Chevrolière, France
Photo for illustrative purposes only

AXA Logistics Europe Master S.C.A.

An open-ended corporate partnership limited by shares (société en commandite par actions) under the laws of the Grand Duchy of Luxembourg

Annual report and audited consolidated financial statements for the year ended 31 December 2024

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Grand Duchy of Luxembourg

Index

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Grand Duchy of Luxembourg

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Michael Kidd
Thierry Drinka

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United Kingdom

Fund summary

MANAGEMENT REPORT

INTRODUCTION

We are pleased to present the 2024 Annual Report for AXA Logistics Europe Master ("ALEM" or "The Fund"). Since its launch in July 2019, ALEM has built a robust and diversified Operating Portfolio comprising 4.6m sqm of prime logistics space situated in supply-constrained markets across 11 countries in Europe. The strategy is focused on investing in best-in-class ESG assets, improving diversification while prioritising stable cash flow generation.

In 2024, despite the challenges of continued market volatility and elevated interest rates, ALEM has exhibited strong operational performance, supported by its high-quality portfolio and resilient balance sheet. The embedded reversion and the favourable indexation profile of the Portfolio offers a sustainable and resilient income profile.

The logistics sector continues to benefit from the long-term growth of e-commerce, as well as the dominant trends of supply chain reconfiguration and onshoring. These factors are creating increased competition for modern, strategically located logistics facilities in key European markets. Additionally, higher construction costs and increasingly restrictive development regulations are supporting the sector's fundamentals.

ALEM will continue to navigate these market dynamics to capitalise on emerging opportunities and deliver sustainable value to investors.

Fund summary

MANAGEMENT REPORT (CONTINUED)

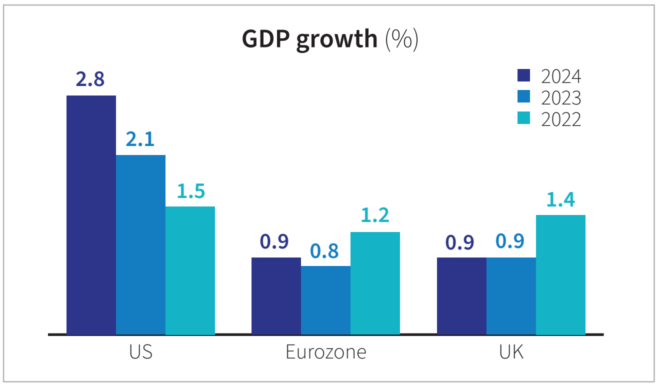
MARKET OVERVIEW

In 2024, a positive shift in the investment landscape was observed, as inflation trends returned towards central bank targets and initial interest rate cuts facilitated a resurgence of liquidity in the markets. This environment has fostered investor appetite for industrial and logistics assets, leading to higher investment volumes and stabilisation or recovery in yields.

While finance costs remain elevated, investors are adopting a selective approach, concentrating on properties located in prime areas with strong sustainability credentials and the potential for swift reversionary gains. This strategic focus will likely continue to shape the investment landscape, ensuring that capital is directed towards high-quality opportunities that align with evolving market demands.

European economy

The economic recovery continued in 2024, and further consumer-led growth is forecast for 2025 despite higher US tariffs and continued uncertainty being anticipated to drag on activity. With inflation lower, leading central banks were able to initiate reductions in interest rates in 2024. As tariffs and uncertainty are expected to weigh on economic growth, further cuts are expected in 2025.



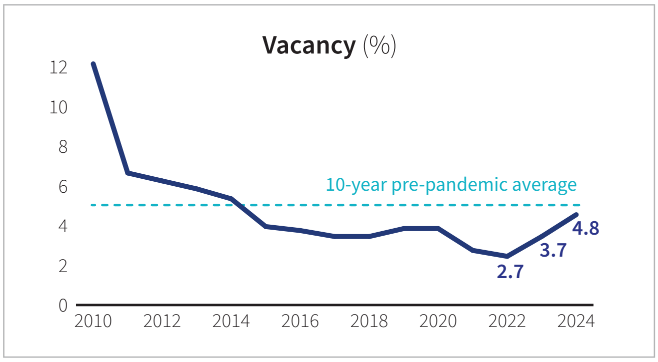
Source: Datastream, IMF, AXA IM Macro Research (forecasts as at 25 March 2025), AXA IM Alts

European logistics

Looking ahead, key structural trends are operating, including the increasing prevalence of online purchasing and the growing importance of supply chain resilience, will remain significant drivers of occupier demand. Meanwhile, the uncertainty experienced over the past year, combined with higher costs and constrained land availability, have led to a marked decline in new construction starts.

Vacancy

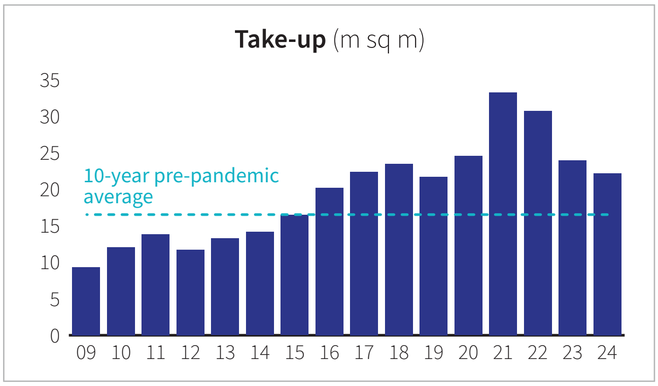
With demand slowing and more second-hand space being released to the market, vacancy rates have increased across Europe. However, at 4.8% at the end of 2024, the European average vacancy rate is still below the 10-year pre-pandemic average of 5.7%. Moreover, rates can vary significantly both between and within markets and there is still a scarcity of suitable, available space in many core European logistics markets.



Source: JLL, CBRE, AXA IM Alts, data as at 31 January 2025.
NB: Modern warehousing units 5,000+ sq m; 10,000+ sq m in the UK

Demand

Slow economic growth and continued uncertainty, coupled with the lack of suitable, available space in some markets, has resulted in a slowdown in European distribution warehouse and logistics take-up. Nonetheless, occupier markets remain relatively active, whilst take-up in Europe in 2024 was 7% down compared to 2023, it was 31% above the 10-year pre-pandemic average.



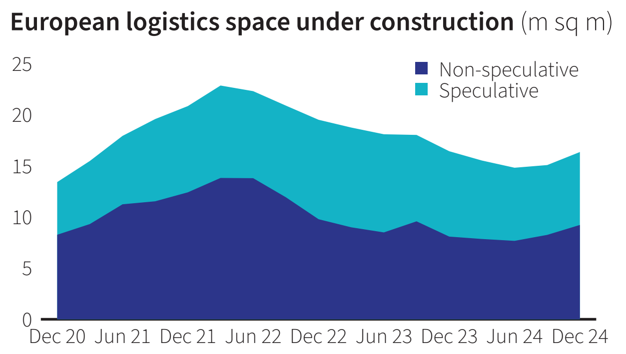
Source: JLL, CBRE, AXA IM Alts, data as at 31 January 2025
NB: Modern warehousing units 5,000+ sq m; 10,000+ sq m in the UK

Fund summary

MANAGEMENT REPORT (CONTINUED)

Development activity

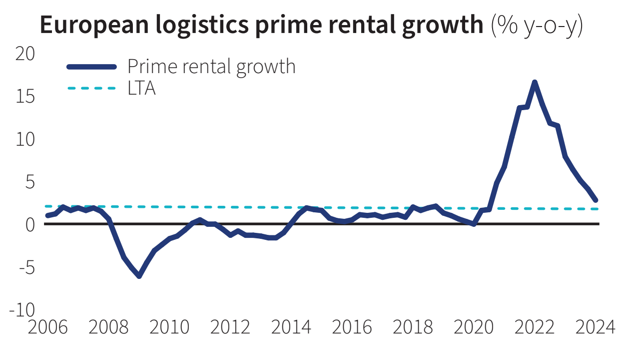
Development has slowed in recent years, at 16.2 million sqm, the volume of completions in 2024 was the lowest since 2018. Meanwhile, the volume of space under construction at the end of 2024 was 28% below the early 2022 peak. Development is expected to fall further during 2025 as schemes complete and new starts continue to fall.



Source: JLL, AXA IM Alts, data as at 31 January 2025

Rental growth

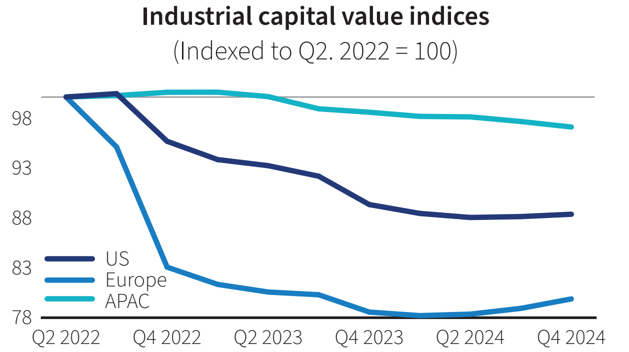
Following significant double-digit rental growth in many major markets in 2022 and 2023, prime rental growth decelerated in 2024 due to the slowdown in demand, increase in availability and decline in inflation. Nonetheless, rental growth remains above the long-term average.



Source: JLL, CBRE, Eurostat, Macrobond, AXA IM Alts, data as at Q4 2024.

Yield & capital value

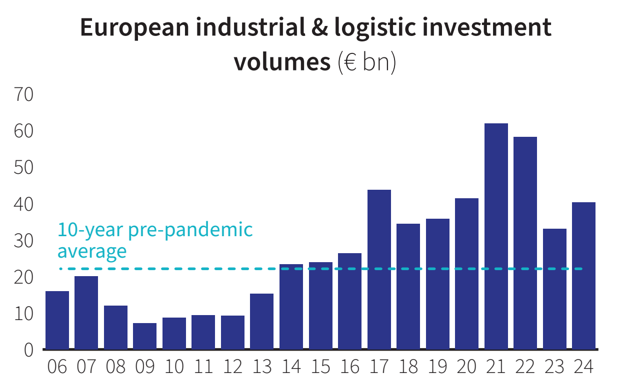
There has been a substantial downward shift in European asset prices since summer 2022, which has created favourable pricing levels. Prime logistics yields now appear to have peaked, with modest inward yield compression seen in many European logistics markets in H2 2024. In combination with rental growth, this helped achieve a return to positive capital growth.



Source: NCREIF ODCE Index, INREV Asset Level Quarterly Index, ANREV ODCE Asset Level Returns, AXA IM Alts, data as at 18 March 2025

European industrial & logistics investment market

Although investors continue to navigate an uncertain environment, sentiment is improving, helped by prime logistics capital values appearing to have hit a nadir and debt costs starting to fall. Pricing expectations between buyers and sellers have narrowed and there are more bidders for core assets. 2024 finished strongly and investment volumes rose by 22% to €40 billion in 2024 (more than 70% above their pre-pandemic 10-year annual average). Investor interest in the logistics sector continues to increase, driven by favourable pricing and strong fundamentals.



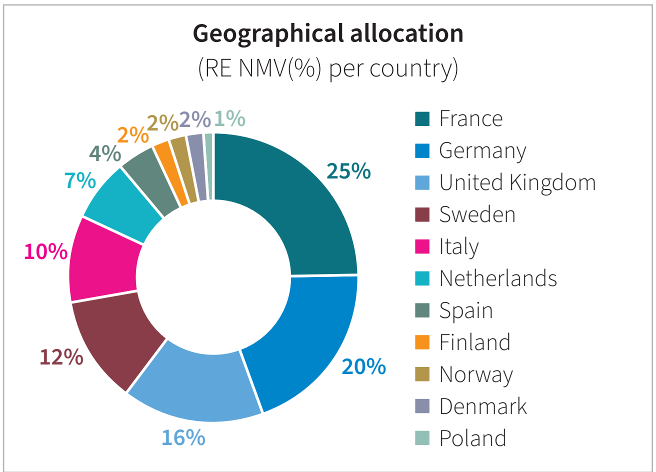
Source: CBRE, AXA IM Alts, data as at23 January 2025.

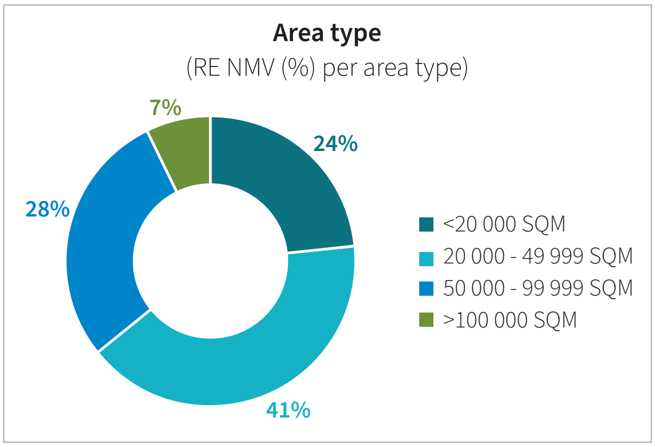
Fund summary

MANAGEMENT REPORT (CONTINUED)

PORTFOLIO AS AT 31 DECEMBER 2024

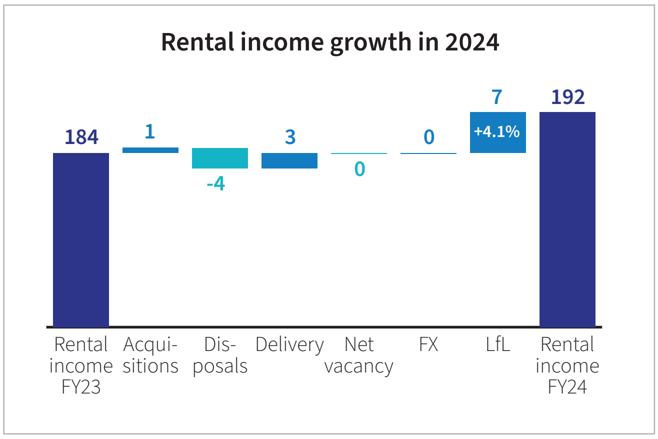
The real estate portfolio consists of diversified pan-European high-quality assets strategically located in key logistic hubs. At the date of the report, with a total of 149 properties across 11 European countries, the consolidated portfolio was valued €4.9 bn. The tenant base remains well diversified consisting of 127 established clients, supported by a weighted average lease term of 7.2 years.



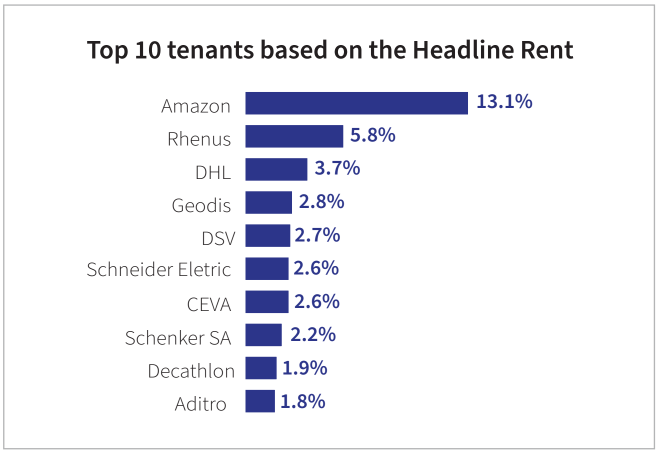


Operational performance

In 2024, ALEM has demonstrated a solid operating performance, maintaining an occupancy rate of 96% and generating €192m revenues. The rental income increased by +4.1% compared to 2023, primarily driven by indexation and positive leasing activity, resulting from proactive asset management efforts. The Operating Portfolio currently report a weighted average lease break (WALB) of 6.1 years, with an estimated reversionary potential of 14%, providing substantial opportunities to further enhance income generation and value creation. With 61% of leases linked to inflation, the fund is well positioned to generate further rental income growth and continue to deliver sustainable returns to investors.



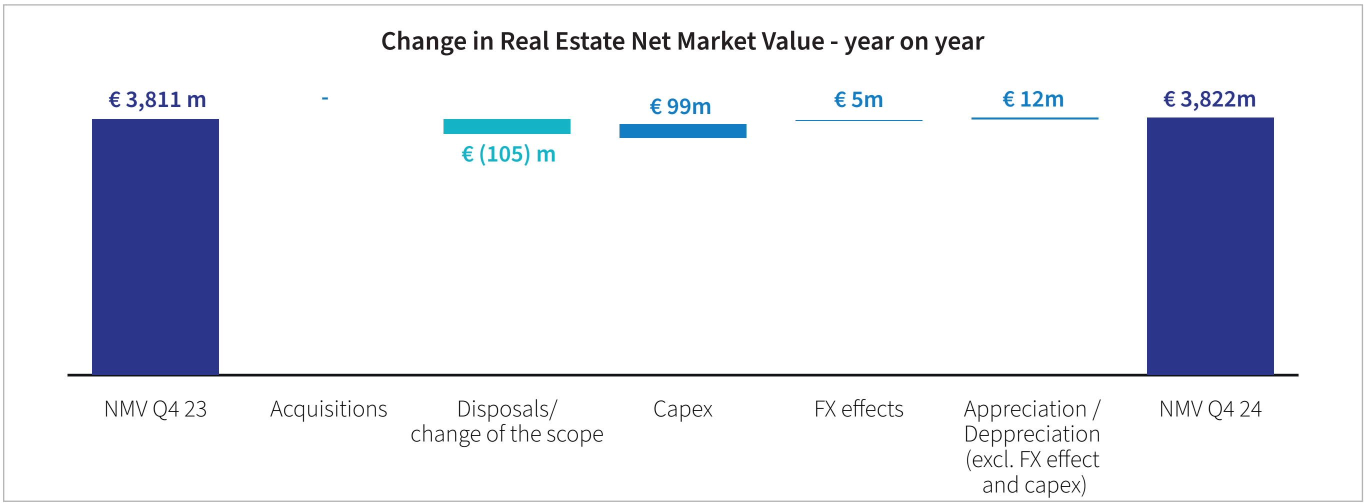
The portfolio is well-diversified, comprising a large range of assets such as distribution platforms, fulfilment-centres, cross-docks, and last-mile properties. This diversification supports the operational needs of a wide range of customers. Notably, the top 10 tenants, which include major logistics and e-commerce companies, and account for approximately 39% of total headline rent, ensuring a stable and diversified income stream.



Fund summary

MANAGEMENT REPORT (CONTINUED)

During 2024, capital value of the Operating Portfolio has started to appreciate in the second half of the year, driven by moderate yield compression and continued rental growth across several markets. Overall, the value has stabilized with a like-for-like appreciation of 0.2% during the period.



