Real Assets

AXA CoRE Europe Fund S.C.S., SICAV-SIF

An open-ended variable capital investment fund (*société d'investissement à capital variable-fonds d'investissement spécialisé*) incorporated as a common limited partnership (*société en commandite simple*) under the laws of the Grand Duchy of Luxembourg

ANNUAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

R.C.S. Luxembourg B 202 722
2 - 4, rue Eugène Ruppert
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Grand Duchy of Luxembourg

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MANAGEMENT AND ADMINISTRATION

Registered Office:	**c/o The Bank of New York Mellon SA/NV, Luxembourg Branch** 2 - 4, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg
General Partner:	**AXA CoRE Europe GP S.à r.l.** 21, boulevard Grande-Duchesse Charlotte L-1331 Luxembourg Grand Duchy of Luxembourg
Board of Managers of the General Partner:	**Tom Loesch** **Sylvie Reisen** **Keith Burman**
Alternative Investment Fund Manager (the "AIFM"):	**AXA Real Estate Investment Managers SGP** Tour Majunga 6 place de la Pyramide 92908 Paris - La Défense Cedex France
Depositary and Paying Agent:	**The Bank of New York Mellon SA/NV, Luxembourg Branch** 2 - 4, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg
Central Administration, Registrar and Transfer Agent:	**The Bank of New York Mellon SA/NV, Luxembourg Branch** 2 - 4, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg
Auditor:	**PricewaterhouseCoopers, Société Coopérative** 2 rue Gerhard Mercator, B.P. 1443 L-1014 Luxembourg Grand Duchy of Luxembourg
Legal Advisor:	**Linklaters LLP** 35 avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Tax Advisor:	**Linklaters LLP** 35 avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Real Estate Appraisers:	**Jones Lang LaSalle Limited** 30 Warwick Street London W1B 5NH United Kingdom **CBRE Limited** Henrietta House Henrietta Place London W1G 0NB United Kingdom

MANAGEMENT AND ADMINISTRATION (CONTINUED)

Real Estate Appraisers (continued):

Cushman & Wakefield Valuation France S.A.
Tour Opus 12
77 Esplanade du Générale-de-Gaulle
92932 Paris La Défense Cedex
France

C&W (U.K.) LLP – German Branch
Rathenauplatz 1
60313 Frankfurt
Germany

MANAGEMENT REPORT

In December 2020, AXA CoRE Europe Fund S.C.S., SICAV-SIF (the "Fund") completed its first five years, with a strong ramp-up to a well-diversified portfolio of €4.4 billion in property value and 204 assets located across 13 European countries and invested in five property sectors. Since inception, the Fund has shown strong momentum, becoming one of the largest open-ended pan-European core property funds.

European economy

Eurozone GDP growth declined by 0.7% quarter-on-quarter in Q4 as renewed increases in COVID-19 cases brought new lockdowns to many countries. However, the Q4 slump was milder than expected; restrictive measures were less severe than in previous lockdowns, mobility was stronger than in the first wave and the global economy remained open. First estimates suggest Eurozone GDP declined 6.8% in 2020, the deepest annual contraction since Eurostat's series started in 1995. Among Europe's major economies, Germany performed best in 2020, with GDP estimated to have declined by 5.3%, followed by France (-8.3%), Italy (-8.9%), the UK (-10%) and Spain (-11%).

The near-term outlook remains challenging and, amid on-going lockdowns, Europe is likely to see a further decline in GDP growth in Q1 2021 before the recovery resumes. The uncertainty around near-term activity is large in light of the unpredictability of new virus strains and differences in the roll-out of vaccines, with the Eurozone off to a slower start than the UK. A sustained boost from fiscal policy and recovering global growth are expected to support activity across Europe from Q2. As of 24 February 2021, AXA IM Macro Research forecasts Eurozone GDP to increase by 3.6% in 2021. Of the largest economies, the strongest recovery in 2021 is expected in France (5.5%), followed by the UK (4.6%), Spain (4.5%) and Italy (4.4%), with Germany bringing up the rear (2.4%).

The sharp rise in public debt ratios comes with sustainability risks in Southern Europe but a return of sovereign stress seems unlikely in 2021, given the EU Recovery Fund. Having been negative from August to December 2020, harmonised CPI inflation in the Eurozone had risen to 0.9% year-on-year by February 2021. Inflation did not turn negative in the UK, and stood at 0.7% in January. Unwinding COVID-19 distortions and the reversal of VAT cuts are likely to push inflation higher in 2021 but underlying inflationary pressures are expected to firm only gradually.

The UK and the EU announced an agreement on a post-Brexit trade deal in December. The Free Trade Agreement (FTA) that has been agreed will ensure "zero tariffs and quotas on all goods that comply with the appropriate rules of origin". The agreement does not include passporting rights for financial services.

European Investment

News of successful vaccines lifted sentiment and investment volumes in Q4 2020, with CBRE reporting that European volumes totalled €91.3 billion, an 84% q-o-q rise but a 25% decline over the same period a year earlier. This took the total for 2020 to €277 billion, a 17% decline on 2019. Germany accounted for the largest proportion, followed by the UK and then France.

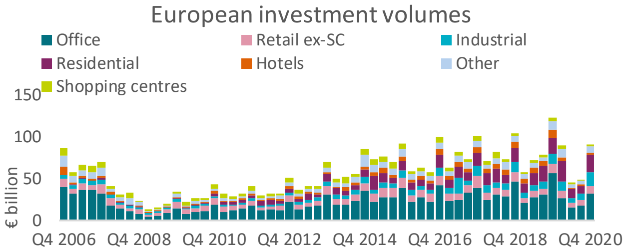
The office sector continued to dominate deal volumes, with €32.3 billion in Q4, a strong 76% q-o-q uptick. However, this left the total for the year down 32%, at €94.3 billion - their lowest level since 2013. Residential, at €20.5 billion, attracted the most investment in the final quarter after offices and, along with industrial (€17.1 billion Q4, 120% q-o-q/32% y-o-y) was the only sector to post increasing volumes over the quarter and the year in Q4 2020. This reflects the continued preference amongst investors for demonstrable growth and resilient income. The retail sector, despite being heavily hit by the pandemic, saw Q4 volumes rise 66% q-o-q and the total for 2020 (€39 billion) was only 5% below 2019, albeit it was below industrial volumes (€40.4 billion) for the first time on record. Elsewhere, hotels remained firmly out of favour, with only €9.3 billion for the whole year.

COVID-19 appears to have accelerated trends that were in play pre-pandemic and the residential sector perhaps best encapsulates this. Little over five years ago, residential volumes accounted for 14% of total volumes, whereas at the end of 2020 that share stood at 24%.

Yields for prime residential were broadly stable across Europe in Q4 2020, although Switzerland saw net initial yields come in to 1.9%. Meanwhile, almost all key logistics markets saw some compression in prime net initial yields in Q4. Prime office yields compressed across six markets, including Paris CBD and Oslo, while prime retail recorded further outward pressure, for both high streets and shopping centres. Hotel yields, for both leases and management contracts, were largely stable.

MANAGEMENT REPORT (continued)

European Investment (continued)



Source: AXA IM - Real Assets, CBRE, data as at Q4 2020

European Retail

As of mid-January 2021, more than 96 million people had been infected by the COVID-19 virus and billions had faced, and are still facing, restrictions on movement, from social distancing to strict lockdowns. The retail sector was already struggling, and the health crisis has acted as an accelerator for the existing disruptive retail trends. The total or partial closures of shopping centers and city lockdowns have exacerbated the profitability pressures that retailers were already grappling with due to omni-channel investment. Retailers are reporting dramatic losses, planning store closures, and launching negotiations with landlords to reduce the cost pressure of their retail premises, especially in the UK where occupancy costs have become unsustainable for some retailers on the back of high business rates. In addition, the pandemic probably reduced the last resistance to e-commerce, which is also likely to encourage retailers to cut their retail footprint in the coming months. Euromonitor forecasts online share of retail spending in Europe to increase from 13% in 2018 to 19% by 2024.

When economies gradually re-opened in summer 2020, footfall started to recover but remained below average. Europe entered a new wave of contamination in autumn 2020, which is leading to the resurgence of restrictions, such as curfews and new lockdowns, including the closure of non-essential retail. Retail rent collection remained low for some operators in 2020, despite negotiations and rent concessions.

The correction in rents and yields reflecting the deteriorating prospects of the sector had already started before the outbreak, but the crisis is expected to dramatically increase the magnitude of the correction. According to CBRE, prime European retail rent correction continued to materialise everywhere, but especially in the UK, where the cumulated declines since Q4 2019 reached 30% in some markets for high street shops and shopping centers. Prime yields saw significant upward pressures across the board in 2020. The situation has been more acute in the UK, where the cumulated decompression since Q1 2019 can reach 2.75% for shopping centers in secondary cities. Even Germany has seen a significant price correction compared to last year, especially for prime shopping centers (+1%). On the back of rising vacancy, a rebase of ERVs and changing lease structures, we expect shopping centers to suffer the most, with further significant repricing ahead. Food-anchored local formats and retail parks should prove more defensive from an income and valuation perspective.

European Offices

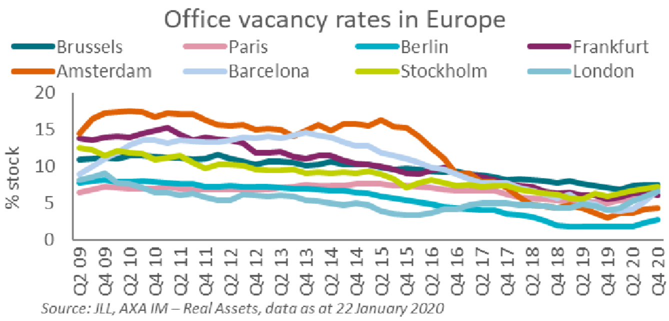
The impact that the COVID-19 pandemic has had so far on European office markets is nowhere near as severe as the effect on the retail and leisure sectors. Most office occupiers have been able to continue to run their businesses (albeit with some significant disruption), rather than being faced with a complete shutdown of revenue. The pandemic has, however, created several forces that might impact on the office sector's structural fundamentals, such as a greater share of employees who will regularly work from home (WFH). The overall market fears that office occupancy will be strongly affected. At the same time, corporates face high uncertainty about their future real estate strategy in terms of social distancing, desk ratios and the share of communal areas, as the office is increasingly expected to become a place to collaborate rather than being focused on concentration work. Paired with high economic uncertainty, this has resulted in a wait-and-see attitude for firms. Hence, we have seen an increase in lease renewals and sub-leases and a sharp decline in take-up across Europe.

In 2020, office take-up across the 24 markets included in JLL's European office index declined by 41%. The strongest annual declines in take-up were seen in London (77%), Utrecht (67%) and Barcelona (64%). Leasing activity in the Top 5 German markets fell on average by 33%, while Paris take-up was 45% short of its 2019 result.

MANAGEMENT REPORT (continued)

European offices (continued)

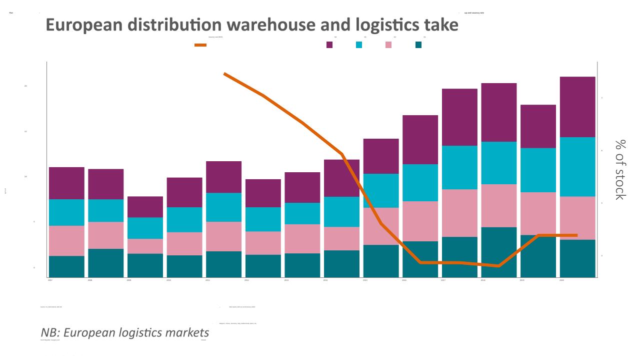
The aggregate European vacancy rate for JLL's index reached its trough earlier than expected, at 5.4% in Q4 2019, and had increased to 6.4% by Q3 2020. In Q4 the strongest q-o-q increases in vacancy rates across the key European markets were seen in Barcelona (1.5%), Dublin (1%) and London (0.8%).



Despite market uncertainty weighing on leasing activity, the overall JLL prime rent index increased in Q4 by 0.5% q-o-q due to continuing tight Grade A supply in several cities. Besides Hamburg (3.3%) and Berlin (2.7%), prime rents increased in Paris (3.3%), while the strongest declines in Q4 were registered in Lyon (4.5%) and London West End (2.1%).

European Logistics

With the pandemic boosting e-commerce and highlighting the importance of logistics, occupier demand increased in the vast majority of major European logistics markets in 2020. JLL data suggests 6.7 million sq m (units of 10,000+ sq m in the UK, 5,000+ sq m elsewhere) of European distribution warehouse and logistics space was taken-up in Q4, the strongest quarterly total on record. This took the total for the year to 22.1 million sq m, also a new record. Indeed, several countries saw record levels of take-up in 2020, including Italy, the UK, Hungary and Poland. Take-up was boosted by e-commerce occupiers, with the segment experiencing its strongest ever year; the segment accounted for 25% of the annual total in Germany and 31% in the UK.



Robust take-up and modest speculative development have resulted in a scarcity of suitable, available space in many core European logistics markets. An increase in development in recent years and a slowdown in take-up pushed the European vacancy rate up to 4.9% at the end of Q2 2020, but it had fallen back to 4.6% at the end of Q4 as take-up accelerated. There are considerable differences between markets, with the vacancy rate falling to 2.8% in Germany, 3.9% in France and 7% in the UK in Q4.

JLL data suggests 4.5 million sq m of stock was completed in Europe in Q4 2020, a 2.6% y-o-y and 32.9% q-o-q increase. Around 14.3 million sq m was under construction at the end of Q4, of which an estimated 41% was speculative, a considerable increase on Q3 (33%) due to speculative development increasing in several markets.

JLL's data suggests rents remained stable in most of Europe's top logistics markets in Q4, although rents reportedly rose in Leeds, Manchester, Milan and Rome. Further growth is expected in markets where the demand-supply balance is tight.

MANAGEMENT REPORT (continued)

European residential

For most countries in Europe the fourth quarter heralded another lockdown as infection rates and new variants of COVID-19 caused governments concern. Many countries continued with the ban on evictions until after the current state of emergency has ended, with Spain freezing evictions for six months after the emergency is declared over.

Berlin saw the sharpest decline in apartment rents (c.12.5% y-o-y), followed by Turin (8% y-o-y) and Munich (c.5% y-o-y), according to HousingAnywhere. In Munich, the most expensive German market, much of the annual decline occurred in Q4, taking the average rent for a one-bedroom apartment to €1,450/month. Elsewhere, Paris stood out with growth of 2.7% q-o-q and 5.6% y-o-y, with average monthly rents for a one-bedroom apartment around €1,800.

With negligible inter-country mobility around Europe in line with lockdown restrictions, much of the residential market activity was driven by churn prior to the most recent lockdown. Supply rose as Airbnb stock switched to the mid and long-term rental market, but in, for example, Paris and London, this was concentrated at the higher rental cost end of the market.

From a regulatory perspective, Barcelona saw the introduction of a rental cap at the end of Q3. The change applies to all new leases signed and the cap will be based on an index related to the size and age of the building on all dwellings less than 150 sq m in size. If the previous rent is higher than the reference rent, then tenants can demand a rent reduction and rental growth cannot exceed more than 20% of the reference index unless the building is new or recently refurbished.

European residential investment volumes (excluding France) were €20.5 billion in Q4 2020, an increase of 110% q-o-q and 10% over the same period a year earlier. Germany continued to account for the largest share of annual volumes, at €20 billion (Berlin continued to see investment of c.€2.9 billion in 2020, despite the rental cap), followed by the UK with c.€11.7 billion and the Netherlands with €7 billion. Denmark saw one of the largest deals in Q4, as Heimstaden AB acquired a portfolio of predominantly residential assets and land in Denmark from Niam AB for €1.6 billion. US private equity firm KKR acquired a majority stake in Velero, a German residential asset management specialist, to create a new residential platform.

European hotels

As the coronavirus spread worldwide, most countries, including all major tourism destinations and source markets, imposed restrictions on travel. As at November 2020, air travel demand remained low as resurgent COVID-19 cases and renewed travel restrictions battered passenger confidence. According to IATA, demand for air travel was down 70.3% y-o-y in November 2020. Baseline forecasts suggest recovery in air traffic is not expected until 2023/24. However, there remains strong uncertainty in the outlook and a potential recovery could be delayed. Long-run growth potential is evident but with risks skewed to the downside.

As of January 2021, 20% of all European hotels remain closed and performance continues to suffer. According to STR, European RevPAR was, as at November 2020, down 62% y-o-y year-to-date (y-t-d). Occupancy stood at 34.1%, down 53.3% y-o-y y-t-d. In particular, UK RevPAR declined by 58.8% y-o-y y-t-d, with RevPAR in London coming in at -67%. RevPAR in Italy, France, Germany and Spain showed similar trends, declining by 70.4%, 58.4%, 59.7% and 67.6% y-o-y y-t-d respectively. Evidence from previous downturns and China's COVID-19 recovery indicates that leisure demand is likely to return first, potentially driven by domestic tourism. This would likely be followed by corporate demand, although the extent of the latter would depend on the speed and extent of the economic rebound. Hence, locations with a strong reliance on MICE and business activities related to international tourism are likely to see a more extended absorption curve.

According to preliminary data from RCA, 2020 European hotel transaction volumes were down 66% compared to 2019. Overall, European hotel investment volumes amounted to €8.6 billion in 2020. Germany, the UK and France accounted for 20%, 16% and 10% respectively of the European total. All regions have seen severe declines in hotel investment volumes, with volumes down 62%, 75% and 70% in Germany, the UK and France respectively. Furthermore, as at December 2020, evidence suggests yields have moved out y-o-y by between 0.25% and 1% in most European markets, across contract structures. Paris, London and Amsterdam saw yields on hotel leases move out by 0.25%, 0.1% and 0.5% respectively, to 3.85%, 4.5% and 4.75% respectively.

MANAGEMENT REPORT (continued)

Portfolio as of December 31st 2020

1. Transactions to date

During last financial year the fund acquired directly and indirectly 22 properties through Joint Ventures and subsidiaries (1 hotel as a part of pan European hotel portfolio, 1 Residential asset in UK, 1 business park in Germany and 19 industrial assets as part of the European logistic portfolio.

a) Titanium' – Business Parks in Hilden, Germany

In February 2020 a multi-tenant business park in Hilden, a consolidated commercial property market near Düsseldorf, was transferred into the Fund. The asset is held in the existing Joint-Venture (Fund share 65%) with Sirius, the operator, and has a well-diversified tenancy schedule of small / medium sized companies ensuring resilient income. The investment reflects a Net Initial Yield (NIY) at entry of c. 6.3%.

b) Pan-European Hotel portfolio – Hotel in Vienna, Austria

The Fund, together with AXA Group entities, acquired in Q4 2019 in an off-market transaction a large pan-European hotel portfolio of 11 assets across five countries (40% Fund share in the Portfolio). All assets were transferred to the Joint-Venture in December 2019 except the Hilton Hotel in Vienna, Austria, which was fully acquired in February 2020.

c) Residential building in London, United Kingdom

In September 2020, the Fund acquired (freehold) the largest PRS asset in the UK, in central London, taking a 51%-majority stake alongside AXA Group entities. The complex overlooking the River Thames has 1,233 mid-market units and serviced apartments (total of 795,990 ft2 / 73,950 m2), with an extensive suite of amenities on-site. The complex offers the potential for a comprehensive refurbishment of the common areas and the units to generate rental and capital value uplift. The target rental yield post refurbishment is in the range of c. 3.4%.

d) Logistic assets, Pan European portfolio

Through the existing JV with AXA Group entities (32,02% fund share), the Fund acquired 4 assets fully let logistic portfolio in Netherlands totaling approx. 65,300 m2 of prime logistics space with a WALT / WALB of more than 11 years in Netherlands.

The fund has also acquired 14 modern logistic assets in Italy. In September 2020, the Fund acquired a single-tenant last-mile distribution center of 46,500 m2 in Liscate, Italy. In November 2020, the Fund completed its acquisition of the logistic portfolio with 13 logistics assets in Italy, including 11 existing assets (305,486 m2) and two assets delivered at the end of 2020 (79,332 m2). The portfolio assets are of high quality, with 70% of the portfolio's stabilized rent concentrated in newly built or 'Grade A' assets. The portfolio has a high WALT (7.3 years) and long-term reversionary potential

Through the same Joint venture the fund also finalized the acquisition of a modern logistics facility in Ayguemorte-les-Graves, 16km south of Bordeaux, with delivery expected in Q3 2021.

