner must approve the engagement of the independent appraisers and a third party reviewer on behalf of the Fund. The independent appraiser will perform quarterly appraisals of the Fund's underlying properties, as described in "Valuation Techniques" below. Asset managers of the Adviser review underlying property related information provided to the appraisers for accuracy and also review the appraisal model for reasonableness and accuracy. The appraisers will generally begin appraising an investment in the first complete quarter following the acquisition of the investment. The Adviser determines individual investment values based on such appraisals and reviews received from the third-party reviewer. These processes are designed to assure that the valuations used for financial reporting are based on observable inputs wherever possible. In the event that observable inputs are not available, the processes are designed to assure that the valuation is prepared using reasonable inputs and assumptions which are consistent with market data or with assumptions that would be used by a third-party participant and assume highest and best use of the investment properties.

The Adviser has created a valuation committee to oversee the valuation process. The valuation committee seeks to ensure that best practices are adopted and adhered to in carrying out the valuation process and that the valuation policy is applied on a consistent basis among all of the Fund's investment properties. The valuation committee is comprised of representatives of the Adviser that are not officers of the Fund.

The Adviser reserves the right to appoint and remove members of the committee, change the scope of the committee's responsibilities, and to disband the committee at any time, in its discretion. Valuations are approved by management of the Adviser.

On a quarterly basis, the Adviser furnishes the Board of the General Partner (the "Board") with a list of individual investment values, together with a summary of any adjustments made to the appraisals by the Fund. The Board has the right to inspect all appraisals and supporting materials upon reasonable notice to the Adviser.

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2. Summary of Material Accounting Policies (continued)

Valuation techniques

Investment properties

The values of investment properties held in underlying subsidiaries, partnerships or by operating companies have been prepared giving consideration to the traditional income approaches. Secondary consideration has been given to either the cost or sales comparison approaches of estimating property value.

The income approaches include both the capitalization model and the discounted cash flow model.

- Capitalization model

  An investment model whereby the estimated gross passing income (on both a contract and market rent basis) has been adjusted to reflect anticipated operating costs, potential future income from existing vacancies and an ongoing vacancy and credit losses (based on market rent) to produce a net income on a fully leased basis. The adopted fully leased net income is capitalized over the remaining term of the lease from the valuation date at an appropriate investment yield. The adopted yield reflect the nature, location and tenancy profile of the property together with current market investment criteria, as evidenced by the sales evidence previously detailed. Thereafter, various capital adjustments are made to the calculated core value.

- Discounted cash flow model

  This form of model allows an investor or owner to make an assessment of the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. In undertaking this model, a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, sale price of the property at the end of the investment horizon, costs associated with the initial purchase of the property and also its disposal at the end of the investment period. Having regard to these factors, a discounted cash flow model over a 10-year investment horizon is adopted whereby the property is assumed to be sold at the commencement of the eleventh year of the cash flow. The model proceeds on a before tax basis, and whilst any potential taxation benefits associated with the property have not been qualified, it is considered that these are an issue which a prospective purchaser would reflect in its consideration. The model is predicated on the assumption of a cash purchase. No allowance for interest and other funding costs have been made. The net income has been discounted at each year of the cash flow on a midpoint basis which assumes an income of six months in arrears and six months in advance.

- Cost approach

  The cost approach estimates the replacement cost of the building less physical depreciation plus the land value.

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2. Summary of Material Accounting Policies (continued)

- Direct (sales) comparison approach

  A process of compiling sales of similar properties and related market data that have been transacted in the market and applying processes involving comparison. This is adopted on the principal of substitution and assumes that the market value bears a close relationship to the values of similar properties which have been recently transacted.

Derivative instruments

The Fund uses third party valuations which utilize models that depend on the contractual terms of, and specific risks inherent in, the instrument as well as certain other observable inputs. Such inputs include yield and credit curves, measures of volatility, agreed-upon terms and rates for a specific contract, and the correlation of these inputs. Since these derivatives are valued by inputs which can generally be corroborated by market data, they are classified as Level 2. All valuations incorporate credit valuation adjustments to appropriately reflect both the Fund's nonperformance risk along with the respective counterparty's risk of nonperformance.

Financial Instruments

Financial assets

Initial recognition and measurement

Financial assets are recognized when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

- Equity instruments

  The Fund subsequently measures all equity instruments within the scope of *IFRS 9* at fair value. On initial recognition of an equity instrument that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognized in profit or loss when the Fund's right to receive payment is established. Changes in fair value of financial assets are recognized through unrealized gains and losses on the consolidated statements of comprehensive income (loss).

2. Summary of Material Accounting Policies (continued)

- Expected credit loss

In relation to the impairment of financial assets, *IFRS 9* requires an expected credit loss model as opposed to an incurred credit loss model under *IAS 39*. The expected credit loss model requires the Fund to account for expected credit losses ("ECL") and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized. Specifically, *IFRS 9* requires the Fund to recognize a loss allowance for ECL on:

- Cash and cash equivalents;
- Lease receivables;
- Trade receivables and contract assets; and
- Financial guarantee contracts to which the impairment requirements of *IFRS 9* apply

In particular, *IFRS 9* requires the Fund to measure the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit impaired financial asset), the Fund is required to measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The credit exposures have not had a significant increase since initial recognition, therefore the estimated credit losses are provided for credit losses that result from default events that are possible within the next 12 months.

De-recognition

A financial asset is derecognized where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognized in other comprehensive income for debt instruments is recognized in profit or loss.

Cash and Cash Equivalents

The Fund classifies short-term, highly liquid investments purchased with maturities of 90 days or less and money market accounts, as cash and cash equivalents.

Short-term investments

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. Debt instruments with maturities greater than 90 days but less than 12 months are reported under short-term investments and are accounted for at amortized cost. As of December 31, 2024, there are no short-term investments. As of December 31, 2023, short-term investments represent marketable securities held-to-maturity with fixed contractual cash flows and accounted for at amortized cost.

2. Summary of Material Accounting Policies (continued)

Other Assets

As of December 31, 2024 other assets predominantly comprised of corporate income tax receivables and salary related accruals. As of December 31, 2023 other assets predominantly comprised of a deposit related to a property acquisition.

Due to Affiliated Entity

Due to affiliated entity represents amounts due to investment management of the Fund. Due to affiliated entity are amounts due to an affiliate of the Adviser for the reimbursement of expenses paid on behalf of the Fund and investment management and incentive fees. For more details, refer to Note 19.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Loans payable represent the remaining principal due on secured and unsecured loans, net of unamortized debt issuance costs. Debt issuance costs are capitalized and amortized over the term of the loan on a straight line basis, which approximates the effective interest method.

These costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Subsequent measurement

- Debt instruments

  Financial liabilities that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

2. Summary of Material Accounting Policies (continued)

Accounts Payable and Accrued Expenses

The amount primarily consists of accrued operating expenses, real estate taxes, corporate income tax, professional fees, administration fees, interest expense and value added taxes ("VAT") payable to Luxembourg Tax authorities.

Security Deposits Payable

Tenant security deposits from operating leases on investment properties are recorded as liabilities and classified as current (residential, office and alternatives) and non-current (office and industrial) in the consolidated statements of financial position.

Fair Value of Financial Instruments

The carrying value of financial instruments, generally including cash and cash equivalents, short-term investments, accounts receivable, other assets, certain derivative financial assets and liabilities, certain accounts payable and accrued expenses, certain security deposits payable, other liabilities, management and incentive fees payable, due from and due to affiliated entity and accrued capital expenditures approximates their fair value due to their short maturity.

Income Taxes

Income tax on the profit or loss for the period comprises current and deferred tax. Tax is recognized in the consolidated statements of comprehensive income (loss), except to the extent that it relates to items recognized directly in other comprehensive income or equity – in which case, the tax is also recognized in other comprehensive income or equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the consolidated statement of financial position in the countries where the Fund operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

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2. Summary of Material Accounting Policies (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Fund and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying value of the Fund's investment property is assumed to be realized by sale at the end of use. The capital gains tax rate applied is that which would apply on a direct sale of the property recorded in the consolidated statement of financial position regardless of whether the Fund would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply.

