RH European Student Accommodation GP Limited

Registration number – 13685604
Unaudited financial statements for the period
18 October 2021 to 31 December 2022

RH European Student Accommodation GP Limited

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RH European Student Accommodation GP Limited

Company Information

DIRECTORS:

Marcus Daniel Peel (appointed 29 October 2021)
Timothy George Barlow (appointed 29 October 2021, resigned 1 October 2022)
Thomas Oliver Jackson (appointed 1 October 2022, resigned 25 April 2023)
Matthew Hele (appointed 25 April 2023)
Kirk Lawrence Lindstrom (appointed 18 October 2021, resigned 29 October 2021, re-appointed 31 January 2023)
Brian Robert Joseph Welsh (appointed 18 October 2021, resigned 31 January 2023)

COMPANY SECRETARY

Intertrust (UK) Limited (resigned 5 December 2022)
1 Bartholomew Lane
London
United Kingdom
EC2N 2AX

REGISTERED OFFICE:

1 Bartholomew Lane
London
United Kingdom
EC2N 2AX

REGISTERED NUMBER:

13685604 (England and Wales)

PRINCIPAL BANKER:

HSBC
8 Canada Square
London
United Kingdom
E14 5HQ

RH European Student Accommodation GP Limited

Directors' Report

The Directors present their financial report and unaudited financial statements for RH European Student Accommodation GP Limited (the "Company") for the period ended 31 December 2022.

The financial statements have been prepared in accordance with Financial reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

A separate Strategic Report or enhanced business review has not been prepared as the Company is entitled to the small companies exemption under Part 15 of section 414B of the Companies Act 2006.

Principal activity

The principal activity of the Company in the period under review is that of managing the business of subsidiary.

Directors

The Directors of the Company who served during the period and up to the date of signing were:

Marcus Daniel Peel (appointed 29 October 2021)
Intertrust UK Limited (resigned 5 December 2022)
Timothy George Barlow (appointed 29 October 2021, resigned 1 October 2022)
Thomas Oliver Jackson (appointed 1 October 2022, resigned 25 April 2023)
Kirk Lawrence Lindstrom (appointed 18 October 2021, resigned 29 October 2021, re-appointed 31 January 2023)
Brian Robert Joseph Welsh (appointed 18 October 2021, resigned 31 January 2023)

The Directors had no interest in the share capital of the Company for the period to 31 December 2021.

Domicile and Legal Form

RH European Student Accommodation GP Limited is a private company limited by shares and is incorporated and domiciled in England.

Dividends paid and declared

During the period, an interim dividend of EUR nil was paid. No dividends were proposed.

Going Concern

The Company's financial position is stable. There has been no adverse impact from global economic conditions or financing fluctuations. Current liabilities, including trade payables and accruals, can be met by funding within the group or from the shareholders. No significant obligations that could impede the going concern status are known. Overall, the Company is well positioned to continue operations as a going concern.

Substantial Shareholdings

As at the date of this report, the Company did not receive any notifications under Chapter 5 of the Disclosure Guidance and Transparency Rules.

Principal risks and uncertainties

Risk is reviewed and managed through the Company's business performance and risk management process. A further description of the risks affecting the Company is disclosed in Note 8.

RH European Student Accommodation GP Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the unaudited financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law, the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Principles (United Kingdom Accounting Standards, comprising FRS 102). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently.
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD:

DocuSigned by:
Kirk Lindstrom
769C86629858445...
Kirk Lindstrom

Director:

Date: 11/01/2024

RH European Student Accommodation GP Limited

Statement of Comprehensive Income for the period ended 31 December 2022

	Note	EUR
Expenses		
Accounting fees		9,844
Tax fees		3,000
Administration fees		2,933
Bank charges		28
RESULT FROM OPERATING ACTIVITIES		**15,805**
LOSS BEFORE INCOME TAX		**(15,805)**
Income tax	6	-
LOSS FOR THE PERIOD AFTER TAX		**(15,805)**

The accompanying notes form an integral part of these financial statements

RH European Student Accommodation GP Limited

Statement of Financial Position as at 31 December 2022

	Notes	EUR
ASSETS		
Non- current assets		
Investment in subsidiary		200
Total Non- current assets		**200**
Current assets		
Cash and cash equivalents		72
Total current assets		**72**
Total assets		**272**
LIABILITIES		
Current liabilities		
Other payable and accruals	5	(15,877)
Total current liabilities		**(15,877)**
Total liabilities		**(15,877)**
Net assets		**(15,605)**
EQUITY		
Share capital	7	200
Retained earnings		**(15,805)**
Total equity		**(15,605)**

The accompanying notes form an integral part of these financial statements.

For the period ended 31 December 2022, the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the period in question in accordance with Section 476 of the Company Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved and authorised for issue by the Directors and were signed on its behalf by:

DocuSigned by:
Kirk Lindstrom
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Director:
Kirk Lindstrom

Date: 11/01/2024

RH European Student Accommodation GP Limited

Statement of Change in Equity for the period ended 31 December 2022

	Notes	EUR
At the beginning of the period		-
Issuance of share capital	7	200
Loss for the period		(15,805)
As at 31 December 2022		**(15,605)**

The accompanying notes form an integral part of these financial statements

RH European Student Accommodation GP Limited

Notes to the Financial Statements

(All amounts expressed in EUR unless otherwise stated)

1. General information

RH European Student Accommodation GP Limited (the "Company") is a limited company registered in England and Wales. The registered address of the Company is disclosed on page 1.

The first financial year of the Company started on 18 October 2021 and terminated on 31 December 2022.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1. Basis of preparation

Under the Companies Act, the Company has the choice whether their financial statements are prepared under that applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) or under UK-adopted international accounting standards. The Company has decided to apply UK-adopted international accounting standards.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention

b. New and amended standards and interpretations

There are no new or amended standards effective this year that have had a material impact on these financial statements. A number of UK-adopted IFRSs have been issued but are not yet effective and have not been applied in these financial statements. The Company does not expect that, when effective, they will have any material impact on the financial statements in future periods.

Going concern

These financial statements have been prepared on a going concern basis.

d. Statement of Cash flows

The Company has taken advantage of the exceptions available not to prepare a statement of cash flows as it is a wholly owned subsidiary undertaking and the consolidated financial statements in which the Company is included are publicly available.

e. Investments

Unquoted investments in equity and subordinated debt interests, whether directly or indirectly held, are measured at fair value. The Company qualifies as an Investment Entity and therefore measures its interests in subsidiary investments at fair value with gains and losses arising from the revaluation of Investments recognised through profit or loss.

f. Trade payables

Payables are financial liabilities with fixed or determinable payments that are not quoted in an active market. Payables are recognised initially at fair value less transaction costs, if any. These are subsequently measured at amortised cost using the effective interest method. Given the nature of payables, however, and the short time length involved between their origination and settlement, their amortised cost is generally materially the same as their fair value at the date of origination.

2.1. Basis of preparation (continued)

g. Borrowings

Borrowing are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

h. Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. For each financial year, the unpaid interest receivable accrued is provided for in full.

i. Provisions

Provisions are recognised when:

- the Company has a present obligation (legal or constructive) as a result of past events;
- a reliable estimate can be made of the amount of the obligation after taking into account relevant risks and uncertainties which, in the opinion of the Company's management, will affect the amount of the provision at the time of its settlement.

j. Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand

k. Foreign currency

Transactions in foreign currencies are recorded in the Company's functional currency (which is EURO for this Company) using the spot rate applicable at the date of the transaction. Foreign currency monetary assets and liabilities at the reporting date are translated into the functional currency using the rate applicable at the reporting dates. All foreign exchange differences are reported in profit or loss. The Company's presentation currency is EURO which is the same as the functional currency.

l. Taxation

The Company is subject to UK Corporation Tax. The UK corporation tax rate is currently 19%. This rate remains at 19% from 1 April 2021.

m. Equity contributions
Equity contributed to the Company is recognised at the date such monies are due.

n. Financial Instruments
Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of an instrument. Financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for derecognition in accordance with IFRS 9 'Financial Instruments'.

