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ANNUAL FINANCIAL REPORT 2022  
I.A.W. ARTICLE 124 OF THE  
AUSTRIAN STOCK EXCHANGE ACT



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## GROUP MANAGEMENT REPORT

## GROUP STRUCTURE

CA Immo is a real estate company with its headquarters in Vienna and branch offices in Germany, Poland, the Czech Republic, Hungary and Serbia. The parent company of the Group is CA Immobilien Anlagen Aktiengesellschaft, a listed company based in Vienna whose main activity is the strategic and operational management of domestic and foreign subsidiaries. The various branch offices act as largely decentralised profit centres. Following the liquidation of almost all Cypriot companies and the exit from Romania, further subsidiaries exist in the Netherlands. As at key date 31 December 2022, the Group comprised 141 entities (31.12.2021: 165) with 392 employees (441 on 31.12.2021).

CA Immo's core competence is the development and management of modern Class A office properties in core Europe. Our strategic business model is geared towards sustainable value creation, taking into account ecological, economic, social and legal dimensions. The company covers the entire value chain in the commercial real estate sector - from land preparation, involvement in the master plan and creation of building rights to the realisation of the surrounding infrastructure and the construction and operation of new buildings.

The core regions comprise Germany, Austria, Poland, the Czech Republic and Hungary. While business activities in Germany are concentrated in the cities of Berlin, Munich, Frankfurt and Duesseldorf, the strategic focus in the other countries is on the respective capitals (Vienna, Warsaw, Prague, Budapest). Germany is an important anchor market for the company, accounting for around 66% of the total portfolio. Additional earnings contributions are generated by the preparation and utilisation of land reserves in the Development business segment. CA Immo either incorporates completed projects into its own investment portfolio or sells them to an end investor. The Group currently controls property assets of around €5.9 bn in Germany, Austria and Central and Eastern Europe (31.12.2021: €6.3 bn).

### Austria

The company's domestic properties are held in direct or indirect subsidiaries of CA Immobilien Anlagen AG. As at 31 December 2022, the parent company also directly held property assets of approximately €261 m (€302 m on 31.12.2021). As at 31 December 2022, the total Austrian portfolio consists exclusively of investment properties

and one property held for sale with a balance sheet value of €477 m (31 December 2021: €497 m).

### COMPANIES BY REGION

Number of companies <sup>1)</sup>	31.12.2022	31.12.2021
Austria	13	18
- Of which joint ventures	0	3
Germany <sup>2)</sup>	95	97
- Of which joint ventures	22	22
Central and Eastern Europe <sup>3)</sup>	36	50
- Of which joint ventures	0	2
<b>Group-wide</b>	<b>144</b>	<b>165</b>
- Of which joint ventures	22	25

<sup>1)</sup> Joint ventures involving consolidated companies.

<sup>2)</sup> Includes one company in Switzerland.

<sup>3)</sup> Including the two holding companies in the Netherlands and one company in Cyprus that are part of the Eastern European investments.

### Germany

The operational platform for all Group activities in Germany is CA Immo Deutschland GmbH, which has branches in Berlin, Frankfurt and Munich. Aside from investment properties, the company's property assets mainly comprise properties under construction and undeveloped plots alongside a portfolio of properties intended for trading or sale.

Investment properties are largely held in direct holdings and managed by DRG Deutsche Realitäten GmbH, a joint venture set up with the Austrian estate agent and property management firm ÖRAG. A number of development projects (in Munich and Mainz, for example) are being realised through joint ventures. Construction management is carried out by CA Immo's subsidiary omniCon, which also performs these services for third parties.

### Central- and Eastern Europe (CEE)

In the CEE region, the strategic focus is also on commercial class A buildings in the respective capitals. The CEE investment property portfolio is held by direct or indirect CA Immo subsidiaries. All Central and Eastern European properties are managed by the regional branches.

## PROPERTY MARKETS

### GENERAL MARKET CONDITIONS

Although market sentiment has deteriorated over the last few quarters, unemployment reacted very slowly and remained at or near historic lows. CA Immo's core markets recorded unemployment rates of between 2.3% (Czech Republic) and 5% (Austria) at the end of 2022.

Despite the lack of positive news, demand for office space, measured in terms of net absorption (total amount of space that tenants physically moved into minus total amount of space that tenants physically moved out) amounted to 3.38 m sqm in 2022 across CA Immo's eight core markets (+7% y-o-y). Thanks particularly to strong demand in Munich, Budapest, Prague and Warsaw, overall demand was relatively evenly distributed throughout the year. However, a small decline in the fourth quarter may indicate a slower start in 2023. Demand as measured by net absorption in 2022 was the strongest since the outbreak of the pandemic, as all markets except Düsseldorf (−8,300 sqm) performed positively (740,000 sqm in total, compared to −5,000 sqm in 2021).

Solid demand and low new supply in most markets have led to further increases of prime rents, most notably in Düsseldorf, Prague, and Munich (33%, 10% and 8% respectively). Prime rents have only remained at their last year's value in Budapest.

On the back of stronger tenant demand, vacancy rates contracted in Warsaw (−107 bps), Frankfurt (−42 bps), Vienna (−29 bps), Munich (−12 bps), and Prague (−8 bps). Budapest (+213 bps), Berlin (+66 bps) and Düsseldorf on the other hand have experienced increases due to stronger new supply.

### OFFICE MARKETS IN GERMANY <sup>1)</sup>

#### Demand

Despite the challenging economic environment, the office letting market in the four core markets of CA Immo in Germany performed comparatively well in 2022 with a small decline of 3% y-o-y. However, this result would have been much weaker if it wasn't for the robust demand in Munich (+14% y-o-y). Whereas all markets lay ahead of their y-o-y values in Q3 2022, the drop in activity towards the end of the year pulled the results back for Frankfurt, Berlin and Düsseldorf (−15%, −9% and −5% y-o-y respectively).

The patterns of sectoral demand structure remained largely unchanged in 2022, with the only notable shift in Berlin in favor of the IT and high-tech and manufacturing sector. This is a positive shift indicating that the start-up capital of Germany is able to use its workforce capacity to transition into more traditional segments. The public sector and professional services remain the backbone of demand in Düsseldorf, while consumer services and manufacturing have weakened. Consumer services was the only sector to weaken significantly in Munich, while IT and high-tech, professional services and the manufacturing sectors gained in importance. Professional services delivered a strong result in Frankfurt, as did the financial sector. The public sector continues to play a substantial role in generating office demand in the German markets, with Berlin (22%) and Düsseldorf (29%) taking the prime spots.