The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

Current and deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Fund is subject to income tax in different jurisdictions. Significant estimates are required in determining the provisions for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain. The Fund recognizes liabilities for anticipated tax consequences based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The carrying values of these estimates are presented on the face of the consolidated statement of financial position.

Income and Expenses

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in rental income and revenue from contracts with customers in the consolidated statements of comprehensive income (loss) due to its operating nature, except for contingent rental income which is recognized when it arises. Straight-lining of rent is recorded on the balance sheet as deferred rent. Initial direct costs incurred in negotiating and arranging an operating lease are recognized as an expense over the lease term on the same basis as the lease income.

Tenant lease incentives are recognized as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors of the General Partner are reasonably certain that the tenant will exercise that option.

The costs to enter into lease agreements, which include leasing commissions, are added to the carrying amount of the leased asset. Additional rents, which are provided for in individual tenant leases primarily relate to the reimbursement of certain operating expenses of the real estate properties, parking income, and rents based on a percentage of the tenants' revenues. The Fund recognizes such reimbursement of expenses by tenants and percentage rents as revenue when earned and the amounts can be reasonably estimated. Other expenses are recognized when incurred.

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2. Summary of Material Accounting Policies (continued)

Principal versus agent considerations – services to tenants

The Fund arranges for certain services provided to tenants of investment property included in the contract the Fund enters into as a lessor, to be provided by third parties. The Fund has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services and obtain the benefits from them. In making this determination, the Fund has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints and it is primarily responsible for the quality or suitability of the services. In addition, the Fund has discretion in establishing the price that it charges to the tenants for the specified services.

Therefore, the Fund has concluded that it is the principal in these contracts. In addition, the Fund has concluded that it transfers control of these services over time, as services are rendered by the third-party service providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

Non-Controlling Interests

Non-controlling interests in earnings of consolidated entities in the consolidated statements of comprehensive income (loss) represents earnings allocated to non-controlling interests based on the economic ownership percentage of the consolidated partnerships held by third parties throughout the period.

Non-controlling interests in the accompanying consolidated statements of financial position represents the economic equity interests of consolidated partnerships that are not owned by the Fund.

Capital Contributions and Redemptions

Capital contributions to the Fund from Partners are recorded when due. Capital redemptions will become payable when it is requested to be redeemed by the Limited Partners ("LP") in accordance with the Redemption Deadline (at least three months before the relevant Redemption Day) and subject to the General Partner's approval of whether there is sufficient cash to redeem in that quarter. If the General Partner has approved a capital redemption request and the LP withdraws such request, no redemption payable will be recorded.

Distributions

The Fund shall pay to the LP, in proportion to such LP's percentage interest, cash which the General Partner determines, in its sole discretion, is available for distribution, on a quarterly basis (or in the sole discretion of the General Partner, more or less frequently), subject to the sole discretion of the General Partner to reserve cash to honor redemption requests, reduce any outstanding Indebtedness of the Fund, make Investments, pay partnership expenses or for any other purpose contemplated by the Limited Partnership Agreement.

The General Partner expects to reinvest any proceeds received by the Fund in connection with the disposition of an Investment or use such proceeds for any other purpose contemplated by the Limited Partnership Agreement; provided, that such proceeds may be distributed to the LP in proportion to their respective Percentage Interests and at such times as determined by the General Partner in its sole discretion.

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2. Summary of Material Accounting Policies (continued)

Significant Accounting Judgements and Estimates

The preparation of the Fund's consolidated financial statements requires the General Partner to make judgements, estimates and assumptions that affect the amounts recognized in the consolidated financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Acquisition accounting

Where the Fund determines that an acquisition is a business combination it uses the acquisition method of accounting in accordance with *IFRS 3, Business Combinations* at the date that control is transferred to the Fund. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any gain arising on a bargain purchase is recognized in the consolidated statements of comprehensive income (loss). Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. Any goodwill that arises is tested annually for impairment. Where such acquisitions are not determined to be an acquisition of a business, they are not accounted for as asset acquisition. Instead, the cost of acquisition is allocated between identifiable assets and liabilities of the entity based on the relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred taxation arises.

Risk and Uncertainty

The real estate and capital markets are cyclical in nature. Property and investment values are affected by, among other things, the availability of capital, occupancy rates, rental rates and interest and inflation rates. As a result, determining real estate investment values involves many assumptions. Amounts ultimately realized from each investment may vary significantly from the fair values presented in these consolidated financial statements.

Global Conflicts

During 2024, global markets have continued to experience significant volatility, driven by concerns over protracted high inflation levels, high interest rates, slowing economic growth and geopolitical uncertainty.

While the events and overall geopolitical and economic environment have been reflected in the current period valuations of the Fund, there is potential that investments could be further affected in the future and such impact could be significant. Management continues to monitor these events and developments for potential impact on the Fund's investment results and any future valuations.

3. Subsidiaries

The Fund has the following subsidiaries as of December 31, 2024 and December 31, 2023:

Name	Principal place of business	Principal activities	Proportion of ownership interest December 31, 2024 %	Proportion of ownership interest December 31, 2023 %
Direct subsidiaries				
PPFE S.A. SICAV-RAIF	Luxembourg	Investment holding	100.0	100.0
PPFE Holdings Sarl	Luxembourg	Investment holding	100.0	100.0
Indirect subsidiaries				
PPFE Faiencerie S.a r.l.	Luxembourg	Investment holding	100.0	100.0
PPFE Alternative Eindhoven Bidco S.a r.l.	Luxembourg	Investment holding	100.0	100.0
Ostium				
PPFE Gothenburg BidCo AB	Sweden	Investment holding	100.0	100.0
L1 LC Landvetter AB	Sweden	Investment holding	100.0	100.0
L2 LC Landvetter AB	Sweden	Investment holding	100.0	100.0
L3 LC Landvetter AB	Sweden	Investment holding	100.0	100.0
Tistlarna LC S3 AB	Sweden	Investment holding	100.0	100.0
Hatteberget LC S1 AB	Sweden	Investment holding	100.0	100.0
Viareds LC AB	Sweden	Investment holding	100.0	100.0
Akos				
PPFE Akos Berlin Sarl	Germany	Investment holding	88.2	88.2
PPFE Akos Freiburg Sarl	Germany	Investment holding	88.2	88.2
PPFE Akos Rieselfeld Sarl	Germany	Investment holding	88.2	88.2
PPFE Akos Sarl	Germany	Investment holding	88.2	88.2
Alice				
PPFE Haukilahti Oy	Finland	Investment holding	100.0	100.0
Asunto Oy Kokkovuori	Finland	Investment holding	100.0	100.0
Cambridge				
PPFE Office Cambridge Sarl	United Kingdom	Investment holding	100.0	100.0
Baker				
PPFE Office Piludski Square sp z.o.o.	Poland	Investment holding	100.0	100.0

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3. Subsidiaries (continued)

Name	Principal place of business	Principal activities	Proportion of ownership interest December 31, 2024 %	Proportion of ownership interest December 31, 2023 %
Cross				
PPFE France Sarl	France	Investment holding	100.0	100.0
PPFE Logistics Croissy-Beaubourg	France	Investment holding	100.0	100.0
PPFE Vaulx Milieu	France	Investment holding	100.0	100.0
PPFE Logistics Croissy-Lieusaint	France	Investment holding	100.0	100.0
PPFE Logistics Pusignan	France	Investment holding	100.0	100.0
Museum				
PPFE Museokatu Oy	Finland	Investment holding	100.0	100.0
Kiinteistö Oy Kansanvalistus	Finland	Investment holding	100.0	100.0
PPFE Toolonkatu Oy	Finland	Investment holding	100.0	100.0
Park Kolonnaden				
PPFE Office Berlin HoldCo Sarl	Germany	Investment holding	89.9	89.9
PPFE Office Berlin PropCo Sarl	Germany	Investment holding	89.9	89.9
Lakepark				
PPFE Residential Cologne Krohstrasse Sarl	Germany	Investment holding	88.2	88.2
PPFE Residential Cologne Klerschweg Sarl	Germany	Investment holding	88.2	88.2
PPFE Residential Cologne Goltsteinstrasse Sarl	Germany	Investment holding	88.2	88.2
PPFE Residential Cologne Alteburger Strasse Sarl	Germany	Investment holding	88.2	88.2
PPFE Residential Cologne Bayenthal Sarl	Germany	Investment holding	88.2	88.2
Dolce				
PPFE Barcelona Pedralbes	Spain	Investment holding	100.0	—
PPFE Barcelona Poblenou	Spain	Investment holding	100.0	—
Nobu				
PPFE Barcelona Sabadell	Spain	Investment holding	100.0	—