Financial assets
Financial assets are classified in the following categories: fair value through profit and loss and amortised cost. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

RH European Student Accommodation GP Limited

Notes to the Financial Statements

(All amounts expressed in EUR unless otherwise stated)

(i) Investments at fair value through profit or loss
Investments at fair value through profit or loss are designated upon initial recognition as financial assets at fair value through profit or loss. The Company's policy is to fair value both the equity and subordinated debt investments in infrastructure assets together, in accordance with IFRS 13. Subsequent to initial recognition, the debt and equity investments are measured on a combined basis at fair value with changes recognised within the Statement of Comprehensive Income.

(ii) Loans and receivables
Trade receivables, loans and other receivables (other than those included in investments and measured at fair value) are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where both maturities and expectation of recovery are in more than 12 months after the Statement of Financial Position date which are classified as non-current assets. The Company's loans and receivables comprise 'trade and other receivables' in the Statement of Financial Position.

(iii) Cash and cash equivalents comprises cash held on deposit at bank.

Financial liabilities and equity
Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. Financial liabilities, including borrowings, are classified as 'other financial liabilities' and are initially measured at fair value. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. Critical accounting estimates and judgements

The preparation of the Company's financial statements requires the Company to make judgements, estimates and assumptions that affect the reported amounts of investment income, financial assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available as at the statement of financial position date. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Key judgements

Equity contributions to the Company are treated as part of Share Capital. There are currently no instruments in issue that are subordinate to the Share Capital.

4. Fees and expenses

All legal and professional fees incurred by the Company are charged as an expense item in the period to which they relate.

5. Payables

	2022 EUR
Administration fees - ITG	12,777
Accrued Tax fees	3,000
Due to LP	100
	15,877

RH European Student Accommodation GP Limited

Notes to the Financial Statements

(All amounts expressed in EUR unless otherwise stated)

6. Taxation

Current year tax charge	**2022 EUR**
U.K. corporation tax charge	-
Total current tax	-
Factors affecting the tax charge for the period	
Loss on ordinary activities before tax	(15,805)
Tax on ordinary activities at standard rate of UK corporation tax of 19%	-
Current tax charge for the year	-
Deferred tax charge	
Unrealised gains on fair value of investments	-
Tax on ordinary activities at standard rate of UK corporation tax of 19%	-
Capital gains exemption	-
Deferred tax charge for the period	-

7. Share Capital

Authorised, issued, allotted and fully paid:	**2022 EUR**
CPP Investment Board Real Estate Holdings Inc.	190
RH European Student Accommodation Investments LLP	10

8. Financial Risk Management

The Company's activities expose it to a variety of risks. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework by identifying and analysing the risks faced by the company, to set appropriate limits and controls, and to monitor risks and adherence to limits.

The principal risks faced by the Company are outlined below:

Strategic risks: property markets are cyclical. Performance depends on general economic conditions and demand for the type of property held by the Company.

Operational risks: failure to comply with health and safety requirements and failure to comply with environmental requirements.

9. Controlling Party

The ultimate controlling party of the Company is CPP Investment Board Real Estate Holdings Inc.

10. Post balance sheet events

There are no material events subsequent to the date of balance sheet.

RH European Student Accommodation LP

Consolidated financial statements
for the period from 28 October 2021 (date of formation)
to 31 December 2022

1 Bartholomew Lane,
London
EC2N 2AX

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STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES FOR THE PERIOD ENDED DECEMBER 31, 2022

The General Partners are responsible for preparing the consolidated financial statements in accordance with applicable law and regulations.

The General Partners are required to prepare audited consolidated financial statements for each financial year in accordance with the Partnership Agreement.

The Partnership Agreement requires the General Partners to prepare consolidated financial statements for each financial period, which present the state of affairs of the Partnership and the profit or loss for that period.

In preparing these consolidated financial statements, the General Partners are required to:

- select suitable accounting policies for the Partnership's consolidated financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The Partnership is exempt from preparing Limited Partnership accounts in accordance with Section 479A of the Companies Act 2006.

The General Partners are responsible for keeping proper accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the consolidated financial statements comply with the Partnership Agreement. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Partnership and to prevent and detect fraud and other irregularities.

The General Partners are responsible for preparing the consolidated financial statements in accordance with the Partnership Agreement.

Kirk Lindstrom

Director
Date: 10 January 2024
Signed on behalf of the Board of Directors

Deloitte.

Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm

Independent auditor's report to the members of RH European Student Accommodation LP

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of RH European Student Accommodation LP (the 'parent limited partnership') and its subsidiaries (the 'group') give a true and fair view of the state of the group's affairs as at 31 December 2023 and of the group's profit for the period then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited partnerships.

We have audited the financial statements which comprise:

- the consolidated statement of financial position;
- the consolidated statement of profit or loss and other comprehensive income;
- the consolidated statements of changes in net assets attributable to partners;
- the consolidated cash flow statement; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and, as regards the parent limited partnership financial statements, as applied in accordance with the provisions of the Companies Act 2006 as applied to limited partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's limited partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

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Responsibilities of members

As explained more fully in the members' responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine 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, the members are responsible for assessing the group's and the limited partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the group or limited partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the members about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements.; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including contributing audit teams and relevant internal specialists such as tax and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Deloitte.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with *provisions of relevant laws and regulations described as having a direct effect on the financial statements;*
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited partnerships we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the Group, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the limited partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited partnerships. Our audit work has been undertaken so that we might state to the limited partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited partnership and the limited partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

David McCaffrey FCA (Senior statutory auditor)
For and on behalf of Deloitte Ireland LLP
Statutory Auditor
Dublin, Ireland

11 January 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2022 EUR '000
Assets		
Non-current assets		
Investment property	*10*	259,548
Other receivables	*21*	1,331
Derivative financial instruments	*11*	851
Restricted cash	*12*	1,700
Total non-current assets		**263,430**
Current assets		
Loan receivable	*19*	9,169
Trade receivables and prepayments	*13*	5,962
Cash and cash equivalents		2,736
Total current assets		**17,867**
Total assets		**281,297**
Liabilities		
Non-current liabilities		
Borrowings	*16*	19,877
Other liabilities	*18*	1,554
Deferred tax liabilities	*14*	1,472
Total non-current liabilities		**22,903**
Current liabilities		
Trade and other payables	*17*	9,128
Borrowings	*16*	7
Income tax liability		437
Total current liabilities		**9,572**
Total liabilities excluding net assets attributable to partners		**32,475**
Net assets attributable to partners		**248,822**

Kirk Lindstrom

Director
Date: 10 January 2024
Signed on behalf of the Board of Directors

The accompanying notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the period from 28 October 2021(date of formation) to 31 December 2022 EUR '000
Revenue related to investment property	6	2,941
Unrealized gain/(loss) arising on adjustment to fair value of investment properties	10	5,167
Expenses related to investment property	7	(1,439)
Other operating expenses	8	(5,089)
Operating profit/(loss)		**1,580**
Unrealized gain/(loss) arising on adjustment to fair value of derivatives	11	851
Finance income	9	460
Finance costs	9	(151)
Finance costs - net		**1,160**
Profit/(loss) before income tax		**2,470**
Income tax expense	14	(1,417)
Profit/(loss) for the period		**1,323**
Other comprehensive income for the period		-
Total comprehensive income for the period		**1,323**
Increase/(decrease) in net assets attributable to partners		**1,323**

The accompanying notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTNERS

EUR '000	*Notes*	GPs* 0%	LPs 100%	Total
Total net assets attributable to Partners as at the beginning of the financial period		-	-	-
Partnership contributions during the period	*15*	-	247,499	247,499
Profit/(loss) for the period		-	1,323	1,323
Other comprehensive income		-	-	
Total net assets attributable to Partners as at the end of the financial period		-	**248,822**	**248,822**

*GP owns 1 nominal share in the Group

The accompanying notes form an integral part of these consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT

	Notes	For the period from 28 October 2021(date of formation) to 31 December 2022 EUR '000
Cash flows from operating activities		
Profit/(loss) before income tax		2,740
Adjustments for:		
Unrealized gain/(loss) arising on adjustment to fair value of investment properties	*10*	(5,167)
Unrealized gain/(loss) arising on adjustment to fair value of derivatives	*11*	(851)
Finance costs - net	*9*	(309)
Changes in working capital (excluding the effects of acquisition):		
(Increase)/Decrease in trade receivables		(3,811)
(Increase)/Decrease in restricted cash		(1,700)
Increase/(Decrease) in trade and other payables		(18,737)
Cash generated from operations		**(27,835)**
Interest paid		(144)
Net cash generated / (used) from operating activities		**(27,979)**
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired		(51,411)
Increase in Other receivables		(1,331)
Purchases of investment property	*10*	(128,216)
Subsequent expenditure on investment property	*10*	(29,425)
Loan issued to related party	*19*	(8,709)
Net cash used in investing activities		**(219,092)**
Cash flows from financing activities		
Proceeds from borrowings	*16*	3,398
Repayment of borrowings	*16*	(358)
Payment of commitment fees	*16*	(610)
Lease payments		(122)
Partner contributions/(distributions)	*15*	247,499
Net cash generated / (used) in financing activities		**249,807**
Net (decrease)/increase in cash and cash equivalents		**2,736**
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		**2,736**

The accompanying notes form an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 *General information*

RH European Student Accommodation LP, hereinafter the "Partnership" and its subsidiaries (together the "Group") is a real estate Group with a Pan-European portfolio with focus on investing in student accommodation properties.