Active portfolio management

Throughout 2024, ALEM has maintained an active approach to portfolio management. The fund's investment program continues to be focused on high-quality income-producing properties with strong ESG features, targeting locations offering a high depth of occupiers' demand. The Fund remains disciplined in its capital allocation and continuously evaluate opportunities to enhance the performance of existing assets and selectively acquire modern and sustainable properties. While the intention is to pursue a long-term buy and hold strategy, the Fund will continue to dispose of assets considered stabilised or non-core, particularly those with lower growth potential. Disposal proceeds are effectively recycled in selective development opportunities targeting land-constrained locations, with strong occupier demand and established investment liquidity.

Acquisition

In 2024, ALEM acquired a newly developed, institutional quality logistics campus in the Stuttgart market. This logistics centre completed in 2023 comprises high-quality warehousing and office space across two buildings and is fully let to a global transport and logistics business. The acquisition successfully closed in February 2025, benefits from excellent regional and national transport links, notably via the nearby A81 motorway. The property is DGNB Gold certified and EPC A+ accredited, with full ESG features including an electric heat pump system and rooftop PV.

Disposal

After suspending the disposal program for several months to reflect the investment market conditions, The Fund has reactivated discussions on a few non-strategic assets within the portfolio to meet the rotation objectives. The Fund closed the disposal of a portfolio comprising three Italian assets in Liscate (47k sqm, built in 1997), Cortemaggiore (42k sqm, built in 1973) and Pieve Emanuele (24k sqm, built in 1981). The Fund also divested an asset located in Trofarello (29k sqm, built in 1996) which did not meet current market standards, particularly in terms of quality and ESG criteria.

In the last quarter of 2024, ALEM closed the disposal of two additional non-strategic properties in France on an opportunistic basis. These assets located in Vert-Saint-Denis (south of Paris, France) and in Grenay (Lyon region, France) were sold at a price which exceeds the latest valuations built upon rental growth assumptions from the seller which was perceived as difficult to achieve in their respective markets.

Development activity

The development activity aims to enhance the quality of the portfolio through the construction of modern, sustainable buildings, strategically targeting sub-markets with long-term rental growth potential. In 2024, ALEM successfully completed 7 development projects in France, Germany and the UK, adding c. 150k sqm of additional space in strategic locations while achieving an average yield on cost of 6.5%.

In line with the Green Finance Framework and the sustainability ambitions of the Fund, all new developments are expected to be BREEAM Excellent or equivalent.

Fund summary

MANAGEMENT REPORT (CONTINUED)

CAPITAL STRUCTURE

In 2024, ALEM's capital structure remains solid, with a primarily access to unsecured debt and a prudent approach to leverage. The strategic balance sheet management has effectively mitigated the impact of rising interest rates and short-term market volatility. Despite the persistence of elevated market interest rates in the current economic landscape, ALEM continues to benefit from the attractive cost of debt secured in 2021.

ALEM has access to a diverse range of debt financing solutions with a well-balanced mix of unsecured notes, unsecured revolving credit facilities, and secured debt. The Euro Medium Term Note (EMTN) program, established in July 2022 and updated in July 2024, offers a direct access to the bond market and an advantage in term of financial flexibility.

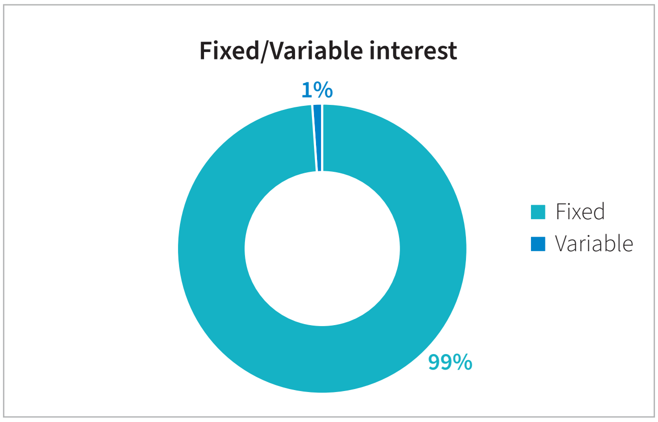
As an open-ended European real estate fund dedicated to institutional investors, ALEM also benefits from a direct access to long-term institutional capital.

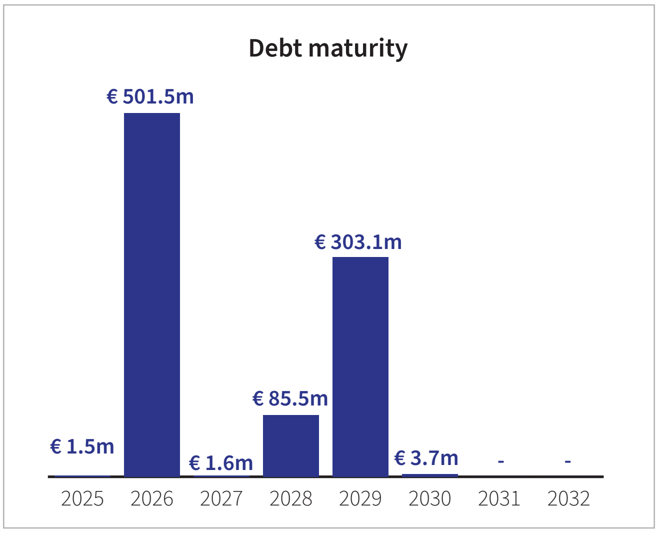
Credit metrics

The key financing metrics remain solid in 2024, resulting from a well-established capital structure and a prudent financing policy. The net LTV stand at 18% while the Weighted Average Cost of Debt (WACD) reached 1.3%. The debt structure has a staggered maturity profile, with a Weighted Average Debt Maturity (WADM) of 3 years supported by a proactive liquidity management. The net debt-to-EBITDA ratio stand at 5.0 times and the Interest Coverage Ratio (ICR) remain above 13 times, reflecting on the prudent financial management.

Fitch has affirmed in November the stable outlook on the long-term issuer default rating, as well as the instrument rating (A-) and issuer rating (BBB+).

Debt overview as at 31 December 2024





Liquidity

ALEM constantly monitors the liquidity position in relation to refinancing requirements, investments and capital expenditure committed. As at 31 December 2024, ALEM has a liquidity position composed of €425m undrawn credit facilities, €261m consolidated cash and €50m undrawn capital commitment.

Fund summary

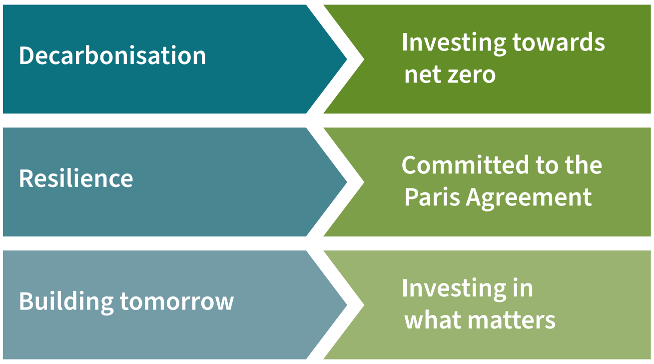
MANAGEMENT REPORT (CONTINUED)

Environmental, Social and Governance (ESG) Creating value for the long term

In line with AXA IM Alts' ESG strategy, ALEM ESG approach is centered around three strategic pillars to reflect its ambition of delivering sustainable value and be recognised as a sustainability leader.

The Fund's ESG strategy is based on clear objectives, to ensure compliance with the highest industry standards without compromising on delivering sustainable returns to investors. This approach is applied all the way from the acquisition through to the active management of the assets.

The pillars are:



Decarbonization

Decarbonization is a central priority for the Fund. The built environment contributes significantly to the world's annual carbon emissions, offering the opportunity to make an important contribution to decarbonization. ALEM is actively investing towards a low carbon future, be it through the development of best-in-class real estate or the regeneration and transformation of existing building stock worthy of a place in the low carbon future. The Fund actively work towards improving the assets' energy efficiency and reducing their carbon intensity, through the deployment of complementary and asset-specific actions, such as:

- Performing energy audits on energy inefficient assets to build asset decarbonization plans and target alignment with CRREM trajectory
- Developing alternative sources of electricity and increase renewable energy such as solar panels or geothermal heating
- Implementing Smart Meters and Building-Management-System (BMS) across the portfolio to monitor and help tenants to optimize the utility consumption and deploy corrective measures
- Replacing current lightings with low-energy lighting and LED, reducing the consumption of electricity and relative carbon footprint of each asset
- Implementing retrofit project to improve the insulation of the assets and further enhance their energy efficiency

Resilience

Managing and mitigating the risks has always been a core aspect of the Fund's responsibilities to investors, communities, and society as a whole. Continuing building a resilient portfolio, anticipating and preparing for potential disruption is becoming an increasingly important focus.

The impact of climate change represents the greatest physical threat to asset values across the world. However, the investment risks involved in making the transition to a low-carbon economy are potentially as serious as those arising from climate change itself.

The approach is based on understanding how the world will evolve and consider the challenges of transition as well as the physical impact of climate change to ensure that decisions and investments make a positive difference to society and the environment.

Below are some examples from the portfolio on how these issues are considered in practice.

- Implementation of a central software to capture, store, and monitor ESG-related data points (consumption, certifications, EPC ratings, action plans, etc.)
- Climate physical risk assessment performed for all assets.

Building tomorrow

Tenant engagement is at the heart of the responsible investment strategy. ALEM is deeply convinced that the successes of the overarching and specific ESG objectives stem from better knowledge of stakeholders and attentiveness to their involvement with the assets.

Tenants have significant impact on the deployment and achievement of the ESG strategy. Maintaining a dialogue with partners and tenants is thus the key way to understand their expectations and to take appropriate action. Increasing their awareness of ESG issues and boosting their involvement is directly linked to improve the ESG performance.

Fund summary

MANAGEMENT REPORT (CONTINUED)

Some examples on how ALEM engage with partners and involve tenants:

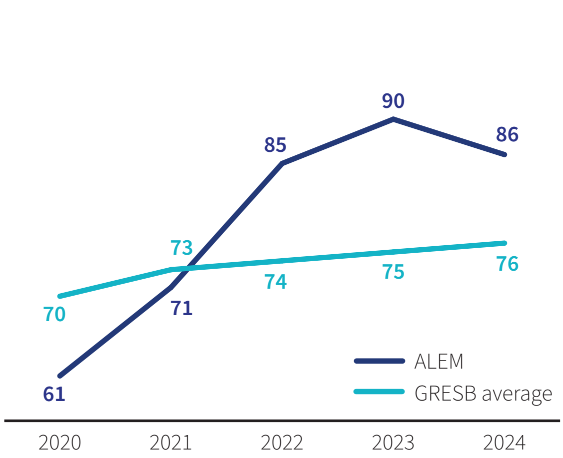
- Initiatives such as improvements of outdoor spaces to encourage more social activity
- Insertion of Green Clauses in new lease contracts in order to collect utility and waste data
- Implementing tenant satisfaction survey to anticipate potential weakness / strengths of assets
- Integrating tenant's requirements in build-to-suit projects and offering the expected needs in the speculative schemes

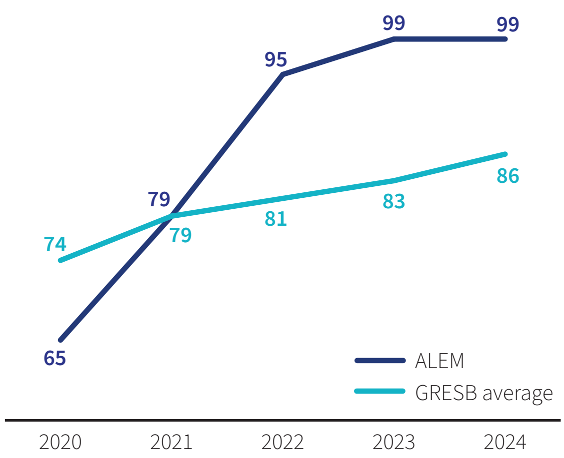
ESG external rating

The Fund is participating in the GRESB (Global Real Estate Sustainability Benchmark) ranking, which ranks funds on ESG data and benchmarks the real asset industry. Ever since first participating in this benchmark in 2020, The Fund has implemented the recommendations to constantly improve its ESG performance, with the aim of becoming a sectoral leader.

GRESB is an investor-driven organization committed to assessing the ESG performance of real assets globally. The GRESB Score offers an overall measure of Fund-level ESG performance – represented as a score of out 100 and a rating of up to 5 stars. The GRESB Assessment examines hundreds of ESG data points, including performance indicators such as GHG emissions, waste, water usage and energy consumption.

GRESB Trajectory: 2024 results





4★ Standing investments	3rd Peer group	5★ Development investments	1st Peer group

Fund summary

AIFM REPORT – RISK MANAGEMENT

The risk management and controls activities are done at each level of the organisation and shared between Investment teams (1st level of control), the independent Risk Management Department and the Compliance Department (2nd level of control) and Internal Audit Department (3rd level of control).

The Risk Management Department of the AIFM implements and maintains risk management policies and procedures designed to identify, measure, manage and monitor investment and operational risks.

For each Alternative Investment Fund (AIF), the management of investment risks at fund level is done through:

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

The AIFM also 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 management 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.

As at 31 December 2024, the Fund's investments are made in accordance with prevailing regulations and its Investment and Shareholders Agreement ("ISA").

Risk factors to which the Fund may be exposed are detailed in the ISA, and as at 31 December 2024, the Fund has exposure to the following financial risks: market risk, credit and counterparty risk and liquidity risk. Exposures to each of the above risks as at 31 December 2024 are detailed in Note 4 of the consolidated financial statements.

Fund summary

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 Investment and Shareholders Agreement.

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 comment 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.

Quantitative information – Data provided below are those of AXA Investment Managers covering all subsidiaries of the AXA IM Group and types of portfolios as of 31 December 2024, after application on remuneration data of AXA Logistics Europe Master S.C.A.'s weighted Asset Under Management allocation key.

Fund summary

AIFM DIRECTIVE DISCLOSURE - LIQUIDITY ARRANGEMENT & REMUNERATION (CONTINUED)

Total amount of remuneration paid and/or awarded to staff weighted by the Asset Under Management allocated to AXA Logistics Europe Master S.C.A.

for the year ended 31 December 2024(1)	
Fixed Pay(2) (€ '000)	2,023
Variable Pay(3) (€ '000)	1,242
Number of employees(4)	2,944 among which 106 for AXA REIM SGP, AIFM of AXA Logistics Europe Master S.C.A.

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)(2)(3)	1,094
Number of identified employees (5)	395 among which 21 for AXA REIM SGP, AIFM of AXA Logistics Europe Master S.C.A.

(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 1 January 2024.
(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 December 2024.
(5) Number of identified employees within AXA IM Group level and AXA REIM SGP as at 31 December 2024.

Fund summary

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 December 2024	Maximum leverage authorized
Gross method	167.23%	400%
Commitment method	130.27%	300%

2. Material Changes

No material changes.

Audit report

To the Shareholders of
AXA Logistics Europe Master S.C.A.

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of AXA Logistics Europe Master S.C.A. (the "Fund") and its subsidiaries (the "Group") as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- 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, including material accounting policy information and other explanatory information.

Basis for opinion

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

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

We are independent of the Group 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.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518

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 IFRS Accounting Standards 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 Group'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 Group 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 Group'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 Group'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 Group 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;

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities and business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 29 April 2025

Electronically signed by:
Amaury Evrard

Amaury Evrard

Nuneaton, United Kingdom
Photo for illustrative purposes only

Consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31 December 2024 €	31 December 2023 €
Assets			
Non-current assets			
Investment property	5	4,878,359,518	4,902,764,134
Derivatives at fair value through profit or loss	17	1,188,342	-
Total non-current assets		**4,879,547,860**	**4,902,764,134**
Current assets			
Trade and other receivables	6	76,937,146	94,818,431
Prepayments		4,704,900	4,366,389
Amount receivable from shareholders		-	5,000,000
Derivatives at fair value through profit or loss	17	129,247	2,742,785
Cash and cash equivalents	7	260,601,489	222,963,050
Total current assets		**342,372,782**	**329,890,655**
Total assets		**5,221,920,642**	**5,232,654,789**
Liabilities			
Non-current liabilities			
Borrowings	12	3,585,198,237	3,572,247,986
Deferred tax liabilities	18	123,684,812	120,332,080
Total non-current liabilities		**3,708,883,049**	**3,692,580,066**
Current liabilities			
Borrowings	12	61,155,871	71,181,261
Derivatives at fair value through profit or loss	17	4,130,036	8,948,039
Deferred income	19	7,848,223	10,754,938
Taxation payable	18	8,390,938	10,551,787
Provisions		118,248	1,018,652
Trade and other payables	8	90,055,011	84,247,983
Total current liabilities		**171,698,327**	**186,702,660**
Net assets attributable to the Partners		**942,008,935**	**938,389,096**
Total liabilities		**4,822,590,311**	**4,817,671,822**
Non-controlling interests (equity)	14	**399,330,331**	**414,982,967**
Adjustments from net assets attributable to the Partners to Subscription Net Asset Value	23	77,748,608	125,151,629
Adjusted Subscription Net Asset Value*		**1,019,757,543**	**1,063,540,725**

*Calculated in accordance with Note 2.28.

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

Consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Year ended 31 December 2024 €	Year ended 31 December 2023 €
Rental income	9	244,682,790	235,934,989
Service charge income	9	29,892,517	21,576,278
Gross rental income		**274,575,307**	**257,511,267**
Service charge expense	9	(31,340,711)	(22,445,384)
Non recoverable property expenses	9	(19,332,467)	(12,681,240)
Property operating expenses		**(50,673,178)**	**(35,126,624)**
Net rental income		**223,902,129**	**222,384,643**
Administrative expenses	10	(31,803,448)	(44,770,179)
Net unrealised gain/(loss) from fair value adjustment on investment property	5	3,680,177	(265,330,722)
Realised loss on disposal of investment property	5	(4,558,503)	-
Realised loss on sale of subsidiary	15	(48,396)	(1,479,790)
Net realised foreign exchange (loss)/gain on derivative contracts	17	(30,342,983)	34,663,852
Net unrealised foreign exchange gain/(loss) on derivative contracts	17	3,392,808	(47,571,515)
Other income		35,171	-
Other operating expenses		(9,388,512)	(3,698,815)
Operational result		**154,868,443**	**(105,802,526)**
Finance income	11	40,738,773	16,540,369
Finance expense	11	(101,895,641)	(85,066,645)
Net finance result		**(61,156,868)**	**(68,526,276)**
Profit/(loss) before tax		**93,711,575**	**(174,328,802)**
Taxation expense	18	(10,828,511)	(15,192,268)
Deferred taxation	18	(3,352,732)	12,293,142
Total tax		**(14,181,243)**	**(2,899,126)**
Profit/(loss) for the year after tax		**79,530,332**	**(177,227,928)**
Other comprehensive income after tax:			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation reserve		(16,355,740)	(9,844,704)
Total comprehensive income/(loss) for the year		**63,174,592**	**(187,072,632)**
Profit/(loss) for the year attributable to:			
Partners		65,720,069	(137,379,444)
Non-controlling interests	14	13,810,263	(39,848,483)
Total comprehensive income/(loss) for the year is attributable to:			
Partners		49,364,329	(147,224,148)
Non-controlling interests	14	13,810,263	(39,848,483)
Net increase/(decrease) attributable to the Partners for the year		**49,364,329**	**(147,224,148)**
Adjustments from net assets attributable to the Partners to subscription Net Asset Value		(47,403,021)	(20,229,456)
Net increase/(decrease) in subscription Net Asset Value*		**1,961,308**	**(167,453,604)**

*Calculated in accordance with Note 2.28.