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4. Investment properties

Real Estate Investments

The following tables summarize the investment properties held by the Fund at fair value as of December 31, 2024 and December 31, 2023, respectively:

December 31, 2024

Name	Country	Type	Cost of Real Estate Investment	Fair Value of Real Estate Investment Properties [1]	Accumulated Unrealized Gain (Loss) on Investment	% of Net Assets	Date Acquired
Ostium	Sweden	Industrial	€ 240,833,176	€ 238,185,673	€ (2,647,503)	25.62%	December 1, 2020 & April 15, 2021
Akos	Germany	Residential	297,064,242	296,476,838	(587,404)	31.89%	December 31, 2020 & January 4, 2022
Alice	Finland	Residential	81,900,948	75,700,000	(6,200,948)	8.14%	January 4, 2021
Cambridge[2]	United Kingdom	Office	62,188,197	55,506,732	(6,681,465)	5 97%	June 2, 2021
Cross	France	Industrial	121,950,303	102,883,208	(19,067,095)	11.07%	July 5, 2021, February 15, 2022, June 15, 2022 & September 23, 2022
Museum	Finland	Residential	36,678,571	30,500,000	(6,178,571)	3.28%	July 7, 2021 & January 27, 2022
Baker	Poland	Office	252,571,758	191,779,721	(60,792,037)	20.63%	July 9, 2021
Park Kolonnaden	Germany	Office	198,069,943	155,839,006	(42,230,937)	16.76%	October 4, 2021
Dolce	Spain	Alternatives[3]	152,277,388	160,000,000	7,722,612	17.21%	April 3, 2024
Nobu	Spain	Industrial	32,909,572	34,515,916	1,606,344	3.71%	July 12, 2024
Total			**€ 1,476,444,098**	**€ 1,341,387,094**	**€ (135,057,004)**		

December 31, 2023

Name	Country	Type	Cost of Real Estate Investment	Fair Value of Real Estate Investment Properties [1]	Accumulated Unrealized Gain (Loss) on Investment	% of Net Assets	Date Acquired
Ostium	Sweden	Industrial	€ 241,215,175	€ 233,826,391	€ (7,388,784)	27 22%	December 1, 2020 & April 15, 2021
Akos	Germany	Residential	288,578,191	272,269,506	(16,308,685)	31 69%	December 31, 2020 & January 4, 2022
Alice	Finland	Residential	80,563,632	71,300,000	(9,263,632)	8.30%	January 4, 2021
Cambridge[2]	United Kmgdom	Office	61,761,273	63,217,997	1,456,724	7.36%	June 2, 2021
Cross	France	Industrial	119,995,843	99,242,448	(20,753,395)	11.55%	July 5, 2021, February 15, 2022, June 15, 2022 & September 23, 2022
Museum	Finland	Residential	36,380,809	29,425,000	(6,955,809)	3.42%	July 7, 2021 & January 27, 2022
Baker	Poland	Office	246,170,598	190,644,677	(55,525,921)	22 19%	July 9, 2021
Park Kolonnaden	Germany	Office	197,847,555	155,767,453	(42,080,102)	18.13%	October 4, 2021
Total			**€ 1,272,513,076**	**€ 1,115,693,472**	**€ (156,819,604)**		

[1] See Note 14 for rollforward of fair value of real estate investments for the years ended December 31, 2024 and December 31, 2023
[2] Fair value includes right of use of asset amounting to €51,555 as at December 31, 2024 and €48,347 as at December 31, 2023.
[3] Alternatives sector includes Student Accommodation investments.

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4. Investment properties (continued)

The following tables illustrate the rollforward of the cost of real estate investments properties for the years ended December 31, 2024 and 2023, respectively:

	2024	2023
January 1	€ 1,272,513,076	€ 1,244,157,319
Purchase of investment properties	182,070,173	—
Acquisition costs	4,880,469	—
Improvement costs [1]	16,980,380	28,355,757
December 31	€ 1,476,444,098	€ 1,272,513,076

(1) Please refer to Note 14

5. Accounts Receivables

Accounts receivables as of December 31, 2024 and December 31, 2023 were €18,564,184 and €14,407,699, and comprised mainly of tenant receivables €5,210,935 and €5,161,214 (net of estimated credit losses of €977,816 and €636,365, respectively) and accrued income €11,465,790 and €7,183,330, respectively. As of December 31, 2024, expected credit losses was €341,451 higher than as of December 31, 2023.

6. Cash and cash equivalents

Cash and cash equivalents as of December 31, 2024 and December 31, 2023 were €40,076,301 and €39,524,155, respectively.

7. Short-term investments

There were no short-term investments as of December 31, 2024. As of December 31, 2023 short-term investments were €63,000,000 and were comprised of a short-term deposit which matured on January 25, 2024 and had an interest rate of 3.55%. The interest received in 2024 for the 25 days was €484,621. As of December 31, 2023, the Fund recognized €1,451,559 of interest income, of which €987,788 was due as at December 31, 2023. Interest receivable is presented as part of Accounts receivable on the consolidated statement of financial position.

8. Loans Payable

Loans payable as of December 31, 2024 and December 31, 2023, respectively consists of the following:

	Secured vs. Unsecured	Scheduled Maturity	Contractual Interest Rate	December 31, 2024 Principal Outstanding	December 31, 2023 Principal Outstanding
Loans payable:					
Non-current liabilities					
Ostium	Secured [3]	October 2025	Blended [1]	€ —	€ 109,174,896
Park Kolonnaden	Secured [3]	September 2028	0.94%	92,500,000	92,500,000
Akos	Secured [3]	December 2030	Blended [2]	60,000,000	60,000,000
Lakepark	Secured [3]	December 2025	Blended [2]	—	76,322,000
Dolce	Secured [3]	April 2029	EURIBOR + 175bps [4]	76,000,000	—
Total				€ 228,500,000	€ 337,996,896
Less unamortized debt issuance costs:				(3,558,451)	(2,247,832)
Total non-current loans payable less unamortized debt issuance costs				€ 224,941,549	€ 335,749,064
Current liabilities					
Ostium	Secured [3]	October 2025	Blended [1]	106,085,988	—
Lakepark	Secured [3]	December 2025 [5]	Blended [2]	76,322,000	—
Total				€ 182,407,988	€ —
Less unamortized debt issuance costs:				—	—
Total current loans payable less unamortized debt issuance costs				€ 182,407,988	€ —

1) As of December 31, 2024 and December 31, 2023 , 30% and 70% of the debt has a fixed interest rate of 1.60% and 1.78% respectively.

2) As of December 31, 2024, 35% of the debt has a fixed interest rate of 0.77%, 56% has a variable rate of the 3M EURIBOR (2.845%) + 91bps and a interest rate cap of 1.50% and 9% has a variable rate of the 3M EURIBOR (2.845%) + 103bps and the interest rate cap is 1.00%. As of December 31, 2023, 35% of the debt has a fixed interest rate of 0.77%, 56% has a variable rate of the EURIBOR (3.909%) + 91bps and a interest rate cap of 1.50% and 9% has a variable rate of the EURIBOR (3.909%) + 103bps and the interest rate cap is 1.00%.

3) These loans are secured by the underlying properties.