The Group was established on 28 October 2021 and is organized under the laws of the United Kingdom and will continue for a period ending on reaching the 7th anniversary of establishment, or earlier if:

- date at which all investments have been disposed and realised as well as all proceeds being distributed to partners;
- the coming into force of any law, regulation or binding authority which has rendered the continuation of the partnership illegal;
- decision of the partners.

The initial term of the Partnership may be terminated earlier or extended by the agreement of each of the Limited Partners and the approval of the General Partner.

The registered office of the Group is established in 1 Bartholomew Lane, London, EC2N 2AX.

The financial year of the Group starts on 1 January and ends on 31 December. These financial statements, for the period from 28 October 2021 till 31 December 2022 are the first IFRS financial statements that the Group has prepared.

The objective of the Group is to pursue establishing or acquiring one or more JV Entities. Additionally, the Group may undertake any other activities permitted by the Law, as deemed necessary or advisable by the General Partner at its sole discretion, to advance the Group. All these endeavors will be conducted in accordance with the terms and provisions outlined in Partnership Agreement.

The Group may further guarantee, grant security, grant loans or otherwise assist the companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies.

The Group may, except by way of public offering, raise funds especially through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type.

The Group may carry out any commercial, industrial, financial, real estate or intellectual property activities which it considers useful for the accomplishment of these purposes.

The Partnership is exempt from preparing Limited Partnership accounts in accordance with Section 479A of the Companies Act 2006.

These consolidated financial statements have been approved for issue by the Board of Managers of the General Partner on 30 November 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation

Statement of Compliance
The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Boards (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) and adopted by the United Kingdom (UK).

Income and cash flow statements
The Group has elected to present a single consolidated statement of comprehensive income and presents its expenses by nature. The Group reports cash flows from operating activities using the indirect method. Interests received are presented in investing activities and interests paid are presented in operating activities. The acquisitions of investment properties/subsidiaries are disclosed as cash flows from investing activities because this most appropriately reflects the Group's business activities.

Preparation of consolidated financial statements
The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the measurement of investment property at fair value and derivative financial instruments that have been measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 5.

Going concern
The General Partner has assessed the Group's ability to continue as a going concern and has concluded no material uncertainty exists in its ability to continue as a going concern. The Portfolio has proved its operational resilience in the past 12 months maintaining high rates of rental collection during a period of economic difficulties resulting from the Ukraine/Russian conflict. Cash and cash equivalents for the period amounted to EUR 2,736 thousands. Management has completed the evaluation of all relevant known conditions, or those that can be reasonably expected to happen as of the date of the financial statement's issuance. This evaluation included the current financial condition, available cash and cash flow projections to fund operations. Management believes that the Group and its subsidiaries will meet their obligations over the next 12 months after the date of the financial statement issuance. Management is confident that there is no going concern impact. Therefore, it is appropriate for the consolidated financial statements of the Group to continue to be prepared on a going concern basis.

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with Russia's invasion of Ukraine. The war between the two countries continues to evolve as military activity proceeds and economic sanctions have recently imposed on Russia (and in certain cases Belarus). The General Partner has reviewed and assessed that there is no adverse impact to the Group due to the lack of exposure to Russia or Belarus but will maintain vigilance whilst sanctions remain in place and as any new sanctions are made.

2.2 Basis of consolidation

The UK subsidiaries listed below have claimed audit exemption under section 479A of the Companies Act 2006 with respect to the year ended 31 December 2022. The Company has given a statement of guarantee under section 479C of the Companies Act 2006, whereby the company, by its general partner RH European Student Accommodation GP Limited (13685604) will guarantee all outstanding liabilities to which the respective subsidiary companies are subject as at 31 December 2022:

RHESA UK Holdco Limited
RHESA UK II Limited

2.2 Basis of consolidation (cont)

a. Subsidiaries

Control

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group reassesses 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 listed above. When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

• The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
• Potential voting rights held by the Group, other vote holders or other parties
• Rights arising from other contractual arrangements
• Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

All the Group companies have 31 December as their year-end. Consolidated financial statements are prepared using uniform accounting policies for similar transactions. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated.

Scope of consolidation

The Consolidated financial statements of the Group include the following entities:

Name of entity	Principle activities	Country of incorporation	% Interest	Consolidation method
RH European Student Accommodation LP	Holdco	UK	Parent	Full
RHESA Jersey Limited	Holdco	Jersey	100%	Full
RHESA UK Holdco Limited	Holdco	UK	100%	Full
RHESA UK II Limited	Holdco	UK	100%	Full
RHESA Spain Holdco S.L.	Holdco	Spain	100%	Full
RHC SH Spain Propco S.L.	Property Investment	Spain	100%	Full
RHC SH Spain Propco (Atila) S.L.	Property Investment	Spain	100%	Full
Dalma ITG S.L.	Property Investment	Spain	100%	Full
IBERIAN PROPCO I S.L.	Property Investment	Spain	100%	Full
Brabante ITG S.L.	Property Investment	Spain	100%	Full
KKR IMO, LDA	Property Investment	Portugal	100%	Full
ECM Development B.V.	Property Investment	Netherlands	100%	Full
RHESA Lux Propco 1 S.à r.l.	Property Investment	Luxembourg	100%	Full

All entities are fully consolidated in the Group's financial statements as at 31 December 2022.

Accounting for business combinations
The Group applies the optional concentration test in IFRS 3 to assess whether an acquisition must be accounted for as a business combination. When substantially all of the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets), the transaction is accounted for as an asset acquisition. The consideration paid is allocated to the identifiable assets and liabilities acquired on the basis of their relative fair values at the acquisition date. Where an acquisition does not satisfy the concentration test and the acquired set of activities meets the definition of a business, the Group applies the acquisition method of accounting.

The consideration transferred for the acquisition of a subsidiary that meets the definition of a business is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

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

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total amount of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the business acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Accounting for asset acquisitions
For acquisition of a subsidiary not meeting the definition of a business, the Group allocates the acquisition cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

b. Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non- controlling interests are also recorded in equity.

c. Joint arrangements

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint operations as at 31 December 2022.

Joint Operations - The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues, and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

d. Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit and loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture, or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit and loss.

2.3 Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates which is EUR (the functional currency). The consolidated financial statements are presented in thousands EUR, which is the Group's functional currency and the Group's presentation currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss for the year.

c. Group companies

The results and financial position of all the Group entities are in EUR, which is their functional currency.

2.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property and land held under ground leases.

All leases that meet the definition of investment property are classified as investment property and measured at fair value.

Investment property is measured initially at its costs, including related transaction costs.

Investment property that is obtained through a lease is measured initially at the lease liability amount adjusted for any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Investment property is subsequently measured at fair value unless the fair value is not reliably measurable. If the Group determines that the fair value of the investment property is not reliably measurable but expects the fair value of the property to be reliably measurable when construction is complete, it shall measure that investment property under construction at cost less impairment until either its fair value becomes reliably measurable, or construction is completed (whichever is earlier).