#### Rents

Prime rents continued to grow in 2022 reaching €46.4 per sqm in Frankfurt (+2% y-o-y), €45.0 per sqm in Munich (+8% y-o-y), €43.5 per sqm in Berlin (+6% y-o-y) and €38.0 per sqm in Düsseldorf (+33% y-o-y). Average rents expanded at a much slower pace in all markets except Frankfurt, underpinning the ongoing market bifurcation and low availability of office space meeting the highest standards.

#### New supply and vacancy

Less new office space was completed in 2022 than was assumed at the end of last year due to construction delays. The biggest decline took place in Berlin, where only 396,200 sqm came onto the market, whereas the forecast at the end of 2021 was more than three times as high. In the four core markets, roughly the same amount or even less new space was completed in 2022 than in the previous year. Supply is expected to increase moderately in 2023 in all markets except Berlin, where new completions are again forecast to exceed 1.2m sqm.

<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

Vacancy rates have contracted in Frankfurt and Munich (to 8.8% and 4.4% respectively) thanks to lower construction activity and stable demand. Stronger supply in

Duesseldorf and weaker demand in Berlin have contributed to growing vacancy rates in these markets in 2022 (to 9.8% and 3.4%, respectively).

#### OFFICE MARKET DEVELOPMENT IN CA IMMO CORE MARKETS IN GERMANY

	2022	2021	Change in %/bps
<b>Berlin</b>			
Take up in sqm	741,200	817,000	-9.3
Vacancy rate in %	3.4	2.8	66 bps
Prime rent in €/sqm net	43.50	41.00	6.1
Prime yield in %	3.55	2.50	105 bps
<b>Düsseldorf</b>			
Take up in sqm	287,500	301,500	-4.6
Vacancy rate in %	9.8	9.0	83 bps
Prime rent in €/sqm net	38.00	28.50	33.3
Prime yield in %	3.80	2.75	105 bps
<b>Frankfurt am Main</b>			
Take up in sqm	369,000	436,800	-16.0
Vacancy rate in %	8.8	9.2	-42 bps
Prime rent in €/sqm net	46.40	45.50	2.0
Prime yield in %	3.75	2.70	105 bps
<b>Munich</b>			
Take up in sqm	736,500	643,900	14.4
Vacancy rate in %	4.4	4.5	-12 bps
Prime rent in €/sqm net	45.00	41.50	8.4
Prime yield in %	3.55	2.50	105 bps

Source: CBRE; Data supplied by CBRE Research, Q4 2022

#### OFFICE MARKETS IN AUSTRIA AND CEE <sup>1)</sup>

##### Demand

The capitals in Austria and the CEE region regained significant momentum in 2022 with a net increase of 30%. The main drivers included Warsaw, Prague and Budapest (+47%, +38% and +13%, respectively), while demand in Vienna only grew by 3%. Similar to Germany, the region saw a slowdown in demand in the final quarter of 2022, with the notable exception of Warsaw, where a strong start and finish to the year contributed to an overall positive result.

The financial sectors demand for office space made a comeback in 2022 after two years of subdued interest, most notably in Warsaw. Manufacturing along with the financial sector were the most significant drivers of net take-up in Budapest. Prague has established itself as one of the leading locations for IT and high-tech companies

and has a reliable presence of the manufacturing segment. Vienna has experienced less demand from the traditionally dominant public sector while it recorded a stronger than usual interest from the IT and high-tech, consumer services and mainly business services segments. Warsaw saw a return to the pre-pandemic dominance of the financial and business services sectors, with no major hits to other segments.

##### Rents

Prime rents have grown in 2022 in all markets except Budapest, where rents remained stable. Prime rents achieved were €27.0 in Vienna (+4% y-o-y), €26.5 per sqm in Prague (+10% y-o-y), €26.0 per sqm in Warsaw (+2% y-o-y) and €24.0 per sqm in Budapest (no change y-o-y). Except for Prague, prime rental growth in Austria and CEE has been notably slower compared to the German markets. On the other hand, average rents grew at

<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

the same rate or even faster than prime rents, confirming the broader definition of prime locations in these markets.

#### **New supply and vacancy**

The supply of new office space has increased in Vienna and Prague in 2022 (+98% and +31% y-o-y, respectively), although the growth rates were driven by the comparatively low starting point in the previous year. While also sharing a low base of 2021, Budapest also struggled with a low starting point in 2021, but delivered 267,000 sqm in 2022, the largest amount of new office space in the last decade. Warsaw, on the other hand, had an addition of

only 237,000 sqm (-27% y-o-y) in 2022. The forecast for 2023 predicts a doubling of project completions in Prague and Vienna, while new construction in Budapest could fall by around 32% and in Warsaw even to just over 42,000 sqm of delivered space.

The vacancy rate development was positive in all markets except Budapest, thanks to stronger demand and moderate construction activity. The Hungarian capital faced increased supply, which raised the vacancy rate to 11.3% in 2022.

#### OFFICE MARKET DEVELOPMENT IN THE CA IMMO CORE MARKETS IN CENTRAL AND EASTERN EUROPE

	2022	2021	Change in %/bps
<b>Budapest</b>			
Take up in sqm	247,000	217,900	13.3
Vacancy rate in %	11.3	9.2	213 bps
Prime rent in €/sqm net	24.00	24.00	0.0
Prime yield in %	6.00	5.25	75 bps
<b>Prague</b>			
Take up in sqm	295,300	217,310	37.9
Vacancy rate in %	7.7	7.8	-8 bps
Prime rent in €/sqm net	26.50	24.00	10.4
Prime yield in %	4.80	4.25	55 bps
<b>Vienna</b>			
Take up in sqm	171,000	166,000	3.0
Vacancy rate in %	3.9	4.2	-29 bps
Prime rent in €/sqm net	27.00	26.00	3.8
Prime yield in %	3.90	3.20	70 bps
<b>Warsaw</b>			
Take up in sqm	522,700	356,580	46.6
Vacancy rate in %	11.6	12.7	-107 bps
Prime rent in €/sqm net	26.00	25.50	2.0
Prime yield in %	5.25	4.50	75 bps

Source: CBRE; Data supplied by CBRE Research, Q4 2022

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### TRANSACTION MARKETS IN GERMANY, AUSTRIA AND CEE<sup>1)</sup>

The prevailing market conditions over the last few quarters, characterized in particular by geopolitical uncertainties, weakening economic momentum and sharp rises in interest rates, have significantly impacted investors' willingness to invest in real estate assets. CA Immo's core markets were all affected by this slowdown to roughly the same extent.

