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PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Covivio Hamburg Holding ApS

Store Kongengade 68, 1264 København K

Company reg. no. 29 77 73 06

Annual report

1 January - 31 December 2020

The annual report has been submitted and approved by the general meeting on the 29 June 2021.

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 %.



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Management's report

Today, the executive board has presented the annual report of Covivio Hamburg Holding ApS for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 29 June 2021

Executive board

Arnaud Brément
Managing Director

Myriam Despas

Mette-Lise Vraa



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 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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.

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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.



Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.



Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 29 June 2021

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678



Company information

The company

Covivio Hamburg Holding ApS
Store Kongengade 68
1264 København K

Company reg. no. 29 77 73 06
Established: 1 July 2006
Domicile: Copenhagen
Financial year: 1 January - 31 December
14th financial year

Executive board

Arnaud Brément, Managing Director
Myriam Despas
Mette-Lise Vraa

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Subsidiaries

Covivio Hamburg 1 ApS, Copenhagen
Covivio Hamburg 2 ApS, Copenhagen
Covivio Hamburg 3 ApS, Copenhagen
Covivio Hamburg 4 ApS, Copenhagen
Covivio North ApS, merged with Covivio Hamburg Holding ApS in
2020, Copenhagen



Financial highlights

EUR in thousands.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
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Income statement:

Gross profit	-125	-10	-9	-8	1
Profit from operating activities	-336	-10	-9	-8	1
Net financials	33.959	35.823	27.811	32.382	15.505
Net profit or loss for the year	33.620	35.813	27.802	32.374	15.505

Statement of financial position:

Balance sheet total	233.249	199.193	163.378	135.575	103.203
Equity	232.808	199.188	163.375	135.573	103.199

Key figures in %:

Solvency ratio	99,8	100,0	100,0	100,0	100,0
Return on equity	15,6	19,8	18,6	27,1	30,0

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.



Management commentary

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, Covivio Hamburg 4 ApS and Covivio North ApS, operating within the German real estate market.

Unusual circumstances

The company has not been affected by the Covid-19 pandemic in the same way as a large number of other companies. The financial position and the result in the financial year 2020 are not significantly affected by the consequences of the Covid-19 pandemic.

Uncertainties about recognition or measurement

No uncertainties as to recognition or measurement.

Development in activities and financial matters

The gross loss for the year totals t.EUR -125 against t.EUR -10 last year. Income from ordinary activities after tax totals t.EUR 33.620 against t.EUR 35.813 last year. Management considers the net profit for the year satisfactory.

The company has been merged with its subsidiary, Covivio North ApS, during 2020.

Expected developments

The management expects a positive result for 2021.

Events occurring after the end of the financial year

No events have occurred 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	2020	2019
Gross loss	-125	-10
Other operating costs	-211	0
Income from equity investments in group enterprises	33.983	35.823
Other financial income from group enterprises	3	0
Other financial costs	-27	0
Pre-tax net profit or loss	33.623	35.813
Tax on ordinary results	-3	0
1 Net profit or loss for the year	33.620	35.813



Statement of financial position at 31 December

EUR thousand.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
2	Equity investments in group enterprises	204.691	172.318
	Total investments	204.691	172.318
	Total non-current assets	204.691	172.318
Current assets			
	Receivables from group enterprises	28.558	26.875
	Total receivables	28.558	26.875
	Total current assets	28.558	26.875
	Total assets	233.249	199.193



Statement of financial position at 31 December

EUR thousand.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Equity			
	Contributed capital	134	134
	Reserve for net revaluation according to the equity method	193.886	159.414
	Retained earnings	38.788	39.640
	Total equity	232.808	199.188
Liabilities other than provisions			
	Prepayments received from customers	10	0
	Trade payables	213	5
	Debt to group enterprises	7	0
	Debt to associated enterprises	1	0
	Corporate tax	210	0
	Total short term liabilities other than provisions	441	5
	Total liabilities other than provisions	441	5
	Total equity and liabilities	233.249	199.193

3 Contingencies

4 Related parties



Statement of changes in equity

EUR thousand.

	Contributed capital	Reserve for net revalua-tion according to the eq- uity method	Retained earnings	Total
Equity 1 January 2019	134	128.686	34.555	163.375
Share of results	0	35.823	-10	35.813
Received dividend	0	-5.095	0	-5.095
Distributed dividend from group enterprises	0	0	5.095	5.095
Equity 1 January 2020	134	159.414	39.640	199.188
Share of results	0	33.983	-363	33.620
Reversal of prior revaluations due to merger	0	489	0	489
Reversal of prior revaluations due to merger	0	0	-489	-489
	134	193.886	38.788	232.808



Notes

EUR thousand.

	2020	2019
1. Proposed appropriation of net profit		
Reserves for net revaluation according to the equity method	33.983	35.823
Allocated from retained earnings	-363	-10
Total allocations and transfers	33.620	35.813
	31/12 2020	31/12 2019
2. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2020	12.904	12.904
Disposals during the year	-2.099	0
Cost 31 December 2020	10.805	12.904
Revaluations, opening balance 1 January 2020	159.414	128.686
Results for the year before goodwill amortisation	33.983	35.823
Reversal of prior revaluations	489	0
Dividend	0	-5.095
Revaluation 31 December 2020	193.886	159.414
Carrying amount, 31 December 2020	204.691	172.318

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 %	44.306	8.128	44.306
Covivio Hamburg 2 ApS, Copenhagen	100 %	72.430	9.977	72.430
Covivio Hamburg 3 ApS, Copenhagen	100 %	77.287	14.152	77.287
Covivio Hamburg 4 ApS, Copenhagen	100 %	10.668	1.726	10.668
		204.691	33.983	204.691



Notes

EUR thousand.

3. 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, as from the financial year 2012, is proportionally liable for tax claims within the joint taxation scheme.

As from 1 July 2012, 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.

4. Related parties

Controlling interest

Covivio Immobilien GmbH
Friedrichstrasse 15
70174 Stuttgart
Germany

Majority shareholder

Transactions

All transactions have taken place on arm's-lengths basis.

Consolidated financial statements

The company is included in the consolidated annual accounts of Covivio Immobilien SE, Essener Str. 66, 46047 Oberhausen, Germany.



Accounting policies

The annual report for Covivio Hamburg Holding ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized 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.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Covivio Immobilien SE.

The consolidated annual accounts for Covivio Immobilien SE can be found on the following link: <https://www.unternehmensregister.de/ureg/result.html>

Income statement

Gross loss

Gross loss comprises external costs.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for administration, premises.

Other operating costs

Other operating costs 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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.



Accounting policies

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' 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

Equity investments in group enterprises

Equity investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Equity investments in group enterprises 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 enterprises with a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises, associates and equity interests but are not represented in the parent, the following accounting policies have been applied.

Equity investments in group enterprises with a negative equity value measured at EUR 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 a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.



Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises 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 group enterprises.

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.

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.



Accounting policies

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.

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.