A development project is eligible for a fair value measurement once all three of the following criteria are fulfilled:

- all administrative authorisations needed to complete the project are obtained;
- the construction has started, and costs are committed toward the contractor; and
- substantial uncertainty in future rental income has been eliminated.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of investment property are capitalised during the period that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the period in which they are incurred.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as at the financial position date using discounted cash flow projections.

2.4 Investment property (cont.)

Valuations are performed as at the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized and the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

If a valuation obtained for a property held under a lease is net of all payments expected to be made, any related lease liability recognised separately in the consolidated statement of financial position is added back to arrive at the carrying value of the investment property for accounting purposes.

Changes in fair values are recognised in the Consolidated Statement of Comprehensive Income or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the consolidated statement of comprehensive income within the net gain from fair value adjustment on investment property.

Acquisitions of investment properties and property related investments are considered to have taken place when there is a legally binding, unconditional and irrevocable contract and all material risks and rewards have been transferred

Properties are all fully insured.

2.5 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill - are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered impairment, are reviewed for possible reversal of the impairment at each reporting date. Impairment losses on goodwill are not reversed.

2.6 Financial instruments

2.6.1 Accounting policy

a. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not as fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated statement of comprehensive income.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken to OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in the consolidated statement of comprehensive income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and is presented net within other gains (losses) in the period in which it arises.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

2.6 Financial instruments (cont.)

2.6.1 Accounting policy (cont.)

Changes in the fair value of financial assets at FVPL are recognised in net change in fair value of financial instruments at fair value through profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group's financial assets are subject to the expected credit loss model.

For financial assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets.

The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within the period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the tenants to settle the receivable. Such forward-looking information would include:

- changes in economic, regulatory, technological and environmental factors, (such as industry outlook, GDP, employment and politics);
- external market indicators; and
- tenant base.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectible.

Debt investment and other instruments are considered to be low credit risk when they have a low risk of default, and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The Group considers that a default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

b. Trade receivables

Trade receivables are recognised initially at transaction price and subsequently are measured at amortised cost using the effective interest method, less provision for expected credit losses. The Group holds the other receivables with the objective to collect the contractual cash flows.

2.6 Financial instruments (cont.)

2.6.1 Accounting policy (cont.)

c. Financial liabilities

The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contract.

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, unless the Group opted to measure a liability at FVPL.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are recognised initially at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

d. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

e. Restricted cash

Restricted cash represent ringfenced cash secured in a reserve account as requested by a senior lender for security purposes with maturity in 2027, these amounts are not accessible by the Group to use.

f. Derivative financial instruments

Derivative financial assets and liabilities are classified as FVPL. Derivative financial assets and liabilities comprise interest rate swap. The Group does not apply hedge accounting in accordance with IFRS 9.

Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered into. They are measured initially and subsequently at fair value; transaction costs are included directly in finance costs. Gains or losses on derivatives are recognised in profit or loss through the fair value adjustment on derivative financial instruments.

g. Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using the effective interest method.

The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Certain Group companies obtain deposits from tenants as a guarantee for returning the property at the end of the lease term in a specified good condition or for the lease payments for a period ranging from 1 to 24 months. Such deposits are treated as financial liabilities in accordance with IFRS 9, and they are initially recognised at fair value. The difference between fair value and cash received is considered to be part of the minimum lease payments received for the operating lease (refer to note 2.11 for the recognition of rental income). The deposit is subsequently measured at amortised cost.

2.6 Financial instruments (cont.)

2.6.1 Accounting policy (cont.)

h. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as a finance cost over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the date of the consolidated statement of financial position.

For modified borrowings, IFRS 9 requires that a gain or loss be calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

2.7 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

2.8 Net assets attributable to partners and related Group contributions

The Partnership has a limited life unless it is extended by the unanimous consent of the limited partners and the approval of the General Partner. Accordingly, the provisions of IAS 32.16C and 16D have been applied for the purpose of the presentation of the financial instruments issued by the Partnership. Considering that not all the features prescribed in IAS 32.16C and 16D for exceptional equity classification are met, the instruments issued by the Partnership have been classified as financial liabilities. As a result, such instruments have initially been measured at their fair value (and adjusted by transaction costs, if applicable) and subsequently measured at amortised cost. For more details please refer to note 15.

2.9 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the current statement of comprehensive income, except to the extent that it relates to items recognised directly in other comprehensive income or equity - in which case, the tax is also recognised 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 Group 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 rate (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 realised or the deferred income tax liability is settled.

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

The carrying value of the Group's investment property is assumed to be realised 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 Group 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.

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 Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.10 Revenue recognition

Revenue includes rental income, service charges and penalty fee income. Revenue from service charges is recognised in the accounting period in which control of the service are passed to the customer, which is when the service is rendered. For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Some property management contracts may include multiple elements of service, which are provided to tenants. The Group assesses whether individual elements of service in contract are separate performance obligations. Where the contracts include multiple performance obligations, and/or lease and non-lease components, the transaction price will be allocated to each performance obligation (lease and non-lease component) based on the stand-alone selling prices. Where these selling prices are not directly observable, they are estimated based on an expected cost-plus margin. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

A receivable is recognised when services are provided as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.11 Interest income and expense

Interest income and expense are recognised within finance income and finance costs in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the costs of that asset.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and amounts paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.12 Other expenses

Expenses include legal, accounting, auditing, salaries and other fees. They are recognised in profit or loss in the period in which they are incurred on an accrual basis.

Provisions for legal claims are recognised when:
- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

2.13 Provisions

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

Where the Group, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, a provision is made for such costs as they are identified.

2.14 Leases

Group is the lessee

(i) At initial recognition

The Group acting as lessee recognises a right-of-use asset and a lease liability for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The right-of-use asset is initially measured at its cost, which includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the Group and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.
The lease liability is measured at the present value of the lease payments that are not paid at the date of the consolidated statement of financial position.

Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured at the applicable index or rate at the lease commencement date;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, or the penalty payable on the exercise of a termination option unless the Group is reasonably certain not to exercise the option; and
- any amounts expected to be payable under residual value guarantees.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the investment properties used in the Group's leasing activities.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.14 Leases (cont)

(ii) Subsequent measurement

The Group measures the right-of-use assets that meet the definition of investment property using the fair value model applied to its investment property. At the balance sheet date the fair value is considered to be the net present value of future cash flows due under the contractual terms of the lease, discounted at the rate implicit in the lease or incremental borrowing rate.

The lease liability is measured as follows:
- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Where the Group is exposed to potential future increases in variable lease payments based on an index or rate, these are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The risk management function within the Group is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Group is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Financial risk management is carried out by the Finance team in close cooperation with management. The Finance team identifies and evaluates financial risks in close co-operation with the Group's operating units. Overall risk management principles are used and specific areas such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity are covered in the quarterly reports produced by the Finance team on a Group level and provided to the key management personnel of the Group.

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in interest-bearing assets and liabilities, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to currency and interest rate risk that may be acceptable, which are monitored on a quarterly basis (see details below). However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant. In practice, this is unlikely to occur, and changes in some of the factors may be correlated – for example, changes in interest rate and foreign exchange rates.

(i) Foreign exchange risk
The Group operates exclusively within the Euro zone, it has very low exposure to foreign exchange risk.

(ii) Price risk
The Group has no significant exposure to price risk as it does not hold any equity securities or commodities.

(iii) Cash flow and fair value interest rate risk
The Group's interest rate risk principally arises from borrowings (note 16). Bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. The amortised costs approximates fair value as the interest rate (3.72% - 4.73%) is considered to be at market rate plus premium for this type of business.

The Group entered into swap agreements. As of 31 December 2022, the interest rates for Talgo (CaixaBank S.A.) are secured by a swap (see note 11). The swap is only effective if the 3 month Euribor rises above the level of 1.73% interest rate. As at 31 December 2022 the Group's borrowings are mainly at a variable rate of interest (note 16). Trade and other receivables and trade and other payables are interest free and with a term of less than one year, the effect of a financing component is considered to be insignificant.

If the interest rate would be 100 basis points higher compared to the interest rate applicable for 2022, the swap would not limit the interest payment.

In case of an increasing or decreasing Euribor of 100bps, the interest charge would increase by EUR 170,882 or decrease by EUR 204,865.