Total real estate transactions in the four main markets of CA Immo in Germany reached €23.2 bn in 2022, representing a dramatic decline from €56.8 bn a year earlier (-59% y-o-y). While somewhat smaller, the decline in the capitals of Austria and CEE amounted to -42% y-o-y as volumes shrunk to €6.7 bn, having reached €11.6 bn in 2021. The decline in activity in the fourth quarter of 2022 across most segments is particularly meaningful, as this is traditionally the strongest quarter for transactions.

Office investment declined in 2022 in all markets except Duesseldorf. However, at €17.0 bn (down 29% y-o-y), the overall decline was more muted than in the overall commercial investment sector. The more significant decline in transaction activity in Germany can be attributed in part to the fall in residential transactions.

A decade of uninterrupted yield compression (with the minor exception of pandemic-weakened yields in Warsaw and Budapest) has come to a halt. One of the immediate drivers of yield decompression was the rise in interest rates in the eurozone and neighbouring countries. Prime yields have expanded first where they were lowest: Germany and Vienna in the first half of 2022, followed by CEE from Q3 onwards. The overall yield expansion was 105 bps in Germany, while in CEE the highest was in Warsaw at 85 bps.

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<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

## PROPERTY ASSETS

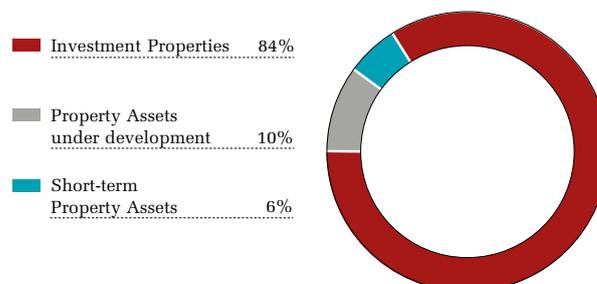
### Business areas and core markets

The CA Immo Group divides its core activity into the business areas of investment properties and investment properties under development. In both business areas, CA Immo specialises in commercial real estate with a clear focus on high-quality, sustainable office properties in central European metropolitan cities. The aim is to optimise, increase the value of and profitably manage the investment property portfolio in CA Immo's core cities on an ongoing basis. CA Immo generates additional earnings contributions in the development business area through the preparation, utilisation and development of land reserves.

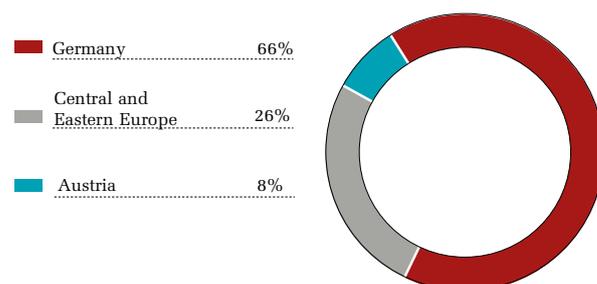
### €5.9 bn property assets

The transfer of two own project completions into the portfolio and one portfolio acquisition were offset by various portfolio sales in 2022. The value of property assets has thus decreased in 2022 by –5% to €5.9 bn (2021: €6.3 bn). Of this figure, investment properties account for €5.0 bn (84% of the total portfolio), property assets under development represent €0.6 bn (10%) and short-term properties<sup>1)</sup> €335 m (6%). With a proportion of 66% of total property assets, Germany is the biggest regional segment.

DISTRIBUTION OF BOOK VALUE PROPERTY ASSETS BY BUSINESS SEGMENTS (Basis: € 5,9 bn)



DISTRIBUTION OF BOOK VALUE PROPERTY ASSETS BY SEGMENTS (Basis: € 5,9 bn)



### PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 31.12.2022 (PORTFOLIO VALUES)

in € m	Investment properties <sup>1)</sup>	Investment properties under development	Short-term property assets <sup>2)</sup>	Property assets	Property assets in %
Austria	377.1	0.0	100.4	477.5	8.1
Germany	3,086.2	596.1	192.1	3,874.4	65.6
Czechia	473.5	0.5	0.0	474.0	8.0
Hungary	457.0	0.0	0.0	457.0	7.7
Poland	545.6	0.0	0.0	545.6	9.2
Serbia	39.4	0.0	42.6	81.9	1.4
<b>Subtotal</b>	<b>4,978.7</b>	<b>596.6</b>	<b>335.1</b>	<b>5,910.5</b>	<b>100.0</b>
Share of total portfolio	84.2%	10.1%	5.7%		

<sup>1)</sup> Includes properties used for own purposes; includes the project completions ONE (Frankfurt) and Grasblau (Berlin), which have been added to the portfolio and are still in the stabilisation phase

<sup>2)</sup> Short-term property assets include properties intended for trading or sale

<sup>1)</sup> Incl. properties intended for trading or sale

## CHANGES TO THE PORTFOLIO IN 2022

In the 2022 business year, CA Immo continued its strategic capital rotation programme to focus the portfolio on large-scale, modern office properties in core cities. The objective here is to profitably sell properties that are not part of the core business in terms of location, asset class and size in accordance with the portfolio strategy. At the same time, the quality, management efficiency and sustainability of the CA Immo portfolio are improved. CA Immo invests the proceeds from sales in the value-enhancing continuation of its first-class German development pipeline, the revitalization of portfolio buildings, selective portfolio acquisitions and balance sheet management, among other things.

### Project completions

In total, CA Immo has completed two self-developed buildings, ONE and Grasblau, with a total investment volume of around €516.0 m and added them to its own portfolio in 2022. These additions to the portfolio will strengthen rental income by a total of around €27 m per year in the coming years, assuming full occupancy. In addition, CA Immo and UBM completed and sold the "Kaufmannshof" residential and office project in Zollhafen Mainz, which was developed in a joint venture.