2 Compliance with the Fund's guidelines

As at today's report date, there are no breaches in investment guidelines of the Fund.

AIFM REPORT – RISK MANAGEMENT

Risk profile

1. Risk profile of the portfolio

The risk profile of the portfolio is in line with the management objective.

2. Investment risks

a- Market risk

Market risk is the risk of changes in market prices, such as real estate assets prices, foreign exchange rates, interest rates and equity prices, affecting the portfolio's income and/or the value of its holdings in real estate assets, financial instruments and assets held in currency.
The portfolio exposure to market risk comes mainly from movements in the value of its real estate assets, financial assets and non-euro denominated assets.

✓ **Market risk on commercial real estate assets**

The values of real estate assets mainly depend on:

- the real estate market situation which is subject to fluctuations particularly regarding rents and prices determined by the supply, the demand and the general economic conditions, and
- the specificities of each real estate asset. The portfolio is mainly composed of office, retail, residential and logistics premises located in Core areas across Europe (cf. Portfolio as of December 31st 2020).

A downturn of real estate market conditions may have an adverse effect on the value of the real estate assets in which the portfolio is invested, and may ultimately have a negative impact on the Net Asset Value of the Fund.

The outbreak of the COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11th March 2020, has affected the global economy, with real estate markets experiencing lower levels of transactional activity and liquidity over the past quarters. While it is possible to identify the real estate sectors most impacted over the short to medium term to COVID-19, the longer-term impacts on the real estate markets are yet difficult to predict.

As at December 31st 2020, external valuers have reported their valuation report based on "material valuation uncertainty" on Hotel assets and Retail assets in Italy, Spain, Portugal, Germany, the Netherlands and Austria. For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon.

✓ **Market price risk on financial assets**

The Fund is invested in the following financial assets:

- Equity stocks,
- Loans to associates and joint ventures,
- Financial derivatives instruments.

Equity stocks are exposed to the systematic and specific risks on the equity markets.

Financial derivative instruments are used either to mitigate the currency exchange risk linked to non-euro denominated assets (FX Forwards) or to mitigate the risk of an increase in the interest rates (interest rate swaps or caps). The valuation of derivative positions depends on various market parameters and a variation of these parameters may have a negative impact on the Net Asset Value of the Fund.

✓ **Additional risks on foreign currency assets**

The holding of real estate assets held in currencies other than euro creates a currency risk. In order to hedge this risk, the company uses derivatives instruments. At the reporting date, the portfolio's non-euro currency exposure is British Pound sterling and Danish Krone.

✓ **Additional risk on fixed rate assets**

The Fund does not have any direct interest rate exposure as at December 31st 2020.

AIFM REPORT – RISK MANAGEMENT (CONTINUED)

b- Credit and counterparty risk

The credit / counterparty risk is the risk that an issuer of debt securities or a counterparty fails to meet its predetermined financial obligations, resulting in a financial loss for the Fund.

✓ **Issuer credit risk in connection with investments in debt securities**

As at 31 December 2020, the credit risk of the Fund is directly linked to the exposure in the loans granted to Joint Ventures and Associates. There is no other direct exposure to issuer credit risk linked to investments in debt securities.

✓ **Counterparty risk**

The Fund exposure to counterparty risk comes mainly from:

- The risk of default by a financial counterparty for derivative instruments concluded over-the-counter (FX forward, interest rate swaps, caps). Any potential loss resulting from a default by the counterparty when the derivative has a positive value could impact negatively the performance of the Fund. For FX forwards, collateral agreements have been entered to in order to reduce the counterparty risk,
- The default risk of tenants of the buildings that are physically held, directly or indirectly, by the Fund. In order to mitigate this risk, security deposit, bank security or first demand guarantee are systematically required from the tenants,
- The risk of default by a financial counterparty with whom cash may be deposited or invested. For the Fund's subsidiaries, financial counterparties for cash deposits are selected based on their creditworthiness, assessed based on internal criteria including the rating provided by external rating agencies.

c- Liquidity risk

Liquidity risk represents the risk of not being able to dispose of the assets in the portfolio in a timely manner so that liquidity requirements can be met.

Liquidity requirements may arise mainly from:

- Investors redemptions within the limits and under the conditions set out in the Offering Memorandum,
- Operating losses or significant capital expenditures,
- Significant collateral cash payments linked to collateral agreements related to derivatives positions,
- Loans reimbursements (principal and interests).

As part the liquidity monitoring framework, level of cash and liquidity of the real estate assets are monitored internally on a regular basis.

d- Leverage

The use of leverage increases the investment capacity but also increases the risk of loss, which may result in a decrease in the Net Asset Value.

As at 31 December 2020, the Loan-to-Fund Gross Asset Value is at 30%.

Level of the AIFMD leverage indicators as at 31 December 2020 are disclosed in the dedicated section of this report.

AIFM REPORT – RISK MANAGEMENT (CONTINUED)

3. Investment risk monitoring

The investment risks monitoring within AXA REIM SGP is shared between Management teams, the Risk Department and the Compliance and Internal Control Department. It allows to identify, measure, manage and control the risks portfolios are subject to.

The management of investment risks is done through:

- An assessment of the risk profile of each portfolio against its defined investment objectives,
- An identification of the type of investment risks applicable to the portfolio,
- A monitoring of investment guidelines (regulatory, contractual and internal if applicable) for each portfolio,
- In addition to the investment guidelines, a definition of internal risk indicators (KRIs) to periodically monitor changes in risks exposures of each portfolio,
- The performance of stress-tests to assess impacts of unfavorable market and liquidity conditions on each portfolio.

As at 31 December 2020, the Fund is invested in accordance with the applicable regulations and the Offering Memorandum, no regulatory or contractual limits have been exceeded and no abnormal level of investment risks, that would not be in line with the Fund strategy, has been identified.

4. Operational risk

Operational risk means the risk of loss arising from:

- Inadequate or failed internal processes, people and systems,
- external events which include, but are not limited to, risk related to the performance of certain activities by third parties,
- negotiation, settlement and valuation procedures (the risk that the reported value of an asset may differ from its realisable value) applied to the AIF.

The Management Company carries out an operational risk program to ensure operational risk is both appropriately measured and effectively managed. The monitoring of operational risks is mainly based on:

- the existence of procedures tailored to the nature of the Company's business,
- a control system that is independent of the business operations,
- a mapping of the operational risk sources and potential impacts on that basis,
- An incident management system

AIFM DIRECTIVE DISCLOSURE – LIQUIDITY ARRANGEMENT & REMUNERATION

1. Information related to redemption-related liquidity and "special arrangements" within the meaning of the AIFM Directive

a- Information on the redemption-related liquidity

The redemption of the AIF is subject to the limits and under the conditions set out in the offering memorandum.

b- "Special arrangements" within the meaning of the AIFM Directive :

Pursuant to the AIFM Directive, a "special arrangement" means an arrangement that arises as a direct consequence of the illiquid nature of the assets of an AIF which impacts the specific redemption rights of investors in a type of units or shares of the AIF and which is a bespoke or separate arrangement from the general redemption rights of investors.

None of the portfolio's assets are subject to such arrangements.

2. Information regarding the remuneration policy statement

According to regulatory requirements on remuneration disclosure applicable to asset management companies, this disclosure provides an overview of the approach on remuneration taken by AXA Investment Managers (hereafter "AXA IM"). Further information on the composition of the Remuneration Committee and driving principles of the Remuneration Policy is available on AXA IM website: www.axa-im.com/remuneration A copy of this information is available upon request free of charge.

Governance - AXA IM's Remuneration Policy, which is reviewed and approved by the AXA IM Remuneration Committee every year, sets out the principles relating to remuneration within all entities of AXA IM and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, clients and employees. The AXA IM Remuneration Committee, in line with the remuneration policies and procedures set and validated at AXA Group level, ensures consistency and fair application of the Remuneration Policy within AXA IM, as well as compliance with applicable regulations.

The central and independent review that the effective implementation of the AXA IM's Remuneration Policy complies with the procedures and policies adopted by AXA IM Group level, is performed by the AXA IM Internal Audit Department, who present each year its conclusions to the AXA IM Remuneration Committee to enable it to perform its diligences.

These conclusions did not mention any particular comments regarding the compliance of the effective implementation of the AXA IM's Remuneration Policy.

The result of the annual exam by the AXA IM Remuneration Committee is presented to the Board of Directors of AXA Real Estate Investment Managers SGP (hereafter "AXA REIM SGP") along with the amendments implemented into the AXA IM's Remuneration Policy.

The Global Remuneration Policy has been reviewed to ensure compliance with all governing regulations and alignment with the AXA IM business and Human Resource strategies, and, was revised on the proposed deferral structure and on the AXA IM Performance shares attribution.

AIFM DIRECTIVE DISCLOSURE – LIQUIDITY ARRANGEMENT & REMUNERATION (CONTINUED)

2. Information regarding the remuneration policy statement (continued)

Quantitative information – Data provided below are those of AXA Investment Managers covering all subsidiaries of the AXA IM Group and types of portfolios as at 31 December 2020 after application on remuneration data of the Fund's weighted Asset Under Management allocation key.

Total amount of remuneration paid and/or awarded to staff for the year ended December 31, 2020 (1)	
Fixed Pay (2) ('000 EUR)	1,051
Variable Pay (3) ('000 EUR)	1,052
Number of employees (4)	2,516 among which 84 for AXA REIM SGP

(1) Excluding social charges, after application of the fund's weighted Asset Under Management allocation key.

(2) Fixed Pay amount is based on Fixed Pay effective for all staff at AXA IM on January 1st, 2020.

(3) Variable Pay, composed of discretionary, upfront and deferred items, includes:
- Amounts awarded for the performance of the previous year and fully paid over the financial year under review (non-deferred variable pay)
- Amounts awarded for the performance of previous years and the performance of the year under review (deferred variable pay),
- Long-Term Incentives awarded by the AXA Group.

(4) Number of employees includes Permanent and Temporary contracts excluding interns as at 31/12/2020.

(5) Number of identified employees within AXA IM Group level and AXA REIM SGP as at 31/12/2020.

Aggregate amount of remuneration paid and / or awarded to risk takers and senior management whose activities have a significant impact on the risk profile of portfolios (1)	
Fixed Pay and Variable Pay ('000 EUR) (2) (3)	207,670
Number of identified employees (5)	312 among which 4 within AXA REIM SGP among which 3 Senior Managers

AIFM DIRECTIVE DISCLOSURE – LEVERAGE & MATERIAL CHANGES

1 . Leverage

In accordance with the EU Commission Delegated Regulation (EU) No 231/13 (the "AIFM Regulation"), leverage is defined as any method which increases the Fund's exposure, including the borrowing of cash and the use of derivatives.

It is expressed as a percentage of the Fund's exposure to its net asset value and is calculated under both a gross and commitment method.

The Fund exposure under both the gross and commitment method is calculated as follows:

- Total Exposure (gross method) = Sum of consolidated assets with derivative instruments converted into equivalent positions in their underlying asset, excluding cash or cash equivalent positions.
- Total Exposure (commitment method) = Sum of consolidated assets with derivative instruments converted into equivalent positions in their underlying asset, taking into account netting and hedging arrangements.

The calculation of the exposure takes into account transparently the debt and derivatives instruments of controlled equity interests, in proportion to the share held.

Method	Leverage as of 31/12/2020	Maximum leverage authorized
Gross method	148%	300%
Commitment method	128%	200%

2 . Material Changes

No material changes.

Audit report

To the Partners of
AXA CoRE Europe Fund S.C.S., SICAV-SIF

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of AXA CoRE Europe Fund S.C.S., SICAV-SIF and its subsidiaries (the “Fund”) as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

What we have audited

The Fund’s consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in net assets attributable to the partners for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

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

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

Other information

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

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

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

Responsibilities of the Fund's General Partner for the consolidated financial statements

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

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

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

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

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

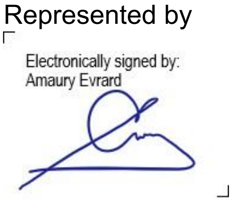
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Distribution and Use

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

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 31 March 2021



Amaury Evrard

	Note	31 December 2020 €	31 December 2019 €
Assets			
Non-current assets			
Investment property	5	2,867,447,529	2,042,625,863
Investments in associates and joint ventures	6	779,771,426	693,506,045
Loans to associates and joint ventures	6	719,958,140	651,515,362
Financial assets at fair value through profit or loss	7	10,668,513	43,621,508
Investment held at amortised cost	8	5,000,000	5,000,000
Other receivables and prepayments	9	2,650,000	-
Derivatives at fair value through profit or loss	10	135,510	405,433
Total non-current assets		**4,385,631,118**	**3,436,674,211**
Current assets			
Interest receivable		7,521,422	9,162,139
Other receivables and prepayments	9	132,476,789	42,316,216
Derivatives at fair value through profit or loss	10	-	1,721,727
Cash and cash equivalents	11	235,645,924	172,788,262
Total current assets		**375,644,135**	**225,988,344**
Investment property held for sale	5	15,750,000	-
Total assets		**4,777,025,253**	**3,662,662,555**
Liabilities			
Current liabilities			
Derivatives at fair value through profit or loss	10	6,508,001	-
Deferred income	18	12,161,933	12,231,511
Taxation payable	24	3,194,183	3,785,960
Subscriptions received in advance	23	173,682,994	607,904,470
Trade and other payables	12	53,778,221	64,977,003
Total current liabilities		**249,325,332**	**688,898,944**
Borrowings directly associated with investment property held for sale	17	4,785,680	-
Non-current liabilities			
Borrowings	17	1,252,145,576	807,225,469
Deferred tax liabilities	24	24,411,660	17,997,813
Trade and other payables	12	2,650,000	-
Derivatives at fair value through profit or loss	10	5,126,168	4,775,477
Non-controlling interests (equity)	20	**212,635,328**	**30,468,927**
Net assets attributable to the partners		**3,025,945,509**	**2,113,295,925**
Total liabilities		**4,777,025,253**	**3,662,662,555**
Adjustments from net assets attributable to the partners to adjusted subscription net asset value	4	97,334,652	79,147,073
Adjusted Subscription Net Asset Value*		**3,123,280,161**	**2,192,442,998**

*Calculated in accordance with Note 2.2.

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

	Note	Year ended 31 December 2020 €	Year ended 31 December 2019 €
Revenue			
Rental income	13	130,140,445	59,953,064
Dividend income	25	7,069	6,008,311
Net unrealised (loss)/gain from fair value adjustment on investment property	5	(28,241,501)	78,256,288
Net unrealised (loss)/gain on investments in associates and joint ventures held at fair value	6	(9,396,661)	559,350
Share of net (loss)/profit of associates and joint ventures accounted for using the equity method	6	(12,443,091)	11,558,113
Net unrealised (loss)/gain on financial assets held at fair value	7	(3,102,377)	2,356,236
Impairment of goodwill	16	(4,665,726)	-
Impairment of loans to associates and joint ventures	6	(19,354,045)	-
Operating expenses	14	(61,070,983)	(27,115,820)
Operating (loss)/profit		**(8,126,870)**	**131,575,542**
Finance income	15	47,278,729	12,226,428
Finance expense	15	(50,707,595)	(32,761,773)
Finance result		**(3,428,866)**	**(20,535,345)**
(Loss)/profit before tax and distributions to the partners		**(11,555,736)**	**111,040,197**
Taxation expense	24	(5,370,647)	(2,876,275)
Deferred taxation	24	(6,413,847)	(17,151,229)
Total tax		**(11,784,494)**	**(20,027,504)**
Distribution to the partners	22	**(161,167,867)**	**(56,250,169)**
(Loss)/profit for the year after tax		**(184,508,097)**	**34,762,524**
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation reserve		(3,869,480)	6,006,985
Total comprehensive (loss)/income for the year		**(188,377,577)**	**40,769,509**
(Loss)/profit for the year attributable to:			
Partners		(169,750,244)	27,084,534
Non-controlling interests		(14,757,853)	7,677,990
Total comprehensive (loss)/income for the year is attributable to:			
Partners		(177,730,076)	33,091,519
Non-controlling interests	20	(10,647,501)	7,677,990
Net (decrease)/increase in net assets for the year		**(169,750,244)**	**27,084,534**
Adjustments from net assets attributable to the partners to adjusted subscription net asset value		18,187,579	23,914,047
Transactions with non-controlling interests recognised within equity	20	2,519,317	-
Net (decrease)/increase in subscription net asset value		**(155,432,145)**	**57,005,566**

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

	Note	Year ended 31 December 2020 €	Year ended 31 December 2019 €
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/profit before tax and distributions to the partners		(11,555,736)	111,040,197
Adjustments			
Net unrealised loss/(gain) from fair value adjustment on investment property	5	28,241,501	(78,256,288)
Net unrealised loss/(gain) on investments in associates and joint ventures held at fair value	6	9,396,661	(559,350)
Share of net loss/(profit) of associates and joint ventures accounted for using the equity method	6	12,443,091	(11,558,113)
Net unrealised loss/(gain) on financial assets held at fair value	7	3,102,377	(2,356,236)
Finance result	15	3,428,866	20,535,345
Impairment of goodwill	16	4,665,726	-
Impairment of loans to associates and joint ventures	6	19,354,045	-
Increase/decrease in operating assets (excluding effect of acquisitions)			
(Increase)/decrease in other receivables and prepayments	9,16	(86,196,991)	6,455,120
(Decrease)/increase in deferred income	18	(69,578)	10,263,569
Decrease in trade and other payables	12	(22,039,847)	(78,838,468)
Cash generated from operations		(39,229,885)	(23,274,224)
Taxation paid		(5,962,424)	(1,322,237)
Interest received		19,058,955	8,018,088
Interest and bank charges paid		(33,268,935)	(9,894,250)
Net cash generated from operating activities		**(59,402,289)**	**(26,472,623)**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries, net of cash acquired	16	(203,176,333)	(563,661,460)
Purchases of investment property	5	(60,263,018)	(121,059,720)
Capital expenditure on investment property	5	(12,835,007)	(405,907)
Investments in associates and joint ventures	6	(125,231,704)	(203,115,034)
Return of capital on investments in associates and joint ventures	6	17,005,533	12,909,979
Loans to associates and joint ventures issued	6	(93,272,941)	(406,319,013)
Disposal of financial assets and return of capital	7	29,850,618	-
Loans to associates and joint ventures repaid	6	5,476,118	2,080,414
Net cash used in investing activities		**(442,446,734)**	**(1,279,570,741)**
CASH FLOW FROM FINANCING ACTIVITIES			
Subscriptions received		430,000,002	754,850,000
Redemptions paid		-	(6,271,091)
Subscriptions received in advance	23	150,000,000	607,904,470
Bank financing - loans received	17	-	53,995,492
Non-controlling interests borrowings received	17	60,770,597	-
Non-controlling interests borrowings repaid	17	(4,668,543)	-
Distribution to the partners	22	(91,639,354)	(36,467,732)
Repurchase of non-controlling interests	20	(2,439,457)	-
Distribution to non-controlling interests	20	(225,000)	(375,000)
Net payment on hedging		27,161,125	(12,734,834)
Net cash provided by financing activities		**568,959,370**	**1,360,901,305**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**67,110,347**	**54,857,941**
Cash and cash equivalents at beginning of the year		**172,788,262**	**115,875,509**
Net currency translation differences		(4,252,685)	2,054,812
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**235,645,924**	**172,788,262**