The impact of changes in the interest rates by 1% (100 basis points - "bps") on the net asset value is as follows:

As at 31 December 2022:	**Interest rate***		
	- 100 bps	**NAV**	**+ 100 bps**
	EUR '000	**EUR '000**	**EUR '000**
	248,617	248,822	248,993

**Based on the annualised interest cost and impact of the swap arrangement at Talgo (CaixaBank S.A.) facility*

The Group's interest rate risk is monitored by the Group's management on a quarterly basis. Management analyses the Group's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a quarterly basis to verify that the maximum potential loss is within the limits set by management. Trade receivables and payables (other than tenant deposits) are interest-free and have settlement dates within one year.

The average effective interest rates of financial instruments at the date of the consolidated statement of financial position, based on reports reviewed by key management personnel, were as follows (see note 16):

	2022 **EUR '000**
Bank borrowings	19,884
Bank debt; average "all-in" interest rate	4.15%

b. Credit risk

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation and principally arises from the Group's receivables from customers. The Group has no significant concentrations of credit risk as the Group has a diverse customer base, with no one customer accounting for more than 1% of rental income.

Credit risk arises from cash and cash equivalents held at banks, trade receivables, including tenant receivables as well as derivative financial instruments. Credit risk is managed on a group basis. The Group structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to a quarterly or more frequent review.

The Group has policies in place to ensure rental contracts are entered into only with lessees with an appropriate credit history, but the Group does not monitor the credit quality of receivables on an ongoing basis. However, there are procedures in place to ensure that outstanding and overdue rental payments do not exceed certain amounts. The Group policies ensure that tenants with overdue rental payments are contacted in a timely manner. Additionally, the Group has a money collecting system in place.

Cash balances are held, and derivatives are agreed only with financial institutions falling within the Group's credit rating criteria. The Group has policies that limit the amount of credit exposure to any financial institution.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

	2022 **EUR '000**
Restricted cash (note 12)	1,700
Derivative financial instruments	851
Loan receivable (note 19)	9,169
Trade and other receivables (note 13)	752
Cash and cash equivalents	2,736
Maximum exposure to credit risk	**15,208**

Cash and cash equivalents, neither past due nor impaired (as per Fitch's / Moody's ratings)

	Rating	2022 EUR '000
Alpha FX Europe Limited	B+/Ba2	3
Banco Santander S.A.	A-/A2	2,236
CaixaBank S.A.	BBB+/Baa1	412
HSBC Bank plc	A+/A3	17
Banco BPI S.A.	BBB+/ A3	54
Credit Agricole S.A.	AA-/Aa2	14
		2,736

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The fair value of cash and cash equivalents as at 31 December 2022 approximates the carrying value.

Analysis by credit quality of financial assets is as follows:

	2022 EUR '000
Receivables, gross balance	5,962
Allowance	-
Receivables, net balance	**5,962**

With respect to credit risk arising from other financial assets of the Group, which comprises of cash and cash equivalents, other long-term assets, trade and other receivables and derivative financial assets, management does not expect any losses from non- performance by these counterparties.

Allowance for doubtful debts of overdue receivables is established according to the Group's accounting policy, which is set out below:

Former and current	Former tenants All overdue	Current tenants up to *1 month*	Current tenants between 1 and *2 months*	Current tenants between 2 and *3 months*	Current tenants more than *3 months*
% to be applied on	100%	10%	20%	30%	50%

The estimated fair values of receivables are the discounted amount of the estimated future cash flows expected to be received and approximate their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values.

There is no significant concentration of credit risk with respect to trade receivables, due to the large tenant base present in the portfolio.

c. **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Group's liquidity position is monitored on a quarterly basis by the board of managers. A summary table with the maturity of financial assets and liabilities presented below is used by key management personnel to manage liquidity risks and is derived from managerial reports at the company level. The amounts disclosed in the tables below are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the consolidated statement of financial position, as the impact of discounting is not significant.

The maturity analysis of financial instruments as at 31 December 2022 is as follows:

	Less than 1 Year EUR '000	**From 1 year to 5 years EUR '000**	**More than 5 years EUR '000**	**TOTAL EUR '000**
LIABILITIES				
Net assets attributable to partners	-	-	(248,822)	**(248,822)**
Borrowings	(7)	-	(19,877)	**(19,884)**
Other liabilities	(122)	(424)	(1,130)	**(1,676)**
Trade and other payables	(9,006)	-	-	**(9,006)**
TOTAL	**(9,135)**	**(424)**	**(269,829)**	**(279,388)**

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for partners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of distributions paid to partners, return capital to partners, raise capital from partners and sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated by the Group as total borrowings less cash and cash equivalents. Total capital is calculated as net assets attributable to partners, as shown in the consolidated statement of financial position, plus net debt.

	2022 EUR '000
Net assets attributable to partners	248,822
Total borrowings	19,884
Less: cash and cash equivalents	(2,736)
Net Debt	**17,148**
Total capital (net of cash and cash equivalents)	**265,970**
Gearing ratio	**6.45%**

As at 31 December 2022 bank borrowings of the Group are exposed to covenants. The Group did not breach the covenants in 2022.

3.3 Fair value estimation

a. Assets and liabilities carried at fair value

The tables below analyse financial instruments carried at fair value, by valuation method.

The different fair value levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Specific valuation techniques used to value such type of assets/liabilities include:
- quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate caps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Note that all of the resulting fair value estimates are included in Level 2 and Level 3.
The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the date of the event or change in circumstance that caused the transfer.

(a) Assets and liabilities measured at fair value as at 31 December 2022

(b) Fair value hierarchy of Group's assets and liabilities (by class) not measured at fair value as at 31 December 2022.

Financial instruments in Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

The fair value of borrowings with embedded derivatives that are traded in an active market is determined by using a quoted market price, the instrument is included in Level 1.

Financial instruments in Level 2

The fair value of financial instruments that are traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Financial instruments in Level 3

Level 3 financial instruments are typically less liquid and have more uncertainty in their fair value compared to Level 1 and Level 2 instruments. Inputs for the asset or liability are not based on observable market data (unobservable inputs).

Specific valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments:
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group's financial assets as at 31 December 2022 were classified as follows:

	Level 1 **EUR '000**	**Level 2** **EUR '000**	**Level 3** **EUR '000**
Derivative financial instruments	-	*851*	-

The fair value of derivative financial instruments is determined by external financial institution CaixaBank S.A. The fair value of interest rate cap is calculated using the average market value of the future settlement flows.

There were no transfers between Level 1 and Level 2 during the period.

The following table analyses within the fair value hierarchy the Group's assets and liabilities (by class) not measured at fair value as at 31 December 2022 but for which fair value is disclosed.

Assets	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000	Total EUR '000
Loan receivable	-	-	9,169	**9,169**
Trade and other receivables	-	489	-	**489**
Cash and cash equivalents	2,736	-	-	**2,736**
Restricted cash	1,700	-	-	**1,700**
Total	**4,436**	**489**	**9,169**	**14,094**

Liabilities	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000	Total EUR '000
Net assets attributable to partners	-	-	248,822	**248,822**
Trade and other payables	-	9,129	-	**9,129**
Other liabilities	-	-	1,676	**1,676**
Loans and borrowings	-	19,884	-	**19,884**
	-	**29,013**	**250,498**	**279,510**

The assets and liabilities included in the above table are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Trade receivables include the contractual amounts for the settlement of trades and other obligations due to the Group. Trade and other payables and borrowings represent contractual amounts and obligations due by the Group.

4 CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

a. New and amended standards and interpretations adopted by the Group

A number of new or amended standards became applicable for the current financial year but do not have material impact on the consolidated financial statements:

Standard and description	Effective for periods beginning on or after
Annual improvements to the standards: Improvement cycle 2018 – 2020	1 January 2022
Amendments to IAS 16 Property, Plant and Equipment	1 January 2022
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
Amendments to IFRS 3 Business combinations	*1 January 2022*

b. New standards, amendments and interpretations issued but not yet effective

Standard and description	Effective for periods beginning on or after
IFRS 17 Insurance Contracts (including amendments)	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021)	1 January 2023
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (issued on 12 February 2021)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
IFRS 16 – Lease liability	1 January 2024

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. The Group does not expect the adoption of the new standards, amended standards, or interpretations to have a significant impact on the consolidated financial statement in future periods.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a. Investment properties

The fair value of investment properties is determined by using valuation techniques. For further details of the judgements and assumptions made, see note 10. The table below presents the sensitivity of the valuation based on the discount rate applied and expected vacancy rates.