With the completion or transfer of these projects to the company's own portfolio, the total investment volume of projects under construction has been reduced by 50% compared to December 31, 2021.

On 30 June, the building supervisory authority formally accepted the construction of the **ONE high-rise project in Frankfurt**. Upon completion, ONE is now part of the CA Immo portfolio, and the first tenants have already started office operations. The 190 m high ONE offers around 68,600 sqm of rental space on 49 floors, divided between offices, a hotel, coworking spaces and a skybar. As of the end of 2022, 41% of ONE was let (economic occupancy rate), and leases had been signed for around 76% of the space as of the reporting date.



The office and hotel high-rise ONE in Frankfurt.

## PROPERTY ASSETS BRIDGE 2021 TO 2022 AND KEY FIGURES 2022

		Austria	Germany	CEE	Total
<b>Property assets 31.12.2021</b>	€ m	<b>496.5</b>	<b>3,731.7</b>	<b>2,026.1</b>	<b>6,254.2</b>
Additions	€ m	0.0	96.9	0.0	96.9
Capital expenditure <sup>1)</sup>	€ m	1.2	164.4	29.1	194.6
Change from revaluation	€ m	24.4	-48.6	-87.2	-111.4
Change from impairment/depreciation	€ m	-0.3	-3.7	0.0	-4.0
Changes lease incentive	€ m	-0.2	1.8	-0.3	1.3
Disposals	€ m	-44.1	-67.9	-408.8	-520.8
Other changes	€ m	0.0	0.0	-0.4	-0.4
<b>Property assets 31.12.2022</b>	€ m	<b>477.5</b>	<b>3,874.4</b>	<b>1,558.5</b>	<b>5,910.5</b>
Rental income (actual)	€ m	26.8	98.9	88.0	213.8
Annualised rental income <sup>2)</sup>	€ m	25.2	103.1	91.9	220.2
Economic vacancy rate for investment properties	%	15.4	3.9	14.6	10.1
Gross yield (investment properties)	%	5.2	3.7	5.9	4.6

<sup>1)</sup> Excluding maintenance

<sup>2)</sup> Includes annual rental income from properties sold in 2022 (€2.2 m)

In August 2022, the 13,350sqm **Grasblau office project in Berlin** was completed and added to the portfolio. Grasblau was developed by CA Immo as a further fully digitalized office building for efficient, safe and sustainable building operation. The economic occupancy rate was 47% as of the end of 2022, and rental agreements had been signed for around 76% of the space as of the reporting date.

#### Acquisitions

In February 2022, CA Immo acquired the 10,400sqm Kasernenstrasse 67 office building in Düsseldorf's prime city center location. The building was recently extensively modernized and leased on a long-term basis as headquarters to a leading fin-tech company in Germany.

#### Sales

CA Immo successfully completed the sale of older, non-strategic portfolio buildings as well as German land reserves and a project completion in the business year.

CA Immo withdrew from the Romanian market in November with the sale of the 165,000sqm, seven-building office **portfolio in Bucharest**. Along with the properties, the Romanian CA Immo team was also taken over by the buyer.

The property assets<sup>1)</sup> sold in 2022 generated total **sales proceeds** of €199.3 m (2021: €162.9 m) and a contribution to earnings of €42.7 m (2021: €64.5 m). The sales proceeds generated in 2022 were on average significantly higher than the last book values on the previous reporting date (excl. sale of the discontinued operations in Romania).

#### Investments

In 2022, CA Immo invested a total of €203.5 m (2021: €277.2 m) in its property portfolio (investments and maintenance). Of this figure, €56.7 m was earmarked for modernisation and optimisation measures and €146.8 m was devoted to the furtherance of development projects.

### OVERVIEW OF SALES TRANSACTIONS COMPLETED IN FISCAL YEAR 2022

Property name	City	Main Usage	Type	#Assets	Sales date (closing)	Share <sup>1)</sup>	Area <sup>2)</sup> in sqm	Book Value (Closing) in €m
R70	Budapest	Office	Investment property	1	Q1 2022	100%	19,241	30.3
Bodenseestraße 229	Munich	Hotel	Investment property	1	Q1 2022	100%	4,970	15.8
Rheinwiesen II	Mainz	Residential	Plot	1	Q1 2022	100%	1,463	1.4
Hafenspitze Highrise	Mainz	Office	Plot	1	Q1 2022	100%	1,814	2.5
Molenkopf Nord	Mainz	Residential	Plot	1	Q1 2022	50%	3,252	4.3
Hafenblick I	Mainz	Residential	Plot	1	Q1 2022	50%	6,569	6.2
Meininger Hotel Frankfurt	Frankfurt	Hotel	Investment property	1	Q1 2022	100%	4,497	22.2
Rheinwiesen I	Mainz	Office	Plot	1	Q2 2022	50%	5,641	1.4
Handelskai 388	Vienna	Office	Investment property	1	Q2 2022	100%	23,066	44.1
ESV Baumkirchen	Munich	Others	Plot	1	Q2 2022	100%	2,818	0.4
Kaufmannshof	Mainz	Residential	Investment property	1	Q3 2022	50%	7,004	27.7
Gassnerallee I	Mainz	Office	Plot	1	Q3 2022	50%	4,216	0.9
Romania total	Bucharest	Office	Investment property	7	Q4 2022	100%	165,018	376.7
Gleisdreieck Pasing	Munich	Residential	Investment property	1	Q4 2022	100%	22,413	19.7
Baufeld Bodenseestraße	Munich	Residential	Plot	1	Q4 2022	100%	876	0.0
<b>Total</b>				<b>21</b>			<b>272,858</b>	<b>553.8</b>

<sup>1)</sup> Project share held by CA Immo

<sup>2)</sup> Area: for investment properties: rental area, for land: land area

<sup>1)</sup> Incl. sale of properties held at equity (proportionally owned by CA Immo), excl. sales proceeds from the discontinued operation in Romania

## INVESTMENT PROPERTIES <sup>1)</sup>

Contributing around 84% of total property assets, the investment property area is CA Immo's main source of income. The principle objective of the company is the continual optimisation of its portfolio and the retention and acquisition of tenants with a view to securing stable and recurring rental revenue. Property maintenance and leasing is handled by local teams in the core cities. Details on sustainability issues regarding the investment portfolio can be found in the ESG report.