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

Consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Year ended 31 December 2024 €	Year ended 31 December 2023 €
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		93,711,575	(174,328,802)
Adjustments			
Net (gain)/loss from fair value adjustment on investment property	5	(3,680,177)	265,330,722
Net loss on sale of subsidiary	15	48,396	1,479,790
Realised loss on disposal of investment property	5	4,558,503	-
Net realised foreign exchange loss/(gain) on derivative contracts	17	30,342,983	(34,663,852)
Net unrealised foreign exchange (gain)/loss on derivative contracts	17	(3,392,808)	47,571,515
Finance result	11	61,156,867	68,526,276
Increase/decrease in operating assets			
Decrease in trade and other receivables (excluding interest and taxation)		22,881,281	126,740,211
(Increase)/decrease in prepayments		(338,511)	2,894,145
Decrease in deferred income		(2,906,715)	(4,437,423)
(Decrease)/increase in provisions		(900,404)	63,324
Increase/(decrease) in trade and other payables (excluding interest and taxation)		4,227,440	(86,953,090)
Cash generated from operations		**205,708,430**	**212,222,816**
Taxation paid		(12,989,360)	(28,009,232)
Interest received	11	4,777,807	2,195,991
Interest paid		(88,700,557)	(78,785,554)
Net cash generated from operating activities		**108,796,320**	**107,624,021**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of investment property (including acquisition costs)*	5	-	(35,464,088)
Sale of investment property	5	100,654,584	-
Sale of subsidiary	15	37,188,193	98,531,470
Capital expenditure on investment property*	5	(101,590,598)	(190,027,740)
Capitalised lease incentives	5	(6,902,051)	(35,977,266)
Net cash from/(used in) investing activities		**29,350,128**	**(162,937,624)**
CASH FLOW FROM FINANCING ACTIVITIES			
Drawdown on borrowings**	12	75,725,637	426,753,267
Repayment of borrowings	12	(74,731,598)	(394,193,012)
Distribution to the Partners**		(51,470,404)	(51,146,398)
Distribution to Non-controlling interests	14	(5,756,194)	(5,361,323)
Payment to Non-controlling interests on disposal	14	(22,851,962)	-
Proceeds from Non-controlling interests	14	1,505,099	3,517,791
Net (payment)/receipt on forward contracts	17	(30,342,982)	34,663,851
Net cash (used in)/provided by financing activities		**(107,922,410)**	**14,234,176**
Net increase/(decrease) in cash and cash equivalents		**30,224,038**	**(41,079,427)**
Cash and cash equivalents at beginning of the year		222,963,050	260,307,395
Net currency translation differences		7,414,401	3,735,082
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**260,601,489**	**222,963,050**

* Excludes nil (2023: €15,597,457) movement in right of use asset/finance lease as this is considered a non-cash transaction.
** Amount excludes movement of nil (2023: €300m) share capital/share premium converted into shareholder loans during the year, amounts received/paid under Dividend Reinvestment Program of €21.2m (2023: €9m) and Interest Free Loan balances converted to share capital during the year as these are considered non-cash transactions.

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

Consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE PARTNERS FOR THE YEAR ENDED 31 DECEMBER 2024

		Limited Partners*				General Partner			
		Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Total Limited Partners	Share Capital	Retained Earnings	Total General Partner	Total
	Note	€	€	€	€	€	€	€	€
Net assets attributable to the Partners as at 31 December 2022 (IFRS)		**1,020,716,532**	**159,290,477**	**(7,720,950)**	**1,172,286,059**	**100**	**87**	**187**	**1,172,286,246**
Capital contributions		270,717,126	-	-	270,717,126	-	-	-	270,717,126
Distributions of capital / share premium		(357,390,127)	-	-	(357,390,127)	-	-	-	(357,390,127)
Loss for the year after tax		-	(137,379,422)	-	(137,379,422)	-	(23)	(23)	(137,379,445)
Other comprehensive loss		-	-	(9,844,704)	(9,844,704)	-	-	-	(9,844,704)
Net assets attributable to the Partners as at 31 December 2023 (IFRS)		**934,043,531**	**21,911,055**	**(17,565,654)**	**938,388,932**	**100**	**64**	**164**	**938,389,096**
Cumulative adjustments from net assets attributable to the Partners to adjusted subscription Net Asset Value	23	-	125,151,629	-	125,151,629	-	-	-	125,151,629
Net assets attributable to the Partners as at 31 December 2023 (Adjusted Subscription NAV)		**934,043,531**	**147,062,684**	**(17,565,654)**	**1,063,540,561**	**100**	**64**	**164**	**1,063,540,725**
Capital contributions		17,304,442	-	-	17,304,442	-	-	-	17,304,442
Distributions of capital / share premium		(63,048,932)	-	-	(63,048,932)	-	-	-	(63,048,932)
Profit for the year after tax		-	65,720,068	-	65,720,068	-	1	1	65,720,069
Other comprehensive loss	2, 4	-	-	(16,355,740)	(16,355,740)	-	-	-	(16,355,740)
Net assets attributable to the Partners as at 31 December 2024 (IFRS)		**888,299,041**	**87,631,123**	**(33,921,394)**	**942,008,770**	**100**	**65**	**165**	**942,008,935**
Cumulative adjustments from net assets attributable to the Partners to adjusted Subscription Net Asset Value	23	-	77,748,608	-	77,748,608	-	-	-	77,748,608
Net assets attributable to the Partners as at 31 December 2024 (Adjusted Subscription NAV)		**888,299,041**	**165,379,731**	**(33,921,394)**	**1,019,757,378**	**100**	**65**	**165**	**1,019,757,543**

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

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

Consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE PARTNERS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Number of shares in issue	Year ended 31 December 2024	Year ended 31 December 2023
Expressed in units	units	units
Class A Shares		
Shares in issue at the beginning of the year	975,279	803,112
Shares subscribed	16,059	172,167
Shares redeemed	(2,468)	-
Class A Shares in issue at the end of the year	**988,870**	**975,279**
Class C Shares		
Shares in issue at the beginning of the year	1	1
Shares subscribed	-	-
Shares redeemed	-	-
Class C Shares in issue at the end of the year	**1**	**1**

Net assets per share (IFRS NAV)	31 December 2024	31 December 2023
Expressed in (€)	€	€
Class A shares	952.61	962.17
Class C shares	165.19	164.56

Net assets per units (subscription NAV)	31 December 2024	31 December 2023
Expressed in (€)	€	€
Class A shares	1,031.24	1,090.50
Class C shares	165.19	164.56

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

Notes to the Consolidated Financial Statements

AS AT 31 DECEMBER 2024

1 General information

AXA Logistics Europe Master S.C.A., (the "Fund") is a corporate partnership limited by shares *(société en commandite par actions ("S.C.A."))* domiciled and incorporated in the Grand Duchy of Luxembourg on 27 June 2019 for an unlimited duration. The subscription, sale and holding of shares of the Fund are restricted to Institutional Investors.

The Fund is registered with the Luxembourg Trade and Companies Register under number B 235 921.

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, the General Partner has appointed AXA Real Estate Investment Managers SGP ("AXA REIM SGP"), as the legal person responsible for performing the portfolio and risk management of the Fund, and identified as the Alternative Investment Fund Manager ("AIFM") of the Fund, as disclosed in the Investment and Shareholders Agreement ("ISA").

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 22.

The Group's investment activities are managed by its General Partner, AXA Logistics Europe GP S.à r.l. (the "General Partner"), a private limited liability company incorporated under the law of Grand Duchy of Luxembourg with registration number B 235 839. The administration of the Group is managed by The Bank of New York Mellon SA/NV Luxembourg Branch.

The financial period 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 Fund will be to seek current income combined with long-term capital appreciation through investment directly or indirectly via its subsidiaries in a diversified portfolio of European Real Estate Assets exposed to logistics with a limited exposure to investments in cash in accordance with its investment objective and the investment guidelines.

The Fund is subject to reporting under Article 8 of Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector. The financial product promotes environmental and social characteristics but does not have as its objective sustainable investment. The SFDR Disclosure referred to in Article 11 (1) of SFDR under environmental or social characteristics is included in the Appendices to these financial statements, which is unaudited.

The consolidated financial statements of AXA Logistics Europe Master S.C.A., were authorised for issue by the General Partner on 29 April 2025.

2 Summary of material accounting policies

The material 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 IFRS Accounting Standards as 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 properties at fair value and derivative financial instruments that have been measured at fair value through profit and loss. The consolidated financial statements are presented in Euro and the presentation currency of the consolidated information is Euro.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

(c) Income and cash flow statements

The Group has elected to present a single consolidated statement of comprehensive income, and presents its expenses by nature. The consolidated statement of cash flows from operating activities is presented using the indirect method. Interest received and interest paid are shown separately within operating cashflows. The acquisition of investment property is 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.

(d) Accounting estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards 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 believes that the underlying assumptions are appropriate. Key estimates, assumptions and judgement that have significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial period are outlined in Note 2.2.

(e) New and amended standards adopted by the Group

The Group has adopted all standards and interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee of the IASB as adopted by the European Union that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2024. The amendments did not have significant impact on financial statements.

(f) New standards and interpretations not yet adopted

Certain new accounting standards, amendment and interpretations have been published that are not mandatory for 31 December 2024 reporting year and have not been early adopted by the Group.

The following new and amended standards and interpretations are not expected to have a significant impact on the Group's financial statements.

- IAS 21 The Effects of Changes in Foreign Exchange Rates - Amendments regarding lack of exchangeability (effective 1 January 2025),
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026),
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027),
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

Management has assessed the effects of applying the new standards on the Group's consolidated financial statements and are expecting no significant impact, with the exception of the application of IFRS 18 standards, for which the impact is currently being assessed and will be considered as of the effective date of the respective amendment.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Group.

(g) Changes to comparative presentation and classification

The presentation and classification of some items in the financial statements, including the consolidated statement of comprehensive income, from the prior financial year were changed to be in line with the disclosures for the current year consolidated financial statements if it gives a more accurate presentation.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.2 Critical accounting estimates and judgements

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

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 period are outlined below.

(a) Investment property

The fair value of investment property 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.

(b) 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 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.

The Group did not make any other material critical accounting judgements in the year ended 31 December 2024 or 31 December 2023.

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").

i) Classification of financial instruments

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:

Financial assets held at amortised cost 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. Assets with maturities of less than 12 months after the statement of financial position date are included in current assets and those assets exceeding 12 months are included in non-current assets.

The Group includes short-term financial assets including trade and other receivables in this category.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

Financial assets measured at fair value through profit or loss:

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 gains and loss on them different bases.

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

- The Group has included derivatives in this category unless they are designated as hedges. 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 2.17 for the accounting policy on borrowings), redeemable shares and trade and other payables.

ii) 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. Financial assets that are carried at amortised cost include trade and other receivables. 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.

iii) 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.

iv) 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 consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

v) Impairment of financial assets

For trade receivables the Group applies AXA IM Alts Real Estate 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.

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.

vi) 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 transacts predominantly in €. The consolidated financial statements are presented in €, which is the Group functional currency and Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of such transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are 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 in other comprehensive income.

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 other comprehensive income 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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.7 Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost.

2.8 Prepayments

Prepayments are carried at cost, less any accumulated impairment losses.

2.9 Expenses

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

2.10 Interest income and interest expense

Interest income and expense are recognised within “finance 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.

2.11 Group formation expenses

The Group’s formation expenses are recognised as an expense on accrual basis.

2.12 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 obligation; 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.

2.13 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.

All the Group companies have 31 December as their period-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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.13 Consolidation (continued)

(a) Subsidiaries (continued)

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.

Acquisition-related costs are expensed as incurred.

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

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 acquisition of a subsidiary not meeting 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.

(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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.14 Investment property

Investment property is property 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 property 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.

2.15 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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.15 Leases (continued)

(a) Group is the lessee (continued)

(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.

2.16 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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.17 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.

2.18 Taxation

The entities of the Group are subject to taxation in the countries in which they operate. 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 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.

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.

The Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti- Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. The legislation is effective for the Group's financial year beginning on or after 1 January 2024.

As the Fund qualifies as an investment entity (or insurance investment entity), it is excluded from the QDMTT implemented by the Luxembourg legislation. As such, any potential Pillar Two exposure and liability will be at the level of the investor or its ultimate parent company.

The Pillar 2 model rules should not impact the consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.19 Redeemable shares

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. Redeemable shares are classified as financial liabilities in accordance with IAS 32. The ISA of the Fund permits quarterly redemptions.

2.20 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.

2.21 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using the effective interest method. The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Refundable deposits

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.

2.22 Dividend distribution

Distributions to Partners are recognised in the consolidated statement of comprehensive income in the period in which the dividends are approved. Distributions out of share premium are presented with the consolidated statement of changes in net assets.

2.23 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 consolidated 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.

Notes to the Consolidated Financial Statements

2 Summary of material accounting policies (continued)

2.24 Other income

Other income is recognised when the right to receive has been established, the amount of the income can be reliably determined and recovery of the consideration due is likely.

2.25 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision- maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of the Group. The Group has determined that its chief operating decision-maker is the Board of Managers of the General Partner of the Fund.

2.26 Derivatives

Derivative financial assets and liabilities are classified as financial assets/liabilities at fair value through profit or loss (held for trading). Derivative financial assets and liabilities comprise currency forward contracts for hedging purposes (economic hedge) and interest rate swaps. The Fund does not apply hedge accounting in accordance with IFRS 9.

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

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the consolidated statement of financial position date, with the resulting value discounted back to present value.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

2.27 Net assets attributable to partners

Net assets attributable to partners are represented by the difference between the assets and liabilities of the Group after the deduction of non-controlling interests. The Net Asset Value (“NAV”) per these consolidated financial statements differs to the subscription NAV issued to the shareholders on an INREV basis, as the consolidated financial statements are prepared under IFRS (see Note 23). INREV refers to the professional standards published by the European Association for Investors in Non- Listed Real Estate Vehicles (“INREV”).

2.28 Adjustments from net assets attributable to the partners to subscription net asset value

The subscription NAV is calculated as set out in clause 17.1.2 of the ISA by performing adjustments compared to the IFRS NAV, including:

(i) The acquisition costs (including debt issuance 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 tax adjustment corresponds mainly to discounts on latent capital gains tax and revaluations in case of exit on a share deal basis.

(iv) The adjustment related to the revaluation to fair value of financial assets and financial liabilities excluding the tax effects of fair value uplift of those financial assets/financial liabilities.

Notes to the Consolidated Financial Statements

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 include inputs for the asset or liability that are not based on observable market data (unobservable input).

The table below 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 2024				
Investment property	-	-	4,878,359,518	4,878,359,518
Derivatives at fair value through profit or loss (assets)	-	1,317,589	-	1,317,589
Derivatives at fair value through profit or loss (liabilities)	-	(4,130,036)	-	(4,130,036)
As at 31 December 2023				
Investment property	-	-	4,902,764,134	4,902,764,134
Derivatives at fair value through profit or loss (assets)	-	2,742,785	-	2,742,785
Derivatives at fair value through profit or loss (liabilities)	-	(8,948,039)	-	(8,948,039)

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

There were no transfers between levels during the years ended 31 December 2024 and 31 December 2023.

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 instruments are observable, the instruments 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 caps / swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- Other techniques, such as discounted cash flow analysis are used to determine fair value for the remaining financial instruments.

Notes to the Consolidated Financial Statements

3 Fair value estimation (continued)

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 2024 but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	€	€	€	€
As at 31 December 2024				
Assets				
Trade and other receivables (1)	-	45,788,982	-	45,788,982
Cash and cash equivalents	260,601,489	-	-	260,601,489
Total	**260,601,489**	**45,788,982**	**-**	**306,390,471**
Liabilities				
Trade and other payables (1)	-	69,311,396	-	69,311,396
Borrowings (2)	-	3,600,656,216	-	3,600,656,216
Net assets attributable to the partners	-	-	942,008,935	942,008,935
Total	**-**	**3,669,967,612**	**942,008,935**	**4,611,976,547**

(1) Non-financial assets and liabilities are excluded in the above table with their amounts.
(2) Amount presented is based on fair value.

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 2023 but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	€	€	€	€
As at 31 December 2023				
Assets				
Amount receivable from shareholders	-	5,000,000	-	5,000,000
Trade and other receivables (1)	-	60,569,423	-	60,569,423
Cash and cash equivalents	222,963,050	-	-	222,963,050
Total	**222,963,050**	**65,569,423**	**-**	**288,532,473**
Liabilities				
Trade and other payables (1)	-	69,027,247	-	69,027,247
Borrowings (2)	-	3,563,144,425	-	3,563,144,425
Net assets attributable to the partners	-	-	938,389,096	938,389,096
Total	**-**	**3,632,171,672**	**938,389,096**	**4,570,560,768**

(1) Non-financial assets and liabilities are excluded in the above table with their amounts.
(2) Amount presented is based on fair value.

Cash and cash equivalents, trade and other receivables, trade and other payables, amount receivable from shareholders are carried at amortised cost and their carrying values are a reasonable approximation of fair value.

