

**BentallGreenOak UK Secured Lending III
S.à r.l.**

Unaudited Accounts

**For the period from May 28, 2020 (incorporation date) to
December 31, 2020**

*5 Rue Heienhaff,
L-1736 Senningerberg
R.C.S. Luxembourg B 244566
Share capital: GBP 13,000*

BentallGreenOak UK Secured Lending III S.à r.l.

Unaudited Accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

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As at December 31, 2020

TOTAL (ASSETS) 201 14,269,684 202

John S. Sincanano

V. Warland



[Signature]

BentalGreenOak UK Secured Lending III S.à.r.l
R.C.S Luxembourg: B244566
5 Rue Heienhaff
L-1855 Luxembourg
BALANCE SHEET (GBP)

As at December 31, 2020

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	
A. Capital and reserves	1301	6	21,080
I. Subscribed capital	1303	6	13,000
II. Share premium account	1305		-
III. Revaluation reserve	1307		-
IV. Reserves	1309	6	309
1. Legal reserve	1311	6	311
2. Reserve for own shares	1313		313
3. Reserves provided for by the articles of association	1315		315
4. Other reserves, including the fair value reserve	1429		429
a) other available reserves	1431		431
b) other non available reserves	1433		433
V. Profit or loss brought forward	1319	6	319
VI. Profit or loss for the financial year	1321	6	8,080
VII. Interim dividends	1323		323
VIII. Capital investment subsidies	1325		325
B. Provisions	1331		331
1. Provisions for pensions and similar obligations	1333		333
2. Provisions for taxation	1335		335
3. Other provisions	1337		337
C. Creditors	1435	7	14,248,604
1. Debenture loans	1437		437
a) Convertible loans	1439		439
i) becoming due and payable within one year	1441		441
ii) becoming due and payable after more than one year	1443		443
b) Non convertible loans	1445		445
i) becoming due and payable within one year	1447		447
ii) becoming due and payable after more than one year	1449		449
2. Amounts owed to credit institutions	1355		355
a) becoming due and payable within one year	1357		357
b) becoming due and payable after more than one year	1359		359
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361		361
a) becoming due and payable within one year	1363		363
b) becoming due and payable after more than one year	1365		365
4. Trade creditors	1367		367
a) becoming due and payable within one year	1369		369
b) becoming due and payable after more than one year	1371		371
5. Bills of exchange payable	1373		373
a) becoming due and payable within one year	1375		375
b) becoming due and payable after more than one year	1377		377
6. Amounts owed to affiliated undertakings	1379	7	13,952,795
a) becoming due and payable within one year	1381	7	2,812,795
b) becoming due and payable after more than one year	1383	7	11,140,000
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385
a) becoming due and payable within one year	1387		387
b) becoming due and payable after more than one year	1389		389
8. Other creditors	1451	8	295,809
a) Tax authorities	1393	8	58,944
b) Social security authorities	1395		395
c) Other creditors	1397	8	236,865
i) becoming due and payable within one year	1399	8	236,865
ii) becoming due and payable after more than one year	1401		401
D. Deferred income	1403		403
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	405		14,269,684

BentallGreenOak UK Secured Lending III S.à.r.l
R.C.S Luxembourg: B244566
5 Rue Heienhaff
L-1855 Luxembourg
PROFIT AND LOSS ACCOUNT (GBP)

For the period from May 28, 2020 (incorporation date) to December 31, 2020

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	
1. Net turnover	1701	701	- 701
2. Variation in stocks of finished goods and in work in progress	1703	703	- 703
3. Work performed by the undertaking for its own purposes and capitalised	1705	705	- 705
4. Other operating income	1713	713	- 713
5. Raw materials and consumables and other external charges	1671	671	- 671
a) Raw materials and consumables	1601	601	- 601
b) Other external expenses	1603	603	- 603
6. Staff costs	1605	605	- 605
a) Wages and salaries	1607	607	- 607
b) Social security costs	1609	609	- 609
i) relating to pensions	1653	653	- 653
ii) other social security costs	1655	655	- 655
c) Other staff costs	1613	613	- 613
7. Value adjustments	1657	657	- 657
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	- 659
b) in respect of current assets	1661	661	- 661
8. Other operating expenses	1621	10 621	(109,242) 621
9. Income from participating interests	1715	715	- 716
a) Derived from affiliated undertakings	1717	717	- 718
b) other income from participating interest	1719	719	- 720
10. Income from other investments and loans forming part of the fixed assets	1721	9 721	1,628,312 722
a) Derived from affiliated undertakings	1723	723	- 724
b) other income not included under a)	1725	9 725	1,628,312 726
11. Other interest receivable and similar income	1727	11 727	1,287,342 728
a) Derived from affiliated undertakings	1729	729	- 730
b) other interest and financial income	1731	11 731	1,287,342 732
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	- 664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	- 666
14. Interest payable and similar expenses	1627	12 627	(2,795,488) 628
a) concerning affiliated undertakings	1629	12 629	(2,795,488) 630
b) other interest and similar expenses	1631	631	- 632
15. Tax on profit or loss	1635	13 635	(2,844) 636
16. Profit or loss after taxation	1667	6 667	8,080 668
17. Other taxes not shown under items 1 to 16	1637	637	- 638
18. Profit or loss for the financial year	1669	6 669	8,080 670