### Discontinued operation Romania

The Romanian portfolio was sold in November 2022 (see also chapter "Property assets"). The result (after tax) of the Romanian portfolio in 2022 as well as the comparative figures are shown as a discontinued operation in a separate line in the consolidated income statement as at 31 December 2022. Romanian earnings contributions are therefore not included in the key figures in this chapter.

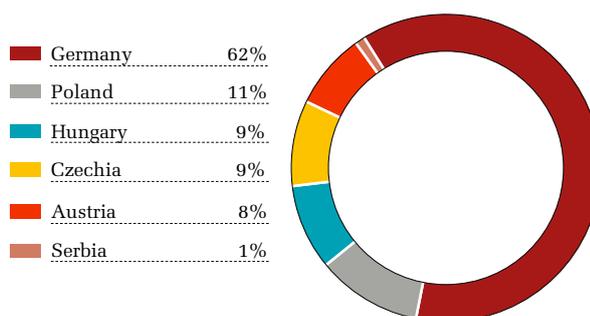
### Proportionate portfolio growth in Germany

As at key date 31 December 2022, the Group's investment portfolio incorporated a total rentable effective area of 1.1 m sqm with an approximate book value of €5.0 bn (2021: €5.0 bn). Due to various portfolio additions in Germany and portfolio sales in the other regions (see also chapter "property assets"), the share of German portfolio

assets in the total portfolio increased from 50% to 62% over the course of the year.

In 2022, CA Immo generated total rental income of €213.8 m (€201.1 m in 2021). On the basis of annualised rental revenue, the asset portfolio produced a yield of 4.6%<sup>2)</sup> (2020: 4.6%<sup>3)</sup>). In line with the strategic portfolio focus, the office share of the total portfolio has steadily increased over recent years and as at the reporting date stands at 94% (2021: 91%). The occupancy rate for the investment portfolio stands at 89.9%<sup>2)</sup> on 31 December 2022 (31 December 2021: 88.9%<sup>3)</sup>).

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY COUNTRY (Basis: €5.0 bn)



### INVESTMENT PROPERTIES: KEY FIGURES BY COUNTRY

	Book value investment properties	Rentable area	Occupancy rate	Annualised rental income	Yield
	in €m	in sqm	in %	in €m	in %
Austria	377.1	132,406	84.6	19.5	5.2
Germany	2,484.6	382,829	96.1	91.1	3.7
Czechia	473.5	145,989	94.6	25.8	5.4
Hungary	456.9	194,361	71.8	25.8	5.6
Poland	514.9	156,179	92.7	33.3	6.5
Serbia	37.6	19,621	78.4	2.9	7.8
<b>Subtotal</b>	<b>4,344.6</b>	<b>1,031,385</b>	<b>89.9</b>	<b>198.3</b>	<b>4.6</b>
Other investment properties <sup>1)</sup>	634.2	83,334			
<b>Total investment properties</b>	<b>4,978.7</b>	<b>1,114,719</b>			

<sup>1)</sup> Incl. properties used for own purposes; incl. the recently completed office buildings Grasblau (Berlin) and ONE (Frankfurt), which have been added to the portfolio and are still in the stabilisation phase

<sup>2)</sup> This chapter shows, among other things, performance indicators for our investment properties such as occupancy rate and yield. Properties used for own purposes, "Right-of-use" assets and project completions still in the stabilisation phase are not included in the calculation of these figures. For this reason, these types of property are also excluded from the portfolio book values and the rentable area in the table "Investment properties: key figures by country" and reported separately in the line "Other investment properties".

<sup>2)</sup> Excl. properties used for own purposes; excl. the 2022 completed office buildings Grasblau (Berlin) and ONE (Frankfurt), which have been added to the portfolio and are still in the stabilisation phase

<sup>3)</sup> Excl. properties used for own purposes; excl. the project completion ZigZag (Mainz), which has been in the stabilisation phase as at 31.12.2021

### Lettings performance 2022

Across the Group, CA Immo leased around 157,000 sqm of rentable area in 2022, of which pre-lettings of development projects accounted for 10%. Excluding these pre-lettings, this equates to lettings performance of 13% for the Group's total investment portfolio, which amounts to around 1.1 m sqm as at 31 December 2022. New lettings and contract expansions by existing tenants accounted for 59%; contract extensions by existing tenants represent 41%.

### Tenant structure and expiry profile of leases

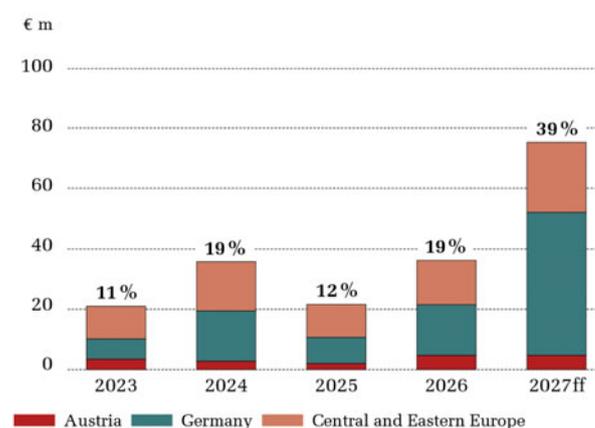
Nearly 40% of lease contracts (in terms of letting volume) are concluded for terms of more than five years. As at 31 December 2022, the WALT (Weighted Average Lease Term) was 4.4 years (2021: 4.0 years). CA Immo has a sector-diversified tenant structure with a high proportion of companies from the service and technology sector. The 20 largest tenants – including major brands such as Google, PwC and Bosch – account for around 36.5% of total rental income (on the basis of annualised rental revenue).