4) Loan bears interest at 3M EURIBOR + 175 bps, but 3M EURIBOR has been swapped to a fixed rate of 2.637%.

5) The borrowers may choose to extend the initial maturity date up to three times and each time for at least one year. The option to extend the loan is at the sole discretion of the Fund.

The amount of debt issuance costs capitalized during the years ended December 31, 2024 and 2023 were €3,025,528 and €0, respectively, as described in Note 2. The amount of debt issuance costs amortized for the years ended December 31, 2024 and 2023 were €1,714,909 and €1,193,717, respectively.

Interest expense, including amortized costs of debt issuance, for the years ended December 31, 2024 and 2023 was €15,727,567 and €10,759,429, respectively, and is reflected through profit or loss on the consolidated statements of comprehensive income (loss). Included within interest expense is €1,208,889 and €1,276,224, respectively, related to the unused commitment fee required under the line of credit agreement.

Interest income during the years ended December 31, 2024 and 2023 consisted of interest income on cap derivatives in the amount of €2,067,806 and €1,581,776, interest income on swap derivative in amount of €2,077,603 and €0, interest income on short-term investments of €484,621 and €1,451,559 and other interest of €269,666 and €19,174, respectively.

8. Loans Payable (continued)

The Fund entered into a Line of Credit on December 28, 2022 for €150 million. The Line of Credit is secured by receivables and shares in underlying investments. As of December 31, 2024, the Fund exercised a one year extension option and reduced the available facility to €100 million. As of December 31, 2024, there was no outstanding balance under the Fund's credit facility.

As of December 31, 2024 and December 31, 2023, the Fund was in compliance with its financial covenants.

9. Changes in Financial Liabilities Arising from Financing Activities

Changes in loans payable from financing activities for year ended December 31, 2024 and 2023, consists of the following:

January 1, 2024	€	335,749,064	**January 1, 2023**[1]	€	366,084,188
Cash-flows			**Cash-flows**		
Capitalized financing costs		(3,025,528)	Proceeds from borrowings		20,000,000
Financing cash flows		101,000,000	Repayment on Loans		(48,960,325)
Credit facility repayment		(25,000,000)			
Non-cash flows			**Non-cash flows**		
Foreign exchange loss/(gain)		(3,088,908)	Foreign exchange loss/(gain)		873,033
Amortisation of financing costs		1,714,909			
December 31, 2024	**€**	**407,349,537**	**December 31, 2023**[1]	**€**	**337,996,896**

[1] Loans payable excludes the impact of unamortized debt issuance costs.

10. Derivative Financial Instruments

The following tables show the fair value of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts as of December 31, 2024 and December 31, 2023, respectively:

Instrument	Counterparty	Maturity Date	Notional Amount		Fair Value as of December 31, 2024		
			Foreign Currency	In Exchange for EUR	Assets	Liabilities	Net Amount
Current instruments							
British Pound Sterling							
Forward Contract	Commonwealth Bank of Australia	June 2025	18,730,000	20,846,713 €	— €	(1,517,053) €	(1,517,053)
Interest Rate			**Index**	**Cap-Rate**			
Interest Rate Cap	Berlin Hyp AG	December 2025	3M EURIBOR	1.0 %	145,894	—	145,894
Total current instruments					€ 145,894	€ (1,517,053)	€ (1,371,159)
Non-current instruments							
British Pound Sterling							
Forward Contract	Commonwealth Bank of Australia	June 2026	18,730,000	20,455,124 €	— €	(1,347,532) €	(1,347,532)
Forward Contract	Commonwealth Bank of Australia	June 2027	18,730,000	20,093,052 €	— €	(1,219,546) €	(1,219,546)
Forward Contract	Commonwealth Bank of Australia	June 2027	6,400,000	7,333,142 €	7,690 €	— €	7,690
Swedish Krona							
Forward Contract	Commonwealth Bank of Australia	November 2026	1,658,000,000	143,208,810 €	— €	(852,875) €	(852,875)
Forward Contract	Commonwealth Bank of Australia	November 2026	178,300,000	15,869,343 €	— €	(324,337) €	(324,337)
Interest Rate			**Index**	**Cap-Rate**			
Interest Rate Cap	Berlin Hyp AG	January 2026	3M EURIBOR	1.5 %	579,835	—	579,835
Interest Rate Swap	Crédit Agricole	April 2029	3M EURIBOR	2.6 %	—	(681,839)	(681,839)
Interest Rate Swap	Crédit Agricole	April 2029	3M EURIBOR	2.6 %	—	(889,039)	(889,039)
Total non-current instruments					€ 587,525	€ (5,315,168)	€ (4,727,643)
Total current and non-current instruments					€ 733,419	€ (6,832,221)	€ (6,098,802)

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10. Derivative Financial Instruments (continued)

Instrument	Counterparty	Maturity Date	Notional Amount Foreign Currency	Notional Amount In Exchange for EUR	Fair Value as of December 31, 2023 Assets	Liabilities	Net Amount
Current instruments							
British Pound Sterling							
Forward Contract	Commonwealth Bank of Australia	May 2024	5,010,000	5,627,317	€ —	€ (120,322)	€ (120,322)
Forward Contract	Commonwealth Bank of Australia	May 2024	23,000,000	25,837,181	—	(549,248)	(549,248)
Forward Contract	Commonwealth Bank of Australia	May 2024	4,500,000	5,151,689	—	(12,908)	(12,908)
Forward Contract	Commonwealth Bank of Australia	May 2024	24,800,000	28,489,374	24,820	—	24,820
Total current instruments					€ 24,820	€ (682,478)	€ (657,658)
Non-current instruments							
Swedish Krona							
Forward Contract	Commonwealth Bank of Australia	November 2026	1,658,000,000	143,208,810	€ —	€ (4,253,195)	€ (4,253,195)
Total non-current instruments					€ —	€ (4,253,195)	€ (4,253,195)
Total current and non-current instruments					€ 24,820	€ (4,935,673)	€ (4,910,853)

The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the end of the financial period but are indicative of neither the market risk nor the credit risk.

In May 2024, four British Pound Sterling forward contracts matured and the hedge MTM was rolled into three new forward contracts. During the year ended December 31, 2024, the Fund also entered into new forward contracts hedging the Swedish Krona and the British pound sterling.

During the year ended December 31, 2023, the Fund partially terminated forward contracts hedging the Swedish Krona which resulted in a realized gain of the unwind of €2,731,006. In November 2023, other forward contracts hedging the Swedish Krona matured which resulted in a realised gain of €12,139,534.

11. Security Deposits Payable

As of December 31, 2024 and December 31, 2023, respectively, tenant security deposits consist of the following:

	December 31, 2024	December 31, 2023
Non-current		
Office	€ (1,602,831)	€ (2,114,685)
Industrial	(902,289)	(872,518)
Total non-current	(2,505,120)	(2,987,203)
Current		
Office	(546,612)	—
Industrial	(211,904)	—
Residential	(2,419,495)	(2,073,141)
Alternatives	—	—
Total current	(3,178,011)	(2,073,141)
Total non-current and current	€ (5,683,131)	€ (5,060,344)

12. Accounts Payable and Accrued Expenses

As of December 31, 2024 and December 31, 2023, respectively, accounts payable and accrued expenses consist of the following:

	December 31, 2024	December 31, 2023
Accounts payable	€ (6,212,528)	€ (3,997,451)
Accrued administrative accounting expense	(5,495,305)	(982,600)
Accrued operating expenses	(4,107,024)	(6,895,303)
Accrued interest expense	(2,333,659)	(1,938,340)
Accrued expenses-other	(1,503,271)	(1,542,431)
Accrued corporate income tax	(829,991)	(383,209)
Accrued real estate taxes	(608,314)	(689,815)
VAT payable	(139,780)	(104,773)
Payable for sales & use tax	(1,884)	(196)
Total accounts payable and accrued expenses	€ (21,231,756)	€ (16,534,118)

13. Other Liabilities

Other liabilities as of December 31, 2024 and December 31, 2023 amounted to €14,877,869 and €6,876,032, respectively. The balance as of December 31, 2024 and December 31, 2023 predominantly included unearned rental income of €14,088,217 and €6,471,343 respectively.