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

		Limited Partners *					General Partner				
	Note	Share Capital €	Retained Earnings €	Foreign Currency Translation Reserve €	Other Reserve €	Total Limited Partners €	Share Capital €	Retained Earnings €	Foreign Currency Translation Reserve €	Total General Partner €	Total €
Net assets attributable to the Partners as at 31 December 2018 (IFRS)		**1,271,361,456**	**6,681,493**	**-**	**-**	**1,278,042,949**	**100**	**11**	**-**	**111**	**1,278,043,060**
Capital contributions		808,432,437	-	-	-	808,432,437	-	-	-	-	808,432,437
Redemptions		(6,271,091)	-	-	-	(6,271,091)	-	-	-	-	(6,271,091)
Profit for the year after tax		-	27,084,525	-	-	27,084,525	-	9	-	9	27,084,534
Other comprehensive income		-	-	6,006,985	-	6,006,985	-	-		-	6,006,985
Net assets attributable to the Partners as at 31 December 2019 (IFRS)		**2,073,522,802**	**33,766,018**	**6,006,985**	**-**	**2,113,295,805**	**100**	**20**	**-**	**120**	**2,113,295,925**
Adjustments from net assets attributable to the Partners to adjusted subscription net asset value	4	-	79,147,068	-	-	79,147,068	-	5	-	5	79,147,073
Net assets attributable to the Partners as at 31 December 2019 (Adjusted Subscription NAV)		**2,073,522,802**	**112,913,086**	**6,006,985**	**-**	**2,192,442,873**	**100**	**25**	**-**	**125**	**2,192,442,998**
Capital contributions		1,083,749,991	-	-	-	1,083,749,991	-	-	-	-	1,083,749,991
Redemptions		-	-	-	-	-	-	-	-	-	-
Profit for the year after tax		-	(169,750,245)	-	-	(169,750,245)	-	1	-	1	(169,750,244)
Other comprehensive income	2.4	-	-	(3,869,480)	-	(3,869,480)	-	-	-	-	(3,869,480)
Transactions with non-controlling interests	-	-	-	-	2,519,317	2,519,317	-	-	-	-	2,519,317
Net assets attributable to the Partners as at 31 December 2020 (IFRS)		**3,157,272,793**	**(135,984,227)**	**2,137,505**	**2,519,317**	**3,025,945,388**	**100**	**21**	**-**	**121**	**3,025,945,509**
Adjustments from net assets attributable to the Partners to adjusted subscription net asset value	4	-	97,334,647	-	-	97,334,647	-	5	-	5	97,334,652
Net assets attributable to the Partners as at 31 December 2020 (Adjusted Subscription NAV)		**3,157,272,793**	**(38,649,580)**	**2,137,505**	**2,519,317**	**3,123,280,035**	**100**	**26**	**-**	**126**	**3,123,280,161**

* Limited Partners are presented as a liability in the consolidated Statement of Financial Position

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

NUMBER OF UNITS IN ISSUE (Expressed in units)	Year ended 31 December 2020	Year ended 31 December 2019
Class A1 units		
Units in issue at the beginning of the year	1,893,404.66	1,454,370.04
Units subscribed	1,028,080.85	896,232.65
Units redeemed	-	(59,758.82)
Switch to class A2	(94,992.07)	(397,439.21)
Class A1 units in issue at the end of the year	**2,826,493.44**	**1,893,404.66**
Class A2 units		
Units in issue at the beginning of the year	1,781,479.54	971,873.52
Units subscribed	1,280,368.89	1,042,826.45
Switch from class A1	-	396,487.37
Switch to class A3	(159,327.39)	(629,707.80)
Class A2 units in issue at the end of the year	**2,902,521.04**	**1,781,479.54**
Class A3 units		
Units in issue at the beginning of the year	1,422,312.84	-
Units subscribed	770,363.58	750,000.00
Switch from class A2	271,277.42	672,312.84
Class A3 units in issue at the end of the year	**2,463,953.84**	**1,422,312.84**
Class A4 units		
Units in issue at the beginning of the year	675,359.32	-
Units subscribed	804,841.58	675,359.32
Class A4 units in issue at the end of the year	**1,480,200.90**	**675,359.32**
Class A6 units		
Units in issue at the beginning of the year	8,727,845.52	5,474,748.66
Units subscribed	1,631,129.34	3,253,096.86
Class A6 units in issue at the end of the year	**10,358,974.86**	**8,727,845.52**
Class A7 units		
Units in issue at the beginning of the year	1,728,993.31	1,600,484.25
Units subscribed	-	128,509.06
Class A7 units in issue at the end of the year	**1,728,993.31**	**1,728,993.31**
Class A8 units		
Units in issue at the beginning of the year	3,464,436.55	2,677,354.83
Units subscribed	4,645,725.89	787,081.72
Class A8 units in issue at the end of the year	**8,110,162.44**	**3,464,436.55**
Class B units		
Units in issue at the beginning of the year	1.00	1.00
Class B units in issue at the end of the year	**1.00**	**1.00**

NET ASSETS PER UNITS (IFRS NAV)* Expressed in (€)	31 December 2020 €	31 December 2019 €	31 December 2018 €
Class A1 units	100.36	105.10	101.91
Class A2 units	100.52	105.36	102.16
Class A3 units	94.11	98.72	-
Class A4 units	94.07	98.76	-
Class A6 units	105.39	110.79	107.44
Class A7 units	105.11	110.41	107.06
Class A8 units	99.37	104.38	101.21
Class B units	121.68	120.08	110.89

NET ASSETS PER UNITS (Subscription NAV)* Expressed in (€)	31 December 2020 €	31 December 2019 €	31 December 2018 €
Class A1 units	103.59	109.04	106.32
Class A2 units	103.76	109.30	106.57
Class A3 units	97.14	102.42	-
Class A4 units	97.10	102.46	-
Class A6 units	108.78	114.94	112.09
Class A7 units	108.50	114.54	111.68
Class A8 units	102.56	108.29	105.59
Class B units	125.68	124.58	115.89

*Refer to reconciliation of IFRS NAV to Subscription NAV in Note 4.

As at 31 December 2020 Class A5 units had not been issued.

Note 1 - General

AXA CoRE Europe Fund S.C.S., SICAV-SIF (the "Fund") is an open-ended variable capital investment *fund (société 'investissement à capital variable-fonds d'investissement spécialisé)* domiciled and incorporated in Grand Duchy of Luxembourg on 17 December 2015. The Fund is established in the form of a common limited *partnership (société en commandite simple - SCS)* in accordance with the provisions of the Law of l0 August 1915 on commercial companies, as amended, and the Law on Specialised Investment Funds dated l3 February 2007, as amended. The subscription, sale and holding of shares of the Fund are restricted to Institutional Investors.

The Fund has been incorporated for an unlimited duration. It is registered with the Trade Register under number B 202 722.

The registered office is established at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

The Fund is an alternative investment fund ("AIF") in accordance with the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers ("AIFM Directive"). For these purposes, AXA Real Estate Investment Managers SGP, as the legal person responsible for performing the portfolio and risk management of the Fund, has been identified as the Alternative Investment Fund Manager ("AIFM") of the Fund, as disclosed in the Offering Memorandum.

These consolidated financial statements present the consolidated financial position of the Fund and the Fund's subsidiaries (the "Group"). For details of all the consolidated entities, please refer to Note 26.

The financial year of the Fund starts on 1 January and ends on 31 December. The Group's accounts are prepared in Euro ("EUR" or "€").

The Investment Objective of the Group is to seek current income combined with long-term capital appreciation through investment in a diversified portfolio of primarily European Real Estate Assets and also, to a lesser extent, Cash and Securities in accordance with its Investment Policy and the Investment Guidelines.

The Investment Policy of the Group is to invest directly, or indirectly via subsidiaries, in a diversified portfolio of European Core Real Estate Assets across the office, retail, residential, logistics and hotels real estate sectors (for example as part of an operating company or a property company structure).

The Group's investment activities are managed by its General Partner, AXA CoRE Europe GP S.à r.l. (the 'General Partner'), a limited liability company incorporated under the law of Grand Duchy of Luxembourg (R.C.S. Luxembourg B 202 828) and a subsidiary of AXA Real Estate Investment Managers SGP, incorporated in France. The administration of the Group is managed by The Bank of New York Mellon SA/NV Luxembourg Branch.

The Group was incorporated on 17 December 2015 with an initial capital commitment drawdown on 29 February 2016.

The Fund issued a revised Offering Memorandum in March 2020. The most significant changes relate to updates to the investment guidelines limits for Tier 1, Tier 2 and Tier 3 countries as defined in the Offering Memorandum.

The consolidated financial statements of AXA CoRE Europe Fund S.C.S., SICAV-SIF were authorised for issue by the General Partner on 31 March 2021.

Note 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 the periods presented, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and as adopted by the European Union and interpretations issued from the IFRS Interpretation Committee ("IFRIC") and adopted by the European Union.

(b) Historical cost convention
The consolidated financial statements have been prepared on a going concern basis, applying the historical cost convention, except for the measurement of investment property at fair value, investments in associates and joint ventures, financial assets classified as fair value through profit or loss, investment property held for sale and derivative financial instruments that have been measured at fair value. The consolidated financial statements are presented in Euro and the presentation currency of the consolidated information is Euro.

Note 2 - Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(b) Historical cost convention (continued)
The Group has elected to present a single consolidated statement of comprehensive income and presents its expenses by nature. The consolidated statement of cash flows from operating activities is presented using the indirect method. Interest received and interest paid are shown separately within operating cash flows. The acquisition of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group's business activities. See Note 2.3 for information on the Group's financial assets and liabilities.

Even if some of the derivatives held by the Group are settled gross by distinct delivery of the two legs of the agreements, because of the reduced short timing difference between paying and receiving legs, the Group presents all the payments on hedging instruments on a net basis in the Consolidated Statement of Cash Flows.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires the Board of Managers of the General Partner 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. The Board of Managers of the General Partner believe that the underlying assumptions are appropriate. Key estimates, assumptions and judgement that have significant risk of causing material adjustment to carrying amount of assets and liabilities within the next financial year are outlined in Note 2.2.

(c) New and amended standards adopted by the Group
The Group has adopted all standards and interpretations issued by the IASB and the International Financial Reporting Interpretations Committee of the IASB and as adopted by the European Union that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2020.

The following standards and amendments have been applied by the Group for the first time for the financial year beginning on 1 January 2020:

- Definition of Material – amendments to IAS 1 and IAS 8
- Definition of a Business – amendments to IFRS 3
- Revised Conceptual Framework for Financial Reporting

The amendments listed above did not have any impact on the amounts recognised in prior periods and, except for the amendment to IFRS 3 as noted below, are not expected to significantly affect the future periods.

Definition of a Business – Amendments to IFRS 3, Business Combinations
The Group applied this amendment for the first time in the current financial year. The amendment clarifies the definition of a business, as well as providing additional illustrative examples, including those relevant to the real estate industry. A significant change in the amendment is the option for an entity to assess whether substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets. If such a concentration exists, the transaction is not viewed as an acquisition of a business and no further assessment of the business combination guidance is required. This amendment has not affected the result of the assessment of acquisitions made during the current period. However, it might be relevant for future acquisitions where the value of the acquired entity is concentrated in one property, or a group of similar properties.

(d) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. The Group is assessing the impact of the following standards:

The following standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions:

- Amendment to IFRS 16 – COVID-19 rent concessions
- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39 and IFRS 7.
- IFRS 17 Insurance Contracts.
- Proceeds before intended use – Amendments to IAS 16.
- Amendments to IAS 1– Classification of liabilities as current or non-current
- Onerous contracts – Cost of fulfilling a contract – Amendments to IAS 37.

Note 2 - Summary of significant accounting policies (continued)

(e) Changes to comparative presentation and classification

The presentation and classification of items in the financial statements from the prior financial year might be changed to be in line with the disclosures for the current year consolidated financial statements if it gives a more accurate presentation (Consolidated Statement of Cash Flows and Notes 3, 4 and 6).

2.2 Significant 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.

Critical accounting estimates and assumptions

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) Financial instruments at fair value through profit or loss
Where the fair value of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation methods and if the valuation method does not fairly represent the fair value, adjustments to the valuation are made by the Group to obtain the best estimate of fair value, using other methods it considers appropriate. Observable market data are used where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of liquidity and other associated market risks. Changes in assumption about these factors could affect the reported fair value of financial instruments (see Note 7).

(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. See further disclosure in Note 10.

(c) Investment property
The fair value of the investment property held is based on a valuation as performed by an independent valuer. Independent valuations may be indicative and not executable or binding. See Note 5 for further details of the judgements and assumptions made.

(d) 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. The deferred taxes recognised as at 31 December 2020 are mainly deriving from temporary differences linked to investment properties for which sensitivity analysis is provided in note 5 to the consolidated financial statements.

(e) Functional and presentation currency
The Board of Managers of the General Partner consider the Euro as the currency that represents the economic effect of the underlying transactions, events and conditions. The Group intends to invest mainly in activities which are denominated in Euro.

(f) Business combinations
The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, hotel services, etc.).

Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs that is expected to benefit from the synergies of the combination.

Note 2 - Summary of significant accounting policies (continued)

2.2 Significant accounting estimates and judgements (continued)

Critical accounting estimates and assumptions (continued)

(f) Business combinations (continued)
Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(g) Joint arrangements
Under IFRS 11 - *Joint Arrangements* ("IFRS 11"), 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.

Under IAS 28 – *Investments in Associates* ("IAS 28"), an associate is an entity over which the Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee, but which is not a subsidiary or a jointly controlled entity.

In considering whether significant influence over an investee exists, the Group considers the voting rights held in the investee, representation on the board of directors of the investee, participation in the investee's policy making process and other relevant facts and circumstances.

IAS 28 allows exemption from the equity method of accounting where an investment in an associate or joint venture is a mutual fund and can be accounted for at fair value in accordance with IFRS 9.

The exemption from equity accounting in IAS 28 also applies to mutual funds, unit trusts and similar entities including investment-linked insurance funds. Unit trusts, mutual funds and similar funds typically pay a return on their liabilities that is contractually linked to changes in the fair value of an asset or a pool of assets. The application of the exemption avoids a mismatch between the measurement of the assets and liabilities.

The exemption might be applied by these types of entity where changes in the returns on the trust's or fund's liabilities are contractually linked to the fair value of associate investments or a pool of assets that includes the associate investments.

(h) Investment entity
The Board of Managers of the General Partner has determined that the Group does not qualify as an investment entity under IFRS 10 – *Consolidated Financial Statements* ("IFRS 10") and is required to prepare consolidated financial statements.

The Fund has several investors that are related parties.

In addition to that, the Fund does not evaluate the performance solely on a fair value basis. Although the Fund reports its investment properties (or indirectly through the equity accounting of investments in joint ventures and associates) at fair value in accordance with IAS 40, fair value is not the primary measurement attribute used to evaluate the performance of its investments. The Fund and its investors use other measures, including information about expected cashflows, rental revenues and expenses to assess performance and to make the investment decisions. Similarly, the exit strategy is not only driven by the fair value of the investment properties. It is impacted by macro-economic factors as well as legal and tax regulations changes in specific jurisdictions.

Fair value is only a part of a group of equally relevant key performance indicators.

(i) Subscription NAV
The subscription NAV is calculated as set out in clause 5.4.5 of the Offering Memorandum and includes the use of estimates, assumptions, and judgements. The subscription NAV is computed in accordance with the principles of the European Association for Investors in Non-Listed Real Estate Vehicles ("INREV") Guidelines with the exception of the real estate acquisition costs and the Fund formation costs that are amortised over 10 years, the "Adjusted INREV NAV". Further information in relation to the differences in accounting policies and reconciliation of the subscription NAV to the IFRS NAV is disclosed in Note 4. Any estimates, assumptions, and judgements performed in the valuation of the subscription NAV impacts the value of the subscription and redemption values for investors subscribing and redeeming from the Fund.

Note 2 - Summary of significant accounting policies (continued)

2.2 Significant accounting estimates and judgements (continued)

Critical accounting estimates and assumptions (continued)

(j) Impairment of trade receivables
The impact of COVID-19 on the recoverability of receivables from rental income has been considered. While the methodologies and assumptions applied in the expected credit losses (ECL) calculation remains significantly unchanged from the prior financial year, the Group has incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic to rental income receivables. Whilst no material recoverability issues have been identified, there is a risk that the economic impact of COVID-19 could results in higher credit losses than those modelled under the Group's impairment provisioning model. Refer to Note 2.3 for further details on ECL.

(k) Impairment of goodwill
Goodwill impairment reviews incorporate estimates, assumptions, and judgements on the carrying value of the CGU containing the goodwill and its estimated recoverable amount. Refer to Note 2.22 for further details on goodwill impairment.

The Group did not make any other material critical accounting judgements in the financial years ended 31 December 2020 or 31 December 2019.

2.3 Financial assets and financial liabilities

Financial assets and financial liabilities are classified and measured in accordance with IFRS 9 – *Financial instruments* ("IFRS 9").

Financial assets
Financial assets are measured at fair value at initial recognition, and are subsequently classified and measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income on the basis of both:

- The Group's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

Financial assets measured at amortised cost:
Loans to associates are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in non-current assets, except for maturities less than 12 months after the statement of financial position date. These are classified as current assets.

Loans to associates and joint ventures and investment in receivable instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Group also includes short-term non-financing receivables including interest receivable, prepayments and other receivables in this category.

Financial assets measured at fair value through profit or loss:

A financial asset is measured at fair value through profit or loss if:

a. Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding; or
b. It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
c. At initial recognition, an equity instrument is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gain and loss on them on a different basis.

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

Financial assets (continued)
Due to the cash flow characteristics and the business model for managing the assets, the Group has classified the following as financial assets measured at fair value through profit or loss:

Equity instruments: included within equity instruments are investments in entities where the Group does not have significant control or influence.

Debt instruments: included within debt instruments are receivable instruments which are not held at amortised cost based on SPPI test.

Instruments held for trading: This category includes financial instruments, which are acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives in this category are classified as current assets. The Group does not apply hedge accounting.

The Group has not classified any financial assets as fair value through other comprehensive income.

Financial liabilities
Financial liabilities measured at fair value through profit or loss:
A financial liability is measured at fair value through profit or loss if it meets the definition of held for trading. The Group includes in this category, derivative contracts in a liability position.

Financial liabilities measured at amortised cost:
This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Group includes in this category, borrowings (see Note 2.15 for the accounting policy on borrowings), deferred income and trade and other payables.

Recognition and measurement
The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

Regular purchases of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value minus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated statement of comprehensive income. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are recognised initially at fair value and subsequently carried at amortised cost.

Transfer between levels of the fair value hierarchy
Transfers between levels of the fair value hierarchy, if applicable, are deemed to have occurred at the end of the reporting period.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

Impairment of financial assets
The Group assesses, on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The different stages for these financial instruments are as follows:

- Stage 1 - No significant increase in credit risk since acquisition
- Stage 2 - Existence of a significant increase in credit risk compared to original expectations but no losses yet incurred
- Stage 3 - Expected losses to be recognised due to asset being credit impaired

The Group assesses on a forward-looking basis the ECLs associated with its financial instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Stage 1
The expected credit loss is measured over the next twelve months and interest is still computed on the gross carrying amount

Stage 2 and stage 3
The expected credit loss is computed over the remaining lifetime of the instrument and interest is computed on the net carrying amount after deduction of the expected credit loss.

Significant financial difficulties of the borrower, probability that the borrower will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

A significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due or when the probability of default with the counterparty is increased as per balance sheet date in comparison of the loan origination.

The Group considers a financial instrument to be in default or credit impaired, when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realising security (if any is held) or the financial asset is more than 90 days past due.

A debt instrument carried at amortised cost is written off when there is no reasonable expectation of recovering the contractual cash flows.

For each stages, the Group compute expected credit loss in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

All the loans granted by the Group are granted to associates and joint ventures and form long-term interests in associates or joint ventures. Long-term interests are interests that, in substance, form part of the net investment but are not accounted for using equity accounting.

The Group applies IFRS 9 expected credit loss requirements to long-term interests before applying the loss allocation and impairment requirements of IAS 28; and the Group does not take into account any adjustments to the carrying amount of long-term interests that result from the application of IAS 28, when applying the IFRS 9 requirements.

Management expects that a default or impairment on these loans would approximate to an excess of net losses of a joint venture or an associate to the amount originally invested.

For trade receivables the Group applies AXA REAL Assets bad and doubtful debt policy that is based on the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The methodology considers the historic actual default rate, the current actual default rate with a forward-looking assessment of whether the current default rate is adequate given specific macro-economic and sector specific factors which may apply.

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

Impairment of financial assets (continued)
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.

Expected credit loss allowances are recognised in the consolidated statement of comprehensive income.

Details on estimates and assumptions used are given in Note 2.2 “Critical accounting estimates and assumptions”.

Offsetting
The Group only offsets financial assets and liabilities at fair value through profit or loss if the Group has a legally enforceable right to set off the recognised amounts and either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.4 Foreign currency translation

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 (the ‘functional currency’). The Group operates with the following currencies: British Pound (“GBP” or “£”), Danish Krone (“DKK”), and Euro (“EUR”). The consolidated financial statements are presented in Euro, which is the parent company’s functional currency and the Group’s presentational currency.

