

Company Registration No. 9733477
CBRE Acquisition Company 3 Limited
Report and Financial Statements
For the year ended 31 December 2018



CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

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CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Officers and professional advisers

Directors

E. C. Thetford
C. R. Oster
P. Zargarof (Appointed 12 October 2018)
E. G. Foley (Appointed 19 July 2019)
D. J. Green (Resigned 19 July 2019)
L. H. Midler (Resigned 12 October 2018)

Registration No.

9733477

Registered office

St Martin's Court
10 Paternoster Row
London
EC4M 7HP

Banker

HSBC Bank Plc
27/32 Poultry
London
EC2P 2BX

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London, E14 5GL

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 419(2) of the Companies Act 2006.

Principal activity, business review and future prospects

The company is an investment holding company. The undertakings held by the company are listed in Note 5 to the financial statements.

Results and dividends

The result for the year after taxation was a loss of £102,641,444 (2017: profit of £2,511). During the year the directors declared dividends of £nil (2017: £nil).

Donations

No donations were made to political or charitable organisations in the period.

Directors

The directors who held office throughout the period and subsequent to the period end are shown on page 1.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis in preparing the financial statements continues to be adopted.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Subsequent events

There have been no changes to the business activities or risk profile of the company subsequent to the end of the reporting period.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors
and signed on behalf of the Board



Enda Foley
Director

10 December 2019

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Independent Auditor's report to the members of CBRE Acquisition Company 3 Limited

We have audited the financial statements of CBRE Acquisition Company 3 Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Brexit other matter paragraph

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardized firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analyzed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made,

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Independent Auditor's report to the members of CBRE Acquisition Company 3 Limited (continued)

the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the other information, which comprises the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Independent Auditor's report to the members of CBRE Acquisition Company 3 Limited (continued)

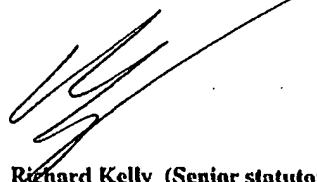
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Kelly (Senior statutory auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E145GL

11 December 2019

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Statement of comprehensive income for the year ended 31 December 2018

	Notes	2018 £	2017 £
Other income		10,460	3,110
Administration expense		(5,000)	-
Operating income	2	5,460	3,110
Impairment loss on investments	5	(102,645,867)	-
Profit/(Loss) on ordinary activities before taxation		(102,640,407)	3,110
Tax on profit on ordinary activities	3	(1,037)	(599)
(Loss)/profit for the year		<u>(102,641,444)</u>	<u>2,511</u>
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive (loss)/income for the year		<u>(102,641,444)</u>	<u>2,511</u>

The notes from page 10 to page 12 form part of these financial statements

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Statement of changes in equity for the year ended 31 December 2018

Statement of changes in equity for the period ended 31 December 2018

	Share capital	Profit and loss account	Share Premium	Total shareholders' funds
	£	£	£	£
As at 1 January 2018	6	(1,469,582)	193,384,392	191,914,816
Issue of shares	-	-	-	-
Total comprehensive loss for the period	-	(102,641,444)	-	(102,641,444)
As at 31 December 2018	<u>6</u>	<u>(104,111,026)</u>	<u>193,384,392</u>	<u>89,273,372</u>

Statement of changes in equity for the year ended 31 December 2017

	Share capital	Profit and loss account	Share Premium	Total shareholders' funds
	£	£	£	£
As at 1 January 2017	6	(1,472,093)	193,384,392	191,912,305
Issue of shares	-	-	-	-
Total comprehensive income for the period	-	2,511	-	2,511
As at 31 December 2017	<u>6</u>	<u>(1,469,582)</u>	<u>193,384,392</u>	<u>191,914,816</u>

The notes from page 10 to page 12 form part of these financial statements.

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Statement of financial position as at 31 December 2018

	Notes	2018 £	2017 £
Non Current assets			
Investments	5	87,039,316	189,685,183
Debtors		2	2
Current assets			
Cash and Cash equivalents		2,264,978	2,254,518
Creditors: amounts falling due within one year	6	(30,924)	(24,887)
Net current assets		<u>2,234,054</u>	<u>2,229,631</u>
Total assets less current liabilities		<u>89,273,372</u>	<u>191,914,816</u>
Net assets		<u>89,273,372</u>	<u>191,914,816</u>
Called up share capital	7	6	6
Share premium		193,384,392	193,384,392
Profit and loss account		(104,111,026)	(1,469,582)
Shareholders' funds		<u>89,273,372</u>	<u>191,914,816</u>

These financial statements were approved by the Board of Directors on 10 December 2019.