Notes to the Consolidated Financial Statements

4 Financial risk management

The Board of Managers of the General Partner has 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 currency, price 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.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of an asset 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, where relevant, on the exposure to currency and interest rate risk as well as security prices that may be accepted, which are monitored on a regular 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 currency risk

	SEK	NOK	DKK	EUR	GBP	Total
						€
As at 31 December 2024						
Financial assets						
Trade and other receivables (1)	23,292,056	10,814	3,919	20,608,051	1,874,142	45,788,982
Cash and cash equivalents	13,998,375	6,479,447	5,144,733	227,433,191	7,545,743	260,601,489
Derivatives at fair value through profit or loss	-	-	-	1,317,589	-	1,317,589
Total financial assets	**37,290,431**	**6,490,261**	**5,148,652**	**249,358,831**	**9,419,885**	**307,708,060**
Financial liabilities						
Borrowings (1)	(159,733,847)	(20,406,659)	(7,201,088)	(3,464,769,585)	-	(3,652,111,179)
Trade and other payables (1)	(1,908,885)	(600,631)	(859,838)	(62,636,027)	(3,306,015)	(69,311,396)
Derivatives at fair value through profit or loss	-	-	-	(4,130,036)	-	(4,130,036)
Net assets attributable to the Partners	-	-	-	(942,008,935)	-	(942,008,935)
Total financial liabilities	**(161,642,732)**	**(21,007,290)**	**(8,060,926)**	**(4,473,544,583)**	**(3,306,015)**	**(4,667,561,546)**

(1) Non-financial assets and liabilities are excluded in the above table with their amounts.

Notes to the Consolidated Financial Statements

4 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

	SEK	NOK	DKK	EUR	GBP	Total
						€
As at 31 December 2023						
Financial assets						
Trade and other receivables (1)	15,892,924	86,714	316,019	32,781,521	11,492,245	60,569,423
Amount receivable from shareholders	-	-	-	5,000,000	-	5,000,000
Cash and cash equivalents	10,756,064	6,131,687	17,147,250	181,409,129	7,518,920	222,963,050
Derivatives at fair value through profit or loss	-	-	-	2,742,785	-	2,742,785
Total financial assets	**26,648,988**	**6,218,401**	**17,463,269**	**221,933,435**	**19,011,165**	**291,275,258**
Financial liabilities						
Borrowings (1)	(165,226,757)	(20,069,811)	(11,717,349)	(3,453,902,419)	-	(3,650,916,336)
Trade and other payables (1)	(3,903,245)	(234,520)	(805,456)	(57,998,739)	(6,085,287)	(69,027,247)
Derivatives at fair value through profit or loss	-	-	-	(8,948,039)	-	(8,948,039)
Net assets attributable to the Partners	-	-	-	(938,389,096)	-	(938,389,096)
Total financial liabilities	**(169,130,002)**	**(20,304,331)**	**(12,522,805)**	**(4,459,238,293)**	**(6,085,287)**	**(4,667,280,718)**

(1) Non-financial assets and liabilities are excluded in the above table with their amounts.

The Fund operates across Europe 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, SEK, NOK, 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 2024 had GBP and SEK weakened/strengthened by 5% against the euro, post-tax profit for the year would have been €5,911,922 (2023: €6,477,757) higher/lower.

Foreign exchange risk arising from DKK and NOK exposure is not considered material to the Group for the financial years 2024 and 2023 and therefore sensitivity to these currencies have not been presented.

Notes to the Consolidated Financial Statements

4 Financial risk management (continued)

(a) Market risk (continued)

(ii) 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.

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 2024 had market interest rates increased/decreased by 100 basis points with all other variables held constant, the impact on the net assets and profit/(loss) would be €35,930,114 (2023: €35,968,360) decrease/increase.

The average effective interest rates of financial instruments at the date of the Consolidated Statement of Financial Position, based on reports reviewed by key management personnel, were as follows:

		31 December 2024	31 December 2023
	Notes	€	€
Bank borrowings	12	4.71%	4.71% / Euribor 3M+1.1%
Shareholder loan	12	3.32%	3.31%
Notes issued	12	0.56%	0.56%

Refer to Note 12 for details of fixed and variable interest rates on borrowings.

(iii) Price risk

As at 31 December 2024 and 31 December 2023, the Group has not been exposed to price risk in respect to financial instruments.

(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 and derivatives. Credit risk is managed on a Group basis. The Group structures the levels of credit risk it accepts by placing, where appropriate, 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 where appropriate. The Group has policies in place to ensure that rental 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 only with financial institutions with strong credit standing.

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. For derivative instruments concluded at Fund level, collateral agreements have been entered to in order to reduce the credit counterparty risk.

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

	31 December 2024	31 December 2023
	€	€
Amount receivable from shareholders	-	5,000,000
Trade and other receivables (1)	45,788,982	60,569,423
Cash and cash equivalents	260,601,489	222,963,050
	306,390,471	**288,532,473**

(1) Non-financial assets are excluded in the above table with their amounts.

There are no significant financial assets that are past due or impaired. There are no collateral nor other credit enhancements held by the Group.

Notes to the Consolidated Financial Statements

4 Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk for the Group of not being able to meet its liquidity requirements mainly due to a mismatch between the liquidity of its assets and the one of its liabilities.

Liquidity requirements for the Group may arise mainly from investors redemptions within the limits and under the conditions set out in the ISA, significant capital expenditures, third-party debt reimbursements and significant collateral cash payments linked to collateral agreements related to derivatives positions.

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 Limited Partner in a timely manner. The ISA 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' shares in a redemption vintage will be redeemed on a pro rata basis having regard to the total amounts of shares presented for redemption on the redemption vintage in the same redemption vintage and pari passu with other shares in the same redemption vintage.
c) 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 in respect of the outstanding redemption requests.
d) 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 of the Fund as at any given date, or (ii) the AIFM considers that there are special market or adverse conditions.

In addition to Shareholder loan and notes issued, the Group has entered into revolving credit facility agreements with the following banks (see Note 12 for further information on bank borrowings):

- Natixis
- HSBC
- CA-CIB
- BNP Paribas
- Banque Européenne du Crédit Mutuelle

In 2023, the Group has also entered into a mortgaged loan with Deutsche Pfandbriefbank AG (see Note 12 for further information on bank borrowings).

The Group's liquidity position is monitored on a regular 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.

Notes to the Consolidated Financial Statements

4 Financial risk management (continued)

(c) Liquidity risk (continued)

The maturity analysis at 31 December 2024 is as follows:

	On demand / < 1 month	1 month to 1 year	1 to 5 years	Later than 5 years	Total
	€	€	€	€	€
Liabilities					
Derivatives at fair value through profit or loss	-	4,130,036	-	-	4,130,036
Trade and other payables [(1)]	-	69,311,396	-	-	69,311,396
Borrowings [(2)]	-	135,990,932	1,263,525,222	4,308,275,126	5,707,791,280
Net assets attributable to partners [(3)]	-	4,635,850	-	937,373,085	942,008,935
	-	**214,068,214**	**1,263,525,222**	**5,245,648,211**	**6,723,241,647**

(1) Non-financial liabilities are excluded in the above table with their amounts.
(2) Borrowings also include accrued interest.
(3) Based on the investment profile of the underlying investments (real estate) and the exit mechanism of the Fund as per the ISA, the above classification represents the investment horizon of the Fund.

The maturity analysis at 31 December 2023 is as follows:

	On demand / < 1 month	1 month to 1 year	1 to 5 years	Later than 5 years	Total
	€	€	€	€	€
Liabilities					
Derivatives at fair value through profit or loss	-	8,948,039	-	-	8,948,039
Trade and other payables [(1)]	-	69,027,247	-	-	69,027,247
Borrowings [(2)]	5,000,000	159,882,270	944,832,111	4,697,959,870	5,807,674,251
Net assets attributable to partners [(3)]	-	7,738,857	-	930,650,239	938,389,096
	5,000,000	**245,596,413**	**944,832,111**	**5,628,610,109**	**6,824,038,633**

(1) Non-financial liabilities are excluded in the above table with their amounts.
(2) Borrowings also include accrued interest.
(3) Based on the investment profile of the underlying investments (real estate) and the exit mechanism of the Fund as per the ISA, the above classification represents the investment horizon of the Fund.

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 currency 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 unitholders, 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 unit 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 AIFM monitor capital on the basis of the value of net assets attributable to unitholders in accordance with the principles defined in the ISA.

The Fund deploys a certain level of third party debt to finance part of the Fund's investments in real estate assets, to the extent that such financing is available. Such financing may include unsecured borrowings and non-recourse project level debt secured by the mortgage of one or more real estate assets themselves. The Fund has an absolute limit set at 45% (2023:45%) loan to value ("LTV") in aggregate at portfolio level. As at 31 December 2024, the leverage of the real estate portfolio was 17.8% LTV (2023: 19.1% LTV).

Notes to the Consolidated Financial Statements

5 Investment property

The Group invests in logistics real estate assets. Logistics real estate assets include predominantly industrial real estate assets such as operating industrial warehouse and logistics buildings such as bulk, trans-shipment, flex, light industrial, cold-storage, cross dock warehouses and parcel hubs. Industrial real assets can also include land utilised for trailer or container storage, parking or similar purposes.

The valuation of the investment properties was carried out by the external valuers in accordance with the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors on the basis of fair value. Fair 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 table below shows the movement of investment properties held by the Group for the year ended 31 December 2024:

	Investment property
	€
Fair value as at 1 January 2024	**4,902,764,134**
Purchases (including acquisition costs)	-
Capitalised expenditure	103,170,186
Unrealised gain	3,680,177
Realised loss [1]	(4,558,503)
Currency translation gain	4,451,895
Sales [1]	(137,891,168)
Capitalised lease incentives	6,902,051
Movement on right of use asset	(159,254)
Fair value as at 31 December 2024	**4,878,359,518**

(1) Including realised losses and sales of properties through disposal of subsidiaries (see Note 15) but also from properties disposed by way of asset deals

During the year ended 31 December 2024, the Group entered into the following transactions in respect of investment properties;

- In Q3 2024, the Group disposed a portfolio of four Italian assets in Liscate (46,700sqm), Cortemaggiore (42,200sqm), Trofarello (29,300sqm) and Pieve Emanuele (23,600sqm), with total disposal proceeds amounting to c €57m (excluding the share of non-controlling interests).
- During Q4 2024, the Group closed the disposal of two additional properties in France. These assets located in Vert-Saint- Denis (south of Paris) and in Grenay (Lyon region) were sold at a real estate price of c € 49m (excluding the share of non- controlling interests).
- In Q4 2024 the Group acquired a new asset near Heilbronn, Baden-Württemberg, in Germany: this is a newly developed, institutional quality c. 63,000 sqm (c. 680,000 sqft) logistics campus. Completed in 2023, the logistics centre comprises high-quality warehousing and office space across two buildings and is fully let to a global transport and logistics business. The acquisition of this property was secured with the signing of an SPA and the payment of a deposit in December 2024 (refer to Note 6) and subsequently closed in February 2025 (refer to Note 24).
- During the financial year 2024, some French development projects have reached final completion in Verneuil, Saint- Quentin-Fallavier, Arles, Ayguemorte and Ennery. The first phase of the projects in Stolberg (Germany) and in Leeds (United Kingdom) were also delivered in 2024.

Notes to the Consolidated Financial Statements

5 Investment property (continued)

The table below shows the movement of investment properties held by the Group for the year ended 31 December 2023:

	Investment property
	€
Fair value as at 1 January 2023	**4,948,636,330**
Purchases (including acquisition costs)	51,061,545
Capitalised expenditure	144,508,150
Unrealised loss	(265,330,722)
Realised loss (Note 15)	(402,437)
Currency translation gain	2,284,161
Sales (Note 15)	(13,850,718)
Capitalised lease incentives	35,977,266
Movement on right of use asset	(119,441)
Fair value as at 31 December 2023	**4,902,764,134**

During the year ended 31 December 2023, the Group entered into the following transactions in respect of investment properties;

- On 4 January 2023, the Group finalised the acquisition of a c. 20,800 sqm warehouse space in Zoetermeer, the Netherlands, through its 67.98% owned subsidiary Onelog NL Zoetermeer B.V.. The acquisition had been secured in 2022 on a forward purchase basis with agreed total investment cost of € 38.1m.
- The Group, through its 66.62% owned subsidiary SCI VAL Development, acquired on 7 June 2023 a new asset located in Arles, South-East of France. The acquisition was structured by way of a forward funding scheme with a first instalment of € 5.0m.
- In July 2023, the Group made a new acquisition in Ayguemorte-les-Graves, South-West of France, to develop a c. 5,100 sqm warehouse space. The acquisition was made in a forward funding scheme with a first instalment of € 2.0m.
- On 26 July 2023, the Group acquired a site in Ennery, France, by way of a forward funding scheme to develop 2 units of respectively c. 6,800 sqm and c. 37,000 sqm. The acquisition was made through 67.98% owned subsidiary OneMetz SCI. A first instalment of c. € 3.0m was paid in Q3 2023.
- On 20 September 2023, the Group acquired a site in Honfleur, France, by way of a forward funding scheme with a first instalment of € 3.3m through its wholly owned subsidiary Log Honfleur SCI. The project consists in the development of c. 32,000 sqm of gross lettable area for logistics.
- The Group, through its 67.98% owned subsidiary One North, acquired on 29 September 2023 a c. 40,000 sqm distribution warehouse located in Dourges, North of France at a real estate price of c. € 37.0m. The acquisition was partially finance by way of a finance lease with bank KBC for c. € 15.5m (see Note 12).
- On 23 November 2023, the Group disposed of a property located in Hedensted, Denmark at a real estate price of c. € 13.4m. The transaction was done by way of a share deal (see Note 15), selling the participation in 67.98% owned subsidiary Onelog Hedensted ApS.
- During the financial year 2023, the following development projects have reached final completion: Hoofddorp (in the Netherlands), Philippsburg (in Germany) and Nuneaton (in the United Kingdom).

Valuation process

The Group's investment properties were valued as at 31 December 2024 and as at 31 December 2023 by two independent professional qualified valuers, CBRE Limited and Cushman Wakefield, who hold recognised relevant professional qualifications and relevant experience in the locations and segments of the investment properties valued. For all investment properties, their current use equals the highest and best use. The AIFM and the General Partner reviewed the valuations performed by the independent valuers 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.

Notes to the Consolidated Financial Statements

5 Investment property (continued)

As at 31 December 2024, the Group has invested in the following investment properties:

Country	Valuation technique	Rental yield	Estimated rental value (1)	Fair value (2)	Right of use asset	Fair value including right of use asset
			€	€	€	€
France	Income Capitalisation approach / Comparison method / Discounted cash flow	4.69%	72,034,864	1,140,789,999	-	1,140,789,999
Germany	Income Capitalisation approach	4.58%	59,618,078	1,042,875,000	15,407,872	1,058,282,872
United Kingdom	Income Capitalisation approach	4.77%	40,055,091	592,334,663	-	592,334,663
Sweden	Income Capitalisation approach	5.01%	31,181,430	562,763,586	-	562,763,586
Italy	Income Capitalisation approach	5.31%	36,233,995	542,650,000	-	542,650,000
Netherlands	Income Capitalisation approach	5.13%	26,194,956	392,110,000	-	392,110,000
Spain	Income Capitalisation approach	4.78%	10,703,980	189,720,000	-	189,720,000
Finland	Income Capitalisation approach	5.01%	6,907,392	121,000,000	-	121,000,000
Norway	Income Capitalisation approach	5.14%	7,812,529	116,185,566	-	116,185,566
Denmark	Income Capitalisation approach	4.70%	5,670,090	89,811,832	-	89,811,832
Poland	Income Capitalisation approach	7.42%	5,467,484	72,711,000	-	72,711,000
				4,862,951,646	**15,407,872**	**4,878,359,518**

(1) Represents the estimated future rental value to be received from the respective investment properties.
(2) The fair value of the underlying investment properties as at 31 December 2024, excluding right of use assets.

As at 31 December 2023, the Group has invested in the following investment properties:

Country	Valuation technique	Rental yield	Estimated rental value (1)	Fair value (2)	Right of use asset	Fair value including right of use asset
			€	€	€	€
France	Income Capitalisation approach / Comparison method / Discounted cash flow	4.25%	73,374,064	1,135,836,938	-	1,135,836,938
Germany	Income Capitalisation approach	4.17%	58,996,486	1,044,515,100	15,527,313	1,060,042,413
Netherlands	Income Capitalisation approach	5.31%	25,137,101	385,940,000	-	385,940,000
Poland	Income Capitalisation approach	6.88%	5,349,141	73,782,000	-	73,782,000
Spain	Income Capitalisation approach	4.64%	10,509,673	189,200,000	-	189,200,000
Italy	Income Capitalisation approach	5.36%	42,114,850	637,624,966	-	637,624,966
United Kingdom	Income Capitalisation approach	4.65%	37,052,902	506,302,162	-	506,302,162
Denmark	Income Capitalisation approach	4.68%	5,515,556	89,240,404	-	89,240,404
Finland	Income Capitalisation approach	5.17%	6,907,392	123,000,000	-	123,000,000
Norway	Income Capitalisation approach	4.68%	7,250,858	116,965,945	-	116,965,945
Sweden	Income Capitalisation approach	4.94%	31,839,167	584,829,306	-	584,829,306
				4,887,236,821	**15,527,313**	**4,902,764,134**

(1) Represents the estimated future rental value to be received from the respective investment properties.
(2) The fair value of the underlying investment properties as at 31 December 2023, excluding right of use assets.

Notes to the Consolidated Financial Statements

5 Investment property (continued)

Valuation process (continued)

As at 31 December 2024 and 2023, the Group has classified the fair value of investment properties as Level 3.

The Group is exposed to property price risk including property rentals risk.

The values of real estate assets mainly depend on:

- the real estate market valuation which is subject to fluctuations particularly regarding rents and prices determined by the supply, demand and the general economic conditions, and
- the specificities of each real estate asset. The portfolio is substantially composed of logistics assets located in areas around 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.

As at 31 December 2024, if rental yield rates had been 0.5% higher, with all other variables held constant, the valuation of investment properties would have been €469,432,308 lower (2023: €828,520,333 lower). As at 31 December 2024, if rental yield rates had been 0.5% lower, with all other variables held constant, the valuation of investment properties would have been €646,040,297 higher (2023: €551,090,535 higher).

As at 31 December 2024, if rental income rates had been 5% higher, with all other variables held constant, the valuation of investment properties would have been €321,061,052 higher (2023: €219,293.503 higher). As at 31 December 2024, if rental income rates had been 5% lower, with all other variables held constant, the valuation of investment properties would have been €265,913,874 lower (2023: €241,360,639 lower).

Valuation techniques underlying management's estimation of fair value

The income capitalisation and discounted cash flow methods 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 maintenance costs, vacancy rates and market rents.