V. Warland.
John Brincmann

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

1. ORGANISATION

BentallGreenOak UK Secured Lending III S.à r.l. (hereafter the “**Company**”) was incorporated on May 28, 2020 and organised under the laws of Luxembourg as a private limited liability company (*société à responsabilité limitée*). The Company is established for an unlimited period of time and is registered under R.C.S. in Luxembourg, number B244566. The registered office of the Company is established at 5, Rue Heienhaff, L-1736 Senningerberg.

The Company’s financial year starts on January 1 and ends on December 31 of each year, with the exception of the first period which runs from incorporation on May 28, 2020 to December 31, 2020 .

The reporting period presented in these financial statements is from May 28, 2020 (incorporation date) to December 31, 2020.

The Company is 100% owned by BentallGreenOak UK Secured Lending III LP.

The Company invests in loans secured against commercial real estate in the United Kingdom (“UK”). The Company targets mid-market-sized loans between £30 million to £50 million, which are secured by real estate assets located throughout the UK which it is believed to provide attractive risk adjusted investment returns.

The Company may also render every assistance, whether by way of loans, guarantees or otherwise to its subsidiaries or companies in which it has a direct or indirect interest or any company being a direct or indirect shareholder of the Company or any company belonging to the same group as the Company or any other entity, it being understood that the Company will not enter into any transaction which would cause it to be engaged in any activity that would be considered as a regulated activity of the financial sector.

The Company can perform all legal, commercial, technical and financial investments, operations and in general, all transactions which are necessary to fulfil its objects as well as all operations connected directly or indirectly to facilitating the accomplishment of its purpose in all areas described above.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Accounting policies and valuation rules are, besides the ones laid down by the amended Law of December 19, 2002, determined and applied by the Board of Managers (hereafter “the Managers”).

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Managers to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period on which the assumptions changed. Management believes that the underlying assumptions are appropriate and the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Significant accounting policies

The main valuation rules applied by the Company are the following:

a) Formation expenses

The formation expenses of the Company are directly charged to the profit and loss account of the year in which they are incurred.

b) Financial assets

Financial assets are stated at purchase price or nominal value including the expenses incidental thereto. In case of durable decrease in value according to the opinion of the Managers, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

c) Foreign currency translation

The Company maintains its books and records in British Pounds (“GBP”).

Transactions expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction. Formation expenses and long-term assets expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Realised exchange losses and gains are recorded in the profit and loss account of the year.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Significant accounting policies (continued)

c) Foreign currency translation (continued)

Other assets and liabilities are translated separately respectively at lower (for assets) or at the higher (for liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. Solely the unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account whereas the net unrealised exchange gains are not recognised.

d) Prepayments

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

e) Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges that have originated in the financial period/year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

f) Provision for taxation

Current tax provision

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years are recorded under the caption "Tax debts". The advance payments are shown in the assets of the balance sheet under "Other receivables" item.

g) Debts

Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt.

Subordinated debts

Debts are recorded under subordinated debts when their status is subordinated to unsecured debts.

h) Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Significant accounting policies (continued)

i) Cash at bank

Cash at bank is valued at the closing date of the financial statements.

j) Creditors

Creditors are initially recorded at nominal value.

The amounts owed to affiliated undertakings are limited in recourse to the amounts recoverable from its corresponding financial asset, and to all interest derived from the corresponding asset. The amounts owed to affiliated undertakings are adjusted for value adjustments in order to reflect its limited recourse nature.