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14. Fair Value Disclosures

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy.

The following fair value hierarchy tables present information about the Fund's assets and liabilities measured at fair value on a recurring basis as of December 31, 2024 and December 31, 2023, respectively:

	Level 1	Level 2	Level 3	Balance as of December 31, 2024
Investment properties, at fair value	€ —	€ —	€ 1,341,387,094	€ 1,341,387,094
Derivative financial liabilities, net	—	(6,098,802)	—	(6,098,802)
	€ —	€ (6,098,802)	€ 1,341,387,094	€ 1,335,288,292

	Level 1	Level 2	Level 3	Balance as of December 31, 2023
Investment properties, at fair value	€ —	€ —	€ 1,115,693,472	€ 1,115,693,472
Derivative financial liabilities, net	—	(4,910,853)	—	(4,910,853)
	€ —	€ (4,910,853)	€ 1,115,693,472	€ 1,110,782,619

The following tables present a reconciliation of the Level 3 instruments at fair value for the years ended December 31, 2024 and 2023, respectively:

	2024	2023
January 1	€ 1,115,693,472	€ 1,212,423,456
Purchases	186,950,642	—
Improvement costs	16,980,380	28,355,757
Unrealized loss	(16,846,552)	(128,291,091)
Unrealized gain	42,413,104	1,421,147
Foreign currency translation reserve	(3,803,952)	1,784,203
December 31	€ 1,341,387,094	€ 1,115,693,472

The change in net unrealized gain and (loss) related to investment properties still held as of December 31, 2024 and 2023 is €25,566,552 and €(126,869,944), respectively. The net unrealized gain on investment properties is reflected through profit or loss on the consolidated statements of comprehensive income (loss).

The classification of assets and liabilities subject to the fair value hierarchy is reviewed on a quarterly basis. Transfers between levels are recognized at the end of the quarter in which the transfer occurred.

The tables below provide information on the significant Level 3 unobservable inputs used in the discounted cash flow analysis to measure fair value for each major asset type of investment properties. In each case, unless otherwise noted, the valuation technique used for developed investment properties is discounted cash flows ("DCF") and the net average DCF term is 10 years. The weighted average of such inputs as of December 31, 2024 and December 31, 2023, respectively, are as follows:

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14. Fair Value Disclosures (continued)

Investment properties - December 31, 2024	Fair value [1]	Discount Rate	Exit Cap Rate	Market Rent [2]
Office [3]	€403,125,459	6.82%	5.54%	€427
Residential	€398,376,838	5.33%	3.49%	€210
Industrial	€375,584,797	7.45%	5.32%	€71
Alternatives	€160,000,000	6.75%	4.75%	€552

1) Investment properties are appraised at fair value as of December 31, 2024. In addition, Cologne Residential Klerschweg 2 (Akos) (€4,300,000) was not included because it is in predevelopment.

2) Market rent is expressed on a per square meter basis.

3) Fair value excludes right of use of asset in the amount of €51,555 as at December 31, 2024.

Investment properties - December 31, 2023	Fair value [1]	Discount Rate	Exit Cap Rate	Market Rent [2]
Office [3]	€409,581,780	6.50%	5.01%	€347
Residential	€370,524,506	5.13%	3.79%	€209
Industrial	€333,068,839	7.07%	5.14%	€68

1) Investment properties are appraised at fair value as of December 31, 2023. In addition, Cologne Residential Klerschweg 2 (€2,470,000) was not included because it is in predevelopment and the carrying value of right of use of asset (€48,347) was not included.

2) Market rent is expressed on a per square meter basis.

3) Fair value excludes right of use of asset in the amount of €48,347 as at December 31, 2023

All other factors being equal, a higher exit cap rate or discount rate would lead to a decrease in the valuation of an investment and vice versa. However, there are interrelationships between the unobservable inputs which are partially determined by market conditions, which would have an impact on these changes. For example, if the unobservable inputs move in the same direction, the valuation impact may be magnified, whereas if the unobservable inputs move in opposite directions, the valuation impact may be mitigated.

14. Fair Value Disclosures (continued)

Sensitivity analysis for investment properties

The following table shows the impact on fair value measurement of assets that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions as of December 31, 2024 and 2023, respectively.

	Fair value at December 31, 2024	Sensitized inputs	Movement in input value	Effect on fair value (€'000)
Investment properties held by the Fund (by property type):				
Office	€ 403,125,459	Discount rate	- 25 bps	€ 8,640
			+ 25 bps	€ (8,433)
		Cap rate	- 25 bps	€ 14,120
			+ 25 bps	€ (12,879)
		Market rent	- 5 bps	€ (12,385)
			+ 5 bps	€ 12,385
Residential [1]	€ 398,376,838	Discount rate	- 25 bps	€ 9,909
			+ 25 bps	€ (9,659)
		Cap rate	- 25 bps	€ 29,623
			+ 25 bps	€ (25,411)
		Market rent	- 5 bps	€ (20,264)
			+ 5 bps	€ 19,635
Industrial	€ 375,584,797	Discount rate	- 25 bps	€ 7,238
			+ 25 bps	€ (7,067)
		Cap rate	- 25 bps	€ 12,132
			+ 25 bps	€ (11,026)
		Market rent	- 5 bps	€ (13,997)
			+ 5 bps	€ 13,997
Alternatives	€ 160,000,000	Discount rate	- 25 bps	€ 3,029
			+ 25 bps	€ (2,958)
		Cap rate	- 25 bps	€ 5,527
			+ 25 bps	€ (4,975)
		Market rent	- 5 bps	€ (9,929)
			+ 5 bps	€ 9,929
Total	€ 1,337,087,094			

1) Fair values herein exclude predevelopment assets of €4,300,000

14. Fair Value Disclosures (continued)

		Fair value at December 31, 2023	Sensitized inputs	Movement in input value		Effect on fair value (€'000)
Investment properties held by the Fund (by property type):						
Office	€	409,581,798	Discount rate	- 25 bps	€	9,049
				+ 25 bps	€	(8,828)
			Cap rate	- 25 bps	€	16,311
				+ 25 bps	€	(14,763)
			Market rent	- 5 bps	€	(17,144)
				+ 5 bps	€	17,144
Residential [1]	€	370,524,506	Discount rate	- 25 bps	€	8,979
				+ 25 bps	€	(8,748)
			Cap rate	- 25 bps	€	24,228
				+ 25 bps	€	(21,146)
			Market rent	- 5 bps	€	(20,119)
				+ 5 bps	€	19,799
Industrial	€	333,068,829	Discount rate	- 25 bps	€	6,585
				+ 25 bps	€	(6,429)
			Cap rate	- 25 bps	€	11,259
				+ 25 bps	€	(10,211)
			Market rent	- 5 bps	€	(13,158)
				+ 5 bps	€	13,158
Total	€	1,113,175,133				

1) Fair values herein exclude predevelopment assets of €2,470,000

15. Revenues

For the years ended December 31, 2024 and 2023, respectively, revenues consist of the following:

	December 31, 2024	December 31, 2023
Rental income	€ 54,920,935	€ 43,040,477
Reimbursable expenses	15,331,364	13,568,740
Parking income	1,686,876	1,495,782
Deferred rents	171,529	451,274
Total revenue	€ 72,110,704	€ 58,556,273

16. Real Estate Operating Expenses

For the years ended December 31, 2024 and 2023, respectively, real estate operating expenses consists of the following:

	December 31, 2024	December 31, 2023
Utilities	€ 7,882,706	€ 6,295,026
Repairs & maintenance	4,578,050	3,822,272
Property management fees	2,248,699	1,013,371
Cleaning	1,599,440	1,677,220
Leasing commissions	891,836	710,048
Professional fees	876,903	316,200
Security	644,374	421,675
Insurance	578,335	524,057
Administrative fees	420,515	805,630
Advertising & promotion	248,017	29,495
Landscape	212,897	240,780
Travel	42,499	28,176
Total real estate operating expenses	€ 20,224,271	€ 15,883,950

