Independent auditor’s report

To: the general meeting of Tonsa Commercial REI N.V.

Report on the financial statements 2022

Our opinion

In our opinion:

- the consolidated financial statements of Tonsa Commercial REI N.V. together with its subsidiaries (‘the Group’) give a true and fair view of the financial position of the Group as at 31 December 2022 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (‘EU-IFRS’) and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Tonsa Commercial REI N.V. (‘the Company’) give a true and fair view of the financial position of the Company as at 31 December 2022 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2022 of Tonsa Commercial REI N.V., Rotterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2022;
- the following statements for 2022: the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2022;
- the company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

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The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section ‘Our responsibilities for the audit of the financial statements’ 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 Tonsa Commercial REI N.V. in accordance with the ‘Wet toezicht accountantsorganisaties’ (Wta, Audit firms supervision act), the ‘Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit, we obtained an understanding of Tonsa Commercial REI N.V. and its environment and the components of the internal control system. This included the board of directors’ risk assessment process, the board of directors’ process for responding to the risks of fraud and monitoring the internal control system. We refer to section ‘Fraud risk’ of the directors’ report for their fraud risk management.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks and asked the board of directors whether they are aware of any actual or suspected fraud.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	*Our audit work and observations*
The risk of management override of controls The board of directors are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding control that otherwise appear to be operating effectively. That is why, is all our audits, we pay attention to the risk of management override of controls. In this respect, we gave specific consideration to: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; • possible management bias in the board of directors' estimates; and • significant transactions, if any, that are outside the normal course of business for the Company.	We evaluated the design and implementation of the internal control measures that are intended to mitigate the risk of management override of controls. We have selected journal entries based on risk criteria, such as unusual/unexpected account combinations, and conducted specific audit activities for these entries. We performed specific audit procedures related to the significant estimates of the board of directors and particularly to the significant assumptions in the valuation of Standing investments and Development and lands. By doing so, we were critical to indications of bias of the board of directors in these estimates. We, amongst others, assessed the competence, capabilities and objectivity of the external appraiser appointed by the board of directors and evaluated significant assumptions applied in the valuation model. We have involved our internal real estate valuation experts in the assessment of the significant assumptions. Overall, we concur with the applied assumptions and methodologies used in the valuation of the investment properties. We did not identify any significant transaction outside the normal course of business. Our audit procedures did not lead to specific indications of fraud or suspicious of fraud with respect to management override of controls.
The risk of fraudulent financial reporting through overstating the Gross rental income As part of our risk assessment, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition. Because gross rental income are a key performance indicator for the group and as the *board of directors* may feel pressure to achieve certain revenue targets, we have identified an inherent risk by the *board of directors* in overstating revenue, especially in recognising fictious gross rental income or improper accounting of lease incentives.	We evaluated the design and implementation of the internal control measures that are intended to mitigate the risk of overstating the gross rental income. We tested, on a sample basis, the gross rental income transactions by tracing the transactions back to the supporting evidence. We also assessed the accounting policy for the accounting of lease incentives, tested for a sample the accuracy and occurrence of the lease incentive amount recognised by tracing the lease incentive back to the gross rental income. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the occurrence of the gross rental income.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

As disclosed in the section '5.1 Going concern' in the consolidated financial statements, the board of directors performed their assessment of the Company's ability to continue as a going concern for at least twelve months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (hereafter: going-concern risks). Our procedures to evaluate the board of directors' going-concern assessment included, amongst others:

- considering whether the board of directors' going-concern assessment includes all relevant information of which we are aware as a result of our audit and inquiring with the board of directors regarding the board of directors' most important assumptions underlying its going-concern assessment;
- evaluating the board of directors' current budget including cash flows for at least twelve months from the date of preparation of the financial statements taken into account current developments in the industry, such as high inflation levels, and all relevant information of which we are aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the Company's operations, including compliance with relevant covenants;
- performing inquiries of the board of directors as to its knowledge of going-concern risks beyond the period of the board of directors' assessment.

Our procedures did not result in outcomes contrary to the board of directors' assumptions and judgements used in the application of the going-concern assumption.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors are responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors

The board of directors are responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors are responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Utrecht, 24 May 2023
PricewaterhouseCoopers Accountants N.V.

This document is signed electronically by:
T.M.B. van de Lagemaat

T.M.B. van de Lagemaat RA

Appendix to our auditor's report on the financial statements 2022 of Tonsa Commerical REI N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the board of directors 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.