6 Trade and other receivables

	31 December 2024	31 December 2023
	€	€
Trade and other receivables		
Gross rent receivable	17,248,750	25,384,116
Trade receivables	9,625,244	10,405,253
Other receivables (2)	13,270,310	11,068,090
	40,144,304	**46,857,459**
Other financial assets		
Security deposits	1,561,429	1,561,429
Cash collateral and escrow accounts	820,000	8,980,000
Cash time deposits	3,263,249	3,170,535
	5,644,678	**13,711,964**
Non-financial assets		
Value added tax receivable (1)	26,729,086	28,718,234
Tax receivables (1)	4,419,078	5,530,774
	31,148,164	**34,249,008**
	76,937,146	**94,818,431**

(1) Amounts considered as non-financial assets.
(2) Includes €4.7m of deposit for the acquisition of the Heilbronn (Germany) asset (refer to Note 5).

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.

Notes to the Consolidated Financial Statements

7 Cash and cash equivalents

Institution	Credit rating agency	31 December 2024	31 December 2023	31 December 2024	31 December 2023
				€	€
BNP Paribas	S&P	A+	A+	135,371,175	85,106,610
Bank of New York Mellon	S&P	AA	AA	46,418,679	58,667,133
JP Morgan Chase	S&P	AA	A+	27,904,160	24,197,478
Danske Bank	S&P	A+	A+	25,517,940	33,771,653
Deutsche Bank	S&P	A-	A	7,483,841	6,362,906
Banco Santander	S&P	A+	A+	4,848,092	3,695,892
Nordea	S&P	AA-	AA-	4,674,644	2,386,804
Barclays Bank	S&P	A+	A+	4,152,596	2,685,675
Banque Populaire	Fitch	A	A+	1,918,137	2,002,035
Société Générale	S&P	A	A	1,630,851	2,504,402
Other	N/A	N/A	N/A	681,374	1,582,462
				260,601,489	**222,963,050**

8 Trade and other payables

	Note	31 December 2024	31 December 2023
		€	€
Trade and other payables			
Management fees	13	8,966,890	7,634,172
Accrued operating expenses		17,459,294	23,297,930
Trade payables		2,382,033	(215,579)
Fixed asset accruals		23,116,172	21,536,584
Audit fees		1,318,311	1,658,324
Legal fees		187,752	73,902
Administration fees		261,403	245,836
Accounting fees		1,143,412	854,256
Depositary fees accrued		127,634	131,907
Tax advisory fees		402,542	217,443
Valuation fees		225,197	237,460
Other payables and accrued expenses		1,624,030	237,460
		57,214,670	**57,058,513**
Other financial liabilities			
Cash collateral payable		1,380,000	-
Refundable deposits		10,716,726	11,968,734
		12,096,726	**11,968,734**
Non-financial liabilities			
Value Added Tax and other taxes payable (1)		20,743,615	15,220,736
		20,743,615	**15,220,736**
Total trade and other payables		**90,055,011**	**84,247,983**

(1) Amounts considered as non-financial assets.

Notes to the Consolidated Financial Statements

9 Net rental income

	31 December 2024	31 December 2023
	€	€
Rental income	244,682,790	235,934,989
	244,682,790	**235,934,989**

At year-end the total contractually agreed rental income based on the leases in operation is as follows:

	31 December 2024	31 December 2023
	€	€
No later than 1 year	250,398,707	238,387,079
Later than 1 year and no later than 2 years	233,626,265	224,144,517
Later than 2 years and no later than 3 years	194,101,130	186,668,578
Later than 3 years and no later than 4 years	178,553,777	160,774,412
Later than 4 years and no later than 5 years	139,663,947	148,520,693
Later than 5 years	675,333,418	825,412,740
Total	**1,671,677,244**	**1,783,908,019**

The rental income generated by the Group is only from logistics properties.

(ii) Service charge income/expense

Service charge income/expenses for the year ended 31 December 2024 and 31 December 2023, represent service charges incurred which are subsequently recovered from tenants, where the Group acts as principal rather than agent. Service charge income/expenses are presented gross in the consolidated statement of comprehensive income.

(iii) Non recoverable property expenses

	31 December 2024	31 December 2023
	€	€
Other expenses	1,418,057	541,692
Other property expenses	12,755,333	7,191,097
Real estate expenses	5,159,077	4,948,451
Total	**19,332,467**	**12,681,240**

10 Administrative expenses

	31 December 2024	31 December 2023
	€	€
Management fees (see Note 13)	16,406,805	18,761,211
Corporate costs	4,895,441	8,339,614
Accounting and professional fees	3,706,423	3,112,623
Audit fees	2,223,314	2,574,024
Acquisition costs	-	8,288,120
Valuation fees	871,452	1,068,892
Tax advisory fees	1,201,987	1,017,276
Legal fees	607,393	746,574
Administration fees	1,445,188	507,343
Other administrative expenses	445,445	354,502
	31,803,448	**44,770,179**

Notes to the Consolidated Financial Statements

11 Finance result

	Note	31 December 2024	31 December 2023
		€	€
Interest income bank accounts		4,777,807	2,195,991
Unrealised foreign exchange gains		35,960,966	14,344,378
Finance income		**40,738,773**	**16,540,369**
Interest expense on bank loans and notes issued	12	11,237,632	10,893,558
Interest expense on loans from non-controlling interests	12	16,774,515	16,902,934
Interest expenses on shareholder's loans	12	67,422,778	52,842,795
Realised foreign exchange losses		14,487	113,128
Debt issue fees		6,446,229	4,314,230
Finance expense		**101,895,641**	**85,066,645**
Finance result		**(61,156,868)**	**(68,526,276)**

12 Borrowings

The table below shows the Group's bank borrowings, Shareholder loan facility and notes issued as at 31 December 2024 and 31 December 2023:

	31 December 2024	31 December 2023
	€	€
Non-current		
Bank loans	83,905,207	86,234,449
Shareholder loans	2,021,987,245	1,994,198,565
Debt issue costs (1)	(5,940,080)	(7,609,533)
Amortisation of debt issuance costs (1)	183,009	122,444
Loans from non-controlling interests	654,888,928	667,873,393
Lease liability	32,606,986	34,692,193
Notes issued	797,566,942	796,736,475
Total non-current borrowings	**3,585,198,237**	**3,572,247,986**
Current		
Bank loans	-	5,000,000
Accrued interest on bank loans	504,970	518,988
Accrued interest on shareholder loans	16,920,432	14,896,475
Accrued interest on loans from non-controling interest	877,297	2,076,505
Accrued interest on notes issued	579,453	577,869
Interest free loans	40,198,112	39,111,218
Lease liability	2,075,607	9,000,206
Total current borrowings	**61,155,871**	**71,181,261**
Total borrowings	**3,646,354,108**	**3,643,429,247**

(1) Amounts considered as non-financial assets.

Notes to the Consolidated Financial Statements

12 Borrowings (continued)

Bank loans, notes issued & finance lease

Notes issued

On 8 November 2021, the Fund has issued two notes (the "Notes"): a 0.375% note due on 15 November 2026 at an issue price of 99.45%, for an amount of €500m and on 19 October 2021, the Group has issued another note, and a 0.875% note due on 15 November 2029 at an issue price of 99.249%, for €300m. Both bonds are listed on Euronext Dublin – Global Exchange Market.

Bank loans

As at 31 December 2024 and 31 December 2023, the Group has entered into the following revolving credit facilities:

- Revolving credit facility agreement with Natixis for a principal amount of €100m. The revolving credit facility bears floating interest of 3 month EURIBOR plus margin. The credit facility matures on 19 December 2025.
- Revolving credit facility agreements with HSBC for a combined principal amount of €100m. The revolving credit facility bears floating interest of 3 month EURIBOR plus margin and matures on 4 April 2025 (see note 24).
- Revolving credit facility agreements with CA-CIB for a principal amount of €75m. The revolving credit facility bears floating interest of 3 month EURIBOR plus margin and matures on 4 April 2025 (see note 24 also).
- Revolving credit facility agreement with BNP Paribas and Banque Européenne du Crédit Mutuel for a principal amount of €150m. The revolving credit facility bears floating interest of 3 month EURIBOR plus margin and maturity date is 4 October 2026.
- Mortgaged loan with Deutsche Pfandbriefbak AG for a principal amount of SEK960m. The loan bears fixed interest and maturity date is 15 May 2028.

As at 31 December 2024, the Group has complied with all loan covenants and has no drawdown out of the total €425m available commitment on the revolving credit facilities (31 December 2023, €5m drawn out of the total €425m available commitment on the revolving credit facilities).

Lease liability

The Group, as part of the OIL transaction, has entered into lease agreements through subsidiaries named GPE Feuillane22 (FR) SCI and One Post SCI. The Group has recognised lease liabilities in respect of two properties located in France. The lease entered through the subsidiary named GPE Feuillane22's level was terminated in 2024 and the option exercised to acquire the asset. As of 31 December 2024, the lease liability amounted to €5.2m (2023: €13.0m).

On 13 December 2022, the Group entered into a lease agreement through a subsidiary named OneRaffa S.à r.l. The Group recognised lease liabilities in respect of a property located in Cottbus, Germany. As of 31 December 2024, the lease liability amounted to €15.7m (2023: €15.7m).

On 29 September 2023, the Group entered into a lease agreement through a subsidiary named One North SCI. The Group recognised lease liabilities in respect of a property located in Dourges, France. As of 31 December 2024, the lease liability amounted to €13.8m (2023: €15.3m).

Interest expenses incurred during the year ended 31 December 2024 in relation to recognised lease liabilities amounted to €1,673,980 (2023: €1,282,387). All interest expenses in relation to variable lease payments are included in lease liabilities.

Total payment in relation to lease liabilities during the year ended 31 December 2024 amounted to €9,009,806 (2023: €4,022,925).

Shareholder loans and interest free loan

On 6 August 2019 and 16 December 2019, the Fund entered into a shareholder loan agreement with Logistics Europe AXA Feeder S.C.A. and ALEF Holding S.C.A. respectively, for a shareholder loan facility that corresponds to its investor capital commitment reduced by any amount corresponding to any drawdown allocated from time to time to the subscription of Class A shares. This agreement is effective for thirty years beginning from the effective date of the agreement.

The interest rate on these shareholder loans is based on TP analysis. The interest rate is equal to 3.32% as at 31 December 2024 (31 December 2023: 3.31%).

During the year ended 31 December 2024, the Fund has received a total amount of €51,227,071 (2023: €309,911,218) under interest free loan facility, of which €21,227,071 (2023: €9,111,218) was received under the dividend reinvestment program ("DRIP"). During the year, a total Interest Free Loan ("IFL") balance equal to €50,140,177 was converted into interest bearing loan amounting to €32,835,735 (2023: €299,082,874) and capital amounting to €17,304,442 (2023: €270,717,126). During the year ended 31 December 2023, €300m of share premium balance was converted into shareholder loans.

For the year ended 31 December 2024, the Shareholder loan facilities amounts to €2,022m (2023: €1,994m) with accrued interest payable of €17m (2023: €14.9m).

The balance of IFL for the year ended 31 December 2024 amounts to €40.2m with ALEF Holding S.C.A. (2023: €39.1m), of which €Nil was receivable as at 31 December 2024 (2023: €5m), and €Nil with Logistics Europe AXA Feeder S.C.A. (2023: €Nil).

Notes to the Consolidated Financial Statements

12 Borrowings (continued)

Reconciliation of liabilities (excluding movements in accrued interest) arising from financial activities:

	1 January 2024	Cash flows: Loan draw-downs*	Cash flows: Payments*	Non cash changes: Amortis-ation of debt issue costs	Non cash changes: Conversion into IBL/share capital	Non cash changes: Share premium and interest as DRIP	Non cash changes: Foreign exchange	Non cash changes: Lease liabilities	31 December 2024
	€	€	€	€	€	€	€	€	€
Bank loans	91,234,449	34,500,000	(39,500,000)	-	-	-	(2,329,242)	-	83,905,207
Shareholder loans	1,994,198,565	-	(5,047,055)	-	32,835,735	-	-	-	2,021,987,245
Interest free loan	39,111,218	30,000,000	-	-	(50,140,177)	21,227,071	-	-	40,198,112
Loans from non-controlling interests	667,873,393	11,902,767	(21,851,867)	-	-	-	(3,035,365)	-	654,888,928
Lease liability	43,692,399	-	(9,009,806)	-	-	-	-	-	34,682,593
Debt issuance costs	(7,487,089)	-	-	1,730,018	-	-	-	-	(5,757,071)
Notes issued	796,736,475	-	-	830,467	-	-	-	-	797,566,942
	3,625,359,410	**76,402,767**	**(75,408,728)**	**2,560,485**	**(17,304,442)**	**21,227,071**	**(5,364,607)**	**-**	**3,627,471,956**

	1 January 2023	Cash flows: Loan draw-downs	Cash flows: Payments	Non cash changes: Amort-isation of debt issue costs	Non cash changes: Conversion into IBL/ share capital	Non cash changes: Share premium and interest as DRIP	Non cash changes: Foreign exchange	Non cash changes: Lease liabilities	31 December 2023
	€	€	€	€	€	€	€	€	€
Bank loans	340,950,000	96,514,494	(351,000,000)	-	-	-	4,769,955	-	91,234,449
Shareholder loans	1,395,115,691	-	-	-	599,082,874	-	-	-	1,994,198,565
Interest free loan	299,000,000	300,800,000	-	-	(569,800,000)	9,111,218	-	-	39,111,218
Loans from non-controlling interests	679,060,647	29,438,773	(39,170,087)	-	-	-	(1,455,940)	-	667,873,393
Lease liability	32,237,307	-	(4,022,925)	-	-	-	-	15,478,017	43,692,399
Debt issuance costs	(7,494,647)	-	-	7,558	-	-	-	-	(7,487,089)
Notes issued	795,911,944	-	-	824,531	-	-	-	-	796,736,475
	3,534,780,942	**426,753,267**	**(394,193,012)**	**832,089**	**29,282,874**	**9,111,218**	**3,314,015**	**15,478,017**	**3,625,359,410**

* Includes €677,130 of non cash movements on loans from non-controlling interests. This amount is excluded in the consolidated statement of cash flows.

13 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 the AIFM, General Partner and their affiliates to be related parties.

The Fund has appointed Baytree Logistics Properties LLP ("Baytree") as a development manager to work on certain of the Fund's development projects. Baytree is an indirect subsidiary of AXA IM-Alts.

Parent

Shareholder loan
For details of the shareholder loan, please refer to Note 12.

Interest free loan
For details of the interest free loan, please refer to Note 12.

Notes to the Consolidated Financial Statements

13 Related party transactions (continued)

Other 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 that equals 0.55% of the Group's aggregate share value and the NAV per unit of the Class C shares.

Management fees charged for the year ended 31 December 2024 amounted to €16,406,805 (2023: €18,761,211), of which €8,966,890 (2023: €7,634,172) was payable at the financial year end.

14 Non-controlling interests

As at 31 December 2024, the Group held a 67.98% (2023: 67.98%) interest in OneLog Invest (Lux) S.à r.l., (see Note 22). The remaining 32.02% (2023: 32.02%) is held by a third party, ACEF Holding S.C.A., who has a non-controlling interest in the investment. Within the OneLog Invest (Lux) S.à r.l subgroup, there are also a number of entities in which a third party has a non- controlling interest of between 2% and 6%, none of which are individually material to the Group. The following analysis has been presented at the level of the consolidated OneLog Invest (Lux) S.à r.l. subgroup.

During the year ended 31 December 2024, the Group disposed of its interest in Log Italy Fund REIF (2023: held a 67.98% interest) (see Note 22). As at 31 December 2024, the Group also held a 67.98% interest in Alpha Log Fund (2023: 67.98%), (see Note 22). The remaining shares are held by third parties, who have a non-controlling interest in both investments.

Movements in non-controlling interests are detailed in the table below.

31 December 2024	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Year ended 31 December 2023
	€	€	€	€
Opening balance	12,412,212	144,527,530	258,043,225	414,982,967
Additions	1,505,099	-	-	1,505,099
Disposals	(13,210,331)	(9,641,637)	-	(22,851,968)
Foreign exchange movement (recognised in other comprehensive income)	-	-	(2,359,836)	(2,359,836)
Distribution	(413,833)	(5,342,361)	-	(5,756,194)
Profit allocated during the year	(293,147)	2,046,535	12,056,875	13,810,263
Closing balance	**-**	**131,590,067**	**267,740,264**	**399,330,331**

31 December 2023	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Year ended 31 December 2022
	€	€	€	€
Opening balance	13,416,295	151,373,064	293,566,942	458,356,301
Additions	-	3,517,791	-	3,517,791
Foreign exchange movement (recognised in other comprehensive income)	-	-	(1,681,318)	(1,681,318)
Distribution	(536,904)	(4,824,420)	-	(5,361,324)
Profit allocated during the year	(467,179)	(5,538,905)	(33,842,399)	(39,848,483)
Closing balance	**12,412,212**	**144,527,530**	**258,043,225**	**414,982,967**

Notes to the Consolidated Financial Statements

14 Non-controlling interests (continued)

Below is the summarised financial information for each subgroup that has non-controlling interests that are material to the Group as at 31 December 2024. The amounts disclosed for each subgroup are before inter-company eliminations.

Summarised balance sheet

31 December 2024	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Total
	€	€	€	€
Non-current assets	-	377,650,000	2,818,459,412	3,196,109,412
Current assets	-	40,561,647	149,820,648	190,382,295
Current liabilities	-	7,233,971	62,803,298	70,037,269
Net current assets	-	410,977,676	2,905,476,762	3,316,454,438
Non-current liabilities	-	-	2,139,943,043	2,139,943,043
Net assets	**-**	**410,977,676**	**765,533,719**	**1,176,511,395**
Accumulated non-controlling interests	**-**	**131,590,067**	**267,740,264**	**399,330,331**

Summarised statement of comprehensive income

31 December 2024	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Total
	€	€	€	€
Revenue	1,142,454	21,624,664	143,439,819	166,206,937
(Loss)/Profit for the year	(915,524)	6,489,058	24,043,200	29,616,734
Total comprehensive income	**(915,524)**	**6,489,058**	**24,043,200**	**29,616,734**
Total profit/(loss) allocated to non-controlling interest	**(293,147)**	**2,046,535**	**12,056,875**	**13,810,263**

Below is the summarised financial information for each subgroup that has non-controlling interests that were material to the Group as at 31 December 2023. The amounts disclosed for each subgroup are before inter-company eliminations.