### LETTINGS PERFORMANCE BY REGION

in sqm	Pre-lease development projects	New lease investment properties	Lease extensions	Total
Germany	15,747	30,539	6,941	53,228
Austria	0	8,795	10,041	18,835
CEE	0	44,291	40,982	85,273
<b>Total</b>	<b>15,747</b>	<b>83,625</b>	<b>57,964</b>	<b>157,336</b>

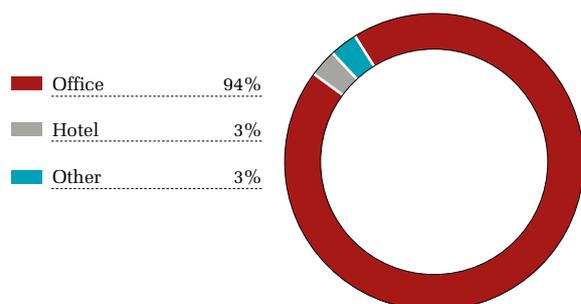
<sup>1)</sup> Excl. Romania

### EXPIRY PROFILE OF LEASE AGREEMENTS BASED ON ANNUALISED RENTAL INCOME <sup>1)</sup>

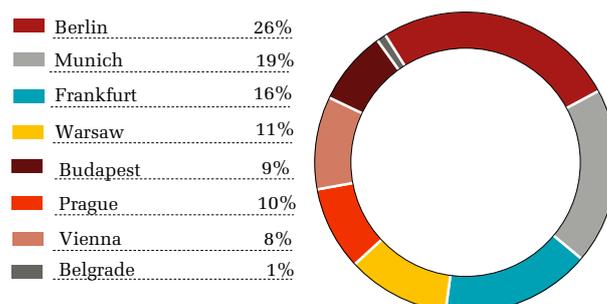


<sup>1)</sup> Lease term until the next possible end of the contract

### DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (BASIS: €5.0 BN)



### DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY CITIES (BASIS: €5.0 BN)



### Like-for-like portfolio development

The like-for-like analysis of the portfolio provides an overview of the organic year-on-year development of the key portfolio figures, adjusted for portfolio changes (property additions and disposals) to enable comparability.

The reduction in the balance sheet value as well as the increase in the gross yield during 2022 resulted mainly

from the negative net result from property valuation, which reflects changed market conditions in all CA Immo markets. Rising rental income and stable to rising occupancy rates in almost all locations are the result of lease adjustments due to indexation clauses and the stronger letting performance in the aftermath of the pandemic respectively.

### LIKE-FOR-LIKE COMPARISON

In €m	Book values		Rental income P&L		Gross yield in % <sup>1)</sup>		Occupancy rate in % <sup>2)</sup>	
	2022	2021	2022	2021	2022	2021	2022	2021
Austria	377.1	380.0	19.5	18.2	5.2	4.9	84.6	85.7
Germany	2,374.1	2,429.1	85.8	79.1	3.6	3.3	95.9	95.6
Czechia	390.9	394.0	19.6	19.2	5.5	4.8	94.6	82.7
Hungary	456.9	485.1	25.8	26.1	5.6	5.6	71.8	77.2
Poland	514.9	532.2	32.3	33.3	6.5	6.3	92.7	88.4
Serbia	37.6	37.1	3.3	3.2	7.8	8.1	78.4	80.1
<b>Total</b>	<b>4,151.5</b>	<b>4,257.5</b>	<b>186.3</b>	<b>179.2</b>	<b>4.6</b>	<b>4.3</b>	<b>89.6</b>	<b>88.4</b>

<sup>1)</sup> Annualised headline rent / book value

<sup>2)</sup> Economic occupancy (annualised headline rent / headline rent at full occupancy)

## INVESTMENT PROPERTIES UNDER DEVELOPMENT

### Project development as a driver of organic growth

CA Immo enhances the quality and ensures the organic growth of its portfolio by developing properties and transferring them to its investment portfolio upon completion. In this content CA Immo benefits from its extensive stock of land reserves in Germany (mostly in central locations of Munich, Frankfurt and Berlin) as well as an internal development platform that enables the company to exploit the full depth of the real estate value chain. From site development and the procurement of planning permission to construction management, letting and the transfer of completed properties to its own portfolio or sales to investors, CA Immo performs the full range of project development services.

Details on sustainability aspects in the project development area can be found in the ESG report.

### 100% of development activity in Germany

As at 31 December 2022, the development division represented around 12% (equivalent to approximately €682.4 m) of CA Immo's total property assets (2021: €1,190.4 m).<sup>1)</sup> With the exception of a land reserve in Prague, 100% of the development activity is concentrated in Germany (by balance sheet value). The property assets under development are divided into land reserves (32%), projects in planning (21%) and projects under construction (47%).

### Project completions 2022

In the business year, CA Immo completed two buildings for its own portfolio and one for sale (details can be found in the chapter "Property assets"). The total investment volume (incl. land) of all project completions in 2022 was €553.8 m.

### INVESTMENT PROPERTIES UNDER DEVELOPMENT BY COUNTRY<sup>1)</sup>

in € m	Landbank		Projects in planning		Projects under construction		Total Investment Properties under Development	
	Book value	Book value in %	Book value	Book value in %	Book value	Book value in %	Book value	Book value in %
Frankfurt	29.4	13.4	78.6	55.3	0.0	0.0	108.1	15.8
Berlin	88.7	40.5	46.0	32.4	321.4	100.0	456.1	66.8
Munich	100.3	45.8	17.4	12.3	0.0	0.0	117.8	17.3
<b>Germany</b>	<b>218.4</b>	<b>99.8</b>	<b>142.1</b>	<b>100.0</b>	<b>321.4</b>	<b>100.0</b>	<b>681.9</b>	<b>99.9</b>
Czechia	0.5	0.2	0.0	0.0	0.0	0.0	0.5	0.1
<b>CEE</b>	<b>0.5</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5</b>	<b>0.1</b>
<b>Total</b>	<b>218.9</b>	<b>100.0</b>	<b>142.1</b>	<b>100.0</b>	<b>321.4</b>	<b>100.0</b>	<b>682.4</b>	<b>100.0</b>

<sup>1)</sup> Incl. projects under construction and plots held for trading or sale (short-term property assets)

### PROJECTS UNDER CONSTRUCTION

in € m	Total Investment Cost <sup>1)</sup>	Outstanding construction costs	Planned rentable area in sqm	Gross yield on cost in %	City	Usage	Share in % <sup>2)</sup>	Utilisation in % <sup>3)</sup>	Scheduled completion
<b>Projects (own stock)</b>									
Upbeat	334.0	264.3	34,911	5.0	Berlin	Office	100	100	Q1 2026
Hochhaus am Europaplatz	142.8	21.4	22,948	6.1	Berlin	Office	100	100	Q1 2024
<b>Subtotal</b>	<b>476.8</b>	<b>285.7</b>	<b>57,859</b>	<b>5.3</b>				<b>100</b>	
<b>Projects (for sale)</b>									
Flösserhof	43.8	13.2	6,371		Mainz	Residential	50.1	53	Q4 2023
<b>Subtotal</b>	<b>43.8</b>	<b>13.2</b>	<b>6,371</b>						
<b>Total</b>	<b>520.6</b>	<b>299.0</b>	<b>64,230</b>						

<sup>1)</sup> Incl. plot (total investment cost excl. plot €428.0 m)

<sup>2)</sup> Share stands for the project share held by CA Immo.