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 the consolidated statement of comprehensive income.

Group companies
The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) assets and liabilities in the consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
ii) income and expenses in the consolidated statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
iii) all resulting exchange differences are recognised as a separate component of net assets attributable to partners.

On the disposal of a foreign operation, (that is the disposal of the Group’s entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation) all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the company are reclassified to profit or loss.

2.5 Deferred income

Deferred income represents rental income received in advance in respect of future periods.

2.6 Cash and cash equivalents

Cash includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated statement of financial position. All items included within cash and cash equivalents are highly liquid instruments that are subject to insignificant risk of changes in value.

2.7 Expenses

All expenses, including management fees, are recognised in the consolidated statement of comprehensive income on an accruals basis.

Note 2 - Summary of significant accounting policies (continued)

2.8 Interest income and expense

Interest income and expense are recognised within "interest income" and "finance costs" in the consolidated statement of comprehensive income using the effective interest rate method. 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 interest 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 points 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.

2.9 Group formation expenses

The Group's formation expenses are recognised as an expense when incurred.

2.10 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligations; and the amount can be reliably measured. 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 a finance cost. Provisions are stated at their original amount if the effect of discounting is immaterial.

2.11 Consolidation

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.

All the Group companies have 31 December as their year-end. Consolidated financial statements are prepared using uniform accounting policies for like 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 except where there are indications for impairment.

Accounting for business combinations
The Group may elect to apply 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 Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary that meets the definition of a business is the fair values 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 the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Note 2 - Summary of significant accounting policies (continued)

2.11 Consolidation (continued)

Subsidiaries (continued)

Accounting for business combinations (continued)
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 profit or loss.

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 profit or loss. 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 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 consolidated statement of comprehensive income.

Accounting for asset acquisitions
For the acquisition of a subsidiary that does not meet the definition of a business, the Group allocates the 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.

Associates
Associated companies are those companies in which the Group generally has between 20% and 50% of the voting rights, or over which the Group exercises significant influence, but which it does not control. Investments in associated companies are accounted for under the equity method or the fair value method where certain criteria are met under IAS 28.

See Note 6 for further details on investments in associates and joint ventures.

Joint arrangements
Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement rather than the legal structure of the joint arrangement. An entity determines the type of joint arrangement in which it is involved by considering the structure and form of the arrangement, the terms agreed by the parties in the contractual arrangement and other facts and circumstances.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of liabilities incurred jointly;
- its revenue from the sale of its share of the output of the joint operation and
- its expenses, including its share of any expenses incurred jointly.

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated statement of financial position.

Equity method
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Distributions received or receivable from associates and joint ventures can take the form of a return on capital (dividend) or a return of capital (repayment of contributed capital). These distributions are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Note 2 - Summary of significant accounting policies (continued)

2.11 Consolidation (continued)

Subsidiaries (continued)

Equity method (continued)
Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

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. Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or 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 or loss.

2.12 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in the consolidated statement of comprehensive income in the period in which they arise.

When the Group begins to redevelop an existing investment property for continued future use as an investment property, or with a view to disposal, the property continues to be held as an investment property.

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

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably but for which the Group expects that the fair value of the property will be reliably determinable when construction is complete, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier.

See Note 5 for details on valuation of investment properties.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income in the period in which the property is derecognised.

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 derecognised.

Note 2 - Summary of significant accounting policies (continued)

2.13 Leases

a. 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 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.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group is using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

(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.

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

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.

b. Group is the lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet in accordance with their nature.

The Group elected to recognise lease income for variable payment that depends on an index or a rate on a straight-line basis.

At the commencement date, the Group assesses whether the lessee is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option.

Note 2 - Summary of significant accounting policies (continued)

2.14 Revenue recognition

Revenue includes rental income, and service charges and management charges from properties.

Rental income from operating leases and initial direct costs are recognised on a straight-line basis over the term of the relevant lease.

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

Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services, this consideration may include discounts, trade allowances, rebates and amounts collected on behalf of third parties. For arrangements that include deferred payment terms that exceed twelve months, the Group adjusts the transaction price for the financing component, with the impact recognised as interest income using the effective interest rate method over the period of the financing.

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.

When the Group is acting as an agent, the commission rather than gross income is recorded as revenue.

Revenue from service and property management charges is recognised in the accounting period in which control of the services 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.

2.15 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 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 pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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.

2.16 Taxation

Under the current legislation, the Group is not subject to any Luxembourg taxes on profits, income or capital gains. However, the Group is liable to subscription tax in Luxembourg at a rate of 0.01% per annum based on the net asset value (“NAV”) of the Group at the end of each quarter. The Group may also incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the consolidated statement of comprehensive income. The entities of the Group are subject to taxation in the countries in which they operate.

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated 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.

Note 2 - Summary of significant accounting policies (continued)

2.16 Taxation (continued)

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

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

2.17 Redeemable units

Redeemable shares are carried at amortised cost, which correspond to the redemption amount that is payable at the consolidated statement of financial position date if the holder exercises the right to put the share back to the Fund. The mechanism for redemption of units is outlined in Note 4.

2.18 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that 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 inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.19 Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's net assets therein. Non-controlling interests consist of the amount of those interests at the date of the acquisition and the non-controlling shareholder's share of net assets since the date of the acquisition.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

Non-controlling interests comply with the "equity" classification criteria of IAS 32 para 11 and are classified as equity.

2.20 Employee costs

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current other payables in the balance sheet.

Note 2 - Summary of significant accounting policies (continued)

2.21 Non-current assets held for sale

The Group classifies non-current assets (principally investment property) and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Investment property held for sale continues to be measured at fair value. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations: or
- is a subsidiary acquired exclusively with a view to resale.

2.22 Goodwill

Goodwill arises on the acquisition of businesses and represents 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. If the total of consideration transferred, non– controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the business acquired, in case of a bargain purchase, the difference is recognised directly in the income.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.23 Dividend distribution

Distributions to Partners are recognised in the consolidated statement of comprehensive income in the period in which the dividends are approved.

2.24 Trade 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. The Group has elected to treat such deposits as financial liabilities in accordance with IFRS 9, and they are initially recognised at fair value. The deposit is subsequently measured at amortised cost.

Note 2 - Summary of significant accounting policies (continued)

2.25 Loan commitments

Loan commitments provided by the Group are measured as the amount of the loss allowance (calculated as described in Note 2.3). The Group has not provided any commitment to provide loans at a below- market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument. For loan commitments the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.26 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

Note 3 – Fair value estimation

Fair value measurement recognised in the consolidated statement of financial position

The Group uses the following hierarchy for determining and disclosing the fair values of assets and liabilities:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that included inputs for the asset or liability that are not based on observable market data (unobservable input).

The following table provides an analysis of the Group's assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value inputs are observable.

	Level 1 €	Level 2 €	Level 3 €	Total €
As at 31 December 2020				
Investment property*	-	-	2,867,447,529	2,867,447,529
Investments in associates and joint ventures **	-	-	2,425,559	2,425,559
Financial assets at fair value through profit or loss	10,668,513	-	-	10,668,513
Interest rate swaps/caps	-	(6,448,194)	-	(6,448,194)
Currency forward contracts	-	(5,050,465)	-	(5,050,465)
As at 31 December 2019				
Investment property*	-	-	2,042,625,863	2,042,625,863
Investments in associates and joint ventures **	-	-	11,822,220	11,822,220
Financial assets at fair value through profit or loss	14,006,514	-	29,614,994	43,621,508
Interest rate swaps/caps	-	(4,370,044)	-	(4,370,044)
Currency forward contracts	-	1,721,727	-	1,721,727

*See Note 5 for further information in relation to the fair value of investment properties.

**See Note 6 for further information in relation to the fair value of investments in associates and joint ventures.

There were no transfers between levels during the year ended 31 December 2020 or during the year ended 31 December 2019.

Note 3 – Fair value estimation (continued)

Financial instruments in level 2 and level 3

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. 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.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of currency forward contracts is determined using forward exchange rates at the consolidated statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The fair value of the investments in associates and joint ventures are determined on the basis of the underlying properties (see Note 6).

Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table analyses within the fair value hierarchy the Group's assets and liabilities (by class) not measured at fair value at 31 December 2020 but for which fair value is disclosed.

	Level 1 €	Level 2 €	Level 3 €	Total €
As at 31 December 2020				
Assets				
Investments in associates and joint ventures*	-	-	777,345,867	777,345,867
Loans to associates and joint ventures**	-	-	719,958,140	719,958,140
Investment held at amortised cost	-	5,000,000	-	5,000,000
Interest receivable	-	7,521,422	-	7,521,422
Other receivables and prepayments	-	135,126,789	-	135,126,789
Cash and cash equivalents	235,645,924	-	-	235,645,924
Total	**235,645,924**	**147,648,211**	**1,497,304,007**	**1,880,598,142**
Liabilities				
Trade and other payables	-	56,428,221	-	56,428,221
Borrowings	-	1,252,145,576	-	1,252,145,576
Borrowings directly associated with investment property held for sale	-	4,785,680	-	4,785,680
Net assets attributable to the partners	-	3,025,945,509	-	3,025,945,509
Total	**-**	**4,339,304,986**	**-**	**4,339,304,986**

* The valuation techniques, as well as related inputs, for the underlying investment properties held by investments in associates and joint ventures, being the main driver of their valuation, are similar to the ones used for investment properties directly held by the Fund as disclosed in note 5.

** The carrying value (net of expected credit losses) on Loans to associates and joint ventures directly derives from the valuation of Investments in associates and joint ventures where further details were given above.

Note 3 – Fair value estimation (continued)

Assets and liabilities not carried at fair value but for which fair value is disclosed (continued)

The following table analyses within the fair value hierarchy the Group's assets and liabilities (by class) not measured at fair value at 31 December 2019 but for which fair value is disclosed.

	Level 1 €	Level 2 €	Level 3 €	Total €
As at 31 December 2019				
Assets				
Investments in associates and joint ventures*	-	-	681,683,825	681,683,825
Loans to associates and joint ventures**	-	-	651,515,362	651,515,362
Investment held at amortised cost	-	5,000,000	-	5,000,000
Interest receivable	-	9,162,139	-	9,162,139
Other receivables and prepayments	-	42,316,216	-	42,316,216
Cash and cash equivalents	172,788,262	-	-	172,788,262
Total	**172,788,262**	**56,478,355**	**1,333,199,187**	**1,562,465,804**
Liabilities				
Trade and other payables	-	64,977,003	-	64,977,003
Borrowings	-	807,225,469	-	807,225,469
Net assets attributable to the partners		2,113,295,925		2,113,295,925
Total	**-**	**2,985,498,397**	**-**	**2,985,498,397**

* The valuation techniques, as well as related inputs, for the underlying investment properties held by investments in associates and joint ventures, being the main driver of their valuation, are similar to the ones used for investment properties directly held by the Fund as disclosed in note 5.

** The carrying value (net of expected credit losses) on Loans to associates and joint ventures directly derives from the valuation of Investments in associates and joint ventures where further details were given above.

Note 4 - Financial risk management

The Board of Managers of the General Partner have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's activities expose it to a variety of financial risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Board of Managers of the General Partner supervises and maintains control of risk management and delegates the implementation of the day-to-day operation to the AIFM. The day-to-day investment risk measurement and management elements of risk management are undertaken by the risk management department of the AIFM. The functional and hierarchical separation of the risk management department of the AIFM is ensured throughout the hierarchical structure of the AIFM.

The risk management department of the AIFM implements and maintains risk management policies and procedures designed to identify, measure, manage and monitor (i) the material risks which have been identified relevant to the Group's investment strategies; and (ii) the positions in the Group and their contribution to the overall risk profile of the Group. Liquidity risk is monitored on an ongoing basis as part of the risk management system.

The Group has exposures to the following risks from its use of financial instruments:
- (a) Market risk (including foreign exchange risk, price risk and interest rate risk);
- (b) Credit risk; and
- (c) Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing these risks.

Note 4 - Financial risk management (continued)

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 (a) foreign currencies and (b) interest-bearing assets and liabilities, as well as (c) equity securities price movements, 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 as well as security prices that may be accepted, which are monitored on a monthly 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 changes in foreign currency rates.

i. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk, primarily with respect to the British Pound ("GBP") and Danish Krone ("DKK"). Foreign exchange risk arises in respect of those recognised monetary financial assets and liabilities that are not in the functional currency of the respective Group entity.

The Group's policy is to enter into currency hedging transactions with currency forward contracts; however, it does not opt to use hedge accounting in accordance with the requirements of IFRS 9.

The Group has various financial assets and liabilities such as derivative financial instruments, trade and other receivables and cash and short-term deposits that arise directly from its operations. The Group's principal financial liabilities, besides derivative financial liabilities, comprise bank loans and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations.

The derivative transactions the Group enters into are primarily currency forward contracts. The purpose is to manage the currency risks arising from the Group's operations and its sources of finance (economy hedges).

The tables below summarise the reports provided to key management personnel and used to monitor the Group's exposure to foreign currency risk arising from financial instruments at 31 December 2020 and 31 December 2019 before hedging. The Group's financial assets and liabilities are included in the table categorised by currency at their carrying amount.

As at 31 December 2020	**Note**	**DKK**	**€**	**GBP**	**€**
Financial assets					
Loans to associates and joint ventures	6	-	719,958,140	-	719,958,140
Financial assets at fair value through profit or loss	7	-	10,668,513	-	10,668,513
Interest receivable		-	7,521,422	-	7,521,422
Investment held at amortised cost	8	-	5,000,000	-	5,000,000
Other receivables	9	170,897	122,014,359	12,941,533	135,126,789
Cash and cash equivalents	11	5,771,115	164,971,390	64,903,419	235,645,924
Derivatives at fair value through profit or loss	10	11,219	123,449	842	135,510
Total financial assets		5,953,231	1,030,257,273	77,845,794	1,114,056,298
Financial liabilities					
Borrowings	17	-	577,404,890	679,526,366	1,256,931,256
Borrowings directly associated with investment property held for sale	17	-	4,785,680	-	4,785,680
Trade and other payables	12	2,196,576	34,540,056	19,691,589	56,428,221
Derivatives at fair value through profit or loss	10	-	4,336,019	7,298,150	11,634,169
Total financial liabilities		2,196,576	621,066,645	706,516,105	1,329,779,326

Note 4 - Financial risk management (continued)

a) Market risk (continued)

i. Foreign exchange risk (continued)

As at 31 December 2019	Note	DKK	€	GBP	Total €
Financial assets					
Loans to associates and joint ventures	6	-	651,515,362	-	651,515,362
Financial assets at fair value through profit or loss	7	-	14,006,514	29,614,994	43,621,508
Interest receivable		-	9,162,139	-	9,162,139
Investment held at amortised cost	9	-	5,000,000	-	5,000,000
Other receivables	11	58,149	39,994,368	2,263,699	42,316,216
Cash and cash equivalents	10	3,148,318	158,607,256	11,032,688	172,788,262
Derivatives at fair value through profit or loss		12,424	346,415	1,768,321	2,127,160
Total financial assets		3,218,891	878,632,054	44,679,702	926,530,647
Financial liabilities					
Borrowings	17	-	735,329,524	71,895,945	807,225,469
Trade and other payables	12	2,278,378	61,231,330	1,467,295	64,977,003
Derivatives at fair value through profit or loss	10	-	3,682,763	1,092,714	4,775,477
Total financial liabilities		2,278,378	800,243,617	74,455,954	876,977,949

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the euro, the functional currency. Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk.

In order to efficiently manage foreign currency risk, Management monitors and hedges the Group's exposure to foreign currency at Group level, not at individual company level.

Nevertheless, the Group does not apply hedge accounting in accordance with IFRS 9. In addition, the Group manages foreign currency risk by matching its principal cash outflows to the currency in which the principal cash inflows are denominated. This is generally achieved by obtaining loan finance in the relevant currency and by entering into currency forward contracts.

The functional currency of the Group is the Euro; the functional currencies of the Group's principal subsidiaries are Euro, DKK and GBP. The Company and each of its subsidiaries are exposed to currency risk arising from financial instruments held in currencies other than their individual functional currencies.

The following paragraph presents sensitivities of profit and loss to reasonably possible changes in exchange rates applied at the financial position date relative to the functional currency of the respective Group entities, with all other variables held constant.

As at 31 December 2020 had GBP weakened/strengthened by 5% against the euro, post-tax profit for the year would have been €9,716,710 higher/lower. As at 31 December 2019 had GBP weakened/strengthened by 25% against the euro, post-tax profit for the year would have been €7,444,063 higher/lower.

Foreign exchange risk arising from DKK exposure is not considered material to the Group and therefore sensitivity to DKK has not been presented.

Note 4 - Financial risk management (continued)

a) Market risk (continued)

ii. Price risk
The Group is exposed to price risks in respect of its investments in financial assets at fair value through profit and loss (Note 7).

The Group is exposed to price risk other than in respect of financial instruments, such as property price risk including property rentals risk (Note 5).

The values of real estate assets mainly depend on:

- the real estate market situation which is subject to fluctuations particularly regarding rents and prices determined by the supply, the demand and the general economic conditions, and
- the specificities of each real estate asset. The portfolio is mainly composed of office, retail and residential premises located in Core areas across Europe.

A downturn of real estate market conditions may have an adverse effect on the value of the real estate assets in which the portfolio is invested.

iii. Interest rate risk
The Group is subject to interest rate risk due to fluctuations in the prevailing levels of market interest rates. The Group's interest bearing financial assets and liabilities include cash and cash equivalents which earns interest at short-term market rates and floating rate bank loans whose interests are linked to LIBOR and to EURIBOR.

As at 31 December 2020 and 31 December 2019, the Group held a number of interest rate swaps for the purpose of hedging the interest on the bank loans. Any gains or losses recognised on the open interest rate swaps is offset by changes in the interest rates charged on the bank loans. Further details of the interest rate swaps held by the Group can be found in Note 10.

Management considered a shift of 100 basis points for sensitivity purposes as being relevant considering the Group's current exposure and historical volatility on variable rates to which it is exposed.

As at 31 December 2020, had market interest rates increased by 100 basis points with all other variables held constant, the impact on the net assets would be a decrease of €2,904,877 (2019: €3,077,676). Had market interest rates decreased by 5 basis points (2019: 80 basis points) or LIBOR interest rates decreased to zero with all other variables held constant, the impact on the net assets would be an increase of €292,595 (2019: €1,841,618).

The average effective interest rates of borrowings at the date of the consolidated statement of financial position, based on reports reviewed by key management personnel, were as follows:

	31 December 2020		31 December 2019	
	€	**GBP**	**€**	**GBP**
Bank financing (prior to impact of interest rate hedging) (see Note 17)	1.37%	1.98%	1.39%	2.38%

Refer to Note 17 for details of fixed and variable interest rates on borrowings.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents held at banks, trade receivables, including rental receivables from lessees, rental guarantees, receivable instruments and derivatives. 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 that rental investment property 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. Cash balances are held and derivatives are agreed only with financial institutions with a Moody's credit rating of A or better. The Group has policies that limit the amount of credit exposure to any financial institution. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Managers of the General Partner. The utilisation of credit limits is regularly monitored.

Note 4 - Financial risk management (continued)

b) Credit risk

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

	31 December 2020 €	31 December 2019 €
Loans to associates and joint ventures	719,958,140	651,515,362
Financial assets at fair value through profit or loss	-	29,614,994
Investment held at amortised cost	5,000,000	5,000,000
Interest receivable	7,521,422	9,162,139
Other receivables	135,126,789	42,316,216
Cash and cash equivalents	235,645,924	172,788,262
	1,103,252,275	910,396,973

Refer to Note 6 for details of impairment on loans to associates and joint ventures. Refer to Note 9 for details of impairment on other receivables. There are no other material financial assets that are past due or impaired.

Included in other receivables are collateral balances of €1,100,000 with RBC and €2,900,000 with Crédit Agricole. There are no other collateral nor other credit enhancements held by the Fund.

All financial loan commitments to which the Group is exposed are given in note 6 to the consolidated financial statements.

There are no other collateral nor other credit enhancements held by the Group.