Summarised balance sheet

31 December 2023	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Total
	€	€	€	€
Non-current assets	35,800,000	433,830,000	2,832,056,488	3,301,686,488
Current assets	2,220,868	27,503,410	157,890,894	187,615,172
Current liabilities	215,042	8,992,305	66,840,219	76,047,566
Net current assets	37,805,826	452,341,105	2,923,107,163	3,413,254,094
Non-current liabilities	-	-	2,181,746,496	2,181,746,496
Net assets	**37,805,826**	**452,341,105**	**741,360,667**	**1,231,507,598**
Accumulated non-controlling interests	**12,412,212**	**144,527,530**	**258,043,225**	**414,982,967**

Summarised statement of comprehensive income

31 December 2023	LOG Italy Fund REIF	Alpha Log Fund	OneLog Invest (Lux) S.à r.l.	Total
	€	€	€	€
Revenue	2,043,277	18,700,348	137,771,452	158,515,077
Loss for the year	(1,459,042)	(17,282,321)	(115,511,982)	(134,253,345)
Total comprehensive income	**(1,459,042)**	**(17,282,321)**	**(115,511,982)**	**(134,253,345)**
Total profit/(loss) allocated to non-controlling interest	**(467,179)**	**(5,538,905)**	**(33,842,399)**	**(39,848,483)**

Notes to the Consolidated Financial Statements

15 Acquisitions and disposals of subsidiaries

a. Acquisitions of subsidiaries

During the year ended 31 December 2024 and 31 December 2023, the Group did not make any acquisitions of new subsidiaries.

b. Disposals of subsidiaries:

In July 2024, the Group disposed of 100% of the share capital of Log Italy Fund and Alpha Power. The assets and liabitlies of Log Italy Fund and Alpha Power derecognised in the consolidated statements of financial position on the date of sale during 2024 were:

	Note	Log Italy Fund	Alpha Power	Total
		€	€	**€**
Investment property	5	35,300,000	90,850	35,390,850
Cash and cash equivalents		1,455,686	65,387	1,521,073
Other receivables		261,678	317,962	579,640
Deferred income		(17,626)	-	(17,626)
Tax payable		(44,643)	-	(44,643)
Other payables		(187,041)	(5,664)	(192,705)
Net assets of subsidiary sold		36,768,054	468,535	37,236,589
Deduct: loss on sale of subsidiary		-	(48,396)	(48,396)
Sale price of the shares		36,768,054	420,139	37,188,193
Borrowings repayment		-	-	-
Consideration on sale of subsidiary		**36,768,054**	**420,139**	**37,188,193**

Notes to the Consolidated Financial Statements

15 Acquisitions and disposals of subsidiaries (continued)

On 23 November 2023, the Group disposed of 100% of the share capital of OneLog Hedensted ApS. The assets and liabilities of OneLog Hedensted ApS derecognised in the consolidated statements of financial position on the date of sale during 2023 were:

	Note	OneLog Hedensted ApS
		€
Investment property	5	13,850,719
Cash and cash equivalents		3,057
Borrowings	12	(10,741,320)
Other receivables		110,765
Deferred income		(64,029)
Tax payable		(72,543)
Other payables		(165,088)
Deferred tax liabilities		-
Net assets of subsidiary sold		2,921,561
Add: loss on sale of subsidiary		(1,077,353)
Sale price of the shares		1,844,208
Borrowings repayment		10,741,320
Consideration on sale of subsidiary		**12,585,528**
Breakdown of the net loss on sale of subsidary presented in statement of comprehensive income are as follows:		
Realised loss on disposal of investment property arising from sale of subsidiary	5	(402,437)
Loss on sale of subsidiary (see above)		(1,077,353)
Net loss on sale of subsidary		**(1,479,790)**

16 Redeemable shares

As at 31 December 2024, the Fund has issued two classes of shares:

- Class A shares, with par value of €100,
- Class C Shares, with par value of €100.

As at 31 December 2024, the Fund had an issued and fully paid up share capital of €98,887,100 (2023: €97,528,000).

The Fund has an authorised capital of a maximum amount of €500,000,000 to be used in order to issue new shares

17 Derivatives at fair value through profit or loss

The Group uses forward currency contracts, which represents 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 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.

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in currency change or 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.

Notes to the Consolidated Financial Statements

17 Derivatives at fair value through profit or loss (continued)

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

	Assets			Liabilities			
	Current	Non-current	Total	Current	Non-current	Total	Net
	€	€	€	€	€	€	€
As at 31 December 2024							
Currency forward contracts	129,247	-	129,247	(4,130,036)	-	(4,130,036)	(4,000,789)
Interest rate swaps	-	1,188,342	1,188,342	-	-	-	1,188,342
Current	**129,247**	**1,188,342**	**1,317,589**	**(4,130,036)**	**-**	**(4,130,036)**	**(2,812,447)**
As at 31 December 2023							
Currency forward contracts	2,742,785	-	2,742,785	(8,948,039)	-	(8,948,039)	(6,205,254)
Current	**2,742,785**	**-**	**2,742,785**	**(8,948,039)**	**-**	**(8,948,039)**	**(6,205,254)**

The Group entered into currency forward contract in order mitigate the currency risk relating to its operations in SEK, DKK, GBP and NOK.

The currency forward contracts held at 31 December 2024 are due to mature in March 2025 (31 December 2023: March 2024).

The interest rate swap held at 31 December 2024 is due to mature in November 2031.

The fair values and nominal values (by currency) of derivative instruments are set out below:

	Nominal value (in local currency)					Fair value		
As at 31 December 2024	EUR	GBP	SEK	NOK	DKK	Assets	Liabilities	Net
						€	€	€
Derivatives at fair value through profit or loss								
Currency forward contracts	-	488,950,000	4,154,964,830	899,579,340	452,916,750	129,247	(4,130,036)	(4,000,789)
Interest rate swaps	100,000,000	-	-	-	-	1,188,342	-	1,188,342
Total derivatives at fair value through profit or loss	**100,000,000**	**488,950,000**	**4,154,964,830**	**899,579,340**	**452,916,750**	**1,317,589**	**(4,130,036)**	**(2,812,447)**

	Nominal value (in local currency)				Fair value		
As at 31 December 2023	GBP	SEK	NOK	DKK	Assets	Liabilities	Net
					€	€	€
Derivatives at fair value through profit or loss							
Currency forward contracts	438,725,000	4,212,763,240	892,019,964	507,579,363	2,742,785	(8,948,039)	(6,205,254)
Total derivatives at fair value through profit or loss	**438,725,000**	**4,212,763,240**	**892,019,964**	**507,579,363**	**2,742,785**	**(8,948,039)**	**(6,205,254)**

The table below shows realised foreign exchange gain and loss on derivative contracts as at 31 December 2024 and 31 December 2023:

	31 December 2024	31 December 2023
	€	€
Realised foreign exchange (loss)/gain on derivative contracts	(30,342,983)	34,663,852
Net realised foreign exchange (loss)/gain on derivative contracts	**(30,342,983)**	**34,663,852**

Notes to the Consolidated Financial Statements

17 Derivatives at fair value through profit or loss (continued)

The table below shows unrealised foreign exchange gain on derivative contracts as at 31 December 2024 and 31 December 2023:

	31 December 2024	31 December 2023
	€	€
Unrealised foreign exchange gain on derivative contracts	3,392,808	-
Unrealised foreign exchange loss on derivative contracts	-	(47,571,515)
Net unrealised foreign exchange gain/(loss) on derivative contracts	**3,392,808**	**(47,571,515)**

18 Taxation

The Group is liable to income tax and other taxes in countries in which it operates. The table below shows the total amount charged for the period, split by type of taxation as follows:

	Charge for the year ended 31 December 2024	Accrual 31 December 2024	Charge for the year ended 31 December 2023	Accrual 31 December 2023
	€	€	€	€
Taxation expense	10,828,511	8,390,938	15,192,268	10,551,787
Deferred taxation	3,352,732	123,684,812	(12,293,142)	120,332,080
Total taxation	**14,181,243**	**132,075,750**	**2,899,126**	**130,883,867**

* The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average of 24.09% tax rate on the applicable profits of the consolidated companies as follows:

	31 December 2024	31 December 2023
	€	€
Profit / (Loss) before tax	93,711,575	(174,328,802)
Theoretical tax rate	24.09%	24.03%
Theoretical tax expense	22,575,118	(41,891,211)
Income not subject to taxes	(9,476,834)	(11,777,590)
Expenses not deductible	9,772,263	1,007,288
Income taxes not recognised	886,555	63,979,879
Effect of different foreign tax rate	(34,585,513)	(26,510,634)
Taxation expense	**(10,828,511)**	**(15,192,268)**

Theoretical tax rate is corresponding to weighted average tax rate. Increase in theoretical tax rate is a result of change in weights associated to individual tax rates due to movement in investments.

Notes to the Consolidated Financial Statements

18 Taxation (continued)

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

Deferred tax liabilities	31 December 2024	31 December 2023
	€	€
The balance comprises temporary timing differences attributable to:		
Fair value of investment properties	123,684,812	120,332,080
Total deferred tax liabilities	**123,684,812**	**120,332,080**

Movements	2024	2023
	€	€
Balance as at 1 January	120,332,080	132,625,222
Charged/(credited) to profit or loss (continued operations)	3,352,732	(12,293,142)
Balance as at 31 December	**123,684,812**	**120,332,080**

As at 31 December 2024, there is €252,583,674 (2023: €271,248,992) of negative temporary difference on investment properties for which potential deferred tax assets of €55,115,648 (2023: asset of €61,950,637) have not been recognised in the balance sheet.

19 Deferred income

	31 December 2024	31 December 2023
	€	€
Deferred income	7,848,223	10,754,938

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

20 Commitments and contingent liabilities

As at 31 December 2024, the total commitment of the investors in the Fund amounts to €3,222,448,307 (2023: €3,152,448,307) (excluding DRIP). As at 31 December 2024, €82,888,940 (2023: €27,888,940) (excluding DRIP) has not yet been called.

The Fund had no commitments to third parties (2023: Nil).

Notes to the Consolidated Financial Statements

21 Operating segments

The Board of Managers of the General Partner has determined the Group as one operating segment, since the performance is assessed on an overall Group level, and not based on some geographical/other division. The operating segments derive their revenue primarily from rental income from lessees.

The segment information provided to the Board of Managers of General Partner for the operating segments for the year ended 31 December 2024 and 31 December 2023 is as follows:

	31 December 2024	31 December 2023
	€	€
Net rental income	223,902,129	222,384,643
Operational result	154,868,443	(105,802,526)
Net gain/(loss) from fair value adjustment on investment property	3,680,177	(265,330,722)
Not included in operating profit:		
Finance income	40,738,773	16,540,369
Finance expense	(101,895,641)	(85,066,645)
Taxation expense	(10,828,511)	(15,192,268)
Total assets	5,221,920,642	5,232,654,789
Total liabilities (excluding NAV)	3,880,581,376	3,879,282,726
Net asset value (IFRS)	942,008,935	938,389,096

The Board of Managers of the General Partner assesses the performance of the operating segments based on a measure of operational result.

The operational result of the Group's operating segments reported to the Board of Managers of the General Partner are measured in a manner consistent with that in profit or loss. The amounts provided to the Board of Managers of the General Partner in respect of total assets and total liabilities are measured in a manner consistent with that of the consolidated financial statements. Since there is no difference between the operational result and total assets and total liabilities as per operating segments and consolidated financial statements, no reconciliation is required.

The Group has no single tenant or group under common control which contributed to more than 10% of the Group's revenue.

Notes to the Consolidated Financial Statements

22 Group information

The consolidated financial statements of the Group includes the following entities:

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2024	Effective ownership percentage 31 December 2023	Consolidation method
AXA Logistics Europe Master S.C.A.	Luxembourg				
OneLog Invest (Lux) S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
LOG Italy Fund REIF	Italy	Subsidiary	0.00%	67.98%	Full consolidation
Alpha Log Fund	Italy	Subsidiary	67.98%	67.98%	Full consolidation
LOG DE S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
LOG LUX S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
LOG LUX 2 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
LOG FR SAS	France	Subsidiary	100.00%	100.00%	Full consolidation
Log Honfleur SCI	France	Subsidiary	99.90%	99.90%	Full consolidation
Log Ress SCI	France	Subsidiary	99.90%	99.90%	Full consolidation
Log Nisa SCI	France	Subsidiary	99.90%	99.90%	Full consolidation
Log YAS SCI	France	Subsidiary	99.90%	99.90%	Full consolidation
Onelog NL TZA B.V.	Netherlands	Subsidiary	0.00%	67.98%	Full consolidation
Onelog NL Ridderkerk B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
Meerane 14 (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Heinsberg 17 (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Castrop S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
Real Estate Investment 1 S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
LOG Peninsular Industry SLU	Spain	Subsidiary	100.00%	100.00%	Full consolidation
LOG SP Partners S.L.U.	Spain	Subsidiary	100.00%	100.00%	Full consolidation
Duerrholz 1 (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Frechen 7 (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Juechen 8 (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
OnePell S.à r.l.	Luxembourg	Subsidiary	100.00%	67.98%	Full consolidation
PDC Industrial Center 47 sp.z.o.o.	Poland	Subsidiary	67.98%	67.98%	Full consolidation
Manua sp.z.o.o.	Poland	Subsidiary	67.98%	67.98%	Full consolidation
Tabosa sp.z.o.o.	Poland	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Properties France SAS	France	Subsidiary	67.98%	67.98%	Full consolidation
Vendôme Logistique OPPCI	France	Subsidiary	100.00%	100.00%	Full consolidation
Princeton Holdings (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Carmine Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Sepia Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Princeton Participation GmbH & Co KG	Germany	Subsidiary	60.64%	60.64%	Full consolidation
Princeton Investments (Lux) S.à r.l.	Luxembourg	Subsidiary	64.51%	64.51%	Full consolidation
Princeton Participation Management GmbH	Germany	Subsidiary	64.51%	64.51%	Full consolidation
Langenbach Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation
Celestite Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation
Marcasite Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation
Vanilla Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation

Notes to the Consolidated Financial Statements

22 Group information (continued)

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2024	Effective ownership percentage 31 December 2023	Consolidation method
Coriander Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation
Aventurine Logistics (Lux) S.à r.l.	Luxembourg	Subsidiary	64.28%	64.28%	Full consolidation
OneLog France Holding SAS	France	Subsidiary	67.98%	67.98%	Full consolidation
OnePost SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneMetz SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
One North SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneLazza SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
SCI Virtuo Chateaudun	France	Subsidiary	66.62%	66.62%	Full consolidation
SCI Virtuo Chevroliere	France	Subsidiary	66.62%	66.62%	Full consolidation
SCI VAL Developpement	France	Subsidiary	66.62%	66.62%	Full consolidation
GPE Douai Holding 23 (FR) SAS	France	Subsidiary	67.98%	67.98%	Full consolidation
GPE Feuillane Holding 21 (FR) SAS	France	Subsidiary	67.98%	67.98%	Full consolidation
GPE Chester Holding 25 (FR) SAS	France	Subsidiary	67.98%	67.98%	Full consolidation
GPE Feuillane 22 (FR) SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
SCI Castelnau	France	Subsidiary	67.98%	67.98%	Full consolidation
SCI St Martin	France	Subsidiary	67.98%	67.98%	Full consolidation
Douai Logistics (France) SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Holding 2 B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Holding 1 B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Uden B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Tiel B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Zaandam B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Kerkrade B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL OBP B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Breda B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
Onelog Helmond B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Helmond 2 B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Sittard B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Hoorn B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Veghel B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
Onelog NL Zoetermeer B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
OneLog NL Alphen B.V.	Netherlands	Subsidiary	0.00%	67.98%	Full consolidation
OneStoko SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneGrenay SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneSaintVulbas SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
One Tigery SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
OneAygue SCI	France	Subsidiary	67.98%	67.98%	Full consolidation
SPA San Salvo	Italy	Subsidiary	67.98%	67.98%	Full consolidation
Logistica Bentivolgio SPA	Italy	Subsidiary	67.98%	67.98%	Full consolidation
OneSiena S.r.l.	Italy	Subsidiary	67.98%	67.98%	Full consolidation

Notes to the Consolidated Financial Statements

22 Group information (continued)

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2024	Effective ownership percentage 31 December 2023	Consolidation method
OneBologna S.r.l	Italy	Subsidiary	67.98%	67.98%	Full consolidation
OneCuneo S.r.l	Italy	Subsidiary	67.98%	67.98%	Full consolidation
PrismItaly S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
Angers Marly Logistics Investments SCI	France	Subsidiary	99.99%	99.99%	Full consolidation
FOS Distriport Logistics Investments SCI	France	Subsidiary	99.99%	99.99%	Full consolidation
Meaux Vert St Denis Logistics Investments SCI	France	Subsidiary	99.99%	99.99%	Full consolidation
St Georges Esp. Logistics Investments SCI	France	Subsidiary	99.99%	99.99%	Full consolidation
Lockefarm Invest S.L.	Spain	Subsidiary	67.98%	67.98%	Full consolidation
Nangart Invest S.S.	Spain	Subsidiary	67.98%	67.98%	Full consolidation
Alpha Power S.r.l.	Italy	Subsidiary	0.00%	67.98%	Full consolidation
PKCH GmbH	Germany	Subsidiary	100.00%	100.00%	Full consolidation
Drumhead S.L.	Spain	Subsidiary	67.98%	67.98%	Full consolidation
Philippsburg GmbH	Germany	Subsidiary	100.00%	100.00%	Full consolidation
One Estate S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
One Raffa S.à r.l.	Luxembourg	Subsidiary	67.98%	67.98%	Full consolidation
LOG Nabi S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Log NL Hoofddorp B.V.	Netherlands	Subsidiary	67.98%	67.98%	Full consolidation
LOG Real S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
LOG Estate S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 1 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 2 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 3 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 4 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 5 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 7 Limited	United Kingdom	Subsidiary	100.00%	100.00%	Full consolidation
Quicksilver Logistics Propco 9 S.à r.l.	Luxembourg	Subsidiary	100.00%	100.00%	Full consolidation
OneLog Norway Vestby Holding AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Norway Regnbueveien 9 Holding AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Norway Torvstikkeren 10 Holding AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Naeringspark 1 AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Regnbueveien 9 AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Norway Torvstikkeren 10 AS	Norway	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Alfa Yksi Oy	Finland	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Fin 6 Oy	Finland	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Fin 13 Oy	Finland	Subsidiary	67.98%	67.98%	Full consolidation
OneLog BidCo Denmark ApS	Denmark	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Kolding ApS	Denmark	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Greve ApS	Denmark	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Køge ApS	Denmark	Subsidiary	67.98%	67.98%	Full consolidation
Onelog Sweden AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation

Notes to the Consolidated Financial Statements

22 Group information (continued)

Name of company	Registered office of the company	Nature of relationship	Effective ownership percentage 31 December 2024	Effective ownership percentage 31 December 2023	Consolidation method
OneLog Logistics Sweden Holding AB	Sweden	Subsidiary	0.00%	67.98%	Full consolidation
OneLog Invest Stigamo AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Stockholm Viby AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Nykvarn Mörby AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Stockholm Örnäs AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Stockholm Örnäs 2 AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Borås Solskenet AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Borås Solskenet 2 AB	Sweden	Subsidiary	0.00%	67.98%	Full consolidation
OneLog Jönköping Stigamo 1:39 AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Stigamo 1:62 AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
OneLog Solskenet Holding AB	Sweden	Subsidiary	0.00%	67.98%	Full consolidation
OneLog Sweden 9 AB	Sweden	Subsidiary	67.98%	67.98%	Full consolidation
DeuxLog Sweden AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Logistics Holding AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Eskilstuna 1 AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Stockholm 1 AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Stockholm 2 AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Landskrona 1 AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
DeuxLog Helsingborg 1 AB	Sweden	Subsidiary	100.00%	100.00%	Full consolidation
ALEM Finland Oy	Finland	Subsidiary	100.00%	100.00%	Full consolidation
ALEM Karhuntassuntie 3 Oy	Finland	Subsidiary	100.00%	100.00%	Full consolidation
Koy Karhuntassuntie 3	Finland	Subsidiary	100.00%	100.00%	Full consolidation
ALEM Leveämäenkuja 4 Oy	Finland	Subsidiary	100.00%	100.00%	Full consolidation
Kiinteistö Oy Leveämäenkuja 4	Finland	Subsidiary	100.00%	100.00%	Full consolidation

Notes to the Consolidated Financial Statements

23 Adjustments from net assets attributable to the partners to subscription net asset value

The subscription NAV is calculated as set out in clause 17.1.2 of the ISA by performing adjustments compared to the IFRS NAV, including:

(i) The acquisition costs (including debt issuance 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 tax adjustment corresponds mainly to discounts on latent capital gains tax and revaluations in case of exit on a share deal basis.

