



Independent auditor's report

To the Shareholders of Atrium Finance Issuer B.V.

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Atrium Finance Issuer B.V. ('the Company') as at 31 August 2020 in accordance with International Financial Reporting Standards as adopted by the European Union.

What we have audited

Atrium Finance Issuer B.V.'s financial statements comprise:

- the Statement of financial position as at 31 August 2020;
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp. k., Polna 11 str., 00-633 Warsaw, Poland; T: +48 (22) 746 4000, F: +48 (22) 742 4040, www.pwc.com

PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt sp. k. is entered into the National Court Register maintained by the District Court for the Capital City of Warsaw, under KRS number 0000750050, NIP 526-021-02-28. The seat of the Company is in Warsaw at Polna 11 str.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Przewodniczący Zarządu Corpens Polska Spółka z ograniczoną odpowiedzialnością / woscia Audit sp. k.

14 September 2020

Atrium Finance Issuer B.V.

Financial statements as at
31st August 2020

Atrium Finance Issuer B.V.

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Statement of financial position as at 31st August 2020

	<u>31st August 2020</u>
	EUR
Current assets	
Receivable from Parent Company	1
Cash and cash equivalents	<u>1</u>
	<u>1</u>
Shareholders' equity	
Issued Share capital	1
Retained earnings	-
	<u>1</u>

Notes to the financial statements

General

Reporting entity and group structure

Atrium Finance Issuer B.V. (the “Company”) was incorporated on 31st August 2020 for the main purpose of borrowing, lending and raising funds, including issuance of bonds or other securities notes.

The Company is located in Amsterdam, The Netherlands and has its registered office address at World Trade Center, Tower I, 6th floor, Strawinskylaan 1959, 1077 XX Amsterdam, the Netherlands. The registration number at the chamber of commerce is 80192262.

The Company is a wholly owned subsidiary of Atrium Finance Limited (the “Parent Company”), incorporated in Cyprus and a member of the group of companies headed by Atrium European Real Estate Limited, incorporated in Jersey (“AERE” and together with its other subsidiaries, the “Group”). AERE is the intermediate parent company of the Company and to the best of the managing directors’ knowledge Norstar Holding Inc is the ultimate parent company. To the best of the Company’s knowledge, the ultimate controlling party is Mr. Chaim Katzman, who is the controlling shareholder of Norstar Holding Inc.

The group in which the results of the Company are consolidated is headed by AERE. The consolidated financial statements of AERE are available to the public and may be obtained from the Netherlands Authority for the Financial Markets. AERE’s financial statements are also published on the official website of Atrium (www.aere.com). AERE has a dual listing on the Vienna and Euronext Amsterdam Stock Exchange under the ticker ATRS.

Financial Reporting Period

These financial statements cover the opening balance as at 31st August 2020. At this date the first accounting period started and it will be finished on 31st December 2020.

Notes to the financial statements

Basis of preparation

General

The financial statement of the Company has been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union (“EU”).

The financial statements have been prepared on a historical cost basis. The financial statements are prepared on a going concern basis.

These financial statements are presented in Euros (“€”), which is the Company’s functional and presentation currency.

These financial statements were prepared in connection with Company’s plans to issue debt securities.

This is the first set of IFRS financial statements of the Company. The Company has not yet reported under any previous GAAP, therefore no reconciliations to other financial statements are presented.

The Company has not carried any activities and therefore it has not presented statement of profit and loss and other comprehensive income, statement of changes in equity nor the statement of cash flows.

Notes to the financial statements

Accounting policies

General

Assets and liabilities are generally valued at historical cost. If no specific valuation principle has been stated, valuation is at historical cost.

The financial statements are presented in Euros, the Company's functional currency.

Financial instruments

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Receivables assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Cash and cash equivalents

Cash and cash equivalents can comprise of cash at bank and in hand, short term deposits with a maturity of three months or less, and other short term highly liquid assets that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Notes to the financial statements

Accounting policies (continued)

Shareholders' equity

The stated capital account consists of the proceeds received and receivable by the Company from the issue of its ordinary shares, net of direct issue costs.

Financial instruments that meet the definition of an equity instruments based on their substance are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that meet the definition of a financial liability based on their substance are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss statement as financial income or expense.

The purchase of own shares is deducted from the other reserves.

Taxation

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Related parties

Transactions with related parties are assumed when a relationship exists between the company and a natural person or entity that is affiliated with the company. This includes, amongst others, the relationship between the company and its subsidiaries, shareholders, directors and key management personnel.

All transactions with related parties are at arm's length.

Notes to the balance sheet

1. Issued share capital

The share capital of the Company consists of 1 issued and fully paid share with a nominal value of EUR 1.

Atrium Finance Issuer B.V.

Signed on 14 September 2020 in Amsterdam for and on behalf of Atrium Finance Issuer B.V.



Molly Katz
Managing director



Ryan Lee
Managing director



Liad Barzilai
Managing director