Isabela (Iberian PropCo, Spain)

Change in expected net operating income /change in Exit Yield	**- 0.5%**	**EUR 2,253,638**	**+ 0.5%**
	EUR '000	**EUR '000**	**EUR '000**
- 0.5%	39,100	40,400	41,700
5%	35,200	36,300	37,500
+ 0.5%	32,000	33,000	34,000

Pessoa (KKR Imo, Portugal)

Change in expected net operating income /change in Exit Yield*	**- 0.5%**	**EUR 4,226,531**	**+ 0.5%**
	EUR '000	**EUR '000**	**EUR '000**
- 0.5%	55,700	58,600	61,800
5.53%	51,000	53,600	56,400
+ 0.5%	47,100	49,400	52,000

* Exit Yield is weighted average as KKR Imo holds multiple assets

There are inter-relationships between unobservable inputs. Expected vacancy rates may impact the yield with higher vacancy rates resulting in higher yields. An increase in the future rental income may be linked with higher costs. If the remaining lease term increases the yield may decrease.

The table below presents investment property related levels for valuation:

Fair value hierarchy 31/12/2022	**Level 1**	**Level 2**	**Level 3**	**Total**
EUR '000				
Investment property	-	-	91,576	91,576
Total	-	-	**91,576**	**91,576**

The Group's policy is to recognise transfers into and out of the fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

As at 31 December 2022 the valuation of investment property has been classified as level 3 as defined by IFRS 13 Fair Value Measurement.

b. Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

c. Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues 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 tax and deferred tax provisions.

d. Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors and circumstances that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew or to terminate.

e. Property acquisitions vs business combinations

The Group has acquired subsidiaries that own properties. When the acquisition of a subsidiary does not represent "an integrated set of activities and assets" in accordance with IFRS 3, the acquisition of the subsidiary is accounted for as an asset acquisition. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill and deferred tax resulting from the allocation of the cost of acquisition is recognised. The Group will account for the acquisition as a business combination where an integrated set of activities is acquired in addition to the properties.

The following recognition criteria are considered as indicators of business combination:

- Several items of land and buildings;

- Existence of ancillary services to tenants (e.g. maintenance, cleaning, security, bookkeeping etc.);

- Existence of employees to have processes in operation (including all relevant administration such as invoicing, cash collection, provision of management information to the entity's owners and tenant information);

- Management of the investment properties is a complex process.

There was no business combination for the period ended 31 December 2022.

6 REVENUE RELATED TO INVESTMENT PROPERTY

The breakdown of revenue is as follows:	28/10/2021 to 31/12/2022
Analysis of revenue by category	**EUR '000**
Rental income - revenues from lease of investment property	2,889
Other revenue	52
Total revenue	**2,941**

Rental income

The Group's revenue is primarily generated from property assets, which are held by Group companies domiciled in the same country as the relevant asset is located

Investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some head lease contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate.

Revenues are derived from a large number of tenants and no single tenant or group under common control contributes more than 10% of the Group's revenues.

The Group's total revenue consists mainly of rental income and other income from parking spaces, registration fee, lost keys and damages. Rental agreements of investment properties with a Group entity as the lessor can be terminated with one month notice and, as the Group retains a substantial proportion of the risks and rewards of ownership, do not meet the criteria to be classified as financial leasing agreements.

Revenues are realised in Spain and Portugal.

Leasing arrangements

Investment properties are leased to students via operating leases with rentals payable monthly. This process is managed by operating partners, Nido. Lease payments are typically based on a rate set per room type at the beginning of each academic year.

Rent reviews are undertaken annually and adjusted to reflect market inflation and product demand.

The Group is exposed to changes in the residual value of properties as the rental profile steps up on an annual basis. Any residual value risk born by the Group is mitigated by active management of its property portfolio with the objective of optimising what we offer to tenants in order to:
- achieve the longest weighted average lease term possible;
- minimise vacancy rates across all properties.
-

Assumptions about the future residual values of properties are reflected in their fair value. For further quantitative details of these assumptions, see note 10.

The Group also grants lease incentives to encourage high quality tenants to remain in properties for longer lease terms. The Group granted lease incentives in form of rent-reduced periods to its tenants.

Lease agreements may include a clause requiring the tenant to reinstate the leased space to its original state when the lease expires, and the tenant decides not to renew the lease agreement. This contributes to the maintenance of the property and allows for the space to be re-let quickly once a tenant has departed. In addition, the Group has an annual capitalised expenditure plan reviewed at least semi-annually to keep properties in line with market standards.

Occupancy has increased across the portfolio for years 23/24 due to strong leasing efforts, leading to stronger revenue figures, and less vacancy costs. Rental collection patterns are positive following the implementation of a detailed collections process by the Property Managers. The liquidity ratio is satisfactory.

The future projected rentals receivable under operating leases are as follows:

	From 28/10/2021 to 31/12/2022 EUR '000
No later than 1 year	7,806
Later than 1 year and no later than 5 years	40,232
Later than 5 years	22,573
Total	**70,611**

7 EXPENSES RELATED TO INVESTMENT PROPERTY

	From 28/10/2021 to 31/12/2022 EUR '000
Repair and maintenance	130
Utilities*	219
Property tax	79
Marketing	371
Cleaning services	174
Catering	61
Insurance	229
Other costs	176
Total	**1,439**

** Utilities are not directly recoverable from tenants.*

8 OTHER OPERATING EXPENSES

	From 28/10/2021 to 31/12/2022 EUR '000
Asset Management fees	207
Legal fees	88
Accounting and audit fees	371
Staff costs	342
Bank account charges	64
Domiciliation fees	57
Transaction costs	2,598
VAT	27
Tax advisory fees	80
Professional fees	310
Administrative fees	463
Broker fees	465
Directors' fees	17
Total	**5,089**

Staff costs for the period amounted to EUR 342 thousand. Three employees were partially seconded to the Group during the period.

9 FINANCE COSTS

	From 28/10/2021 to 31/12/2022 EUR '000
Interest expenses and financing fees	(151)
Finance costs	**(151)**
Finance income	460
Finance income	**460**
Net Gain/(Loss) from fair value adjustment on derivatives	**851**
Finance costs – net	**1,160**

10 INVESTMENT PROPERTY

The Group's investment properties are measured at fair value for operational assets and at cost for development assets, as the fair value cannot be reliably measured .

The RHESA portfolio consists of a total of 16 assets returning 5,278 secured beds which all have been acquired during the reporting period.

	Operational assets EUR '000	Development assets EUR '000	2022 Total EUR '000
Fair value at 28 October 2021	-	-	-
Acquisitions through subsidiaries other than business combinations	84,673	13,519	98,192
Additions / direct acquisitions	-	127,087	127,087
Subsequent capital expenditure	60	27,366	27.426
Right of use asset	1,676	-	1,676
Fair value adjustment	5,167	-	5,167
Fair value at 31 December 2022	**91,576**	**167,972**	**259,548**

Right of use assets held by the Group related to land held under ground leases that meet the definition of investment property.

The fair value of investment property as at 31 December 2022 is:

Building location	Nature	Valuation method	Total number of beds	Net Lettable Area (m2)	Exit yield	Valuation 2022 EUR'000
Pessoa	PBSA*	DCF	413	6,811	5.00%	53,600
Isabela	PBSA*	DCF	652	16,028	5.53%**	36,300

* *Purpose build student accommodation*
** *Exit Yield is weighted average as KKR Imo holds multiple assets*

Valuation processes

The Group's operational assets are valued bi-annually per Q1 and Q3 respectively by Jones Lang LaSalle ("JLL"), a firm of independent chartered surveyors, who are registered independent appraisers. Additionally, an internal valuation process is conducted per Q2 and Q4 respectively by the Asset Manager following the same approach as JLL.

For all operational assets, their current use equates to the highest and best use. The Group's finance and asset management team reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the finance team and partners at least once every quarter, in line with the Group's quarterly reporting dates.

At the end of Q2 and Q4 the finance team:
- updates and verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior quarter valuation report.