Signed on behalf of the Board of Directors



Enda Foley

Director

Company Registration No. 9733477

The notes from page 10 to page 12 form part of these financial statements

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Notes to the financial statements for the year ended 31 December 2018

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law. The particular accounting policies adopted are described below. These policies have been applied consistently throughout the period.

These financial statements were prepared in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities and the Companies Act 2006. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

Basis of preparation

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 419(2) of the Companies Act, 2006, because it is a small sized group.

Going concern

Having given consideration to reasonably possible scenarios and future plans in respect of the Company for the foreseeable future, and for a period of at least 12 months following the approval of these financial statements, the directors believe the Company will be able to and will continue to meet its liabilities as they fall due.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

Cash flow statement

The Company's ultimate parent company is CBRE Group, Inc., and the cash flows of the company are included in the consolidated group cash flow statement of that company. Consequently The Company is exempt under the terms of Section 7 of FRS 102 from publishing a cash flow statement.

Investments

Investments in subsidiaries are held at cost less provision for impairment.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the statement of financial position date. Any exchange differences arising are dealt with in the Statement of comprehensive income.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Notes to the financial statements for the year ended 31 December 2018 (continued)

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade and other debtors.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

2. Operating income/(loss)

	2018 £	2017 £
Operating income/(loss) is stated after incurring:		
Bank interest income	10,460	3,110
Administration expenses	(5,000)	-
	<u>5,460</u>	<u>3,110</u>

Auditor's remuneration

In 2018, auditor's remuneration of £4,000 (2017: £4,000) was borne by a group company.

3. Tax on profit on ordinary activities

	2018 £	2017 £
Current tax		
United Kingdom Corporation tax at 19.0% (2017 19.25%)	1,037	599
Tax on profit on ordinary activities	<u>1,037</u>	<u>599</u>
Profit before tax	(102,640,407)	3,110
Profit multiplied by tax rate in UK of 19% (2017: 19.25%)	(19,501,678)	599
Tax effects of:		
Impairment expense not deductible for tax purposes	19,502,715	-
Tax on profit on ordinary activities	<u>1,037</u>	<u>599</u>

In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

CBRE Acquisition Company 3 Limited

Report and financial statements for year ended 31 December 2018

Notes to the financial statements for the year ended 31 December 2018 (continued)

4. Directors and employees

The company had no employees other than its directors during the period. The directors did not receive any remuneration in respect of services to the company during the period.

5. Investments

	2018 £	2017 £
As at 1 January	189,685,183	189,685,183
Impairment loss during the period	(102,645,867)	-
As at 31 December	<u>87,039,316</u>	<u>189,685,183</u>

The investment balance of £87,039,316 (£189,685,183) is comprised of a 50.0% share in CBRE GWS Limited.

Investments are assessed at each reporting date to determine whether there is objective evidence that it is impaired. An impairment loss is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

6. Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to other group undertakings	(30,924)	(24,887)
	<u>(30,924)</u>	<u>(24,887)</u>

7. Called up share capital

There is a total of 6 shares issued with nominal value £1, issued on 13 August 2016, of which 3 shares are held by CBRE Holdings Limited and 3 shares are held by CBRE UK Acquisition Company Limited.

8. Ultimate parent company

CBRE Holdings Limited, a company incorporated in England and Wales, is the immediate parent company.

The directors regard CBRE Group, Inc., a company incorporated in the United States, as the ultimate parent company and ultimate controlling party.

CBRE Group, Inc. is the parent company of the smallest and largest group of which the company is a member, and for which consolidated financial statements are drawn up. No other consolidated financial statements are drawn up.

Copies of the consolidated group financial statements for CBRE Group, Inc. are available from CBRE Limited, St Martin's Court, 10 Paternoster Row, London EC4M 7HP.

9. Related party disclosures

The company has taken advantage of the exemption contained in section 33 of FRS 102, not to disclose transactions with other members of Group. Balances due to or from the parent company and fellow subsidiary companies are disclosed. There were no other related party transactions requiring disclosure.