The creditors are subsequently valued at their repayable amount.

k) Other interest receivable and similar income

‘Other interest receivable and similar income’ is recognised on an accrual basis. This includes arrangement fees that are recognised when earned generally when a ‘financial asset’ is acquired.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

3. FINANCIAL ASSETS

C. Fixed assets

III. Financial assets

6. Other loans

As at December 31, 2020, the Company invested in the following:

	Opening balance May 28, 2020 GBP	Acquisitions during the year GBP	Repayments during the year GBP	Closing balance December 31, 2020 GBP
Other loans held as financial assets:				
Leopard	-	942,597	-	942,597
Villa	-	3,464,632	-	3,464,632
Henrik	-	8,799,375	-	8,799,375
	-	13,206,604	-	13,206,604

The characteristics of financial assets are as follows:

	Total commitment GBP	Interest rate	Current Maturity
Other loans held as financial assets:			
Leopard	57,940,000	5.15 %	28/10/2024
Villa	21,155,830	6.10 %	13/11/2023
Henrik	78,750,000	6.00 %	23/12/2024
	157,845,830		

The Managers considered all factors which affect valuation and noted that the cost of financial assets as at December 31, 2020 was not materially different from the fair value and that there is no indication of durable decrease in value.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

4. DEBTORS

D. Current assets

II. Debtors

2. Amounts owed by affiliated undertakings

a) becoming due and payable within one year

	December 31, 2020 GBP
Due from BentallGreenOak UK Secured Lending III GP Limited	
Other advances	387
	<u>387</u>

4. Other debtors

a) becoming due and payable within one year

As at December 31, 2020, other debtors were as follows:

	December 31, 2020 GBP
Interest receivable from financial assets:	
Interest receivable	302,450
Others	34,710
	<u>337,160</u>

5. CASH AT BANK

D. Current assets

IV. Cash at bank and in hand

The Cash at bank and in hand consists of:

	December 31, 2020 GBP
RBSI Luxembourg	725,533
	<u>725,533</u>

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

6. CAPITAL AND RESERVES

A. Capital and reserves

I. Subscribed capital

As at May 28, 2020 (incorporation date), the share capital of the Company amounts to GBP 13,000 and is represented by 13,000 shares of GBP 1 each.

During the period from May 28, 2020 (incorporation date) to December 31, 2020, the Company did not acquire nor dispose of any of its own shares and the Company did not hold any of its own shares at December 31, 2020.

IV. Reserves

1. Legal reserve

Under Luxembourg law, an amount equal to at least 5% of the annual net income must be allocated to a legal reserve until such reserve equals 10% of the paid-in share capital. This reserve is not available for dividend distribution. As at December 31, 2020, accounting income has been recognised by the Company and consequently the Managers will propose that an amount of GBP 404 be allocated to the legal reserve upon approval of the Financial Statements by the Sole Shareholder.

V. Profit or loss brought forward

VI. Profit or loss for the financial period

The movement in 'capital and reserves' are as follows:

	December 31, 2020 GBP
Beginning balance	-
Share Capital issued	13,000
Profit for the financial period	8,080
Closing balance	21,080

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

7. CREDITORS

C. Creditors

6. Amounts owed to affiliated undertakings

a) becoming due and payable within one year

As at December 31, 2020, amounts owed to affiliated undertakings becoming due and payable within one year are as follows:

	December 31, 2020 GBP
Due to BentallGreenOak UK Secured Lending III LP	
Interest payable	2,795,488
Other advances	17,307
	<u>2,812,795</u>

b) becoming due and payable after more than one year

The amounts owed to affiliated undertakings becoming due and payable after more than one year as at December 31, 2020 consist of the following:

	December 31, 2020 GBP
Due to BentallGreenOak UK Secured Lending III LP	
Beginning balance	-
Drawdowns during the period	11,200,000
Repayments during the period	(60,000)
Closing balance	<u>11,140,000</u>

The Company executed a Loan Note Instrument (the "Loan Note Instrument") with BentallGreenOak UK Secured Lending III LP (the "Lender") on 10 June, 2020 for a maximum amount of GBP 1,250,000,000 and shall be repaid no later than December 31, 2032. The Partnership Termination Date is the seventh year anniversary of the final closing date of the Partnership, unless further extended for up to two additional one-year periods from such date. In accordance with the Loan Note Instrument, notes are issued from time to time in order to fund acquisition of financial fixed assets. The issued notes are listed on the International Stock Exchange (the "TISE").

The loan notes holders are entitled to a fixed interest of 1% per annum and a variable interest amount determined in accordance with Clause 3 of the Loan Note Instrument.

