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PERSONLIGT ENGAGEMENT

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Covivio Hamburg Holding ApS

Østbanegade 123, 2100 København Ø

Company reg. no. 29 77 73 06

Annual report

1 January - 31 December 2023

The annual report has been submitted and approved by the general meeting on the 20 June 2024.

Daniel Frey
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Executive Board has approved the annual report of Covivio Hamburg Holding ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 20 June 2024

Executive board

Arnaud Brément Managing Director	Myriam Despas	Mikael Brøgger Håkansson

Independent auditor's report

To the Shareholders of Covivio Hamburg Holding ApS

Opinion

We have audited the financial statements of Covivio Hamburg Holding ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 in preparing the financial statements 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 20 June 2024

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678

Company information

The company	Covivio Hamburg Holding ApS Østbanegade 123 2100 København Ø	
	Company reg. no.	29 77 73 06
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December 17th financial year
Executive board	Arnaud Brément, Managing Director Myriam Despas Mikael Brøgger Håkansson	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø	
Subsidiaries	Covivio Hamburg 1 ApS, Copenhagen Covivio Hamburg 2 ApS, Copenhagen Covivio Hamburg 3 ApS, Copenhagen Covivio Hamburg 4 ApS, Copenhagen	

The principal activities of the company

The principal activities are majority ownership to the shares in Covivio Hamburg 1 ApS, Covivio Hamburg 2 ApS, Covivio Hamburg 3 ApS and Covivio Hamburg 4 ApS, operating within the German real estate market.

Development in activities and financial matters

Loss from ordinary activities after tax totals t.EUR -44.507 against t.EUR 3.847 last year.

Management expected a positive result for 2023. However, due to value adjustment of investment properties in investments in group enterprises, the result for 2023 is negative. The negative value adjustment occurs as a result of very low investment activity in the residential real estate market in Germany. This is a result of high interest rates. Development sales process and disposal of empty units still have a market.

Events occurring after the end of the financial year

No events have occured subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Income statement 1 January - 31 December

EUR thousand.

Note		2023	2022
	Gross profit	**-15**	**-69**
	Other operating expenses	-200	0
	Operating profit	**-215**	**-69**
	Income from investments in subsidiaries	-44.268	3.917
2	Other financial expenses	-11	-1
	Pre-tax net profit or loss	**-44.494**	**3.847**
	Tax on ordinary results	-13	0
	Net profit or loss for the year	**-44.507**	**3.847**
	Proposed distribution of net profit:		
	Reserves for net revaluation according to the equity method	-44.267	3.918
	Allocated from retained earnings	-240	-71
	Total allocations and transfers	**-44.507**	**3.847**

Balance sheet at 31 December

EUR thousand.

Note	Assets	2023	2022
	Non-current assets		
3	Investments in group enterprises	214.594	258.861
	Total investments	214.594	258.861
	Total non-current assets	**214.594**	**258.861**
	Current assets		
	Receivables from group enterprises	0	15
	Total receivables	0	15
	Total current assets	**0**	**15**
	Total assets	**214.594**	**258.876**

Balance sheet at 31 December

EUR thousand.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	134	134
	Reserve for net revaluation according to the equity method	203.790	248.057
	Retained earnings	9.983	10.223
	Total equity	**213.907**	**258.414**
	Liabilities other than provisions		
4	Payables to group enterprises	250	251
	Total long term liabilities other than provisions	250	251
	Trade payables	413	211
	Payables to group enterprises	24	0
	Total short term liabilities other than provisions	437	211
	Total liabilities other than provisions	**687**	**462**
	Total equity and liabilities	**214.594**	**258.876**

5 Contingencies

Statement of changes in equity

EUR thousand.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	134	245.439	8.994	1.300	255.867
Distributed dividend	0	0	0	-1.300	-1.300
Share of results	0	3.918	-71	0	3.847
Received dividend	0	-1.300	1.300	0	0
Equity 1 January 2023	134	248.057	10.223	0	258.414
Share of results	0	-44.267	-240	0	-44.507
	134	**203.790**	**9.983**	**0**	**213.907**

Notes

EUR thousand.

		2023	2022
1.	**Staff costs**		
	Average number of employees	0	0
2.	**Other financial expenses**		
	Financial costs, group enterprises	11	1
		11	**1**
3.	**Investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2023	10.805	10.805
	Cost 31 December 2023	**10.805**	**10.805**
	Revaluations, opening balance 1 January 2023	248.056	245.439
	Results for the year before goodwill amortisation	-44.267	3.917
	Dividend	0	-1.300
	Revaluations 31 December 2023	**203.789**	**248.056**
	Carrying amount, 31 December 2023	**214.594**	**258.861**

Financial highlights for the enterprises according to the latest approved annual reports

EUR in thousands	**Equity interest**	**Equity**	**Results for the year**	**Carrying amount, Covivio Hamburg Holding ApS**
Covivio Hamburg 1 ApS, Copenhagen	100 %	43.156	-9.483	43.156
Covivio Hamburg 2 ApS, Copenhagen	100 %	73.758	-17.942	73.758
Covivio Hamburg 3 ApS, Copenhagen	100 %	86.201	-14.148	86.201
Covivio Hamburg 4 ApS, Copenhagen	100 %	11.479	-2.694	11.479
		214.594	**-44.267**	**214.594**

EUR thousand.

		31/12 2023	31/12 2022
4.	**Payables to group enterprises**		
	Total payables to group enterprises	**250**	**251**
	Share of liabilities due after 5 years	250	251

5. Contingencies

Joint taxation

With Covivio Dansk Holding ApS, company reg. no 30535723 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

The annual report for Covivio Hamburg Holding ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of Covivio Hamburg Holding ApS and its group enterprises are included in the consolidated financial statements for Covivio Immobilien SE, Germany, reg. no. HRB 26385.

Business combinations

Acquisitions completed by the 1 July 2018 or later (measurement method)

Acquisition of group enterprises are dealt with in accordance with the acquisition method, and afterwards the assets and liabilities of the acquired entity are measured at fair value at the date of acquisition.

The date of acquisition is the date when the group obtains control of the acquired entity.

The cost of the acquired entity represents the fair value of the consideration agreed upon, including the considerations that are conditional on future events. Transaction costs directly attributable to the acquisition of group enterprises are added to the equity investment.

Positive differences between the cost of the acquired entity and the identified assets and liabilities are recognised in the equity investment as goodwill, which is amortised on a straight-line basis in the income statement over the expected useful life. Amortisation of goodwill is allocated to the functions to which the goodwill relates. If the difference is negative, this is recognised immediately in the income statement.

If the allocation of the purchase price is not final, positive and negative differences may, as a result of changes in recognition and measurement of acquired net assets, be adjusted until the end of the financial year following the acquisition year. These adjustments are also reflected in the value of goodwill or negative goodwill, including depreciation already made.

Adjustment of contingent considerations after initial recognition is recognised directly with a counter entry on the original purchase price, whereby the value of goodwill or negative goodwill is corrected.

In the case of step acquisitions, the carrying amount of the existing equity investments is included in the cost price.

Income statement

Gross loss

Gross loss comprises external costs.

Other external expenses comprise expenses incurred for administration.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a measurement method.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in subsidiaries but are not represented in the parent, the following accounting policies have been applied.

Investment property:

- Investment properties are measured at estimated fair value. Consequently, depreciation does not takes place on a systematic basis. Fair value adjustment is recognised in the profit or loss of the group enterprise.

Liabilities other than provisions:

- Liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Impairment loss relating to non-current assets

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Covivio Hamburg Holding ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.