Denmark Bayside ApS

C/O CityLink Operations Denmark ApS
Klosterstræde 9, 1157 København K

CVR no. 42 40 41 79

Annual report 2024

Approved at the Company's annual general meeting on 30 June 2025

Chair of the meeting:

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Sarah Maria Camilleri

Contents

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Denmark Bayside ApS for the financial year 1 January - 31 December 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 30 June 2025
Executive Board:

Sarah Maria Camilleri	Matthew Peter Smith

Independent auditor's report

To the shareholder of Denmark Bayside ApS

Opinion

We have audited the financial statements of Denmark Bayside ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Reedtz
State Authorised Public Accountant
mne24830

Emil Johnsen
State Authorised Public Accountant
mne50640

Management's review

Company details

Name	Denmark Bayside ApS
Address, Postal code, City	C/O CityLink Operations Denmark ApS Klosterstræde 9, 1157 København K
CVR no.	42 40 41 79
Established	21 May 2021
Registered office	København K
Financial year	1 January - 31 December
Executive Board	Sarah Maria Camilleri Matthew Peter Smith
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Management commentary

Principal activities

The object of the Company is to conduct business by investment in real estate, including buying and selling real estate, letting out real estate, administration and management of real estate as well as other related activities.

Development in activities and financial matters

The income statement for 2024 shows a profit of DKK 19,111,136 against a loss of DKK 16,676,242 last year, and the balance sheet at 31 December 2024 shows equity of DKK 71,465,293. Management considers the Company's financial performance in the year satisfactory.

With the effective date of 18 December 2024 the Company carried out a vertical merger with Denmark Bayside ApS and Denmark Bayside Owner ApS, with the Company as the successor entity.

For the presentation in the Company's financial statements, the merger has been carried out using the group method as the merger was a vertical intra-group merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2024	2023
	Gross profit	8,442,912	7,515,957
	Fair value adjustment of investment property	24,494,091	-18,532,715
	Profit/loss before net financials	32,937,003	-11,016,758
3	Financial income	18,310	1,768,760
4	Financial expenses	-7,104,850	-10,391,924
	Profit/loss before tax	25,850,463	-19,639,922
5	Tax for the year	-6,739,327	2,963,680
	Profit/loss for the year	19,111,136	-16,676,242

Recommended appropriation of profit/loss		
Retained earnings/accumulated loss	19,111,136	-16,676,242
	19,111,136	-16,676,242

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	ASSETS		
	Fixed assets		
6	**Property, plant and equipment**		
	Investment property	170,405,100	145,150,000
	Lease incentive	164,900	0
		170,570,000	145,150,000
	Investments		
	Derivative financial instruments	0	1,871,836
		0	1,871,836
	Total fixed assets	170,570,000	147,021,836
	Non-fixed assets		
	Receivables		
	Trade receivables	333,630	42,809
	Receivables from group enterprises	16,132,636	7,886,454
	Corporation tax receivable	0	246,643
	Other receivables	1,234,936	231,391
	Prepayments	0	39,905
		17,701,202	8,447,202
	Cash	3,397,892	8,155,524
	Total non-fixed assets	21,099,094	16,602,726
	TOTAL ASSETS	191,669,094	163,624,562

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	40,004	40,004
	Share premium account	41,191,135	41,191,135
	Retained earnings	30,234,154	11,123,018
	Total equity	71,465,293	52,354,157
	Provisions		
7	Deferred tax	12,617,378	6,981,008
	Total provisions	12,617,378	6,981,008
	Liabilities other than provisions		
8	**Non-current liabilities other than provisions**		
	Other credit institutions	90,197,705	94,273,290
	Deposits	2,638,274	2,604,449
		92,835,979	96,877,739
	Current liabilities other than provisions		
8	Short-term part of long-term liabilities other than provisions	1,423,003	1,053,877
	Trade payables	2,421,951	642,162
	Payables to group enterprises	8,325,516	3,927,102
	Joint taxation contribution payable	2,243,673	1,300,668
	Other payables	336,301	487,849
		14,750,444	7,411,658
	Total liabilities other than provisions	107,586,423	104,289,397
	TOTAL EQUITY AND LIABILITIES	191,669,094	163,624,562

1 Accounting policies
2 Staff costs
9 Contractual obligations and contingencies, etc.
10 Security and collateral
11 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2023	40,002	30,275,050	13,954,063	44,269,115
Additions on merger/corporate acquisition	0	0	13,711,969	13,711,969
Capital increase	2	10,916,085	0	10,916,087
Transfer through appropriation of loss	0	0	-16,676,242	-16,676,242
Contribution from group	0	0	133,228	133,228
Equity at 1 January 2024	40,004	41,191,135	11,123,018	52,354,157
Transfer through appropriation of profit	0	0	19,111,136	19,111,136
Equity at 31 December 2024	40,004	41,191,135	30,234,154	71,465,293

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Denmark Bayside ApS for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Intra-group business combinations

With the effective date of 18 December 2024 the Company carried out a vertical merger with Denmark Bayside ApS and Denmark Bayside Owner ApS, with the Company as the successor entity.

For the presentation in the Company's financial statements, the merger has been carried out using the group method.

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments are recognised in the income statement on an ongoing basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Rental income receivable from operating leases is recognised on a straight line basis over the term of the lease, except for contingent rental income, which is recognised as earned.