(iv) The adjustment related to the revaluation to fair value of financial assets and financial liabilities excluding the tax effects of fair value uplift of those financial assets/financial liabilities.

The table below shows the subscription NAV adjustments:

	31 December 2024	31 December 2023
	€	€
Total net assets attributable to partners as per IFRS consolidated financial statements	**942,008,935**	**938,389,096**
Adjustments		
Set up costs adjustment	307,182	372,438
Acquisiton expense adjustment	52,869,100	58,609,761
Revaluation to financial assets/liabilities	51,454,963	87,771,911
Revaluation to fair value of savings of purchasers' costs such as transfer taxes	16,498,796	25,619,398
Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments	(43,381,433)	(47,221,879)
Total adjustments	**77,748,608**	**125,151,629**
Subscription net asset value	**1,019,757,543**	**1,063,540,725**

24 Subsequent events

Acquisitions

On 13 February 2025, the closing of a new German asset in Heilbronn, Germany, successfully took place with a payment of €95m, corresponding to the remaining price to be paid by the Group following a deposit payment of €5m made in December 2024.

External financing

On 24 January 2025, the HSBC credit revolving facility was successfully renewed for another year, with a new maturity date on 6 April 2026.

On 7 February 2025, a new drawdown on the HSBC credit revolving facility was made by the Group for an amount of €19m.

On 24 March 2025, the revolving credit facility with CA-CIB was renewed with an extended maturity of 24 March 2030.

Capital activity

The IFL balance of €40.2m resulting from (i) the capital call made by the Fund to ALEF Holding S.C.A. in Q4 2024 for €30m and (ii) from the dividend reinvestment program applied by ALEF Holding S.C.A. for €10.2m in Q4 2024 as well, has been subsequently converted into equity and interest-bearing loans in Q1 2025, in compliance with the Fund documentation.

On 27 February 2025, the Fund successfully repaid the only outstanding redemption request for a total amount of €4.6m.

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

Unaudited appendices

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852

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

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

Product name: AXA Logistics Europe Master S.C.A. (the "Financial Product")

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 47% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Capitalised terms not otherwise defined in this appendix shall have the meaning ascribed to them in the legal documentation of the Financial Product.

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

The environmental characteristics promoted by the Financial Product consist in investing in a minimum of assets considering the ESG Scoring Process described in the legal documentation of the Financial Product, based on a proprietary methodology. The Financial Product invests in and manages real estate assets aiming at reducing the carbon footprint of such assets and/or having a positive impact on the environment.

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852 (CONTINUED)

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

The Financial Product has met the commitments related to the environmental and social characteristics promoted for the reference period by investing in assets taking into account the ESG Scoring Process described in the Financial Product documentation.

How did the sustainability indicators perform?

The Financial Product uses a combination of actual data, external data providers, research and information gathered through stakeholder surveys to assess the performance of the sustainability indicators.

The indicators below are based on latest available data, as of 31 December 2024, i.e. ESG data collected and reviewed covering the period from 1 January to 31 December 2023.

Sustainability indicator[1]	Value	Unit
Proportion in the Financial Product's portfolio of the Investments having an Investment ESG Score equal or greater than [1.4] according to the of ESG Scoring Process	100	Percentage
Global Investment ESG Score average of the Financial Product's portfolio	6.53	Score out of 10
Proportion of certified assets as % of AuM[2]	68	Percentage
Proportion of utility data coverage as % of AuM[3]	99	Percentage
Relative carbon emissions (scope 1 and 2) (per square meter of area)[4]	4.57	kgCO2eq / sqm
Proportion of assets with EPC performance level A or B as % of AuM	76	Percentage
GRESB Score: Standing assets	86	Score out of 100
GRESB Score: Development assets	99	Score out of 100

[1] Indicators apply to all standing real estate assets owned during the full year of reporting (i.e. excluding i) irrelevant assets (parking, land, cellars, etc.), ii) assets under development and iii) assets not covered by an asset management agreement).

[2] Calculates the proportion of assets being certified by at least one ESG certification among the list provided in the GRESB reference guide.

[3] An asset is included in the data coverage only if it has 'complete' actual data for all utilities and has been owned during the full year of reporting. Data is considered as 'complete' if coverage in time and surface is above 90%.

[4] Only asset with 'complete' scope 1 and 2 data have been included in the calculation of the indicator.

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852 (CONTINUED)

…and compared to previous periods?

Sustainability indicator[5]	Value for N-1[6]	Value for N	Unit
Proportion in the Financial Product's portfolio of the Investments having an Investment ESG Score equal or greater than [1.4] according to the of ESG Scoring Process	100	100	Percentage
Global Investment ESG Score average of the Financial Product's portfolio	6.58	6.53	Score out of 10
Proportion of certified assets as % of AuM[7]	68	68	Percentage
Proportion of utility data coverage as % of AuM[8]	99	99	Percentage
Relative carbon emissions (scope 1 and 2) (per square meter of area)[9]	4.90	4.57	kgCO2eq / sqm
Proportion of assets with EPC performance level A or B as % of AuM	65	76	Percentage
GRESB Score: Standing assets	90	86	Score out of 100
GRESB Score: Development assets	99	99	Score out of 100

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

The objective pursued by the sustainable investments that the Financial Product partially made during the reference period was contributing to climate change mitigation.

The sustainable investments made by the Financial Product contributed to such objectives through the following dimensions:

1. *The Energy Performance Certificate ("EPC") of the asset should be A or B. The EPC is a European standard, serving as a benchmark to assess the energy efficiency of assets. To extend the applicability of the definition beyond European countries and/or countries which does not apply such standard, our approach involves incorporating such countries into our analysis by referencing to an equivalence table for energy ratings based on EPC.[10]*

[5] Indicators apply to all standing real estate assets owned during the full year of reporting (i.e. excluding i) irrelevant assets (parking, land, cellars, etc.), ii) assets under development and iii) assets not covered by an asset management agreement).

[6] Some figures may have been slighty adjusted compared to the initial publication.

[7] Calculates the proportion of assets being certified by at least one ESG certification among the list provided in the GRESB reference guide.

[8] An asset is included in the data coverage only if it has 'complete' actual data for all utilities and has been owned during the full year of reporting. Data is considered as 'complete' if coverage in time and surface is above 90%.

[9] Only asset with 'complete' scope 1 and 2 data have been included in the calculation of the indicator.

[10] For non residential real estate asset located in Germany, the equivalence approach used is the one developed by BVI, accessible here: BVI-Verfahren zur Umrechnung von Energieausweisen (bvi-amk.net)

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852 (CONTINUED)

2. *Additional criteria:*

   a. *The asset should be certified by an independent third party. Sustainability certifications accepted by the GRESB (Global Real Estate Sustainability Benchmark), which is a widely recognized body by the real estate investors community, are considered as applicable for this criteria[11]. The certification must be valid during the reporting period to be accepted; or*

   b. *The asset is a residential real estate asset; or*

   c. *The asset is a healthcare real estate asset.*

3. *We exclude assets being exposed to fossil fuel[12], the exposure to fossil fuels in real estate assets being defined as the share of investments in real estate assets involved in the extraction, storage, transport, or manufacture of fossil fuels.*

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

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Financial Product has ensured the sustainable investments that it has partially made did not cause significant harm to any environmental or social sustainable investment objective through:

(i) the application of AXA IM sectorial exclusion policies and AXA IM ESG standards as described in the legal documentation of the Financial Product,

(ii) the exclusion of asset exposed to fossil fuel as described above,

(iii) the exclusion of energy inefficient real estate assets, as defined by Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, and

(iv) the consideration and reporting of indicators for adverse impacts on sustainability factors as described below.

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

The indicators for adverse impact were taken into account as described under section "How did this financial product consider principal adverse impacts on sustainability factors?"

[11] Such certifications includes notably BREEAM, LEED, DGNB, HQE etc.

[12] As of today, our data management system (DWH) only identifies the "main" use of an asset. Meaning that if an asset hosts different activities, only the main activity will be reflected. Due to this limitation, for now we can only identify assets whose main activity is the storage/sale of fossil fuels (e.g. petrol stations) but we can not identify assets that would host a secondary activity related to fossil fuel (e.g. petrol station in a shopping center, fossil fuel storage in a logistics asset, etc). Nonetheless, such secondary activity related to fossil fuel is expected to represent a marginal share of the investment.

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852 (CONTINUED)

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

As part of its ESG standards policy, the Investment Manager avoids investing in companies which cause, contribute or are linked to violations of international norms and standards in a material manner, focusing in particular on UN Global Compact Principles, International Labor Organization (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs). Those standards notably focus on Human Rights, Society, Labor and Environment.

The Investment Manager also assesses the good practices of the investee companies through the application of the AXA IM exclusions to direct investment.

The Fund acquires or incorporates companies holding ultimately real estate assets. Due diligence (including KYC checks, UNGC breach exclusion) are performed before investing and good governance safeguards (including exclusion and ban list) resulting from the AXA IM exclusions are applied.

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

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

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

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

Reporting on certain principal adverse impact ("PAI") indicators may be limited or may reflect reporting periods prior to 2024 due to data availability. Not all companies and counterparties currently report on all sustainability factors. AXA IM Alts may rely on a third party data provider. The reports are based on the data available at the time of this report. Therefore, possible date discrepancies may occur (in particular regarding data provided by third parties). AXA IM Alts may change its third party data provider at any time and at its own discretion, which may result in changes in relation to the data and or methodologies used for the same instruments or investments in future reports.

PAIs have been considered through the application of (i) qualitative and (ii) quantitative approaches described in the Financial Product legal documentation, during the reporting period.

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(i) The qualitative approach to considering PAIs is based on exclusion policies that were followed throughout the reporting period[13].

(ii) Under the quantitative approach, the integration of several relevant PAI indicators into the ESG Scoring Process as well as the limitation of low-rated investments allowed for the consideration of PAIs during the reporting period.

The indicators below are based on latest available data, as , as of 31 December 2024, i.e. ESG data collected and reviewed covering the period from 1 January to 31 December 2023.

Principal Adverse Impact indicator[14]	**Value**	**Unit**	**Coverage Rate (%)**
Exposure to fossil fuels through real estate assets	0.00	Percentage	92
Exposure to energy-inefficient real estate assets[15]	24	Percentage	99
Total Greenhouse Gas Emissions Scope 1	1,040	tonsCO2eq / sqm	92
Total Greenhouse Gas Emissions Scope 2	1,015	tonsCO2eq / sqm	100
Total Greenhouse Gas Emissions Scope 3	26,850	tonsCO2eq / sqm	72
Total Greenhouse Gas Emissions (scope 1, 2 and 3)	28,905	tonsCO2eq / sqm	79

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: as of December 31st, 2024

Largest investments[16]	*Sector*	*% Assets*	*Country*
Nuneaton B	*Logistics*	*3,7%*	*UK*
Bremen 2	*Logistics*	*2,4%*	*Germany*
Philippsburg	*Logistics*	*2,3%*	*Germany*
Koblenz	*Logistics*	*2,3%*	*Germany*
Port-Saint-Louis-Du-Rhone	*Logistics*	*2,1%*	*France*
Graben I	*Logistics*	*2,0%*	*Germany*
Saint-Georges-d'Esperanche B	*Logistics*	*1,5%*	*France*
Saint Quentin Fallavier 2	*Logistics*	*1,5%*	*France*
Argos Stafford	*Logistics*	*1,5%*	*UK*
Leeds	*Logistics*	*1,4%*	*UK*
Borås Solskenet 3	*Logistics*	*1,4%*	*Sweden*
Lille	*Logistics*	*1,4%*	*France*
Stockholm Norslunda 1:32	*Logistics*	*1,4%*	*Sweden*
Helloworld	*Logistics*	*1,4%*	*Netherlands*
Getafe	*Logistics*	*1,4%*	*Spain*

[13] *Exclusion policies have specific limitations of application on alternative investments.*

[14] Exclusions policies have specifc limitations of application on alternative investments.

[15] Share of AuM investments in real estate assets for which Energy Rating Equivalent is different than "EU - EPC A" or "EU - EPC B". Non-european assets are excluded as well as German non-residential assets.

[16] Unaudited AXA IM data as of December 31st,2024

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Largest investments[17]	*Sector*	*% Assets*	*Country*
Ekilstuna Asbestahult 1:5	*Logistics*	*1,4%*	*Sweden*
Wusterhausen	*Logistics*	*1,4%*	*Germany*
Barcelona AMZ	*Logistics*	*1,4%*	*Spain*
Stockholm Örnäs 1:18	*Logistics*	*1,3%*	*Sweden*
Northampton, Unit 1	*Logistics*	*1,3%*	*UK*
Saint-Georges-D'Espéranche A	*Logistics*	*1,2%*	*France*
Marly-La-Ville	*Logistics*	*1,2%*	*France*
Milton Keynes	*Logistics*	*1,1%*	*UK*
Vow Europe, Magna Park	*Logistics*	*1,1%*	*UK*
Nuneaton A	*Logistics*	*1,1%*	*UK*
Venette	*Logistics*	*1,1%*	*France*
Novara San Pietro	*Logistics*	*1,1%*	*Italy*
Illescas	*Logistics*	*1,1%*	*Spain*
Torvuttaket 26	*Logistics*	*1,0%*	*Norway*
Fos-sur-Mer	*Logistics*	*1,0%*	*France*
Stockholm Norslunda 1:33	*Logistics*	*1,0%*	*Sweden*
Eindhoven	*Logistics*	*1,0%*	*Netherlands*
Bodenheim	*Logistics*	*0,9%*	*Germany*
Exertis, Warth Park	*Logistics*	*0,9%*	*UK*
Helsinborg Grustaget 7	*Logistics*	*0,9%*	*Sweden*

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

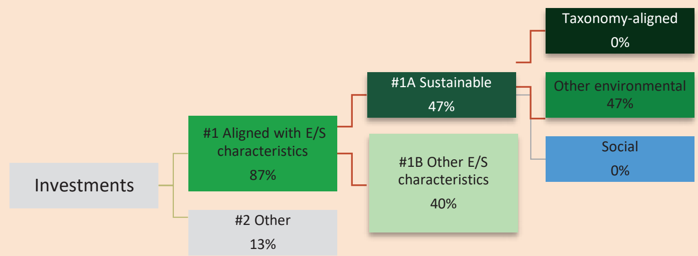
What was the asset allocation?

The Financial Product uses a combination of actual data, external data providers, research and information gathered through stakeholders surveys to assess the asset allocation.

[17] Unaudited AXA IM data as of December 31st,2024

PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852 (CONTINUED)

The asset allocation below is based on latest available data, as of 31 December 2024.



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

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

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Category #1A "Sustainable" is described under question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?".

Category #1B "Other E/S characteristics" includes investments that are covered by the ESG Scoring Process and having an ESG Score above 1,4.

Category #2 "Other" is described under question "What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?".

In which economic sectors were the investments made?

Investments were made in the construction and real estate sectors.

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

The Financial Product did not take into account the EU Taxonomy's environmental objectives criteria. The Financial Product did not take into account the "do no significant harm" criteria of the EU Taxonomy.

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

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

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

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

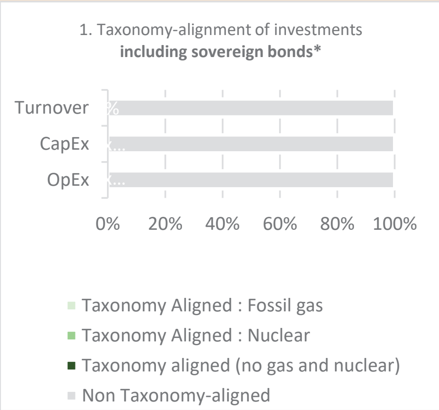
Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[18]?

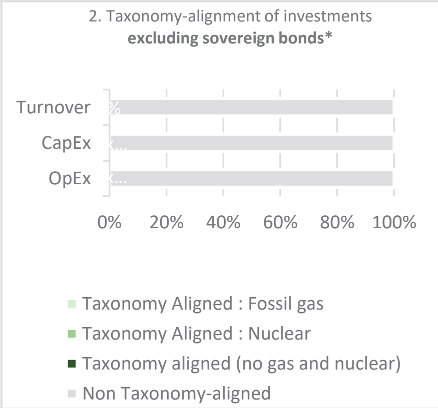
☐ Yes :

In fossil gas ☐ In nuclear energy ☐

☒ No

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





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

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

The Financial Product has not made any investments in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable

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

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

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy invested in by the Financial Product was 47% of the Financial Product gross asset value.

What was the share of socially sustainable investments?

The Financial Product has not made any socially sustainable investments.