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

An investment in the Fund may provide limited liquidity since the Fund may be restricted in its ability to liquidate its investments. This could also impair the Fund's ability to distribute redemption proceeds to a redeeming Unitholder in a timely manner. The Offering Memorandum of the Fund permits quarterly redemptions from the Fund at each quarter end, subject to Redemption Queue and suspension mechanism, subject to the following conditions:

a) All Redemption Notices accepted on the same Quarter End will be grouped into the same Redemption Vintage.

b) Investors' Units in a Redemption Vintage will be redeemed on a pro rata and pari passu basis in the same Redemption Vintage. If, at the General Partner's sole discretion, a portion or all of the redemption requests of the same Redemption Vintage cannot be satisfied on the relevant Quarter End, a queuing system shall be operated.

c) Each Redemption Vintage will be redeemed in turn before the next Redemption Vintage in the Redemption Queue. Redemptions may be suspended for a period not exceeding 18 months if (i) the outstanding redemptions requests in the Redemption Queue represent more than 15% of the NAV as at any given date, or (ii) the General Partner considers that there are special market or adverse conditions.

The Group has entered into loan facility agreements with the following banks (see Note 17 for further information on bank borrowings):

- ING Bank N.V.
- Santander SA and CaixaBank SA
- Société Générale SA
- Landesbank Hessen-Thueringen Girozentrale
- LBPAM FCT European Debt Funds & Aareal bank AG.
- M&G Investment Limited.

c) Liquidity risk

The Group's liquidity position is monitored on a daily basis by the management and is reviewed quarterly by the Board of Managers of the General Partner. A summary table with maturity of financial liabilities presented below is used by key management personnel to manage liquidity risks and is derived from managerial reports at 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.

Note 4 - Financial risk management (continued)

c) Liquidity risk (continued)

The maturity analysis at 31 December 2020 is as follows:

	On demand / < 1 month €	1 to 3 months €	3-12 months €	1 to 5 years €	Later than 5 years €	Total €
Liabilities						
Derivatives at fair value through profit or loss	(5,050,466)	-	(1,457,535)	(3,847,660)	(1,278,508)	(11,634,169)
Trade and other payables*	-	(60,244,022)	(21,758,347)	(43,321,093)	(9,841,511)	(135,164,973)
Net assets attributable to the partners**	-	-	-	-	(3,025,945,509)	(3,025,945,509)
Borrowings directly associated with investment property held for sale	(4,785,680)	-	-	-	-	(4,785,680)
Borrowings (net of hedging)	-	-	-	(1,211,734,970)	(39,796,393)	(1,251,531,363)
	(9,836,146)	(60,244,022)	(23,215,882)	(1,258,903,723)	(3,076,861,921)	(4,429,061,694)

The maturity analysis at 31 December 2019 was as follows:

	On demand / < 1 month €	1 to 3 months €	3-12 months €	1 to 5 years €	Later than 5 years €	Total €
Liabilities						
Derivatives at fair value through profit or loss	-	-	-	(1,562,509)	(3,212,968)	(4,775,477)
Trade and other payables*	-	(68,403,470)	(11,489,582)	(48,735,991)	(1,485,044)	(130,114,087)
Net assets attributable to the partners**	-	-	-	-	(2,113,295,925)	(2,113,295,925)
Borrowings (net of hedging)	-	-	-	(638,462,392)	(151,432,500)	(789,894,892)
	-	(68,403,470)	(11,489,582)	(688,760,892)	(2,269,426,437)	(3,038,080,381)

*Trade and other payables also includes accrued interest on borrowings.

**Based on the investment profile of the underlying investments (real estate) and the exit mechanism of the Fund as per the Offering Memorandum, the above classification represents the investment horizon of the Fund.

In respect of financial loan commitments, maturity as well as commitments are given in note 6 to the consolidated financial statements.

The amount of contractual undiscounted cash flows related to bank financing is calculated after hedging with the interest rate swaps.

Capital risk management

The capital of the Group is represented by the net assets attributable to the partners, which can change significantly on a quarterly basis because of Group's performance and market evolution (mainly property prices, foreign exchange and interest rate markets). The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for partners, provide benefits to other stakeholders and maintain a strong capital base to support the development of the investment activities of the Group.

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

- Monitor the level of cash held and required within one month and adjust the amount of distribution the Fund pays, in particular, in the context of share buy back
- Buy back and issue new shares in accordance with the constitutional documents of the Fund

The Board of Managers of the General Partner and the Alternative Investment Fund Manager monitor capital on the basis of the value of net assets attributable to the partners in accordance with the principles defined in the Offering Memorandum.

Note 4 - Financial risk management (continued)

Capital risk management (continued)

The subscription NAV is calculated as set out in clause 5.4.5 of the Offering Memorandum by performing adjustments compared to the IFRS NAV, including:

(i) The acquisition costs should be amortised over 10 years whereas these costs are fully expensed under IFRS.
(ii) The formation expenses should be amortised over a period of 10 years whereas these expenses are fully expensed under IFRS.
(iii) The adjustment represents the positive impact on the NAV of the possible reduction of the transfer taxes based on the expected sale of shares in the property-owning vehicle.
(iv) The adjustment represents the impact on the NAV of the difference between the amount determined in accordance with IFRS and the estimate of deferred tax which takes into account the expected manner of settlement (i.e., when tax structures and the intended method of disposals or settlement of assets and liabilities have been applied to reduce the actual tax liability).
(v) The debt issuance cost adjustment relates to debt issuance costs associated with subsidiaries acquired which have been written off.

The table below shows the subscription NAV adjustments:

	31 December 2020 €	**31 December 2019 €**
Total net assets attributable to partners as per IFRS consolidated financial statements	**3,025,945,509**	**2,113,295,925**
Adjustments		
Formation expenses adjustment	490,157	664,414
Acquisition costs adjustment	92,385,766	81,329,900
Debt issue cost adjustment	233,372	(3,687,352)
Revaluation to fair value of savings of purchasers costs such as transfer taxes	56,975,340	-
Revaluation to fair value of deferred taxes and tax effect of INREV NAV	(53,173,285)	836,683
Other adjustments	423,302	3,428
Total adjustments	**97,334,652**	**79,147,073**
Subscription net asset value	**3,123,280,161**	**2,192,442,998**

Note 5 - Investment property

The Group invests in commercial real estate investment properties.

The valuation of the Investment Properties was carried out by the External Valuers in accordance with the RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors on the basis of Fair Value or, in the case of investment property held for sale, with reference to the agreed sales price. Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has affected the global economy, with real estate markets experiencing lower levels of transactional activity over the past quarters.

At the year ending 2020, Residential, Office and Industrial sectors experienced decent transaction volumes and other relevant market evidences. Hospitality and Retails assets have experienced a greater impact on valuation in comparison to other asset classes. In line with RICS Red Book Global, independent external valuers have added a clause on Material Uncertainty for those type of assets mostly due to less market evidences. For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon.

The table below shows the movement of investment properties held by the Group for the year ended 31 December 2020:

	1 January 2020 Fair value	Purchases	Capitalised expenditure	Unrealised gain/(loss)	Currency translation loss	Acquired through acquisition of subsidiaries (other than business combination)	Acquired through business combination	Transfer of Investment property held for sale	Movement on right of use asset	31 December 2020 Fair value
	€	€	€	€	€	€	€	€	€	€
Investment property	2,042,625,863	60,263,018	12,835,007	(28,241,501)	2,661,697	-	793,017,074	(15,750,000)	36,371	**2,867,447,529**
Total Investment property	**2,042,625,863**	**60,263,018**	**12,835,007**	**(28,241,501)**	**2,661,697**	**-**	**793,017,074**	**(15,750,000)**	**36,371**	**2,867,447,529**

	1 January 2020 Fair value	Purchases	Capitalised expenditure	Unrealised gain/(loss)	Currency translation loss	Acquired through acquisition of subsidiaries (other than business combination)	Acquired through business combination	Transfer of Investment property held for sale	Movement on right of use asset	31 December 2020 Fair value
	€	€	€	€	€	€	€	€	€	€
Investment property held for sale	-	-	-	-	-	-	-	15,750,000	-	**15,750,000**
Total Investment property held for sale	-	-	-	-	-	-	-	**15,750,000**	-	**15,750,000**

The table below shows the movement of investment properties held by the Group for the year ended 31 December 2019:

	1 January 2019 Fair value	Purchases	Capitalised expenditure	Unrealised gain/(loss)	Currency translation gain	Acquired through acquisition of subsidiaries (other than business combination)	Acquired through business combination	Transfer of Investment property held for sale	Movement on right of use asset	31 December 2019 Fair value
	€	€	€	€	€	€	€	€	€	€
Investment property	642,825,597	121,059,720	405,907	78,256,288	15,373,947	1,182,004,404	-	-	2,700,000	2,042,625,863
Total Investment property	**642,825,597**	**121,059,720**	**405,907**	**78,256,288**	**15,373,947**	**1,182,004,404**	**-**	**-**	**2,700,000**	**2,042,625,863**

Note 5 - Investment property (continued)

During the year ended 31 December 2020, the Fund's subsidiaries had acquired the following investment properties which are significant to the Group:

- A multi-tenant office and warehouse business park in the southwest of Dusseldorf for an amount comprised of between €54m - €62m (including acquisition costs).
- As part of the Dolphin Transaction (see Note 16), the Group acquired an unencumbered freehold interest in a large private rented complex in the United Kingdom. The initial fair value of the investment properties at the date of acquisition was an amount comprised of between €793m - €796m.

<u>Investment property held for sale</u>
As at 31 December 2020, the Group intended to dispose of investment property located in Münster, Germany, which was originally acquired as part of the Nighthawk transaction in 2019. This investment property has been classified separately as 'Investment property held for sale' in the consolidated statement of financial position, in accordance with accounting policy Note 2.21.

The sale is expected to occur through the sale of the investment property itself. For further information please refer to subsequent events (Note 28). The reclassification as "Investment property held for sale" did not lead to the recognition of any gain/loss.

<u>Valuation process</u>
The Group's investment properties were valued as at 31 December 2020 and 31 December 2019 by independent professionally qualified valuers who hold a recognised relevant professional qualification and relevant experience in the locations and segments of the investment properties valued or, in the case of investment property held for sale, with reference to the agreed sales price. For all investment properties, their current use equals the highest and best use. The AIFM and the General Partner review the valuations performed by the independent valuer for financial reporting purposes. The AIFM has established a process through its Valuation Committee to identify and review material movements in assets and also to ensure valuation trends are in line with market expectations.

<u>Right of use asset</u>
Right of use assets held by the Group related to land held under ground leases in Finland that meet the definition of investment properties amounted to €2,736,371 (2019: €2,700,000).

Note 5 - Investment property (continued)

Valuation process (continued)

As at 31 December 2020, the Group has invested in the following investment properties:

Country	Valuation technique	Rental yield	Estimated Rental Value €	Market Value €	Right of use asset - Ground Lease €	Fair Value €
United Kingdom	Discounted cash flow/Hardcore method	2% - 7%	62,000,000	1,288,311,219	-	1,288,311,219
France	Income capitalisation/Hardcore method/Discounted cash flow	3% - 6%	20,200,000	418,050,000	-	418,050,000
Spain	Discounted cash flow	6% - 7%	7,900,000	105,126,000	-	105,126,000
Luxembourg	Hardcore Method	4% - 5%	10,300,000	191,330,000	-	191,330,000
Italy	Discounted cash flow	4% - 5%	1,200,000	22,570,000	-	22,570,000
Finland	Discounted cash flow	3% - 5%	5,740,000	100,400,000	2,736,371	103,136,371
Denmark	Discounted cash flow	3% - 4%	5,800,000	123,463,939	-	123,463,939
Germany	Discounted cash flow	3% - 7%	34,500,000	615,460,000	-	615,460,000
				2,864,711,158	**2,736,371**	**2,867,447,529**

As at 31 December 2020, the Group has classified the fair value of investment properties as Level 3.

As at 31 December 2019, the Group had invested in the following investment properties:

Country	Valuation technique	Rental yield	Estimated Rental Value €	Market Value €	Right of use asset - Ground Lease €	Fair Value €
United Kingdom	Income Capitalisation/Investment method	3% - 6%	29,900,000	520,635,408	-	520,635,408
France	Income capitalisation/Hardcore method	3% - 5%	20,500,000	425,850,000	-	425,850,000
Spain	Discounted cash flow	5% - 6%	7,900,000	112,019,000	-	112,019,000
Luxembourg	Hardcore Method	4% - 5%	10,200,000	179,400,000	-	179,400,000
Italy	Discounted cash flow	4% - 5%	1,300,000	24,850,000	-	24,850,000
Finland	Discounted cash flow	3% - 6%	5,700,000	100,000,000	2,700,000	102,700,000
Denmark	Discounted cash flow	3% - 4%	5,700,000	119,371,455	-	119,371,455
Germany	Discounted cash flow	2% - 6%	30,200,000	557,800,000	-	557,800,000
				2,039,925,863	**2,700,000**	**2,042,625,863**

Note 5 - Investment property (continued)

Valuation process (continued)

As at 31 December 2020, if rental yield rates had been 0.5% higher, with all other variables held constant, net assets attributable to the partners would have been €266,939,501 (2019: €205,956,130) lower. As at 31 December 2020, if rental yield rates had been 0.5% lower, with all other variables held constant, net assets attributable to partners would have been €349,345,534 (2019: €275,919,763) higher.

As at 31 December 2020, if rental income rates had been 5% lower, with all other variables held constant, net assets attributable to partners would have been €120,134,843 (2019: €91,265,068) lower. As at 31 December 2020, if rental income rates had been 5% higher, with all other variables held constant, net assets attributable to partners would have been €120,908,173 (2019: €100,588,070) higher.

Valuation techniques underlying management's estimation of fair value

Both the income capitalisation method and the discounted cash flow method are based on significant unobservable inputs including:

- 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;
- Discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
- Estimated vacancy rates based on current and expected future market conditions after expiry of any current lease;
- Capitalisation rates based on actual location, size and quality of the properties and taking into account market data at the valuation date;
- Terminal value taking into account assumptions regarding capital costs, maintenance costs, vacancy rates and market rents.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. In this context, for some classes of properties (Offices/ Residential properties) the valuation is subject to market conditions clause while for Hotel and Retail sectors material valuation uncertainty is maintained.

Note 6 – Investments in associates and joint ventures

	31 December 2020						
	SCI IMMO C47 (1)	Avicdale Limited (1)	Iberubbo Imobilaria Lda (1)	Paunsdorf Center Luxco S.à r.l. (2)	Alpha Log Fund (2)	Selectiv Core Italy SICAF (1)	SCI Backin (3)
	€	€	€	€	€	€	€
Opening balance	177,189,591	94,053,446	43,741,377	24,705,284	-	110,541,887	11,822,220
Additions / disposals during the period:							
- Additions	2,727,605	3,183,683	-	-	90,206,638	-	-
- Subsequent reduction in acquisition price	(121,038)	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-
Net profit / (loss) on investments in associates and joint ventures held at fair value	-	-	-	-	-	-	(9,396,661)
Dividends distributed	(8,868,963)	(1,163,521)	-	-	-	(1,048,900)	-
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	5,482,766	5,200,475	4,864,374	(698,140)	-	(1,609,152)	-
Closing balance	**176,409,961**	**101,274,083**	**48,605,751**	**24,007,144**	**90,206,638**	**107,883,835**	**2,425,559**

	31 December 2020						
	Log Italy Fund REIF(2)	Luxembourg Investment Company 327 S.à r.l. (1)	JV FORTE S.à r.l.(1) (formerly Luxembourg Investment Company 359 S.à r.l.)	CoRE FR 14 SAS & CoRE FR 15 SAS (1)	OneLog Invest (Lux) S.à r.l. (2)	Claypole Limited (1)	Total
	€	€	€	€	€	€	€
Opening balance	-	15,982,203	13,928,711	71,449,918	105,959,302	24,132,106	693,506,045
Additions during the period:							
- Additions	11,942,000	7,043,302	3,442,367	2,310,000	4,376,109	-	125,231,704
- Subsequent reduction in acquisition price	-	-	-	-	-	-	(121,038)
Return of capital	(4,642,900)	-	-	-	-	(275,000)	(4,917,900)
Net profit / (loss) on investments in associates and joint ventures held at fair value	-	-	-	-	-	-	(9,396,661)
Dividends distributed	-	-	-	-	-	(1,006,249)	(12,087,633)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	(274,160)	(23,025,505)	4,020,302	(24,344,540)	17,184,235	756,254	(12,443,091)
Closing balance	**7,024,940**	**-**	**21,391,380**	**49,415,378**	**127,519,646**	**23,607,111**	**779,771,426**

(1) Joint venture accounted for using the equity method.
(2) Associate accounted for using the equity method.
(3) Associate accounted for using the fair value method.

Note 6 – Investments in associates and joint ventures (continued)

	31 December 2019						
	SCI IMMO C47 [(1)]	Avicdale Limited [(1)]	Iberubbo Imobilaria Lda [(1)]	Paunsdorf Center Luxco S.à r.l. [(2)]	Logisitics Europe AXA Feeder S.C.A (formerly OneLog S.A.) [(2)]	Selectiv Core Italy SICAF [(1)]	SCI Backin [(3)]
	€	€	€	€	€	€	€
Opening balance	160,381,169	54,076,540	53,833,877	22,888,959	77,889,625	110,850,487	11,262,870
Additions / disposals during the period:							
- Additions	10,025,822	40,403,125	-	-	-	-	-
- Disposals	-	-	-	-	(89,944,671)	-	
- Subsequent expenditure	-	-	-	-	6,405,703	-	-
- Subsequent reduction in acquisition price	(123,711)	-	-	(349,019)	-	-	-
Return of capital	-	-	-	-	-	(7,129,997)	-
Net profit / (loss) on investments in associates and joint ventures held at fair value	-	-	-	-	-	-	559,350
Dividends distributed	(4,409,980)	(750,000)	-	-	-	(620,002)	-
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	11,316,291	323,781	(10,092,500)	2,165,344	5,649,343	7,441,399	-
Closing balance	**177,189,591**	**94,053,446**	**43,741,377**	**24,705,284**	**-**	**110,541,887**	**11,822,220**

	31 December 2019					
	Luxembourg Investment Company 327 S.à r.l. [(1)]	JV FORTE S.à r.l.[(1)] (formerly Luxembourg Investment Company 359 S.à r.l.)	CoRE FR 14 SAS & CoRE FR 15 SAS [(1)]	OneLog Invest (Lux) S.à r.l. [(2)]	Claypole Limited [(1)]	Total
	€	€	€	€	€	€
Opening balance	-	-	-	-	-	491,183,527
Additions during the period:						
- Additions	15,982,203	13,928,711	88,666,300	96,172,787	21,947,784	287,126,732
- Disposals	-	-	-	-	-	(89,944,671)
- Subsequent expenditure	-	-	-	-	-	6,405,703
- Subsequent reduction in acquisition price	-	-	-	-	-	(472,730)
Return of capital	-	-	-	-	-	(7,129,997)
Net profit / (loss) on investments in associates and joint ventures held at fair value	-	-	-	-	-	559,350
Dividends distributed	-	-	-	-	-	(5,779,982)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	-	-	(17,216,382)	9,786,515	2,184,322	11,558,113
Closing balance	**15,982,203**	**13,928,711**	**71,449,918**	**105,959,302**	**24,132,106**	**693,506,045**

** Same transaction

(1) Joint venture accounted for using the equity method.
(2) Associate accounted for using the equity method.
(3) Associate accounted for using the fair value method.