<sup>3)</sup> Utilisation of projects for own portfolio: letting rate, projects for sale: sale

<sup>1)</sup> Incl. projects and land reserves held for trading and sale (short-term property assets)

**Pre-letting on projects**

In 2022, CA Immo signed leases for a total of around 15,700 sqm of usable space in projects under construction.

**Main focus of current development activity**

**Berlin**

The **Europacity district** is taking shape around Berlin’s main railway station, drawing together office, residential, hotel and cultural uses across some 60 hectares. As at the key date, CA Immo had two office projects under construction as part of this district development, Upbeat and Hochhaus am Europaplatz, both of which had already been fully pre-let to Deutsche Kreditbank (DKB) and KPMG before construction began.

**Mainz**

In partnership with Stadtwerke Mainz, CA Immo has been developing **Zollhafen Mainz**, a new urban district on the banks of the Rhine spanning some 22 hectares. CA Immo, together with UBM Development Deutschland GmbH, is currently constructing a building with a focus on residential use under the name Flösserhof; in September, the completion of the shell was celebrated with the topping-out ceremony.

**Munich**

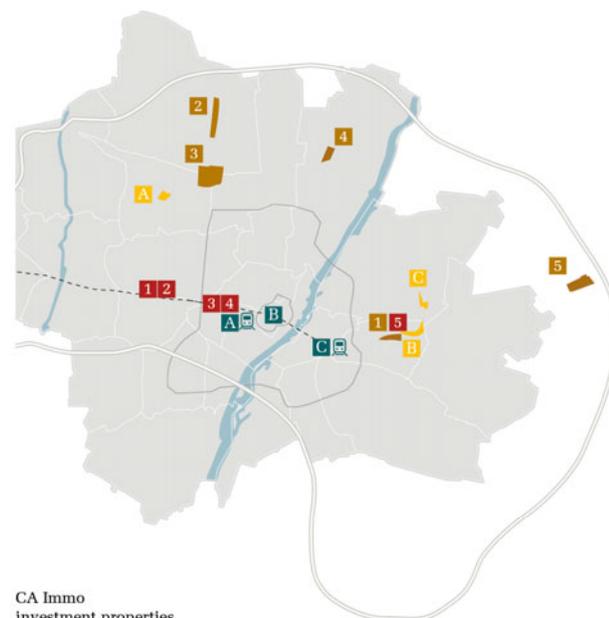
In Munich, CA Immo has, among other things, large-scale property reserves in urban (peripheral) locations that are well connected to public and private transport (see chart). Most of the sites are earmarked for residential use and are in various stages of obtaining building rights.

At the end of 2022, a major milestone was reached with the completion of the development plan process (resolution on the development plan) for the new **Langes Land residential quarter**. The approximately 14.2-hectare site is to be developed into a lively neighborhood with around 900 apartments for approximately 2,000 residents, as well as supplementary social uses and attractive open spaces. Significant progress was also made in achieving the decision to prepare a development plan and the simultaneous amendment of the land use plan of

the **Feldkirchen** municipality for a further CA Immo property site of around 27 hectares in the east of Munich.

In the **Baumkirchen Mitte quarter**, planning permission was granted for a timber hybrid building with subsidized residential use on the last building plot.

CA IMMO LAND RESERVE IN MUNICH



CA Immo investment properties

- 1 Ambigon
- 2 MY.O
- 3 Kontorhaus
- 4 Skygarden
- 5 NEO

CA Immo land reserve

- A Moosach
- B Rangierbahnhof Ost
- C Daglfing

CA Immo urban district development

- 1 Baumkirchen Mitte
- 2 Wohnquartier Langes Land
- 3 Eggartensiedlung
- 4 Viertel Four
- 5 Feldkirchen

Landmarks

- A Central Station
- B Marienplatz
- C Train Station East
- S-Bahn Stammstrecke
- Äußerer Ring
- Mittlerer Ring
- Altstadt Ring

## DEVELOPMENT OF URBAN DISTRICT EUROPACITY IN BERLIN

### INVESTMENT PROPERTIES

- |          |                                                                     |          |                                                                          |
|----------|---------------------------------------------------------------------|----------|--------------------------------------------------------------------------|
| <b>1</b> | <b>JOHN F. KENNEDY HAUS</b><br>office / 18,000 sqm / 2015 / rented  | <b>5</b> | <b>OFFICE BUILDING HEIDESTRASSE 58</b><br>office / 1,800 / 2018 / rented |
| <b>2</b> | <b>INTERCITY HOTEL BERLIN</b><br>hotel / 20,600 sqm / 2013 / rented | <b>6</b> | <b>HAMBURGER BAHNHOF</b><br>museum                                       |
| <b>3</b> | <b>MONNET 4</b><br>office / 8,100 sqm / 2015 / rented               | <b>7</b> | <b>BÜROGEBÄUDE AM KUNSTCAMPUS</b><br>office / 2,800 sqm / 2019 / rented  |
| <b>4</b> | <b>TOUR TOTAL</b><br>office / 14,200 sqm / 2012 / rented            | <b>8</b> | <b>MY.B</b><br>office / 14,800 sqm / 2020 / rented                       |



PROJECTS UNDER CONSTRUCTIONS

- 9 HIGH-RISE BUILDING AM EUROPAPLATZ  
office / 22,900sqm / 2024 / under construction
- 10 UPBEAT  
office / 34,900sqm / 2026 / under construction