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17. Other Non-Operating Expenses

For the years ended December 31, 2024 and 2023, respectively, other non-operating expenses consists of the following:

	December 31, 2024	December 31, 2023
Other professional fees	€ 6,594,837	€ 5,592,600
Salaries	1,086,355	922,903
Audit fees	930,040	1,434,344
Appraisal fees	865,050	494,611
Directors fees	765,373	772,203
Legal fees	764,918	1,231,263
Other non-operating expenses	748,848	704,123
Miscellaneous expenses	696,038	346,566
Fund administrative fees	568,769	744,193
Depository fees	188,037	377,242
Bank fees	137,845	89,600
Travel & entertainment reimburseable expenses	—	272,152
Abandoned deal costs	—	1,124,990
Total non-operating expenses	€ 13,346,110	€ 14,106,790

18. Redemptions

The ability of a client to redeem funds from the Fund is subject to the availability of cash arising from net operating profit (loss), purchases and the sale of investments in the normal course of business. To the extent that redemption requests exceed such available cash, the Adviser has uniform procedures to provide for cash payments, which may be deferred for such period as the Adviser considers necessary to protect the interests of other clients in the Fund or to obtain the funds to be redeemed. A Redemption Request received before the end of a given calendar quarter will be processed for payment generally at (or after) the end of the following calendar quarter, or as soon as reasonably practicable, in accordance with the Fund's redemption process. However, the General Partner will redeem LP Units only to the extent that the Fund has sufficient cash available to honor redemption requests, as determined by the General Partner in its sole discretion.

The General Partner received a Redemption Request from a Limited Partner dated September 26, 2023 to fully redeem 100% of their LP Units. In accordance with the Fund's redemption process, 90% of the Limited Partner's market value is paid prior to quarter-end and the remaining balance is paid after the subsequent quarter's Net Asset Value is finalized. As of December 31, 2023, €338,348 was accrued but not paid. The remaining balance was paid to the Limited Partner on January 16, 2024.

The General Partner received a Redemption Request from a Limited Partner dated November 28, 2023 in the amount of €25,000,000. The request was fully paid to the Limited Partner on March 28, 2024.

19. Related Party Transactions

For the years ended December 31, 2024 and 2023, the Fund incurred fees payable to the directors of the General Partner and Master Fund of €386,004 and €391,118, respectively. Out of these amounts, €97,000 remained unpaid as of December 31, 2024, while €0 remained unpaid as of December 31, 2023. See Note 20 for amounts due to related party for investment management and incentive fees.

20. Investment Management and Incentive Fees

The Fund pays the Adviser base management fees (the "Base Fees") on a quarterly basis and the Base Fees are reimbursable from the LP. The Base Fees have been attributed to each individual LP in the Fund based on its respective fee rates multiplied by the Fund's net asset value ("NAV") attributable to the LP's units at the beginning of each quarter. In the case of the first calendar quarter fees, the rates were multiplied by the amount of the capital contributions made by each LP in respect of the first drawdown notice pro-rated by the number of days remaining in such calendar quarter as provided for in the Limited Partnership Agreement. The Base Fees payable to the Adviser are charged in profit and loss on a quarterly basis.

For the years ended December 31, 2024 and 2023, the Fund incurred Base Fees of €4,122,753 and €4,157,630, respectively. As of December 31, 2024 and December 31, 2023 €1,047,526 and €1,060,548, respectively, were payable to the Adviser. Base Fees were reimbursed by the limited partners from the distribution declared of which a portion of the net amount was reinvested in the Fund.

The Fund pays the Adviser an Incentive Fee based on Comparable Property Net Operating Growth as calculated in accordance with Section 5.01(b)(i) in the Fifth Amended and Restated Limited Partnership Agreement. The Incentive Fee accrues quarterly and is payable in arrears. For the years ended December 31, 2024 and 2023 the Fund incurred incentive fees of €1,354,842 and €1,305,650, respectively. As of December 31, 2024 and December 31, 2023, €1,354,842 and €1,305,650, respectively is payable to the Adviser.

21. Financial Risk and Management Objectives and Policies

The Fund's activities expose it to credit risk, liquidity risk and market risk in the normal course of its business. The Fund's overall risk management strategy seeks to minimize adverse effects from the unpredictability of financial markets on the Fund's financial performance. The Fund is considering the use of financial instruments such as forward currency contract, interest rate swap cross currency swap and interest rate caps to hedge certain financial risk exposures.

The General Partner is responsible for setting the objectives and underlying principles of financial risk management for the Fund. This is supported by comprehensive internal processes and procedures which are formalized in the Adviser's organizational and reporting structure, operating manuals and delegation of authority guidelines.

The Adviser oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The Adviser is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Fund.

Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligations. The Fund's exposure to credit risk arises primarily from accounts receivable.

For other financial assets (including cash and cash equivalents, short-term investments and derivative financial instruments), the Fund minimizes credit risk by dealing exclusively with high credit rating counterparties.

21. Financial Risk and Management Objectives and Policies (continued)

The Fund's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. Credit evaluations are performed by the Fund before lease agreements are entered into with lessees. In addition, the Fund requires lessees to provide tenancy security deposits. Cash, derivatives and short-term deposits are placed with financial institutions which are regulated.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

As of December 31, 2024 and December 31, 2023, the Fund's exposure to credit risk mainly arises in respect of carrying amount of the following financial instruments:

- €18,564,184 (€14,407,699 as of December 31, 2023) of accounts receivable
- €40,076,301 (€39,524,155 as of December 31, 2023) of cash and cash equivalents
- €0 (€63,000,000 as of December 31, 2023) of investment in marketable securities
- €2,037,270 (€5,986,539 as of December 31, 2023) of other assets

The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement. Credit risk is managed by requiring tenants to pay rentals and services in advance. Outstanding tenants' receivables are regularly monitored. An impairment test was performed as at December 31, 2024 on an individual basis for major tenants.

Investment in marketable securities considered as monetary assets and the amount to be received at maturity is fixed without depending on future price fluctuations. The Fund was invested in debt securities with solid credit rating. The marketable securities investment was liquidated on January 25, 2024.

The cash and cash equivalents are held with bank and financial institutions counterparties, which are rated AA- to AA+, based on credible credit rating agencies such as Moody's, S&P and Fitch.

The Fund considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

To assess whether there is a significant increase in credit risk, the Fund compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Fund considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal and external credit rating.
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors in the Fund and changes in the operating results of that debtor.

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21. Financial Risk and Management Objectives and Policies (continued)

The Fund has determined the default event on a financial asset to be when the debtor fails to make payments, within 90 days when they fall due, which are derived based on the Fund's historical information, adjusted for forward-looking factors specific to the debtor and the economic environment. Where a full provision has been provided for a receivable, the Fund continues to engage enforcement activity to attempt to recover the receivable due.

The Fund categorizes a receivable for write-off when the Fund has no reasonable expectation of recovering the receivable in its entirety or a portion thereof. When recoveries are made, these are recognized in profit or loss.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting financial obligations due to shortage of funds. The Fund's exposure to liquidity risk arises primarily from redemptions and mismatches of the maturities of financial assets and liabilities.

The Fund monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Fund's operations. In addition, the Fund also monitors and observes the bank covenants imposed by the banks on the various borrowings. As of December 31, 2024 and December 31, 2023 the Fund had unfunded commitments totaling €0 and €75,000,000, respectively.

Ultimate responsibility for liquidity risk management rests with the AIFM, which has established an appropriate liquidity risk management framework for management of the Fund's short, medium and long-term funding and liquidity management requirements. The Fund manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. For details of additional undrawn facilities that the Fund has at its disposal to further reduce liquidity risk please refer to Note 8.