Note 6 – Investments in associates and joint ventures (continued)

Loans to associates and joint ventures are as follows:

Borrower	Lender	Interest rate	Maturity	Maximum value of €	31 December 2020 € Gross value	€ Impairment	€ Carrying value
SCI Backin	ACEF SPPPICAV	0.00%	31/03/2026	€100m	58,113,833	-	58,113,833
OneLog Invest (Lux) S.à r.l.*	ACEF Holding S.C.A.	2.64%	01/07/2032	n/a	204,322,438	-	204,322,438
Paunsdorf Center Luxco S.à r.l.	ACEF Holding S.C.A.	0.50%	31/03/2021	€15.0m	7,699,141	-	7,699,141
Iberubbo Imobilaria, Lda.	ACEF Holding S.C.A.	5.40%	08/01/2028	€56.9m	53,373,375	-	53,373,375
CoRE FR 14 SAS	ACEF 2 SPPPICAV	1.17%	31/03/2026	n/a	165,190,390	-	165,190,390
CoRE FR 15 SAS	ACEF 2 SPPPICAV	1.17%	31/03/2026	n/a	48,545,070	-	48,545,070
Luxembourg Investment Company 327 S.à r.l.**	ACEF Holding S.C.A.	3.55%	06/12/2024	€136.4m	134,399,997	(19,354,045)	115,045,952
JV FORTE S.à r.l. (formerly Luxembourg Investment Company 359 S.à r.l.)	ACEF Holding S.C.A.	2.68%	02/12/2024	€51.4m	51,373,289	-	51,373,289
SCI IMMO C47	CORE FR 2018 2 SCI	0.00%	n/a	n/a	2,279,652	-	2,279,652
Saturne Habitat 2	ACEF 2 SPPPICAV	0.00%	n/a	n/a	14,015,000	-	14,015,000
					739,312,185	(19,354,045)	719,958,140

Borrower	Lender	Interest rate	Maturity	Maximum value of €	31 December 2019 € Gross value	€ Impairment	€ Carrying value
SCI Backin	ACEF SPPPICAV	0.00%	31/03/2026	€100m	59,630,500	-	59,630,500
OneLog Invest (Lux) S.à r.l.*	ACEF Holding S.C.A.	5.92%	01/07/2032	n/a	173,727,435	-	173,727,435
Paunsdorf Center Luxco S.à r.l.	ACEF Holding S.C.A.	0.50%	31/03/2021	€15.0m	7,699,141	-	7,699,141
Iberubbo Imobilaria, Lda.	ACEF Holding S.C.A.	5.40%	08/01/2028	€56.9m	56,973,375	-	56,973,375
CoRE FR 14 SAS	ACEF 2 SPPPICAV	1.34%	31/03/2026	n/a	162,133,800	-	162,133,800
CoRE FR 15 SAS	ACEF 2 SPPPICAV	1.34%	31/03/2026	n/a	46,200,070	-	46,200,070
Luxembourg Investment Company 327 S.à r.l.	ACEF Holding S.C.A.	3.55%	06/12/2024	€114m	91,901,634	-	91,901,634
Luxembourg Investment Company 327 S.à r.l.	ACEF Holding S.C.A.	0.00%	19/03/2020	€10.06	1,876,118	-	1,876,118
JV FORTE S.à r.l. (formerly Luxembourg Investment Company 359 S.à r.l.)	ACEF Holding S.C.A.	2.70%	02/12/2024	€51.4m	51,373,289	-	51,373,289
					651,515,362	-	651,515,362

*Under the loan agreement between ACEF Holding S.C.A. and OneLog Invest (Lux) S.à r.l., the interest rate corresponds to the average interest rate applied on the subordinated loans (i.e. between OneLog Invest (Lux) S.à r.l. and its subsidiaries) minus a margin, determined by Transfer Pricing analysis.

**As at 31 December 2020, Luxembourg Investment Company 327 S.à r.l. had a negative net asset value. As a consequence, the Group has impaired the associated loan to Luxembourg Investment Company 327 S.à r.l. by an amount equal to the Group's share in excess of the loss.

Note 6 – Investments in associates and joint ventures (continued)

Investments in associates and joint ventures are accounted for under the equity method or the fair value method where certain criteria are met under IAS 28. The most significant factor in the carrying value of the investments is the fair values of the underlying properties held directly / indirectly by these entities. These properties are held at fair value in accordance with IAS 40 *Investment Property,* with changes in fair value being recognised in profit or loss. The valuation techniques used in the valuation of these properties include: discounted cash flow, hardcore method, investment method and income capitalisation method. The key unobservable inputs used in the valuation include: stabilised yield and estimated rental value.

Therefore the Group would classify the fair value of its investments in associates and joint ventures as Level 3 (see Note 3).

IAS 28 allows exemption from the equity method of accounting where an investment in an associate or joint venture is a mutual fund and can be accounted for at fair value in accordance with IFRS 9.

The Group has applied this exemption in the case of the following associate:

SCI Backin

SCI Backin is held (at a level of 16.67%) by SPPICAV, a French regulated Fund i.e. a French OPCI, meeting the definition of a mutual fund.

As at 31 December 2020 and 31 December 2019, SCI Backin had invested in the following investment property:

Country	Valuation technique	Rental yield	Estimated Rental Value €	Fair Value 31 December 2020 €
France	Income capitalisation approach	4.9% - 5.3%	40,260,380	759,000,000

Country	Valuation technique	Rental yield	Estimated Rental Value €	Fair Value 31 December 2019 €
France	Income capitalisation approach	3.0% - 5.0%	41,915,824	840,000,000

*(per sq.m per annum)

As at 31 December 2020, if rental yield rates in relation to these investment properties had been 0.5% higher, with all other variables held constant, net assets attributable to the partners would have been €12,122,424 (2019: €37,532,500) lower. As at 31 December 2020, if rental yield rates in relation to these investment properties had been 0.5% lower, with all other variables held constant, net assets attributable to the partners would have been €14,789,624 (2019: €45,240,000) higher.

As at 31 December 2020, if rental income rates in relation to these investment properties had been 5% higher, with all other variables held constant, net assets attributable to the partners would have been €6,521,304 (2019: €17,035,000) higher.

As at 31 December 2020, if rental income rates in relation to this investment properties had been 5% lower, with all other variables held constant, net assets attributable to the partners would have been €6,587,984 (2019: €18,775,000) lower.

See Note 21 for details of Group financial commitments towards associates and joint ventures.

The Group had no other contingent liabilities or contingent assets at 31 December 2020 or at 31 December 2019.

Note 6 – Investments in associates and joint ventures (continued)

Summarised information – joint ventures and associates

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Group's share of those amounts.

	SCI IMMO C47		Avicdale Limited		Iberubbo Imobilaria Lda		Paunsdorf Center Luxco S.à r.l.		Log Italy Fund REIF		Selectiv Core Italy SICAF		SCI Backin	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	€	€	€	€	€	€	€	€	€	€	€	€	€	€
Non current assets	367,300,000	369,900,000	332,904,979	289,130,888	301,876,000	316,150,290	248,443,051	259,763,000	35,200,000	-	205,490,000	214,000,000	384,833,523	433,565,276
Current assets	3,674,454	4,410,574	25,887,691	10,639,015	30,654,890	51,859,452	24,453,000	16,617,000	1,796,118	-	11,882,694	9,491,080	4,152,254	6,101,864
Total assets	**370,974,454**	**374,310,574**	**358,792,670**	**299,769,903**	**332,530,890**	**368,009,742**	**272,896,051**	**276,380,000**	**36,996,118**	**-**	**217,372,694**	**223,491,080**	**388,985,777**	**439,667,140**
Non current liabilities	-	-	10,618,584	5,261,963	218,410,329	134,672,356	-	-	14,500,000	-	-	-	-	-
Current liabilities	10,954,124	12,699,164	33,545	1,684,281	6,107,781	136,134,324	165,960,000	166,333,000	556,893	-	1,605,024	2,407,306	374,435,340	368,733,825
Total liabilities	**10,954,124**	**12,699,164**	**10,652,129**	**6,946,244**	**224,518,110**	**270,806,680**	**165,960,000**	**166,333,000**	**15,056,893**	**-**	**1,605,024**	**2,407,306**	**374,435,340**	**368,733,825**
Net assets	**360,020,330**	**361,611,410**	**348,140,541**	**292,823,659**	**108,012,780**	**97,203,062**	**106,936,051**	**110,047,000**	**21,939,225**	**-**	**215,767,670**	**221,083,774**	**14,550,437**	**70,933,315**
Group investment in associate / joint venture	**49.00%**	**49.00%**	**29.09%**	**32.12%**	**45.00%**	**45.00%**	**22.45%**	**22.45%**	**32.02%**	**0.00%**	**50.00%**	**50.00%**	**16.67%**	**16.67%**
Carrying amount	**176,409,961**	**177,189,591**	**101,274,083**	**94,053,446**	**48,605,751**	**43,741,377**	**24,007,144**	**24,705,284**	**7,024,940**	**-**	**107,883,835**	**110,541,886**	**2,425,559**	**11,822,219**
Total revenues	**11,672,032**	**25,546,061**	**13,873,166**	**1,944,736**	**39,187,476**	**42,026,027**	**15,725,000**	**16,457,000**	**901,938**	**-**	**10,879,968**	**16,262,405**	**-**	**34,925,856**
Total expenses	**(883,107)**	**(2,704,386)**	**(1,594,657)**	**(2,224,759)**	**(32,636,653)**	**(39,473,795)**	**(19,574,000)**	**(7,316,000)**	**(1,758,711)**	**-**	**(1,305,773)**	**(1,378,109)**	**(23,937,918)**	**(36,017)**
Profit / (loss) from continuing operations	**10,788,925**	**22,841,675**	**12,278,509**	**(280,023)**	**6,550,823**	**2,552,232**	**(3,849,000)**	**9,141,000**	**(856,773)**	**-**	**9,574,195**	**14,884,296**	**(23,937,918)**	**34,889,839**
Taxation	**(167,796)**	**325**	**(3,468,348)**	**(508,749)**	**9,722,763**	**(24,980,010)**	**741,000**	**(960,000)**	**(2)**	**-**	**(1,498)**	**(1,496)**	**-**	**-**
Profit / (loss) after taxation from continuing operations	**10,621,129**	**22,842,000**	**8,810,161**	**(788,772)**	**16,273,586**	**(22,427,778)**	**(3,108,000)**	**8,181,000**	**(856,775)**	**-**	**9,572,697**	**14,882,800**	**(23,937,918)**	**34,889,839**

Note 6 – Investments in associates and joint ventures (continued)

Summarised information – joint ventures and associates (continued)

	Alpha Log Fund		Luxembourg Investment Company 327 S.à r.l.*		JV FORTE S.à r.l. (formerly Luxembourg Investment Company 359 S.à r.l.)		OneLog Invest (Lux) S.à r.l.		CoRE FR 14 SAS		CoRE FR 15 SAS		Claypole Limited	
	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €	31 December 2020 €	31 December 2019 €
Non current assets	267,264,715	-	463,192,809	274,399,884	392,900	195,900,003	1,485,869,822	1,326,855,236	404,445,329	434,526,829	115,751,041	122,684,084	95,431,069	96,207,912
Current assets	23,828,863	-	15,382,862	-	232,430,937	-	159,969,464	107,089,556	5,555,640	1,274,990	1,433,974	2,605,100	1,237,123	1,455,009
Total assets	**291,093,578**	**-**	**478,575,671**	**274,399,884**	**232,823,837**	**195,900,003**	**1,645,839,286**	**1,433,944,792**	**410,000,969**	**435,801,819**	**117,185,015**	**125,289,184**	**96,668,192**	**97,662,921**
Non current liabilities	-	-	512,234,788	234,444,379	161,486,764	154,109,690	1,215,390,876	619,859,627	330,357,600	324,267,600	97,090,000	92,400,000	2,203,196	870,766
Current liabilities	9,637,609	-	14,725,995	-	7,156,515	-	32,198,424	483,169,170	878,019	723,625	29,609	799,942	36,550	263,731
Total liabilities	**9,637,609**	**-**	**526,960,783**	**234,444,379**	**168,643,279**	**154,109,690**	**1,247,589,300**	**1,103,028,797**	**331,235,619**	**324,991,225**	**97,119,609**	**93,199,942**	**2,239,746**	**1,134,497**
Net assets	**281,455,969**	**-**	**(48,385,112)**	**39,955,505**	**64,180,558**	**41,790,313**	**398,249,986**	**330,915,995**	**78,765,350**	**110,810,594**	**20,065,406**	**32,089,242**	**94,428,446**	**96,528,424**
Group investment in associate / joint venture	**32.05%**	**0.00%**	**40.00%**	**40.00%**	**33.33%**	**33.33%**	**32.02%**	**32.02%**	**50.00%**	**50.00%**	**50.00%**	**50.00%**	**25.00%**	**25.00%**
Carrying amount	**90,206,638**	**-**	**-**	**15,982,203**	**21,391,380**	**13,928,711**	**127,519,646**	**105,959,302**	**39,382,675**	**55,405,298**	**10,032,703**	**16,044,620**	**23,607,111**	**24,132,106**
Total revenues	**-**	**-**	**16,804,099**	**-**	**26,346,403**	**-**	**137,195,072**	**120,195,883**	**-**	**184**	**1,078,825**	**48,896**	**9,676,787**	**10,197,509**
Total expenses	**-**	**-**	**(99,444,325)**	**-**	**(7,343,157)**	**-**	**(57,535,772)**	**(52,933,155)**	**(61,236,688)**	**(26,922,089)**	**(22,608,077)**	**(3,080,684)**	**(406,689)**	**(728,960)**
Profit / (loss) from continuing operations	**-**	**-**	**(82,640,226)**	**-**	**19,003,246**	**-**	**79,659,300**	**67,262,728**	**(61,236,688)**	**(26,921,905)**	**(21,529,252)**	**(3,031,788)**	**9,270,098**	**9,468,549**
Taxation	**-**	**-**	**(51,889)**	**-**	**(6,917,638)**	**-**	**(24,260,978)**	**(18,370,587)**	**-**	**-**	**-**	**(4,479,070)**	**(2,419,232)**	**(2,549,343)**
Profit / (loss) after taxation from continuing operations	**-**	**-**	**(82,692,115)**	**-**	**12,085,608**	**-**	**55,398,322**	**48,892,141**	**(61,236,688)**	**(26,921,905)**	**(21,529,252)**	**(7,510,858)**	**6,850,866**	**6,919,206**

*As at 31 December 2020, Luxembourg Investment Company 327 S.à r.l. had a negative net asset value. As a consequence, the Group has impaired the associated loan to Luxembourg Investment Company 327 S.à r.l. by an amount equal to the Group's share in excess of the loss.

Note 6 – Investments in associates and joint ventures (continued)

Investing activities including non-cash transactions

	31 December 2020 €	**31 December 2019 €**
Disposal of investment in Logistics Europe AXA Feeder S.C.A (formerly OneLog S.A.) by means of cancellation of share capital and loan repayments	-	230,273,890
Investment in OneLog Invest (Lux) S.à r.l. through transfer of shares and loan as payment	-	(227,917,964)
Cash transfer	-	2,355,926

In the financial year ended 31 December 2019, pursuant to internal restructuring, Logistics Europe AXA Feeder S.C.A. (formerly OneLog S.A), cancelled shares and share premium and repaid its shareholder loans to ACEF Holding S.C.A, a Group entity. Payment was made mainly in kind by the transfer of shares in OneLog Invest (Lux) S.à r.l. to ACEF Holding S.C.A. and the assignment of a shareholder loan. The remaining difference of €2,355,926 was paid in cash to ACEF Holding S.C.A. There was no gain or loss to the Group arising from this restructuring.

Note 7 – Financial assets at fair value through profit or loss

	31 December 2020 €	**31 December 2019 €**
Opening balance	43,621,508	11,650,278
Cegereal		
- Return of capital	(235,624)	-
- Net (loss)/gain on shares held in Cegereal	(3,102,377)	2,356,236
Receivable instruments		
- Acquired in asset acquisition	-	29,614,994
- Disposals	(29,614,994)	-
Closing balance	10,668,513	43,621,508

The Group holds less than 5.00% investment in Cegereal REIT. This investment is treated as an investment in financial assets. Cegereal REIT owns interests in commercial properties in Paris, France.

As at 31 December 2019, the Group held an investment in receivable instruments through an underlying fully owned subsidiary, NRE Gresham II S.à r.l., which was treated as an investment in financial assets held at fair value. This investment was redeemed in full during the financial year ended 31 December 2020 with a realised gain on disposal of €243,500 recognised in the consolidated statement of comprehensive income within interest income.

As at 31 December 2020, if the fair value of financial assets had been 1.0% higher/lower, with all other variables held constant, net assets attributable to partners would have been €106,685 (2019: €436,215) higher/lower.

Note 8 – Investment held at amortised cost

	31 December 2020 €	31 December 2019 €
Opening balance	5,000,000	-
Acquired in asset acquisition:		
Receivable instruments	-	5,000,000
Closing balance	5,000,000	5,000,000

The Group holds an investment in receivable instruments through an underlying fully owned subsidiary, Symbol Holdco C-T S.à r.l. The receivable is accounted for at amortised cost.

Note 9 - Other receivables and prepayments

	31 December 2020	31 December 2019
Current assets	**€**	**€**
Receivable from joint venture	2,940,000	5,880,000
Receivable from seller - Dolphin square	3,444,439	-
Other receivables from tenants	50,474	-
Receivable from associate	-	244,951
Collateral receivable on derivatives	4,000,000	900,000
Value added tax receivable	6,119,105	7,021,252
Cash held by property managers	4,252,067	1,618,488
Gross rent receivable	16,048,428	14,080,982
Allowance for bad debts - Rent	(1,367,646)	(648,384)
Deposits held for investments	87,603,401	-
Accrued income	1,070,167	2,626,566
Other receivables and prepayments	8,316,354	10,592,361
Total current assets	**132,476,789**	**42,316,216**
Non-current assets		
Other receivables from tenants	2,650,000	-
Total non-current assets	**2,650,000**	**-**
Total other receivables and prepayments	**135,126,789**	**42,316,216**

Deposits held for investments of €87.6m relates to cash transferred to a subscription account for investment into ACEF 2 SPPICAV in Q1 2021.

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.

Note 10 - Derivatives at fair value through profit or loss

The Group uses currency forward contracts, which represent commitments to purchase domestic currency to hedge against foreign currency exposures. The Group also uses interest rate swaps, which relate to contracts taken out by the Group with major brokers in which the Group either receives or pays a floating rate of interest in return for paying or receiving, respectively, a fixed rate of interest. These derivatives are accounted for as trading instruments.

The notional/transaction amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the consolidated statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks.

Note 10 - Derivatives at fair value through profit or loss (continued)

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates and interest rates relative to the terms. The aggregate transaction or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair value of derivative financial assets and liabilities, can fluctuate significantly from time to time.

The fair values of derivative instruments held are set out below:

	Nominal value			Fair Value		
	(in local currency)			Assets	Liabilities	Net
As at 31 December 2020	**€**	**GBP**	**DKK**	**€**	**€**	**€**
Derivatives at fair value through profit or loss						
Interest rate swaps	155,000,000	52,250,000	-	-	(6,583,704)	(6,583,704)
Interest rate caps	319,827,294	185,917,278	-	135,510	-	135,510
Currency forward contracts	-	396,445,000	902,000,000	-	(5,050,465)	(5,050,465)
Total derivatives at fair value through profit or loss	474,827,294	634,612,278	902,000,000	135,510	(11,634,169)	(11,498,659)

	Nominal value			Fair Value		
	(in local currency)			Assets	Liabilities	Net
As at 31 December 2019	**€**	**GBP**	**DKK**	**€**	**€**	**€**
Derivatives at fair value through profit or loss						
Interest rate swaps	155,000,000	52,250,000	-	-	(4,775,477)	(4,775,477)
Interest rate caps	741,995,759	388,562,706	-	405,433	-	405,433
Currency forward contracts	-	229,497,824	887,000,000	1,721,727	-	1,721,727
Total derivatives at fair value through profit or loss	896,995,759	670,310,530	887,000,000	2,127,160	(4,775,477)	(2,648,317)

Maturities for interest rate swaps and interest rate caps held as at 31 December 2020 ranged from October 2021 to May 2026 (31 December 2019 range: October 2021 to May 2026).

All currency forward contracts held as at 31 December 2020 were due to mature in January 2021 (31 December 2019: March 2020).

Note 11 – Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. The table below shows cash and cash equivalents by institution, and by the S&P credit ratings of those institutions.