Costs relating to incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a bias.

The lease term is the non cancellable period of the lease together with any further term for which the lessee has the option to continue the lease, where, at the inception of the lease, Management is reasonably certain that the lessee will exercise this option.

Amounts received from lessees to terminate leases or to compensate for dilapidations are recognised in the income statement as received.

Gross profit

The items revenue, expenses, property and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Expenses, property

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities including expenses relating to advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property". The fair value is based on the expected future cash flows for the investment property.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Staff costs

	2024	2023
Average number of full-time employees	0	0

The Company has no employees.

3 Financial income

Other financial income	18,310	1,768,760
	18,310	1,768,760

4 Financial expenses

Interest expenses, senior debt	0	7,092,355
Fair value adjustments of financial instruments	793,538	1,801,604
Other financial expenses	6,311,312	1,497,965
	7,104,850	10,391,924

5 Tax for the year

Estimated tax charge for the year	1,102,957	1,202,374
Deferred tax adjustments in the year	5,636,370	-4,166,054
	6,739,327	-2,963,680

6 Property, plant and equipment

DKK	Investment property	Lease incentive	Total
Cost at 1 January 2024	108,743,525	0	108,743,525
Additions on merger	21,213,190	189,150	21,402,340
Additions	761,009	0	761,009
Cost at 31 December 2024	130,717,724	189,150	130,906,874
Revaluations at 1 January 2024	36,406,475	0	36,406,475
Value adjustments on merger	-21,213,190	0	-21,213,190
Value adjustments for the year	24,494,091	0	24,494,091
Revaluations at 31 December 2024	39,687,376	0	39,687,376
Depreciation	0	24,250	24,250
Impairment losses and depreciation at 31 December 2024	0	24,250	24,250
Carrying amount at 31 December 2024	170,405,100	164,900	170,570,000

Note 10 provides more details on security for loans, etc. as regards property, plant and equipment.

Financial statements 1 January - 31 December

Notes to the financial statements

Investment property

The Company Group invests in rental property. Investment property is recognised at fair value with value adjustment over the income statement, see the provisions in section 38 of the Danish Financial Statements Act.

Fair value estimation

The Company's investments property is measured at fair value after the fair value hierarchy level 3.

The fair value of investment property has been estimated for every single property by discounting the expected, future cash flows, using a relevant discount factor. Expected future cash flows are based on budgets, approved by management, for the coming 5-year period and an estimated terminal value for the remaining life of the property concerned. The discount factor comprises the risk-free interest rate and a risk premium for the property concerned.

No independent valuers are consulted for purposes of estimating the fair values.

Significant fair value assumptions

The company owns the logistical properties located Greve Main 3 & 10, 2670 Greve.

The most significant fair value assumptions are:

Discount rate: 8.75%
Inflation: 2.00%
Vacancy: 0,00%
Market rent: 10,130,289 DKK in year 1
Exit yield: 5.135%
Discounted terminal value DKK 139,711,185

Rental income and costs per sqm:
Rent Warehouse: DKK 761
Rent Office: DKK 714
OPEX Warehouse: DKK 16.79
OPEX Office: DKK 9.74

	DKK	2024	2023
7	**Deferred tax**		
	Investment property	23,861,177	37,489,122
	Initial recognition differences pertaining to merger, property	-11,181,372	-11,181,372
	Other deferred tax	-62,427	-19,326,742
	Deferred tax at 31 December	12,617,378	6,981,008

8 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.

9 Contractual obligations and contingencies, etc.

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

Financial statements 1 January - 31 December

Notes to the financial statements

10 Security and collateral

As security for the Company's debt to other credit institutions, assets worth DKK 170,570,000 have been pledged as collateral.

11 Related parties

Denmark Bayside ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
HB IV Denmark Holding S.a.r.l.	Luxembourg	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
HighBrook Property Fund IV (Main), LP	Delaware, United States	5 Heienhaff L-1736 Niederanven Luxembourg (LU)

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Matthew Peter Smith
Executive Board
On behalf of: Denmark Bayside ApS m.fl.
Serial number: msmith@highbrookinvestors.com
IP: 95.214.xxx.xxx
2025-06-30 12:58:28 UTC

Sarah Maria Camilleri
Executive Board
On behalf of: Denmark Bayside ApS m.fl.
Serial number: scamilleri@highbrookinvestors.com
IP: 95.214.xxx.xxx
2025-06-30 13:03:12 UTC

Sarah Maria Camilleri
Chair of the meeting
On behalf of: Denmark Bayside ApS m.fl.
Serial number: scamilleri@highbrookinvestors.com
IP: 95.214.xxx.xxx
2025-06-30 13:03:12 UTC

Emil Johnsen
EY Godkendt Revisionspartnerselskab CVR: 30700228
Statsaut. revisor
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: b9f8acbe-8ba9-44d5-95ef-40d1d425abad
IP: 147.161.xxx.xxx
2025-06-30 13:20:48 UTC

Henrik Reedtz Petersen
EY Godkendt Revisionspartnerselskab CVR: 30700228
Statsaut. revisor
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: 3b6e48a7-2646-4cac-bb32-eea55c75648c
IP: 165.225.xxx.xxx
2025-06-30 13:33:42 UTC