Current liabilities are higher than current assets as presented in the financial statements due to the loans expiration dates in 2025. Refinancing discussions have been initiated in the first quarter of 2025 for the Ostium loan which expires in October 2025 and there are three one-year extension options available for the Lakepark loan which expires in December 2025. Based on the preliminary discussions held with lenders, management believes that their plan is probable to occur.

Market Risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. The financial instruments held by the Fund that are affected by market risk are principally the derivative financial instruments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate because of changes in market interest rates. The Fund's exposure to interest rate risk arises primarily from its borrowings.

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21. Financial Risk and Management Objectives and Policies (continued)

The Fund constantly monitors its exposure to changes in interest rates for its interest-bearing financial liabilities. The market interest rate cap was 1.50% and 1.00% for Lakepark and Akos, respectively, as of December 31, 2024 and December 31, 2023. The loans for the Dolce project have interest rate swap at 2.637% as of December 31, 2024. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense can be affected by adverse movements in interest rates through the use of interest rate caps.

Foreign Currency Risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Fund and impact the Fund's total return for the period.

The Fund's foreign currency risk relates mainly to its distribution to unitholders in EUR. The Fund monitors its foreign currency exposure on an on-going basis and manages its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products.

See Note 10 for more detail on the Fund's current position in foreign currency instruments.

Foreign currency sensitivity

The Fund is mainly exposed to the currency of Swedish Krona and Pound Sterling.

The following table details the Fund's sensitivity to a 5% increase and decrease in currency units against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates.

The sensitivity analysis includes investments in real estate, mortgage payable and other assets and liabilities as of December 31, 2024 and 2023. A positive number below indicates an increase in foreign currency translation reserve where currency units strengthens 5% against the relevant currency. For a 5% weakening of currency units against the relevant currency, there would be a comparable impact on the foreign currency translation reserve, and the balances below would be negative.

		Swedish Krona impact		**Pound Sterling impact**
		December 31, 2024		**December 31, 2024**
Foreign currency translation reserve	€	**6,726,370**	€	**2,795,543**

		Swedish Krona impact		**Pound Sterling impact**
		December 31, 2023		**December 31, 2023**
Foreign currency translation reserve	€	**6,357,399**	€	**3,177,961**

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure for the years ended December 31, 2024 and 2023.

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22. Reconciliation of NAV

The NAV presented below is based on IFRS and the following amendments have been added to reach the trading NAV per Limited Partnership Agreement.

Organizational expenses are written off in accordance with IFRS on the consolidated statements of comprehensive income (loss). In accordance with the Limited Partnership Agreement, organizational expenses are amortized over a period of 60 months commencing on October 1, 2020 to June 30, 2021 and thereafter, based upon an amendment to the Limited Partnership Agreement, are amortized over a period of 120 months on a straight-line basis.

Acquisition costs are capitalized and subsequently factored into the fair value adjustment each reporting period through unrealized gain on investment properties through profit and loss. In accordance with the Limited Partnership Agreement, acquisition costs are capitalized and amortized over a period of 120 months commencing on the acquisition date of each investment property.

Also, per the Limited Partnership Agreement, an adjustment may be required for a provision related to deferred taxation at fair value that has been recorded in accordance with IFRS, based on the Adviser's expected manner of disposition of each investment.

The restructuring expenses of the Fund and the Master Fund incurred from January 1, 2021 until the Restructuring Effective Date (as defined in the Partnership Agreement), are to be amortized on a straight line basis over a period of 120 months commencing on the Restructuring Effective Date.

Loans payable, net of unamortized debt issuance costs, are valued on cost basis in accordance with IFRS on the consolidated statements of financial position. In accordance with the Amended Limited Partnership Agreement dated December 14, 2022, the loans are measured on a mark-to-market basis and the debt issuance costs are charged to expense in the period incurred. The fair value and rates of mortgage loans payable are determined by an independent third party service provider. The equity method is the most common method utilized for marking debt to market from the borrower's perspective which calculates the remaining contractual interest expense, the interest expense using market rates and calculating the present value by discounting the difference between the two cash flows at an equity discount rate or weighted average cost of debt. The fair value for most loans is concluded to by equally weighting par and the equity method (i.e., 50% of the equity method). There was no deferred tax liability discount accounted for on the deferred tax liability relating to the fair value of the debt for the period ended December 31, 2024, based on lack of market evidence that such discount can be obtained. However, this will be assessed at each reporting period.

The difference between the NAV per the Limited Partnership Agreement and that shown on the consolidated statements of financial position is attributable to the capitalizing of organizational and restructuring expenses, the capitalization of certain acquisition costs, deferred tax adjustment, write off of deferred financing cost and mark-to-market adjustment on the debt.

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22. Reconciliation of NAV (continued)

		December 31, 2024		December 31, 2023
NAV of controlling interests per consolidated statements of financial position	€	935,017,837	€	864,433,684
Adjustments to certain acquisition costs		36,942,026		37,090,675
Adjustments to organizational expenses		1,320,952		1,550,680
Adjustments for deferred taxes [1]		(478,026)		(3,431,739)
Adjustments to restructuring costs		812,994		879,650
Adjustments to deferred issuance cost		(852,288)		(2,086,282)
Adjustments for mark-to-market on debt		7,390,287		12,979,090
NAV of controlling interests per Limited Partnership Agreement	€	980,153,782	€	911,415,758

[1] During several acquisitions, the Fund acquired a deferred tax asset/liability that reduces or increases the cost of the purchase price. In the event that the Fund sells these acquisitions, the deferred tax asset/liability would increase or reduce the sale price

23. Capital Management

The capital of the Fund is represented by the net assets attributable to controlling and non-controlling interests. Non-controlling interests are comprised of investments in Akos, Park Kolonnaden and Lakepark (see Note 3). The amount of net assets attributable to controlling interests can change significantly on a quarterly basis, as the Fund is subject to quarterly subscriptions and redemptions (subject to Note 18) at the discretion of the Adviser, as well as changes resulting from the Fund's performance. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the LP, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

In order to maintain the capital structure, the Fund's policy is to perform the following:

- Monitor the level of quarterly subscriptions and redemptions relative to the assets it expects to be able to liquidate and adjust the amount of distributions the Fund pays to the LP.
- Redeem and issue new units in accordance with the Limited Partnership Agreement, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.
- The Board of Directors and Adviser monitor capital on the basis of the value of net assets attributable to the LP.

24. Commitments and Contingencies

In the normal course of business, the Fund may encounter certain litigation that could arise. However, the Fund does not currently have any pending litigation but would expect the risk of loss to be remote and not materially affect the financial position or results of operations of the Fund pursuant to any claims. As of December 31, 2024 and December 31, 2023, the Fund had outstanding commitments towards development projects totaling €22,113,446 and €240,000, respectively.
Under the sale and purchase agreement for the Barcelona Student Housing assets, there could be an additional payment to the seller if certain NOI thresholds are reached. It is likely there will be a payment in 2025 however, this is contingent on future leasing and NOI.