Institution	**31 December 2020 S&P Rating**	**31 December 2019 S&P Rating**	**31 December 2020 €**	**31 December 2019 €**
The Bank of New York Mellon, NA/NV	AA-	A	104,856,719	107,609,354
Société Générale Luxembourg SA	A	N/a	33,883,025	-
J.P. Morgan Bank Luxembourg SA	A+	A+	22,649,251	21,647,833
Barclays Bank UK PLC	BBB	N/a	14,680,564	-
Berliner Sparkasse - Landesbank Berlin AG	N/a	N/a	11,325,038	-
CA Indosuez Wealth (Europe) SA	A+	A+	9,319,095	5,878,162
Bank of America NT and SA	A+	A+	10,877,764	11,131,776
BNP Paribas Securities Services SCA	A+	A+	7,395,240	11,332,497
ABN AMRO Bank N.V.	A	N/a	7,982,322	-
Danske Bank A/S	A	A	5,771,115	3,148,318
Santander Bank SA	A	A	2,723,689	3,145,681
Nordea Bank Oyj	AA-	AA-	1,544,688	2,766,777
State Street Bank International GmbH	A	A	1,187,815	1,637,901
Other	N/a	N/a	1,449,599	4,489,963
			235,645,924	172,788,262

Note 12 – Trade and other payables

	31 December 2020	31 December 2019
Current liabilities	**€**	**€**
Accounting fees	244,850	85,944
Administration fees	331,291	341,879
Audit fees	851,322	414,403
Interest payable	2,922,786	2,111,166
Collateral payable on derivatives	-	3,400,000
Depositary fees accrued	125,503	282,497
Fixed asset and capital expenditure accruals	1,003,879	1,427,372
Legal fees	40,905	38,643
Management fees	6,246,159	7,167,005
Refundable deposits	11,436,708	9,172,080
Value added tax payable	14,631,056	7,047,601
Service charges in advance	-	38,889
Tax fees	128,743	129,631
Trade creditors	10,873,689	31,205,012
Valuation fees	80,672	204,774
Other payables and accrued expenses	4,860,658	1,910,107
Total current liabilities	**53,778,221**	**64,977,003**
Non-current liabilities		
Other payables and accrued expenses	2,650,000	-
Total non-current liabilities	**2,650,000**	-
Total trade and other payables	**56,428,221**	**64,977,003**

The estimated fair values of the above financial liabilities are the discounted amounts of the estimated future cash flows expected to be received and approximate their carrying amounts.

Note 13 – Rental income

	31 December 2020	31 December 2019
	€	**€**
Rental income	130,140,445	59,953,064
	130,140,445	59,953,064

At year-end the total contractually agreed rental income based on the leases in operation (excluding rental guarantees received) is as follows:

	31 December 2020	31 December 2019
	€	**€**
No later than 1 year	90,222,448	93,017,641
Later than 1 year and no later than 2 years	56,654,559	62,641,063
Later than 2 years and no later than 3 years	44,900,834	48,345,934
Later than 3 years and no later than 4 years	31,903,383	40,535,888
Later than 4 years and no later than 5 years	22,482,291	31,197,654
Later than 5 years	35,131,512	68,146,816
Total	281,295,027	343,884,996

As at 31 December 2020, the rental income of the Group was not materially affected by the impact of COVID-19.

Note 14 - Operating expenses

	31 December 2020 €	31 December 2019 €
Accounting and professional fees	2,896,779	1,832,974
Administration fees	1,523,728	378,924
Audit fees	1,318,990	782,571
Legal fees	542,692	479,161
Management fees	16,409,034	8,647,870
Net service fee expense	378,583	379,320
Other property expenses	14,502,993	5,876,042
Real estate expenses	7,035,705	1,885,761
Tax fees	846,112	187,279
Valuation fees	765,017	604,372
Acquisition costs related to business combination	8,945,502	-
Staff costs	2,278,437	-
Other operating expenses	3,627,411	6,061,546
	61,070,983	27,115,820

Note 15 - Finance result

	31 December 2020 €	31 December 2019 €
Realised foreign exchange gains on forward contracts	27,161,125	-
Other finance income	1,231,000	-
Unrealised foreign exchange gains	1,468,366	-
Interest income from associates and joint ventures	17,418,238	12,226,428
Finance income	**47,278,729**	**12,226,428**
Unrealised foreign exchange losses	-	1,252,146
Realised foreign exchange losses on forward contracts	-	12,734,834
Realised foreign exchange losses	8,588,318	4,332,774
Interest expense on external loans	19,800,537	7,130,217
Bank charges	10,762,535	1,066,019
Interest expense on derivatives	1,529,159	1,025,241
Unrealised loss on derivatives	8,850,342	3,316,769
Other finance expense	-	1,231,000
Debt issue fees	1,176,704	672,773
Finance expense	**50,707,595**	**32,761,773**
Finance result	**(3,428,866)**	**(20,535,345)**

Note 16 – Business combinations and asset acquisitions

a. Business combinations

On 16 September 2020, the Group acquired 51% of the share capital of Dolphin Square Estate Limited and Dolphin Square Operator Limited (together termed as "Dolphin Square entities") from Westbrook Partners, a real estate investment management company. The purpose of the transaction is to acquire the unencumbered freehold interest in a large private rented residential complex in the UK (1,233 units / 795,990 sqft / 7.5 acre site), located in Central London (Pimlico, Zone 1), and undertake a rolling upgrade programme of the residential and amenity space to capture reversion over the medium to long term.

In addition to the acquisition of a property company, the Group also acquired an operating company. Within this operating company, there are employees involved in the operations of the property. As a consequence, this acquisition met the definition of a business in accordance with IFRS 3.

Total purchase consideration amounted to a net cash outflow of €203m (see Note 20 for detail of non-controlling interests).

The assets and liabilities acquired and recognised in the consolidated statement of financial position on the dates of acquisition during 2020 were:

	Dolphin Square entities €
Investment property (Note 5)	793,017,074
Cash and cash equivalents	9,809,546
Borrowings (Note 17)	(395,355,400)
Other receivables	6,613,582
Other payables	(13,491,065)
Net identifiable assets acquired	**400,593,737**
Goodwill arising on acquisition	4,665,726
Non-controlling interest (Note 20)	(192,273,584)
Total consideration	212,985,879
Less cash and cash equivalents of subsidiaries acquired	(9,809,546)
Net outflow of cash and cash equivalents on acquisition	203,176,333

The goodwill recognised as part of the transaction is attributable to synergies expected to arise from the combination.

As at 31 December 2020 the goodwill on acquisition has been fully written off to nil.

The valuation of investment property at the acquisition date was performed by an independent professional appraiser with experience of the relevant market. The fair value of cash and cash equivalents was considered to equal the carrying value representing the Dolphin square entities bank deposits. The fair value of borrowings and trade and other payables was calculated based on discounted cash flow models. Non-controlling interest represents the share of net assets held by the non-controlling investor as of acquisition date.

There were no contingent liabilities arising as part of the Dolphin transaction.

From the date of acquisition, the Dolphin Square entities contributed €12m of revenue and a loss of €20m before tax to the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been €35m and loss before tax from continuing operations for the Group would have been €173m.

Note 16 – Business combinations and asset acquisitions (continued)

b. Asset acquisitions

On 31 July 2019, the Group acquired 65% of the share capital of the following entities: DDS Edelweiss B.V., DDS Lime, DDS Maple B.V., Sirius Laburnum B.V., and Sirius Orchid B.V. (together termed as "Dutch B.V.s". Total purchase consideration amounted to cash of €18m (excluding acquisition related costs).

On 30 September 2019, the Group acquired 100% of the share capital of NorthStar Realty Europe Corp (hereafter referred as "NRE" and the transaction hereafter referred as "NRE Transaction"), a NYSE listed Real Estate Investment Trust ("REIT"), which held a portfolio of high quality office assets and hotels located across three European Markets: Germany, France and UK (see Note 5), through its various fully owned subsidiaries (hereafter referred to as "NRE entities"). See Note 26 for details of the entities acquired as part of the NRE Transaction. NRE held assets and operations through NorthStar Realty Europe Limited Partnership (NRE Partnership).

Subsequent to the acquisition by the Group, NRE entered into a merger agreement whereby NRE merged into a Nighthawk Merger SUB LLC (a US subsidiary company).

See Note 5 for details of the assets acquired as part of the NRE Transaction.

Further pursuant to internal restructuring, both Nighthawk Merger SUB LLC and NRE Partnership have been put into liquidation. Accordingly all underlying assets and operations were transferred / acquired by CoRE PANEURO 2019 13 S.à r.l. (a Luxembourg based company and 100% subsidiary of the Group).

Total purchase consideration amounted to a cash outflow of €552m.

The General Partner considers that at acquisition, NorthStar Realty Europe Corp and the Dutch B.V.s constituted groups of net assets, rather than businesses as defined in IFRS 3. As these acquisitions were not accounted for as business combinations and as neither accounting profit nor taxable profit were affected at the time of the transactions, the initial recognition exemption in IAS 12, 'Income taxes' applies, and the Group does not recognise deferred tax that would otherwise have arisen on temporary differences associated with the acquired assets and liabilities at initial recognition.

The assets and liabilities recognised in the consolidated statement of financial position on the dates of acquisition during 2019 were:

	NRE entities	Dutch B.V.s	Total
	€	€	€
Investment property (Note 5)	1,024,657,975	157,346,429	1,182,004,404
Cash and cash equivalents	28,636,187	2,664,000	31,300,187
Borrowings (Note 17)	(479,473,646)	(45,046,000)	(524,519,646)
Other receivables	50,969,731	164,000	51,133,731
Other payables	(33,465,042)	(86,862,072)	(120,327,114)
Non-controlling interest (Note 20)	(5,333,428)	(10,177,229)	(15,510,657)
Total purchase consideration	585,991,777	18,089,128	604,080,905
Less cash and cash equivalents of subsidiary acquired	(28,636,187)	(2,664,000)	(31,300,187)
Less acquisition costs remaining payable	(5,600,000)	-	(5,600,000)
Less purchase consideration remaining payable	-	(3,519,258)	(3,519,258)
Net outflow of cash and cash equivalents on acquisition	551,755,590	11,905,870	563,661,460

Note 17 - Borrowings

The table below shows the Group borrowings as at 31 December 2020 and 31 December 2019:

	31 December 2020 €	31 December 2019 €
Bank borrowings	1,173,848,543	789,190,577
Loans from non-controlling interests	78,486,731	22,384,677
Debt issue costs	(4,157,994)	(14,309,658)
Amortisation of debt issue costs	1,204,823	7,259,873
Lease liabilities	2,763,473	2,700,000
	1,252,145,576	807,225,469
Borrowings directly associated with investment property held for sale	4,785,680	-
Total borrowings	1,256,931,256	807,225,469

The amortised cost of the borrowings approximates its fair value as at 31 December 2020 and as at 31 December 2019.

As at 31 December 2020 and 31 December 2019, all bank borrowings are secured on investment properties.

Bank borrowings

- On 31 October 2016, the Group, through its 100% subsidiary, CoRE UK 2016 1 S.à r.l., entered into a loan facility agreement with ING Bank N.V. for a principal amount of up GBP 38,750,000, to refinance the cost of acquisition of a property in London. The loan bears interest at a variable 3 month LIBOR floating rate plus a spread margin of 1.70% per annum and matures on 30 October 2023.
- On 13 June 2017, the Group, through its 85% subsidiary, Area Sur Shopping, S.L., entered into a loan facility agreement with Santander and CaixaBank for a principal amount of up €50,000,000, to refinance the cost of acquisition of a property in Spain. The loan bears interest at a variable 6 month EURIBOR floating rate plus a spread margin of 1.80% per annum and matures on 13 June 2022.
- On 3 October 2017, the Group, through its 100% subsidiary, CoRE UK 2016 3 S.à r.l. entered into a loan facility agreement with ING Bank N.V., for a principal amount of up to GBP 22,640,000, to refinance the cost of acquisition of a property in London. The loan bears interest at a variable 3 month LIBOR rate plus a fixed margin of 1.70% per annum and matures on 30 October 2023.
- On 11 October 2018, the Group, through its 100% subsidiary, CoRE Lux 2018 7 S.à r.l. entered into a loan facility agreement with Société Générale, for a principal amount of up to €90,000,000, to refinance the cost of acquisition of a property in Luxembourg. The loan bears interest at a variable 3 month EURIBOR rate plus a fixed margin of 1.00% per annum and matures on 11 October 2025.
- On 25 July 2019, the Group, through its 65% owned subsidiaries, the Dutch B.V.s, entered into a loan facility agreement with Landesbank Hessen-Thuringen Girozentrale for a principal amount of €84,000,000, to refinance the cost of acquisition of properties in Germany. The loan bears interest at a fixed rate of 1.38% per annum and matures on 31 July 2024.
- The Group, through subsidiaries acquired as part of the NRE transaction, has entered into the following loan facility agreements:
  - Loan facility agreements with La Banque Postale for a principal amount of €35,293,687 to refinance the cost of acquisition of properties in France. The loans bear floating interest of 3 month EURIBOR and fixed interest of 1.5%, 1.65% and 2% per annum and mature on 8 April 2022.
  - Loan facility agreements with Helaba for a principal amount of €61,432,500, to refinance the cost of acquisition of properties in Germany. The loans bear floating interest of 3 month EURIBOR and a fixed interest of 1 % per annum and mature on 1 July 2025. This facility agreement also contains borrowings associated with a property in Muenster, Germany, which has been classified as 'Investment property held for sale' (see Note 5). The associated borrowings of €4,785,680 are shown separately on the statement of financial positon as 'Borrowings directly associated with investment property held for sale'.
  - Loan facility agreements with Aareal bank for a principal amount of €177,302,163 and GBP 185,917,278, to refinance the cost of acquisition of properties in France, Germany and the UK. The EUR loan bears interest at a fixed rate of 1.55% per annum and the GBP loan bears interest at a fixed rate of 1.55% per annum. All loans mature on 20 July 2024.
- On 2 October 2020, the Group signed a revolving credit facility of €100,000,000 (the "Facility") with Natixis, with a facility period ending on 1 October 2021. The Facility carries a commitment fee on undrawn amounts, which is 40% of the margin of 1.4% per annum. During the financial year, the Group has drawn down €85,000,000 under the Facility and repaid the full amount before the year ended 31 December 2020 (2019: €100,000,000 utilised and repaid).

Note 17 - Borrowings (continued)

- The Group, through its 51% owned subsidiary Dolphin Square Estate Limited, has entered into a loan facility agreement with M&G for a principal amount of GBP 362,500,000, to finance the cost of acquisition of properties in the United Kingdom. The loan bears interest at a variable 3 month LIBOR rate plus a fixed margin of 1.95% per annum and matures on 25 January 2022.

Loans from non-controlling interests

- On 9 June 2017, the Group, through its 85% subsidiary, Area Sur Shopping, S.L, entered into a loan facility agreement with Axnae Spain Holdings, S.L., for a principal amount of up to €1,950,000 to refinance the cost of acquisition of a property in Spain (See Note 5). The loan bears interest at a fixed rate of 3.50% per annum and matures on 14 December 2027.
- As part of the acquisition of a 65% share in the five Dutch B.V.s, the Group has acquired a loan facility with Sirius Finance (Guernsey) Limited, for a principal amount of up to €40,938,634. The loan bears interest at a fixed rate of 7% per annum and matures on 31 December 2024.
- As part of the NRE transaction, the Group has acquired asset linked preferred equity certificates issued by a Group entity, Trias Pool I-T S.à r.l. and subscribed to by Dietz Logistik. The certificates have a maturity date of 16 December 2045.
- As the part of the acquisition of 51% share in the Dolphin Square entities (see Note 16), the Group entered into a loan facility with AXA JV partners for a total facility amount of up to GBP 73,800,653 of which the principal amount outstanding as at 31 December 2020 was GBP 24,800,970. The loan bears interest at a fixed rate of 1.9% per annum and matures 16 September 2030.

As at 31 December 2020 the balance of the loan facilities was €1,254,167,783 (2019: €804,525,469) with accrued interest payable of €2,922,786 (2019: €2,111,116). Interest expense for the year amounted to €19,800,537 (2019: €7,130,217). There were no default events during the financial year ended 31 December 2020.

Lease liability

The Group has recognised a lease liability in respect of a Ground lease on assets held in Finland. The corresponding right of use asset has been recognised in investment property.

Reconciliation of liabilities arising from financing activities

		Cash flows		Non cash changes					
	1 January 2020	Loan drawdowns	Payments	Acquired on acquisition of subsidiaries	Lease liabilities	Borrowings directly associated with investment property held for sale	Amortisation of debt issue costs*	Foreign exchange	31 December 2020
	€	€	€	€	€	€	€	€	€
Borrowings - bank financing	789,190,577	-	-	396,671,471	-	(4,785,680)	-	(7,227,825)	1,173,848,543
Borrowings - non-controlling interests	22,384,677	60,770,597	(4,668,543)	-	-	-	-	-	78,486,731
Debt issuance costs	(7,049,785)	-	-	(1,316,071)	-	-	5,291,259	121,426	(2,953,171)
Lease Liability	2,700,000	-	-	-	63,473	-	-	-	2,763,473
	807,225,469	60,770,597	(4,668,543)	395,355,400	63,473	(4,785,680)	5,291,259	(7,106,399)	1,252,145,576

		Cash flows			Non cash changes			
	1 January 2019	Loan drawdowns	Payments	Acquired on acquisition of subsidiaries	Lease liabilities	Amortisation of debt issue costs	Foreign exchange	31 December 2019
	€	€	€	€	€	€	€	€
Borrowings - bank financing	208,375,475	53,995,492	-	508,905,357	-	-	17,914,253	789,190,577
Borrowings - non-controlling interests	1,950,000	-	-	20,434,677	-	-	-	22,384,677
Debt issuance costs	(2,796,005)	-	-	(4,820,388)	-	460,950	105,658	(7,049,785)
Lease Liability	-	-	-	-	2,700,000	-	-	2,700,000
	207,529,470	53,995,492	-	524,519,646	2,700,000	460,950	18,019,911	807,225,469

*Amortisation of debt issue costs contains an amount of €4,820,388, which has been written off, rather than amortised.

Note 18 - Deferred income

Deferred income represents rental income received in advance in respect of future periods.

Note 19 - Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial or operating decisions or vice versa or where the Group and other parties are subject to common control or common significant influence. Related parties may be individuals or entities. The Group considers AXA Real Estate Investment Managers SGP, the General Partner and their Affiliates to be related parties.

Management fees

The Group appointed, as Alternative Investment Fund Manager, AXA Real Estate Investment Managers SGP (the “AIFM”), a French regulated management company, which is subject to French regulation and accordingly manages clients' portfolios on real estate investments, securities or other debt products which may be directly or indirectly secured by real estate assets, properties or rights, as advisor to source and to advise on the investment in Financial Assets owned by the Group and their sales and on the management of certain administrative services in relation with the Financial Assets of the Group.

The General Partner, the AIFM and their Affiliates shall receive from the Group an annual Management Fee in accordance with the table below and shared in such proportion among them as they shall determine by mutual agreement.

The annual Management Fee to be paid by the Group in relation to each Class of Units shall be as follows:

Class of Units	Capital Commitments of Investor	Management Fee
A1	<EUR 30,000,000	1.15% of the Fund’s NAV
A2	≥EUR 30,000,000 <EUR 75,000,000	1.00% of the Fund’s NAV
A3	≥EUR 75,000,000 <EUR150,000,000	0.85% of the Fund’s NAV
A4	≥EUR150,000,000<EUR250,000,000	0.70% of the Fund’s NAV
A5	≥EUR250,000,000	0.62% of the Fund’s NAV
A6	N/A	0.45% of the Fund’s NAV until the 1st of January 2026 and 0.70% of the Fund’s NAV thereafter
A7	N/A	0.60% of the Fund’s NAV
A8	N/A	0.60% of the Fund’s NAV

Note 20 – Non-controlling interests

During the financial year ended December 2020, the Group acquired a 51% freehold interest in a large private rented residential complex in London via a subsidiary (“Dolphin Square entities”, see Note 16 and Note 26). The remaining 49% interest is held by a third parties who have a non-controlling interest in the investment.

During the financial year ended December 2019, the Group acquired a 65% interest in 5 business parks/light industrial assets located in Germany, via a 65% interest in five Dutch B.V.s (see Note 16 and 26). The remaining 35% interest is held by a third party who has a non-controlling interest in the investment.

As of 31 December 2020, out of a total of 24 NRE entities, there were 10 NRE entities in which a non-controlling interest was held by third parties, amounting to 5.1% in each case. Non-controlling interests in respect of NRE entities are not material with respect to the sub-consolidated level at NRE entities or at the Group level and hence the summarised financial information of NRE entities which have a non-controlling interest has not been presented.