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

The "Other" assets in which the Fund invest consisted of :

- *Cash and securities used in accordance with the legal documentation of the Financial Product (being specified that any money market instrument/fund qualified as article 8 SFDR shall be included under #1B Other E/S characteristics);*
- *Derivatives used in accordance with the legal documentation of the Financial Product; and*
- *Other instruments eligible to the Fund and that are not covered by the ESG Scoring Process mentioned above, or the ESG score of which is <1.4.*

Environmental or social safeguards have been applied and assessed on all "other" assets with the exception of (i) derivatives other than those relating to a single issuer, and (ii) the cash and cash equivalent investments described above.

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

Over 2024, the AIFM has continued to deploy its responsible investment strategy which focuses on three key pillars (Decarbonisation, Resilience, and Building Tomorrow) with the aim to improve the social and environmental characteristics of its real estate assets.

Annual ESG performance assessment has been run as every year, using our proprietary methodology. This assessment is aligned with key market frameworks (certification, GRESB, CRREM, regulation…) and provide every year a view at each property's ESG performance. A benchmark is provided to help asset manager compare perfor mance to internal peer group and identify key area for improvement to be included in the asset strategy. This rating is regularly updated to take into account market evolution, hence scoring is not fully comparable year on year.

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With the aim to accelerate the decarbonisation of the assets, the AIFM continued deploying energy audits. These energy audits help to understand the energy profile of the building and to identify the levers for reducing their energy consumption and the associated costs. They represent a key tool to identify and prioritize the relevant actions to be deployed for each asset in order to reduce their energy consumptions and their associated greenhouse gas emissions. In addition, key energy efficiency measures are being deployed on the assets.

The AIFM has also pursued its efforts in terms of certification for its real estate assets. This approach ensures that responsible asset management practices are put in place in line with market frameworks, to maximise properties ESG performance.

Finally, the AIFM is actively involved with the tenants of its buildings, in order to reinforce their understanding of sustainable development issues and also to involve them in our approach. Since 2022, we integrate an ESG clause (green lease) as standard to new contracts or contract renewal to maximise the sharing of consumption data from tenants and agree on ESG targets and monitoring for the building. In addition, since 2021, a large-scale satisfaction survey is carried out every year among our building's tenants through their property managers. The aim is to establish an ongoing dialogue with our tenants by monitoring their views and integrating their feedback into our asset level actions plans. The output of the survey is considered in the ESG strategy of the asset and the wider portfolio.

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Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

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

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

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

  Not applicable

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

  Not applicable

APPENDIX TO PERIODIC REPORTS FOR PRODUCTS COVERED BY ART.29 LEC

Pursuant to Article 29 of the French Law n°2019-1147 on November 8, 2019 ("Loi énergie-climat" – or LEC), AXA IM's climate and biodiversity strategies and approach to ESG risks are presented in the paragraphs below.

The fund has also embedded specific ESG features that are described in the Annex pursuant to the Regulation (EU) 2019/2088 ("Sustainable Finance Disclosure Regulation" – or SFDR) of the fund's annual report.

AXA IM Climate strategy

As a founding investor of the Net Zero Asset Managers (NZAM) initiative launched in December 2020, AXA IM is committed to work in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emissions [2] across our portfolios by 2050 or sooner, as well as playing a key role in helping our clients better understand climate change and how it may impact their portfolios and support them in adapting their investment decisions accordingly. As direct real estate asset manager, it is also our responsibility to engage with tenants to ensure we maintain open channels that can enable improved behaviours in building use to the benefit of society and the planet.

Our Climate strategy is aligned with the frameworks proposed by the Task Force on Climate-related Financial Disclosures (TCFD), the Institutional Investor Group on Climate Change (IIGCC) and the Paris Aligned Investment Initiative (PAII) coordinated by the IIGCC, and is evidenced by our active involvement international initiatives such as Climate Action 100+ (CA 100+) or the Climate Bonds Initiative. It consists in:

- **Net Zero Targets**:
    - AXA IM published its first net zero targets in October 2021, as part of the first NZAM progress report[3]. These targets were subsequently revised in April 2022[4], and covered 65% of AXA IM total AUM at end of 2023[5].
  - Specific net zero targets and methodological frameworks[6] for Listed Corporates (Fixed Income and Listed Equity), Sovereigns, and directly managed real estate asset classes which follows industry standards[7] considering internal and external information have been set and allow to determine the net zero profile of our issuers.
  - **Stewardship[8]**:
    - Engagement and continued dialogue with companies, clients and tenants are crucial to influencing the net zero trajectories. As for tenants, we target to progressively embed ESG clause in all new lease signed or renewal covering data sharing, asset certification or energy efficiency measures implementation, when possible. We also monitor tenant satisfaction through annual surveys conducted each year on a sample of assets and require our Property Managers to conduct green committees to share key ESG information.
- **Exclusions:** AXA IM excludes firms which fail to meet certain climate change criteria, focusing in particular on coal, as well as unconventional oil & gas. Our investment portfolios exclude coal-based electric power generating utilities and coal mining assets that are not credibly demonstrating a commitment to energy transition. Since early 2022 we also exclude

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[2] See AXA IM's road to net zero: Our Road to Net Zero | Sustainability | AXA IM Corporate

[3] See NZAM 2021 progress report, December 2021: NZAM-Progress-Report.pdf (netzeroassetmanagers.org)

[4] See NZAM Initial target disclosure report, May 2022: NZAM-Initial-Target-Disclosure-Report-May-2022-1.pdf (netzeroassetmanagers.org)

[5] These objectives are not currently implemented to other alternative asset classes (i.e., Alternative credit and other AXA IM Alts and AXA IM Prime private market and hedge funds assets, and AXA IM Select assets).

[6] The net zero target setting and related methodological frameworks are based on the Net Zero Investment Framework (NZIF) guidance and recommendations: Net Zero Investment Framework

[7] The Task Force on Climate-related Financial Disclosures (TCFD) recommendations on metrics and targets, the IIGCC's Net Zero Investment Framework, the Carbon Risk Real Estate Monitor (CRREM) decarbonisation pathways for real estate assets and the Germanwatch's Climate Change Performance Index (CCPI) for sovereign assets.

[8] See AXA IM's Stewardship & Engagement policies: Stewardship & Engagement | Responsible Investing | AXA IM Corporate (axa-im.com). While these policies are being implemented at AXA IM level globally, it should be noted that they have inherent limitations for certain asset classes.

APPENDIX TO PERIODIC REPORTS FOR PRODUCTS COVERED BY ART.29 LEC (CONTINUED)

companies in the unconventional oil & gas sector focusing in particular on tar sands, arctic and shale. More recently, since April 2023, we have tightened multiple exclusion criteria on coal, oil & gas, i) putting a stricter exclusion threshold to companies generating more that 15% of revenues from thermal coal mining and/or power generation (against 30% before), ii) excluding all companies with new coal mining or power generation projects or expansion plans, and iii) putting a stricter exclusion threshold to companies generating more than 5% of revenues from oil sands production (against 20% before). The exclusion threshold based on coal revenues is also planned to be reduced at 10% starting 2026 in OECD countries as part of our commitment to exit from coal by 2030 in OECD countries, and AXA IM is committed to exit all coal investments in OECD countries by the end of this decade, and throughout the rest of the world by 2040. This commitment will be implemented over time, using exclusion but also engagement approaches. Investors should note that exclusion policies have limited application for real estate assets.

- **Transparency:** since 2022, the ESG reporting available for our Article 8 and Article 9 products include an enhanced climate section, detailing historic metrics (carbon intensity for scope 1 and 2 as well as upstream scope 3).

The detailed climate strategy applied by AXA IM pursuant to the implementation decree of Article 29 of the LEC, including the list of AXA IM net zero targets, is described in the AXA IM annual Climate Report (TCFD – Article 29 LEC combined report)[9]: Policies and reports | AXA IM Corporate (axa-im.com)

AXA IM Biodiversity strategy[10]

AXA IM is engaged to protect biodiversity. We have strengthened our strategy to better integrate the challenges relating to biodiversity protection in our investment process and fundamental research. As an investor we consider that we have a role to play to:

- Increase understandings of biodiversity impacts on economic activities;
- Integrate risk and opportunities associated with biodiversity in our investment decision and asset management priorities;
- Drive capital flows towards solving biodiversity loss impacts.

Exclusions

AXA IM has been applying a palm oil exclusion policy on all its AUM since 2014 excluding investments that have negative impacts on forest, natural ecosystems, and local communities. In 2021, AXA IM extended this policy to cover investments incorporating significant land use controversies and responsible for biodiversity loss in relation to soy, cattle, and timber. Faced with these consequences, AXA IM actively pursues a rigorous policy as part of its forest investments in selecting its assets, its forest management partners, and in adapting management practices to meet these global challenges. Investors should note that exclusion policies have limited application for real estate assets.

Metrics

We work in close collaboration with data providers, in particular Iceberg Data Lab (IDL), to support the development of biodiversity-related metrics. We currently pilot a corporate biodiversity footprint (CBF) that measures negative impact in terms of biodiversity loss associated with the pressure on biodiversity generated by corporate investees' economic activities across their value chain. The pressures relate to drivers of biodiversity loss identified by IPBES. The CBF currently covers pressures related to land use change, GHG emissions, water and air pollution. As an innovative and relatively new metric, the CBF is still evolving and is subject to planned methodological improvements such as, for example, greater coverage of pressures. Other biodiversity-related metrics are under development by IDL such as dependencies and positive impacts. We continue to be involved in such advancements.

[9] This includes the entire scope of AXA IM climate strategy: its quantitative targets (both at the entity level and for each main asset class), their time horizons, the underlying metrics and baselines: see sections 6.1 "Climate strategy" and 6.5 "Climate dashboard" of the last AXA IM Climate report.

[10] While this biodiversity strategy is being implemented at AXA IM level globally, it should be noted that it has inherent limitations for certain asset classes.

APPENDIX TO PERIODIC REPORTS FOR PRODUCTS COVERED BY ART.29 LEC (CONTINUED)

AXA IM is working on pilot projects to test biodiversity metrics applicable to the direct real estate. In 2023, AXA IM participated to a UN pilot on TNFD (Task Force on Related-Financial Disclosure) reporting, in collaboration with AXA Climate. The objective was to test different methodologies that can help companies assess their biodiversity footprint. Together, we explored how our assets interact with their environments, what are the key material issues for the real estate sector and what nature-based scenarios look like. During this pilot, we focused on the first two parts of the LEAP approach: Locate and Evaluate, on a sample of circa 250 assets. While the Locate part focused on identifying assets located in water stressed and biodiversity rich areas, the Evaluate part measured our main nature-related dependencies and impacts per activity. Based on this first assessment, AXA IM plans to extend such analysis in 2024 to better understand real estate equity portfolio biodiversity impacts and better inform decision making.

Stewardship[11]

Our engagement approach to the complex and nascent theme of biodiversity has been to start aligning our principal engagement efforts in such a way that incorporates existing knowledge on pressures like deforestation, and the knowledge emerging on negative impacts and the sectors that matter most for biodiversity and nature. Our principal engagement activities encompass a programme we began piloting in 2022 utilizing the biodiversity footprint tool developed by IDL described above, as well as engagement programmes on specific themes, namely deforestation and pollution. We anticipate extending our engaging efforts around biodiversity to our infrastructure debt borrowers and sponsors in the coming years.

Initiatives[12]

AXA IM conducts constructive discussions on biodiversity topics with WWF, CDP, Ceres, and other external experts. In 2022, AXA IM became member of two collaborative engagement initiatives described above: the Investor Initiative on Hazardous Chemicals supported by ChemSec[13]; and collaborative engagement on Waste & Pollution led by FAIRR[14]. In 2023, we joined the Emerging Markets Investor Alliance where we are a member of the Consumer Staples working group that undertakes advocacy to support sustainable and transparent best practices in emerging markets on various topics including deforestation. Moreover, we are a part of Nature Action 100 (NA100), a key initiative expected to raise global biodiversity momentum even higher. NA100 was operationally launched in September 2023. AXA IM was a member of the launching investor group, and is currently a member of the steering group. NA100 seeks to engage companies in key sectors deemed to be systemically important in reversing nature and biodiversity loss by 2030. AXA IM also continues to participate actively in the sector-leading initiatives by the Finance for Biodiversity Foundation[15], the organisation behind the Finance for Biodiversity Pledge[16].

In November 2023, AXA IM participated to a roundtable organise by the ULI Greenprint programme, to exchange with peers on biodiversity measurement and reporting approach for real estate. In addition, direct real estate ESG rating proprietary methodology was updated to further integrate biodiversity in the assessment. Since 2021, a biodiversity criteria inspired from certification approach was introduced as a test (not rated). Using feedback from this pilot, we intend to introduce 2 new questions (with a total weighting of 4%) in the assessment end 2023. As from 2024 assessment, all buildings are assessed on the two following aspects: if a biodiversity assessment was conducted and which biodiversity measures have been deployed.

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[12] While these initiatives are being implemented at AXA IM level globally, it should be noted that they have inherent limitations for certain asset classes

[13] See press release: Investors with $8 trillion call for phase-out of dangerous “forever chemicals” – ChemSec

[14] See: Biodiversity Loss from Waste & Pollution - FAIRR

[15] AXA IM chairs the Finance for Biodiversity Foundation's Biodiversity Impact Metrics working group and actively participates in the Engagement working group.

[16] Finance for Biodiversity Pledge: https://www.financeforbiodiversity.org/signatories/

APPENDIX TO PERIODIC REPORTS FOR PRODUCTS COVERED BY ART.29 LEC (CONTINUED)

The detailed biodiversity strategy applied by AXA IM pursuant to the implementation decree of Article 29 of the LEC is described in the AXA IM annual Climate Report (TCFD – Article 29 LEC combined report)[17]: Policies and reports | AXA IM Corporate (axa-im.com)

As such, it should be noted that AXA IM has not yet set any 2030 quantitative target for biodiversity as requested by the implementation decree of Article 29 of the LEC, as market-based guidance for setting targets aligned with the aims of the Global Biodiversity Framework remain under development, and we still lack related market-based methodological developments to measure the alignment of investment strategies with the global mid- and long-term goals.

AXA IM management of ESG-related financial risks

AXA IM uses an approach to manage ESG-related financial risks (or "sustainability risks") that is derived from the integration of ESG criteria in its research and investment processes. AXA IM has implemented a framework to integrate sustainability risks in investment decisions based on sustainability factors which relies notably on:

- **Sectorial and normative exclusions policies** covering E, S and G factors:
  - **Environmental – E** : climate (coal mining and coal-based energy production; oil sands production and oil sands-related pipelines; shale and tight oil & gas; arctic oil & gas), biodiversity (ecosystem protection and deforestation) and soft commodities (food commodities derivatives);
  - **Social – S :** health (tobacco producers), labor, society and human rights (violations of international norms and standards; controversial weapons manufacturing; white phosphorus weapons producers; exclusion of investments in securities issued by countries where serious violations of Human rights are observed);
  - **Governance – G**: business ethics (severe controversies, violations of international norms and standards), corruption (severe controversies, violations of international norms and standards).

Investors should note that exclusion policies have limited application for real estate assets.

- **ESG scoring methodologies**:
  - AXA IM has implemented scoring methodologies to rate issuers and real assets on ESG criteria.
  - The ESG rating for Direct Real Estate assets has been developed around 3 pillars: Environment (E), Social (S) and Governance (G), each covered by dedicated indicators. The assessment is linked to the performance of a building over a defined period and therefore takes into account criteria that can be measured at the asset level. All E, S and G pillars are linked to the building itself or to its management method and are defined to allow the evaluation of any type of physical real estate asset, regardless of its asset class (residential, office, hotel, etc.).
  - The ESG rating is a tool developed by AXA IM and has been constructed in line with regulation and industry benchmarks requirements, such as BREEAM-in-use and GRESB, in order to integrate the expectations of AXA IM's main stakeholders and to guarantee the coherence of the actions carried out at asset level. For quantitative questions related to energy and water consumption, the rating uses actual consumption data collected by the property managers in the data management platform. AXA IM Alts does not currently use sector averages or estimates to assess the ESG performance of its assets.
  - AXA IM intends to bring minor updates to the rating methodology, to continue adapting it to leverage on ESG benchmark data improved maturity and availability, improve relevance of some answers to better adapt to market requirements evolution, better address non-EU countries specificities and optimize the process through greater automation.
  - These ESG scores provide a standardized and holistic view on the performance of real estate assets on ESG factors and enable to further incorporate ESG risks and opportunities in the investment decision.

This framework helps us to ensure we consider how sustainability impacts on the development, performance, or position of an asset, as well as having material effects on the financial value in a broad sense (financial materiality). It also helps us to assess the external impacts of an asset's activities on ESG factors (ESG materiality).

[17] This includes the funds where a specific biodiversity strategy is applied, and the related impact measurement: see sections 7. "Biodiversity strategy" and 7.3 "Introducing biodiversity-specific indicators" of the last AXA IM Climate report.

APPENDIX TO PERIODIC REPORTS FOR PRODUCTS COVERED BY ART.29 LEC (CONTINUED)

This framework is complemented with:

- **ESG KPIs:** Investment teams have access to a wide range of extra-financial data and analysis on ESG factors, across asset classes.
- **Stewardship strategy[18]:** We adopt an active approach to stewardship by using our scale as a global investment manager to influence tenant and market practices. In doing so, we strive to reduce investment risk and enhance returns as well as drive positive impacts for our society and the environment. These are key to achieving sustainable long-term value creation for our clients.

If such sustainability risks materialize in respect of any investment, they may have a negative impact on the financial performance of the relevant investment. AXA IM does not guarantee that the investments are not subject to sustainability risks to any extent and there is no assurance that the sustainability risks assessment will be successful at capturing all sustainability risks at any point in time. Investors should be aware that the assessment of the impact of sustainability risks on the performance is difficult to predict and is subject to inherent limitations such as the availability and quality of the data.

The detailed approach to take into account ESG risks into risks management processes applied by AXA IM pursuant to the implementation decree of Article 29 of the LEC is described in the AXA IM annual Climate Report (TCFD – Article 29 LEC combined report)[19]: Policies and reports | AXA IM Corporate (axa-im.com)

[18] See AXA IM's Stewardship & Engagement policies: Stewardship & Engagement | Responsible Investing | AXA IM Corporate (axa-im.com). This policy does not apply to real estate assets.

[19] This includes AXA IM's ESG risk management framework, impact of ESG factors on returns, and climate transition and physical risks assessment (incl. value-at-risk analysis for 1.5°C, 2°C and 3°C scenarios, using MSCI's Climate VaR methodology): see sections 8. "Risk management" and 6.5 "Climate dashboard" of the last AXA IM Climate report.