25. Leases

The following tables present minimum future rentals scheduled to be received on real estate properties, excluding apartment properties, under noncancelable operating leases in effect for the years ended (in thousands):

	December 31, 2024
2025	€ 35,038
2026	29,207
2027	23,912
2028	20,664
2029	18,701
Thereafter	46,708
Total	€ 174,230

	December 31, 2023
2024	€ 30,592
2025	27,839
2026	21,593
2027	16,871
2028	13,735
Thereafter	32,884
Total	€ 143,514

26. Income Tax

For the years ended December 31, 2024 and 2023, respectively, income tax consists of the following:

	December 31, 2024	December 31, 2023
Current income tax expense	€ 109,420	€ (742,039)
Deferred income tax benefit (expense)	(10,778,875)	5,233,370
Fund Subscription tax expense	(97,018)	(144,849)
Income tax (expense) benefit reported in consolidated statements of comprehensive income (loss)	**€ (10,766,473)**	**€ 4,346,482**

The reconciliation between tax expense and amount arrived at by applying the Luxembourg domestic tax rate of 24.94% for the years ended December 31, 2024 and 2023, respectively, to the net income before tax is as follows:

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26. Income Tax (continued)

		December 31, 2024		December 31, 2023
Income (loss) attributable to partners, before tax	€	24,529,902	€	(131,716,166)
Tax (expense) benefit calculated at the Luxembourg domestic tax rate of 24.94%	**€**	**(6,117,758)**	**€**	**(32,850,012)**
Adjusted for the effects of:				
Income and losses not subject to tax	€	(6,080,024)	€	(3,709,051)
Non-deductible items		11,781,172		36,414,335
Impact of differences in local tax rates		(31,941)		205,742
Recognition of Tax Losses previously not recognized		(10,220,904)		4,430,317
Fund Subscription tax		(97,018)		(144,849)
Income tax (expense) benefit reported in consolidated statements of comprehensive income (loss)	**€**	**(10,766,473)**	**€**	**4,346,482**

The Fund is subject to income tax in different jurisdictions. The tax rates applicable in the different countries are as follows:

	December 31, 2024	December 31, 2023
Luxembourg [1] [2] [3]	24.94%	24.94%
Sweden	20.60%	20.60%
Germany	15.83%	15.83%
Finland	20.00%	20.00%
UK	25.00%	25.00%
Poland	19.00%	19.00%
France	25.00%	25.00%
Spain	25.00%	—%

1) The Fund is not subject to tax in Luxembourg as it is fiscally transparent in nature. The entities held by the SCSp are subject to taxation in their various jurisdictions, unless where otherwise described.
2) The Master Fund, a Luxembourg SA SICAV-RAIF, is not subject to corporate income tax in Luxembourg and instead pays subscription tax of 0.01% on its Net Asset Value.
3) The Luxembourg domestic tax rate was considered the most meaningful rate to use in the tax reconciliation on the basis that:
   - the profits are earned across several jurisdictions and none of those jurisdictions dominates the Fund's portfolio; and
   - the majority of the foreign subsidiaries are held by Luxembourg intermediate holding companies

The total deferred tax balance comprised of deferred tax liabilities and assets as of December 31, 2024 and December 31, 2023, respectively, is as follows:

Prime Property Fund Europe SCSp

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

26. Income Tax (continued)

Deferred tax liability

	Deferred tax liability as at December 31, 2023	Deferred tax (charge) benefit to the statements of comprehensive income (loss)	Deferred tax liability as at December 31, 2024
Unrealized gains (loss) on investment properties	€ (7,957,829)	€ (10,704,812)	€ (18,662,641)
Other temporary differences	(1,981,541)	(935,867)	(2,917,408)
	€ (9,939,370)	**€ (11,640,679)**	**€ (21,580,049)**

Deferred tax asset

	Deferred tax asset as at December 31, 2023	Deferred tax benefit (charge) to the statements of comprehensive income (loss)	Deferred tax asset as at December 31, 2024
Losses carried forward	€ 1,665,090	€ 994,725	€ 2,659,815
Other temporary differences	424,037	425,050	849,087
	€ 2,089,127	**€ 1,419,775**	**€ 3,508,902**

Deferred tax assets in respect to tax losses carried forward totaling €62,228,833 and €57,071,799 have not been recognized for the years ended December 31, 2024 and 2023.

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27. IFRS to US GAAP Reconciliation

IFRS may vary in certain respects from accounting principles generally accepted in the United States ("US GAAP"). The following table reconciles the Fund's consolidated statements of financial positions as of December 31, 2024 and 2023, respectively, between IFRS and US GAAP:

	December 31, 2024	December 31, 2023
Net assets attributable to controlling interests as reported under IFRS	€ 935,017,837	€ 864,433,684
Difference in:		
Adjustments for deferred taxes	(35,002,212)	(33,903,328)
Net assets attributable to controlling interests as reported under US GAAP	€ 900,015,625	€ 830,530,356

The following table presents US GAAP financial highlights attributable to limited partners for the years ended December 31, 2024 and 2023, respectively:

Per unit operating performance	December 31, 2024	December 31, 2023
Net asset value, beginning of the year	€ 8,465	€ 9,613
Income from investment operations:		
Net investment (loss) gain, after fees	33	135
Unrealized (loss) gain on investment transactions	258	(1,197)
Foreign currency (loss) gain, net of hedging impact	(15)	(20)
Non-controlling interests	1	67
Total (loss) income from investment operations	277	(1,015)
Less: Distributions	(167)	(133)
Net asset value per unit at the end of the year	€ 8,575	€ 8,465
Total return, before fees	3.78 %	(11.52)%
Total return, after fees	3.21 %	(12.15)%
Ratio to average net assets: [1]		
Operating expenses [2]	4.97 %	4.73 %
Investment management and incentive fees	0.57 %	0.63 %
Total expenses	5.54 %	5.36 %
Net investment gain (loss)	0.38 %	1.58 %

1) Average net assets are calculated as the average of beginning quarterly net assets for the period January - December 31, 2024
2) Includes real estate operating expenses, real estate taxes, and interest expense

28. Subsequent Events

The Fund has evaluated all subsequent events through the date that the consolidated financial statements were approved by the Board of Managers of the General Partner and available for issuance (February 14, 2025).

No other material events have occurred subsequent to December 31, 2024.

UNAUDITED INFORMATION

AIFMD Remuneration and Periodic Disclosures

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1. Quantitative remuneration disclosure: financial information

On the basis of (1) our own financial records for staff in Group A and (2) the financial information supplied to us (pursuant and subject to their respective sectoral and jurisdictional obligations, both legal and regulatory) by entities to which relevant investment management activities have been delegated (the "Delegate Companies"), the requisite remuneration information in respect of the 2024 financial year ending December 31, 2024 was as follows:

- The total fixed remuneration paid to the AIFM's staff was $20.5 million
- The total variable remuneration paid to the AIFM's staff was $29.8 million
- The number of beneficiaries included in the AIFM's staff was 80
- The total remuneration paid to the AIFM's senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF was $7.8 million
- The carried interest paid by the Fund to the Active Deal Team was $0

All remuneration figures listed herein are rounded to the nearest hundred thousand.

2. Quantitative remuneration disclosure: rationale

The remuneration figures relate to the entire staff of the AIFM for these purposes Identified Staff. Staff and their associated remuneration are not allocated to individual AIFs so a breakdown by AIF does not exist and is not readily available. The determination of the cash value of benefits received by the staff of the AIFM (including, for example, amounts contributed towards medical and pension benefits where they have been assessed to pose no incentive effects in terms of risk assumptions) is not readily quantifiable. As such the remuneration disclosure does not include any benefits component.

3. Periodic Disclosures

Liquidity

The Fund entered into a Line of Credit on December 28, 2022 for €150 million. The Line of Credit is secured by receivables and shares in underlying investments. As of December 31, 2024, the Fund exercised a one year extension option and reduced the available facility to €100 million. As of December 31, 2024, there was no outstanding balance under the Fund's credit facility.

Current liabilities are higher than current assets as presented in the financial statements due to the loans expiration dates in 2025. Refinancing discussions have been initiated in the first quarter of 2025 for the Ostium loan which expires in October 2025 and there are three one-year extension options available for the Lakepark loan which expires in December 2025. Based on the preliminary discussions held with lenders, management believes that their plan is probable to occur.

Special Arrangements

There are no material changes to disclose regarding special arrangements in respect of the Fund's liquidity.

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Risk Profile

The current risk profile of the Fund accords with the risk profile described on page 87 in Section VII – Risk Factors of the Offering Memorandum.

Leverage

As at December 31, 2024, the Fund leverage[5] (as defined by AIFMD) is as follows:

1. Gross method: 1.67 x
2. Commitment method: 1.47 x

[5] Net Asset Value included in leverage calculation is after applicable trading adjustments including (a) amortization of Organizational Expenses, (b) adjustments to capitalize and amortize acquisition costs, (c) recognition of a provision for deferred taxation at fair value (d) adjustment to reflect expected share of savings of transfer taxes and purchaser costs upon disposal of an Investment (as applicable) and (e) the valuation of indebtedness on a mark-to-market basis