During the financial year ended 31 December 2020, the Group had the following transactions with non-controlling interests:

A 5.1% non-controlling interest held by CSI Europe S.à.r.l in Prime Holdco A-T S.à.r.l for a purchase price of €224,964 paid on 21 February 2020.

A 5.104 % non-controlling interest held by Dietz Logistik 23 Grundbesitz Gmbh in Trias Pool I-T S.à.r.l for a purchase price of €2,214,493 paid on 30 October 2020.

The gains arising on these transactions are presented directly in equity.

Note 20 – Non-controlling interests (continued)

As at 31 December 2020 and 31 December 2019, the Group held an 85% interest in Area Sur Shopping, S.L., in Jerez, Spain (see Note 26). The remaining 15% interest is held by third parties who have a non-controlling interest in the investment.

Movements in non-controlling interests in 2020 are detailed in the table below:

	31 December 2020				
	Dolphin Square entities €	NRE entities €	Dutch B.V.s €	Area Sur Shopping, S.L. €	Total €
Opening balance	-	7,467,440	15,519,644	7,481,843	30,468,927
Additions during the year	192,273,584	-	70	-	192,273,654
Foreign exchange movement (recognised in other comprehensive income)	4,110,352	-	-	-	4,110,352
Other adjustments	-	5,724,022	-	-	5,724,022
Distributions during the year	-	-	-	(225,000)	(225,000)
Acquisiton of non-controlling interests	-	(2,439,457)	-	-	(2,439,457)
Gain on acquisiton of non-controlling interests	-	(2,519,317)	-	-	(2,519,317)
Loss allocated during the year	(9,917,486)	(1,420,381)	(2,783,728)	(636,258)	(14,757,853)
Closing balance	186,466,450	6,812,307	12,735,986	6,620,585	212,635,328

Movements in non-controlling interests in 2019 are detailed in the table below:

	31 December 2019			
	NRE entities €	Dutch B.V.s €	Area Sur Shopping, S.L. €	Total €
Opening balance	-	-	7,655,280	7,655,280
Additions during the year	5,333,428	10,177,229	-	15,510,657
Distributions during the year			(375,000)	(375,000)
Profit allocated during the year	2,134,012	5,342,415	201,563	7,677,990
Closing balance	7,467,440	15,519,644	7,481,843	30,468,927

Note 20 – Non-controlling interests (continued)

Set out below is summarised financial information for each subsidiary (with the exception of the NRE entities) that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	31 December 2020			
Summarised balance sheet	**Dolphin Square entities €**	**Dutch BVs €**	**Area Sur Shopping, S.L. €**	**Total €**
Non-current assets	803,522,740	236,939,788	105,505,516	1,145,968,044
Current assets	57,147,796	21,676,254	7,459,210	86,283,260
Current liabilities	19,863,100	8,969,332	6,616,869	35,449,301
Net current assets	37,284,696	12,706,922	842,341	50,833,959
Non-current liabilities	460,263,589	213,258,174	62,210,191	735,731,954
Net assets	**380,543,847**	**36,388,536**	**44,137,666**	**461,070,049**
Accumulated non-controlling interest	**186,466,450**	**12,735,986**	**6,620,585**	**205,823,021**

	31 December 2020			
Summarised statement of comprehensive income	**Dolphin Square entities €**	**Dutch B.V.s €**	**Area Sur Shopping, S.L. €**	**Total €**
Revenue	**12,633,655**	**20,902,059**	**6,256,892**	**39,792,606**
Profit / (Loss) for the year	**(20,226,343)**	**(8,314,490)**	**(4,373,692)**	**(32,914,525)**
Other comprehensive income	-	-	-	-
Total comprehensive income / (Loss)	**(20,226,343)**	**(8,314,490)**	**(4,373,692)**	**(32,914,525)**
Loss allocated to non-controlling interest	**(9,917,486)**	**(2,783,728)**	**(636,258)**	**(13,337,472)**

Note 20 – Non-controlling interests (continued)

	31 December 2019		
Summarised balance sheet	**Dutch BVs** €	**Area Sur Shopping, S.L.** €	**Total** €
Non-current assets	172,700,000	112,301,461	285,001,461
Current assets	7,367,960	7,887,132	15,255,092
Current liabilities	6,241,609	7,179,802	13,421,411
Net current assets	1,126,351	707,330	1,833,681
Non-current liabilities	129,484,513	63,130,494	192,615,007
Net assets	**44,341,838**	**49,878,297**	**94,220,135**
Accumulated non-controlling interest	**15,519,644**	**7,481,843**	**23,001,487**

	31 December 2019		
Summarised statement of comprehensive income	**Dutch B.V.s** €	**Area Sur Shopping, S.L.** €	**Total** €
Revenue	**21,486,398**	**7,893,701**	**29,380,099**
Profit for the year	**15,246,042**	**1,378,053**	**16,624,095**
Other comprehensive income	-	-	-
Total comprehensive income	**15,246,042**	**1,378,053**	**16,624,095**
Profit allocated to non-controlling interest	**5,342,415**	**201,563**	**5,543,978**

Note 21 – Commitments

As at 31 December 2020, the total commitment of the investors in the Fund (after redemptions) amounts to €3,806,450,152 (2019: €3,143,200,152). As at 31 December 2020 €573,847,152 (2019: €490,597,152), has not yet been called.

The Group has financial commitments of €41.8m, €7.3m, €2m and €3.6m towards SCI Backin, Paunsdorf Center Luxco S.à r.l., Luxembourg Investment Company 327 S.à r.l. and Iberubbo Imobilaria, Lda. (2019: €40.4m, €7.3m, €30.8m and €nil) respectively, under their shareholder current account agreements.

Note 22 – Distributions

The following distributions were declared and paid by the Group during the year:

	31 December 2020 €	31 December 2019 €
Class A1 - 5.12 (2019: 3.76) EUR per unit	13,407,908	5,059,447
Class A2 - 5.37 (2019: 3.93) EUR per unit	14,523,926	4,879,273
Class A3 - 5.26 (2019: N/A) EUR per unit	10,188,693	-
Class A4 - 5.49 (2019: N/A) EUR per unit	8,126,303	-
Class A6 - 6.58 (2019: 4.75) EUR per unit	66,483,079	27,065,227
Class A7 - 6.30 (2019: 4.56) EUR per unit	10,892,658	7,706,823
Class A8 - 5.96 (2019: 4.31) EUR per unit	37,545,300	11,539,399
	161,167,867	56,250,169

Included in the above distributions are amounts of €69,528,513 (2019: €19,782,437) which were re-invested into the Fund during the financial year ended 31 December 2020. Of the €69,528,513 re-invested, €23,682,994 are subscriptions received in advance and will be converted into units of the Fund in January 2021.

Note 23 – Subscriptions received in advance

Subscriptions received in advance at the year end represent cash amounts received from investors in advance of the issuance of units in the Fund. The relevant investors will be remain as an unsecured creditor of the Fund in respect of amounts paid until the issuance of the units has been completed.

	31 December 2020 €	31 December 2019 €
Subscriptions received in advance	173,682,994	607,904,470

Note 24 - Taxation

The Fund is liable to subscription tax in Luxembourg as a rate of 0.01% per annum based on the net asset value of the Fund at the end of each quarter. The table below shows the total amount charged for the year amounting to €5,370,647 (2019: €2,876,275), and the amount payable at the year end amounting to €3,194,183 (2019: €3,785,960), split by type of taxation.

	Charge for the year ended 31 December 2020	Accrual 31 December 2020	Charge for the year ended 31 December 2019	Accrual 31 December 2019
	€	€	€	€
Income tax *	1,565,938	1,955,216	429,688	2,495,918
Withholding tax	-	104,529	-	4,396
Non recoverable value added tax	925,660	-	285,134	-
Other tax	2,879,049	1,134,438	2,161,453	1,285,646
Taxation expense	5,370,647	3,194,183	2,876,275	3,785,960
Deferred tax	6,413,847	24,411,660	17,151,229	17,997,813
Total taxation	11,784,494	27,605,843	20,027,504	21,783,773

* The tax on the Fund'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:

	31 December 2020	31 December 2019
(Loss) / Profit before tax and distributions to the partners	(11,555,736)	111,040,197
Theoretical tax rate	25.46%	17.68%
Theoretical tax expense	(2,942,090)	19,631,907
Income not subject to taxes	54,663	(8,865,003)
Expenses not deductible	2,486,625	2,186,000
Income taxes not recognised	13,273,376	7,387,000
Other	(7,501,927)	(17,463,629)
Taxation expense	5,370,647	2,876,275

The weighted average applicable tax rate was 25.46% (2019: 17.68%). This increase was caused by a change in the locations in which the Group operates and an increase of exposure to assets located in countries with higher tax rates.

Note 24 - Taxation (continued)

Deferred taxation arises in respect of items where there are timing differences between their treatment for accounting purposes and their treatment for taxation purposes. The following table details the movement in deferred taxation during the period.

Deferred tax assets	**31 December 2020**	**31 December 2019**
The balance comprises temporary timing differences attributable to:		
Other:		
Derivatives held for trading	73,240	117,449
Fair value of investment properties	443,704	438,284
Other	306,276	165,012
	823,220	720,745
Total deferred tax assets	823,220	720,745
Set-off of deferred tax liabilities	(823,220)	(720,745)
Net deferred tax assets	-	-

Movements	**Other €**	**Other €**
Balance as at 1 January	720,745	211,348
(Charged)/credited to profit or loss	102,475	509,397
Balance as at 31 December	823,220	720,745

Deferred tax liabilities	**31 December 2020 €**	**31 December 2019 €**
The balance comprises temporary timing differences attributable to:		
Other:		
Fair value of investment properties	25,234,880	18,718,558
	25,234,880	18,718,558
Total deferred tax liabilities	25,234,880	18,718,558
Set-off of deferred tax assets	(823,220)	(720,745)
Net deferred tax liabilities	24,411,660	17,997,813

Movements	**Other €**	**Other €**
Balance as at 1 January	18,718,558	1,057,932
Charged/(credited) to profit or loss	6,516,322	17,660,626
Balance as at 31 December	25,234,880	18,718,558

Note 25 – Dividend income

	31 December 2020 €	31 December 2019 €
SCI Backin	-	5,255,624
Cegereal REIT	7,069	752,687
	7,069	6,008,311

Note 26 – Group information

The consolidated financial statements include the following entities material to the Group:

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2020	Effective ownership percentage 31 December 2019	Consolidation method
AXA CoRE Europe Fund S.C.S., SICAV-SIF	Luxembourg				
ACEF Holding S.C.A.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
ACEF SPPPICAV	France	Subsidiary	100.00%	100.00%	Full consolidation
CORE UK 2016 1 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
CORE UK 2016 3 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
CORE SP 2017 5, S.L.	Spain	Subsidiary	100.00%	100.00%	Full consolidation
Area Sur Shopping, S.L.	Spain	Subsidiary	85.00%	85.00%	Full consolidation
CORE Fin 2017 6 Oy	Finland	Subsidiary	100.00%	100.00%	Full consolidation
CORE Regulated Italian Fund	Italy	Subsidiary	100.00%	100.00%	Full consolidation
ACEF 2 SPPPICAV	France	Subsidiary	100.00%	100.00%	Full consolidation
CORE Lux 2018 7 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
CORE NL 2018 4 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
CORE FR 2018 2 SCI	France	Subsidiary	100.00%	100.00%	Full consolidation
CORE FR 2018 8 SCI	France	Subsidiary	100.00%	100.00%	Full consolidation
CORE DK GP ApS	Denmark	Subsidiary	100.00%	100.00%	Full consolidation
CORE DK 2018 9 K/S (*)(1)	Denmark	Subsidiary	0.00%	100.00%	Full consolidation
CORE DK 2019 11 K/S (*)(1)	Denmark	Subsidiary	0.00%	100.00%	Full consolidation
CORE DK 2019 12 K/S (*)(1)	Denmark	Subsidiary	0.00%	100.00%	Full consolidation
Core DK 2019 16 S.à r.l.(1)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Core DK 2019 17 S.à r.l.(1)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Core DK 2019 18 S.à r.l.(1)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Dolphin Square Estate Holding S.à.r.l.	Luxembourg	Subsidiary	51.00%	0.00%	Full consolidation
Dolphin Operation Holding S.à.r.l.	Luxembourg	Subsidiary	51.00%	0.00%	Full consolidation
The Dolphin Square Estate Limited	United Kingdom	Subsidiary	51.00%	0.00%	Full consolidation
Dolphin Square Operator Limited	United Kingdom	Subsidiary	51.00%	0.00%	Full consolidation
CORE PANEURO 2019 13 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Core DE 2019 10 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
DDS Edelweiss BV	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation
DDS Lime BV	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation
DDS Maple BV	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation
Sirius Labarnum BV	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation
Sirius Boxwood B.V.	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation
DDS Daisy BV	Netherlands	Subsidiary	65.00%	65.00%	Full consolidation

(*)(1) During the year ended 31 December 2019, CoRE DK 2018 9 KS, CoRE DK 2018 11 KS and CoRE DK 2018 12 KS were put into liquidation and their assets transferred to their immediate parent companies, Luxembourg Investment Company 365 S.à r.l., Luxembourg Investment Company 366 S.à r.l., Luxembourg Investment Company 367 S.à r.l. respectively.

During the year ended 31 December 2020, the names of these parent companies were changed to Core DK 2019 16 S.à r.l., Core DK 2019 17 S.à r.l. and Core DK 2019 18 S.à r.l. respectively.

Note 26 – Group information (continued)

The consolidated financial statements include the following entities material to the Group (continued):

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2020	Effective ownership percentage 31 December 2019	Consolidation method
NRE Gresham I S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
NRE Gresham II S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Prime Holdco A-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Prime Holdco B-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Prime Holdco C-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	94.90%	Full consolidation
Prime Pool VII-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Prime UK Condor-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	94.90%	Full consolidation
Prime UK Portman-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	94.90%	Full consolidation
Prime Pool I-T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	90.06%	Full consolidation
Prime GER Dammtorwall-T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	90.06%	Full consolidation
Prime GER Drehbahn-T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	90.06%	Full consolidation
Prime GER Valentinskamp-T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	90.06%	Full consolidation
Prime Pool II-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	94.90%	Full consolidation
OPCI Prime(**)	France	Subsidiary	100.00%	94.90%	Full consolidation
SCI Prime FRA Issy-T(**)	France	Subsidiary	100.00%	94.90%	Full consolidation
SCI Prime FRA Macdonald-T(**)	France	Subsidiary	100.00%	94.90%	Full consolidation
Prime Pool VI-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	94.90%	Full consolidation
Prime NLD Rotterdam-T BV(**)	Netherlands	Subsidiary	0.00%	94.90%	Full consolidation
Prime Pool III A-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Prime Pool III B-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Prime Pool III C-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Symbol Holdco C-T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Trias Holdco A - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Holdco B - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Holdco C - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Holdco D III/VIII -T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Holdco E III/VIII -T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool VIII - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool III - T S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Trias Pool III - TGP S.à r.l.(**)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Trias Pool III - TLP SCA(**)	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
OPCI Trias(**)(***)	France	Subsidiary	0.00%	100.00%	Full consolidation
TRIAS FRA JOUBERT - T SAS(**)	France	Subsidiary	100.00%	100.00%	Full consolidation
TRIAS FRA MARCEAU - T SCI(**)	France	Subsidiary	100.00%	100.00%	Full consolidation
Trias Holdco D VI -T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool VI - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias UK Centrium I-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias UK Delta-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias UK The Building-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	94.90%	Full consolidation
Trias Pool I-T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias GER Ludwigstrasse - T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias GER Holzwickede - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	89.80%	Full consolidation
Trias GER Munster - T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias GER Werl - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	89.80%	Full consolidation
Trias GER Kirchheide - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	89.80%	Full consolidation
Trias GER Uhlandstrasse - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	89.80%	Full consolidation
Trias GER Ibis Berlin - T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias GER IC Berlin - T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias GER Parexel - T S.à r.l.(**)	Luxembourg	Subsidiary	94.90%	89.80%	Full consolidation
Trias Holdco B II-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool V A-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool V B-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias ESP Leonor-T SL(**)	Spain	Subsidiary	100.00%	100.00%	Full consolidation
Trias Pool IV A-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool IV B-T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool VII - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool IX S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation
Trias Pool X - T S.à r.l.(**)(***)	Luxembourg	Subsidiary	0.00%	100.00%	Full consolidation

(**) Entities acquired as part of the NRE transaction
(***) Liquidated in 2020.

Note 26 – Group information (continued)

The following entities are included in the Group's consolidated financial statements as joint ventures:

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2020	Effective ownership percentage 31 December 2019	Consolidation method
Selectiv CORE Italy SICAF	Italy	Joint venture	50.00%	50.00%	Equity method
Iberubbo Imobiliaria, Lda.	Portugal	Joint venture	45.00%	45.00%	Equity method
SCI IMMO C47	France	Joint venture	49.00%	49.00%	Equity method
Avicdale Limited	Ireland	Joint venture	29.09%	32.12%	Equity method
Luxembourg Investment Company 327 S.à r.l.	Luxembourg	Joint venture	40.00%	40.00%	Equity method
JV FORTE S.à r.l. (formerly Luxembourg Investment Company 359 S.à r.l.)	Luxembourg	Joint venture	33.33%	33.33%	Equity method
CoRE FR 14 SAS	France	Joint venture	50.00%	50.00%	Equity method
CoRE FR 15 SAS	France	Joint venture	50.00%	50.00%	Equity method
Claypole Limited	Ireland	Joint venture	25.00%	25.00%	Equity method

The following entities are included in the Group's consolidated financial statements as associates:

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2020	Effective ownership percentage 31 December 2019	Consolidation method
SCI Backin	France	Associate	16.67%	16.67%	Fair value
Log Italy Fund REIF	Italy	Associate	32.02%	0.00%	Equity method
OneLog Invest (Lux) S.à r.l.(***)	Luxembourg	Associate	32.02%	32.02%	Equity method
Alpha Log Fund	Italy	Associate	32.05%	0.00%	Equity method
Saturne Habitat 2	France	Associate	28.03%	0.00%	Equity method
Paunsdorf Center Luxco S.à r.l.	Luxembourg	Associate	22.45%	22.45%	Equity method

(***) Pursuant to internal restructuring, during the year ended 31 December 2019, Logistics Europe AXA Feeder S.C.A. (formerly OneLog S.A), transferred shares and loans held in OneLog Invest (Lux) S.à r.l. mainly in exchange of the shares and loans held by the Group in Logistics Europe AXA Feeder S.C.A.

Note 27 – Significant events

COVID pandemic situation

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has affected the global economy, with real estate markets experiencing lower levels of transactional activity over the past quarters.

At the year ending 2020, Residential, Office and Industrial sectors experienced decent transaction volumes and other relevant market evidences.

Hospitality and Retails assets have experienced a greater impact on valuation in comparison to other asset classes. In line with RICS Red Book Global, independent external valuers have added a clause on Material Uncertainty for those type of assets mostly due to less market evidences. For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon.

As of today the management of the Group is not aware of any breaches in relation to its financing strategy and any material impact on the liquidity and the going concern of the Group.

Note 28 – Subsequent events

Acquisitions

Since 31 December 2020 the Group indirectly acquired a c.21% share in a residential housing platform situated in the Paris region. This partnership with In'li SA will give access to c.€2bn exposure to the affordable residential sector.

Disposals

In March 2021 the Group proceeded with the disposal of the Münster office building in Germany for c.€16m. The property company, a wholly owned subsidiary of the Group, reimbursed the directly associated external debt for an amount of c.€6m.

Loan refinancing:

The property companies CoRE UK 2016 1 S.à r.l. and CoRE UK 2016 3 S.à r.l., wholly owned subsidiaries of the Group, signed an amended and restated loan agreement in February 2021 as part of its external financing already in place with ING Bank N.V.

A5 Share class

Class A5 was launched on 1 January 2021.

Covid-19 pandemic situation

Since year end, the pandemic situation in several European countries has worsened and some countries, including France, UK, Germany, Italy and Austria have tightened restrictions to partial lock down or curfew. The management expect no material impact on the financial statements of the Group for the year ended 31 December 2020.

Offering Memorandum update

The Offering Memorandum of the Fund was updated in accordance with SFDR (regulation on "sustainability-related disclosures in the financial services sector) entered into force on 10 March 2021.

There were no other material events affecting the Group since the year end.