RHC Fund Finance, as part of their oversight role, will review the fair value adjustments and make recommendations for any necessary changes or adjustments as deemed appropriate will review and recommend any changes as appropriate.

Valuation techniques underlying management's estimation of fair value

The Group's operational assets with the exception of leasehold land with a total carrying value of EUR 89,900 the valuation based on the discounted cash flow (DCF) projections based on significant unobservable inputs. All unobservable inputs include:

Future rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties;
Estimated vacancy rates based on current and expected future market conditions after expiry of any current lease;
Exit yield based on the yield of prime assets in regional cities as at the valuation date;
Terminal growth based on adopted annual growth rates from the latest Oxford Economics estimates available at the valuation date;
Maintenance costs including necessary investments to maintain functionality of the property for its expected useful life;
Capitalisation rates based on actual location, size and quality of the properties and taking into account market data at the valuation date; and

Initially all future cash flows (both revenue and costs) are explicitly determined for a ten-year detailed planning period. The assumptions made for the model reflect comparable analysis and decisions that would have been made by investors active in the market as at the effective date of valuation.

The cash flows for each year are calculated as follows:

The gross rental income at full occupancy is reduced by the loss of rent due to vacancy. The resulting amount reflects the current rental income. After deduction of the non-recoverable costs (maintenance costs, management costs, other costs and non-recoverable operating costs), the net cash flow is determined. The respective cash flows of the individual periods are then discounted as at the date of valuation by the pre-determined discount rate.

The cash flows are discounted to the date of valuation and all future market conditions are considered. Discount rates are reflecting current market assessments of the uncertainty in the amount and timing of cash flows. The result of the DCF method mirrors the economic view that would be taken by the majority of active market participants as at the effective date of valuation and reflects the market value.

11 DERIVATIVE FINANCIAL INSTRUMENTS

	2022 EUR '000
Beginning of the year	-
Fair value adjustment for the period	851
As at 31 December 2022	**851**

The Group entered into a loan facility agreement with the CaixaBank S.A. (note 13). In this context, the Group also entered into swap agreement in order to mitigate exposure to interest rate risks in relation to the terms of the loan facility.

The interest rate hedges are in place for 17% of the total amount of bank borrowings (Note 16). The Group executed interest rate swap, with the characteristics as provided below:

- SWAP strike: 1.73% floating interest base: EUR-3M-Euribor
- Effective date: 27 July 2022
- Notional amount: €23,000,000
- Termination date: 27 July 2027

12 RESTRICTED CASH

As at 31 December 2022 the Group has other long-term assets of EUR 1.700 thousands, which is related to ringfenced cash in CaixaBank S.A.. The nature of the amount is to act as a reserve for debt service, in case the Group does not have sufficient liquidity at the interest payment date with maturity of 22 July 2027.

13 TRADE RECEIVABLES AND PREPAYMENTS

	31/12/2022 EUR '000
Tenants receivables	64
VAT receivables	5,210
Other receivables	425
Other advance payments	263
Trade receivables and prepayments	**5,962**

Trade receivables, gross amount of EUR 64,000 are stated net of an allowance for doubtful debts which represents EUR Nil as at 31 December 2022.

The estimated fair values of receivables are the discounted amount of the estimated future cash flows expected to be received and approximate their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values.

There is no significant concentration of credit risk with respect to trade receivables, as the Group has a large number of tenants.

14 INCOME TAXES

	2022 EUR '000
Tax expense	55
Deferred tax	(1,472)
Total	**(1,417)**

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate on the applicable profits of the consolidated companies as follows:

	2022 EUR '000
Profit/(loss) before income taxes	**2,740**
Tax calculated at domestic tax rates applicable to profits in the respective countries	(677)
Tax effect on:	
Non-taxable income	(1,472)
Tax loss utilised	677
Other taxes	55
Tax charge	**(1,417)**

The weighted average applicable tax rate is 25%. The applicable tax rate in Spain is 25%, in Portugal is 21%, in Luxembourg is 15%, Netherlands is 15% and in UK is 19%.

The movement in deferred tax liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	2022 EUR
Beginning of the year	-
Income statement charge- revaluation of derivative financial instruments	(213)
Income statement charge- revaluation of investment properties to fair value	(1,259)
As at 31 December	**(1,472)**

Undisclosed deferred tax assets (DTA) as at 31 December 2022 are EUR 2,295 thousand and related to tax losses carry forward.

As the acquisitions are not accounted for as business combinations and affected neither accounting nor taxable profit at the point of acquisition, the initial recognition exemption in IAS 12 applies. The Group does not recognise deferred taxes that would otherwise have arisen on temporary differences associated with the acquired assets and liabilities at initial recognition.

For the period ended 31 December 2022, the Group has applied the initial deferred tax exemption applicable, when acquiring a subsidiary that does not meet the definition of a business combination.

15 PARTNERS CONTRIBUTION AND NET ASSETS ATTRIBUTABLE TO PARTNERS

The Partners shall not be entitled to receive interest on their capital contributions and, unless otherwise expressly stated herein, shall not be entitled to demand the repayment of their capital contributions other than on winding up. Any repayment of capital contributions shall be subordinated to any amounts due from the Group to any third party.

Partner contributions can be reconciled as follows:

		2022 EUR
CPP Investment Board Real Estate Holdings Inc	**95%**	
Target capital commitment		950,000,000
(Subscriptions)		(235,124,075)
Redemptions		-
Remaining target capital commitment undrawn		**714,875,925**
Round Hill Capital Investment LLC	**5%**	
Target capital commitment		50,000,000
(Subscriptions)		(12,374,950)
Redemptions		-
Remaining target capital commitment undrawn		**37,625,050**
Partners totals:	**100%**	
Target capital commitment		1,000,000,000
(Subscriptions)		(247,499,025)
Redemptions		-
Remaining target capital commitment undrawn		**752,500,975**

Distributable Cash will be distributed on a Distribution Date, in accordance with clause 9.3 of the LPA, following below steps:

1. First, to the Limited Partners on a pari passu basis in an amount that represents each Limited Partner's Pro Rata Share until the cumulative amount distributed to CPP Investment Board Real Estate Holdings Inc ("CPPIB LP") pursuant to Section 9.3(a) and this Section 9.3(b)(i) would result in CPPIB LP having achieved an IRR (calculated net of fees and Taxes at the level of the JV

Entities, but not any tax payable by the CPPIB LP) equal to (y) nine percent (9%) in respect of CPPIB LP's aggregate Contributions, plus (z) an amount equal to the properly incurred and invoiced fees of the brokers engaged in respect of both Project Talgo and Project More, in each case, as of the date of such distribution, (and for the avoidance of doubt there shall be no double counting of fees and Taxes in the calculation of the amount of IRR in this sub-paragraph (i)), then;

2. Second, (A) fifteen percent (15)% to Round Hill Capital Investment LLC ("RH LP") and (B) eighty five percent (85%) to the Limited Partners on a pari passu basis in an amount that represents each Limited Partner's Pro Rata Share until the cumulative amount distributed to CPPIB LP pursuant to Section 9.3(a), Section 9.3(b)(i) and this Section 9.3(b)(ii) would result in CPPIB LP having achieved an IRR (calculated net of fees, Promote and Taxes at the level of the JV Entities, but not any tax payable by the CPPIB LP) equal to ten and one half percent (10.5%) in respect of CPPIB LP's aggregate Contributions as of the date of such distribution, then;

3. Third, subject to the Group making provision for the payment set out in Section 9.3(c). (A) twenty percent (20)% to RH LP and (B) eighty percent (80%) to the Limited Partners on a pari passu basis in an amount that represents each Limited Partner' s Pro Rata Share.

4. Forth, distribution of initial capital contribution to the General partner in the amount of EUR 100.

There is no promote available at a modeled portfolio exit per Net Asset Value as at 31 December 2022.

At the level of some Investment Property entities, there are non-controlling interest entities which invest with minority class B shares. The non-controlling interest entities carry nominal economic rights (i.e., the right to receive the nominal subscription price paid for the relevant class of share on liquidation or winding up and, in some cases, the right to receive in preference and in priority to any other class of shares an annual dividend up to a prescribed cap) as well as the exclusive right to vote for the election or removal of directors (no other voting rights).