Any recourse of the loan notes holders in respect of any amount they are entitled to under the Loan Note Instrument is limited to any income, proceeds or other monies received by the Company from or in relation to the assets funded by means of the loan notes.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

8. OTHER CREDITORS

C. Creditors

8. Other creditors

a) Tax authorities

	December 31, 2020 GBP
VAT payable	56,100
Income tax payable	2,844
	<u>58,944</u>

c) Other creditors

i) becoming due and payable within one year

Other creditors becoming due and payable within one year are as follows:

	December 31, 2020 GBP
Administration fee payable	57,859
Professional fees	6,333
Other creditors	172,673
	<u>236,865</u>

9. OTHER OPERATING INCOME

10. Income from other investments and loans forming part of the fixed assets

b) other income not included under a) (derived from affiliated undertakings)

For the period to December 31, 2020 other operating income is comprised of the following:

	May 28, 2020 (incorporation date) to December 31, 2020 GBP
Arrangement fees	1,616,712
Other income	11,600
	<u>1,628,312</u>

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

10. OTHER OPERATING EXPENSES

8. Other operating expenses

Other operating expenses for the period to December 31, 2020 are as follows:

	May 28, 2020 (incorporation date) to December 31, 2020 GBP
Administration fees	(65,590)
Organisational fees	(17,667)
Professional fees	(8,037)
Tax fees	(6,333)
VAT	(5,665)
Directors fees	(3,872)
Other fees	(2,078)
	<u>(109,242)</u>

11. INCOME FROM OTHER INVESTMENTS AND LOANS FORMING PART OF THE FIXED ASSETS

11. Other interest receivable and similar income

b) other interest and financial income

Income from other investments and loans forming part of the fixed assets for the period to December 31, 2020, is as follows:

	May 28, 2020 (incorporation date) to December 31, 2020 GBP
Interest income	<u>1,287,342</u>
	<u>1,287,342</u>

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

12. INTEREST PAYABLE AND SIMILAR EXPENSES

14. Interest payable and similar expenses

a) concerning affiliated undertakings

	May 28, 2020 (incorporation date) to December 31, 2020 GBP
Interest expense	<u>2,795,488</u>

13. TAXATION

The Company may be subject to Luxembourg VAT in respect of fees charged for certain services rendered to the Company.

Advance Tax Avoidance Directive ("ATAD 1")

Since January 1, 2019, Article 168bis of the Luxembourg Income Tax Law limits the deductibility of "exceeding borrowing costs" generally to a maximum of 30% of the corporate taxpayers' earnings before interest, taxes, depreciation and amortization (EBITDA). The scope of the interest limitation rules includes all interest-bearing debts (irrespective of whether the debt financing is obtained from a related party or a third party). However, exceeding borrowing costs up to an amount of EUR 3,000,000 may be deducted without any limitation.

The implementation of the Advance Tax Avoidance Directive ("ATAD 1") into Luxembourg law has left a significant amount of uncertainty in respect to certain technical aspects and there is no clear definition or guidance on the definition of "interest and economically equivalent income/expenses". Any structure and/or entity is required to be assessed on an individual basis.

On 8 August 2019, two new Bills (No 7465 and No 7466) were introduced to the Luxembourg Parliament. They will transpose Directive 2017/952/EU on hybrid mismatch arrangements (ATAD II) and Directive 2018/822 on mandatory tax disclosure rules (DAC 6) into Luxembourg law. Expectation is that EU member states are able to introduce domestic legislation for ATAD II to be applicable as of 1 January 2020 (except for reverse hybrid mismatches, which is applicable as of 1 January 2022). The entity is not invested in any hybrid instruments.

Therefore, the Managers have prepared an assessment of the impact of ATAD 1 on the financial statements of the Company as of December 31, 2020. Considering the nature of the Company's transactions, the Managers have concluded that no provision is required to be recorded in the accounts of the Company as of December 31, 2020.

BentallGreenOak UK Secured Lending III S.à r.l.

Notes to the unaudited accounts

For the period from May 28, 2020 (incorporation date) to December 31, 2020

13. TAXATION (CONTINUED)

15. Income Tax expense:

	May 28, 2020 (incorporation date) to December 31, 2020 GBP
Tax expense	2,844
	<u>2,844</u>

14. STAFF

In the period to December 31, 2020 the Company did not employ any personnel. No compensation is due nor has been paid to the Managers

15. RELATED PARTIES TRANSACTIONS

C. Creditors

6. Amounts owed to affiliated undertakings

a) becoming due and payable within one year

In 2020, the Company entered into a Loan Note Instrument with the BentallGreenOak UK Secured Lending III LP (the "Lender"). During the period, the interest payable of the loan notes is GBP 2,795,488 (Note 7).

b) becoming due and payable after more than one year

In 2020, the Company entered into a Loan Note Instrument with BentallGreenOak UK Secured Lending III LP (the "Lender"). During the period, the Company issued loan notes amounting to GBP 11,140,000 (Note 7).

16. SUBSEQUENT EVENTS

The Company has evaluated whether any subsequent events that require recognition or disclosure in the financial statements. The following events occurred subsequent to the year end:

- In March 2021, a new investment loan, Bloom, was made for a total commitment of £83,400,000.
- In April 2021, a new investment loan, Jones, was made for a total commitment of £40,885,000.