Accordingly, there is no allocation of the net assets of the Partnership to the non-controlling interest entities at the level of the consolidation.

16 BORROWINGS

	31/12/2022 EUR '000
Bank borrowings	20,494
Financing costs	(610)
Total	**19,884**

The fair value of borrowings approximated their carrying value at the date of the consolidated statement of financial position.

The covenants in the bank loan per portfolio as at 31 December 2022 are as follows:
- LTV ratio no greater than 60% (upon construction completion at RHC SII Spain Propco SL (Talgo) onwards)
- DSCR ratio no less than 1.10x (upon construction completion at RHC SII Spain Propco SL (Talgo) onwards)
- DSCR ratio no less than 1.10x (at all times for overall financing contracts held with Banco Santander, S.A.).

The Group did not breach the covenants in 2022.

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes:

	2022 EUR'000
Opening balance at 28 October 2021	-
Cash flows:	
Repayments of borrowings	3,398
Proceeds from borrowings	(358)
Interest paid	(144)
Loan agreement costs paid	(610)
Non-cash items:	
Interest accrued	151
Additions through acquisition of subsidiaries other than business combination	17,447
Closing balance at 31 December 2022	**19,884**

Borrowings as at 31 December 2022

	Talgo	Carcavelos	Santa Apolónia	Ajuda I-IV	Estoril	Total
Bank	CaixaBank S.A.	Banco Santander, S.A.	Banco Santander, S.A.	Banco Santander, S.A.	Banco Santander, S.A.	
Maturity	22/07/2027	27/03/2034	05/03/2030/ 10/10/2029	10/01/2028/ 26/03/2028 10/08/2028/ 07/06/2029	10/05/2036	
Total facility amount	23,000	10,500	4,000	2,300	2,123	41,923
Interest rate	EURIBOR 3M + 2.1%	EURIBOR 12M + 1.65 %	EURIBOR 12M + 1.25 %/1.5%	EURIBOR 12M + 1.49 %	EURIBOR 12M + 2 %	
	EUR '000	**EUR '000**	**EUR '000**	**EUR '000**	**EUR '000**	**EUR '000**
Non-current liabilities - opening balance						
Additions	3,399	9,785	3,661	1,920	2,081	20,845
Reimbursement during the year	-	(181)	(110)	(67)	-	(358)
Commitment fee	(610)	-	-	-	-	(610)
Total non-current liabilities - closing balance	**2,789**	**9,604**	**3,551**	**1,853**	**2,081**	**19,877**
Current liabilities - opening balance	-	-	-	-	-	-
Change in accrual interest balance	7	-	-	-	-	7
Total current liabilities - closing balance	7	-	-	-	-	7

Not all facilities are fully drawdown.

17 TRADE AND OTHER PAYABLES

	31/12/2022 EUR '000
Trade payables	3,117
Lease liability	122
Accruals	5,890
Trade and other payables	**9,129**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. The fair value of trade and other payables which are due within one year approximate their carrying amount as at the date of financial position.

18 OTHER LIABILITIES

Other liabilities include long-term part of lease liabilities on land running until 2046 and 2047. The weighted average incremental borrowing rate of the lease liabilities is 3.583%.

	31/12/2022 EUR '000
Non-current lease liability	1,554
Current lease liability	122
Total lease liability	**1,676**

Interest expenses changed on lease for the reporting period amounted to EUR 59 thousand and accounted in Interest expenses and financing fees.

As at 31 December 2022 the Group has future minimum lease payments due to land lease for each of the following periods:

	31/12/2022 EUR '000
Not later than 1 year	122
Later that 1 year and not later than 5 years	610
Later than 5 years	2,920
Total future lease payments	**3,652**

19 LOAN RECEIVABLE

On 31 December 2021 the Group concluded transfer agreement between related party (RHC SH Spain Investments S.a.r.l) and the Group for issued loan with maturity of 30 December 2023 and fixed interest rate of 5.5%. Outstanding balance of loan as at 31 December 2022 is EUR 9,169 thousands and interest earned during the period are EUR 460 thousand.

20 GUARANTEES, CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities or assets at the balance sheet date. The ongoing litigations at the level of KKR IMO LDA were initiated before acquisition by the Group. The Sellers namely KKR Investimentos SA and LX Investment Partners IV S.à r.l. intend to conduct of the defence of the existing and any additional litigations related to this matter and to indemnify, defend and hold the Group harmless from and against any losses which they may incur in respect of the clause 6.2 (a) of the Share Purchase Agreement. There were no ongoing litigation issues which could result in a probable settlement that would require a provision at the level of the Group's consolidated financial statements. There were no unfulfilled obligations at the balance sheet date.

CaixaBank S.A:

The CaixaBank S.A. financing is secured by RHC SH Spain Propco SL (Talgo) and its shareholders as pledgors, with the following security arrangements:
a) A first-ranking pledge over 100% of the Borrower's share capital represented by quota shares.
b) A first-ranking pledge over existing and future credit rights arising from the Project Accounts.
c) A first-ranking pledge over existing and future credit rights arising from the Project Accounts.

The Group has capital commitments of EUR 126,424 thousand in respect of capital expenditures contracted for at the date of the consolidated financial statements.

At the date of signing of the financial statements, the Group has remaining target commitments to investments totaling EUR 752.5 million. This commitment represents the total amount the Partnership would target to invest into the assets, in accordance with the agreements.

21 RELATED PARTY TRANSACTIONS

Transactions with related parties as at 31 December 2022 are described below:

Related party	Relationship	Nature of transactions	Outstanding balance as at 31/12/2022	Value of transaction revenue/ (expense) for the year ended 31/12/2022 EUR '000
Round Hill Asset Management LLC	Asset manager	Asset Management fees	-	(207)
Round Hill Asset Management LLC	Asset manager	Acquisition fees*	-	(3,303)
Round Hill Asset Management LLC	Asset manager	Recharge expenses	-	(26)
Nido	Operating partner	PM fees	-	(198)
RHC SH Spain Investments S.a.r.l		Loan receivable	9,169	460
Total			**9,169**	**(3,274)**

**Acquisition fees are attributable to all acquisitions including the seed portfolio per the AMA. Representing 0.75% of acquisition purchase price less broker fees and are shown gross of the staff cost recharges of EUR 341 thousand per note 8.*

The amounts payable/receivable to related parties (except for the Loan receivable) are unsecured, non-interest bearing, and have no specific repayment terms. They are repayable upon demand. The carrying amount of these payables/receivables is considered to approximate their fair value.

During the year the Group acquired 100% shares in RHC SH Spain Propco SL (Talgo) and Spain Proco SL (Atila) from related party for total consideration of EUR 5,266 thousand and EUR 1,845 thousand, respectively. Deal was accounted as purchase of subsidiaries other than business combinations. The transaction amounts has been agreed by the Joint Venture partner in line with market conditions.

During the year the Group has warehoused project More under the transfer agreement the Group acquired a loan issued (note 19) to and a right to acquire shares in the capital of Yisheng More A.B.V. The transaction amount has been determined as the receivable balance which comprised of the loan and accrued interests at the date of transaction plus a premium in the amount of EUR 930 thousand.

22 EVENTS AFTER THE DATE OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

On the closing date of April 27, 2023, the Group finalised a Promissory Sale and Purchase Agreement (PSPA) with the sellers, namely KKR Investimentos SA and LX Investment Partners IV S.à r.l., for the acquisition of Perguntalinhada LDA. The total acquisition amount for the business combination (share deal) is EUR 14,277,007.

Subsequently to the period end the Group fully completed early repayment of all loans from Banco Santander, S.A. (note 16).

On 8 August 2023 the Group concluded short-term loan agreement with Yisheng More B.V. In accordance with the agreement the Group made available the facility equal to the total commitment and annual interest rate of 5%.

On 24 August 2023, the Group completed acquisition of Yisheng More B.V.

Subsequently to the balance sheet date, the Group continued its operations of investing in or divesting from existing investments which resulted in several capital calls from Limited partners.

During 2023, the capital call for total amount of EUR 163,372,823 to support investing activities was paid in full by Partnership's Partners.

The Group monitors the effects of the Ukraine, Russia, Belarus crisis. However, at the point of preparation of statements neither the Group's performance and going concern nor operations have been significantly impacted by the above.