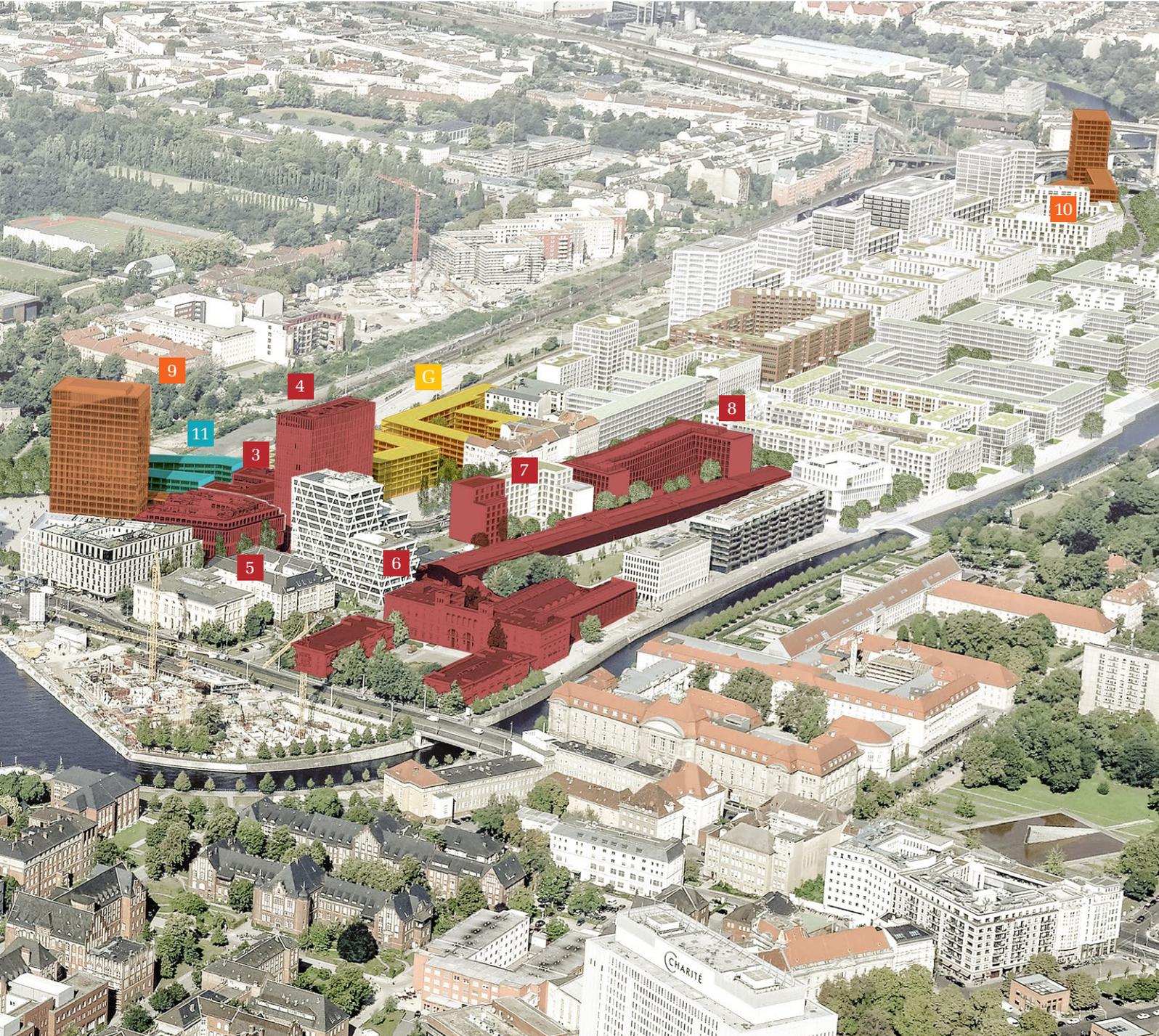
PROJECTS IN PLANNING STAGE

- 11 BAUFELD 2  
office / 17,000sqm / 2026 / in planning stage

LAND RESERVE

G

(usage / usable area in sqm / completion / status)



## PROPERTY VALUATION

Property valuation constitutes the fundamental basis on which a real estate company is appraised, and is thus the most important factor in determining net asset value. In addition to property-specific criteria, there are many economic and political factors that can affect the development of property values. In the office property sector, which represents the core business of the CA Immo Group, the general economic conditions – especially where economic growth and the employment rate are concerned – directly influence the real estate cycle. Other key variables having a major influence on the demand situation on real estate investment markets include interest levels and geopolitical events. Given their economic implications and varying impact on the capital and real estate markets of different sectors, unforeseeable and exceptional situations (such as the outbreak of the Covid-19 pandemic or Russia's invasion of Ukraine) can also have a direct impact on property valuations.

### External valuation reports to international standards

The value of real estate is generally determined by independent expert appraisers outside the company using recognised valuation methods. External valuations are carried out in line with standards defined by the Royal Institution of Chartered Surveyors (RICS). RICS defines fair value as the estimated value at which an asset or liability can be sold to a willing buyer by a willing seller on the valuation date in the framework of a transaction in the usual course of business after a reasonable marketing period, whereby the buyer and seller each act knowledgeably, prudently and without compulsion.

The **valuation method** applied by the expert appraiser in a particular case is mainly determined by the stage of development and usage type of a property.

**Rented commercial properties** (which makes up the bulk of the CA Immo Group's portfolio) are generally valued according to the **investment method**; fair values are based on capitalised rental revenue or the discounted cash flows expected in future. In addition to current contractual rents and lease expiry profiles, the qualified assessment of the expert appraiser determines and takes account of other parameters such as, in particular, the attainable market rent and the equivalent yield for a property.

The **residual value** procedure is applied to **sites in the development and construction phase**. In this case, fair values are determined following completion, taking ac-

count of outstanding expenses and incorporating an appropriate developer profit in line with construction progress. Other possible risks are considered, amongst other things, related to future attainable rents, initial yields and financing rates. Interest rates are influenced in particular by general market conditions as well as locations and usage types. The closer a project comes to the point of completion, the larger the proportion of parameters derived from actual and contractually stipulated figures. Sites are valued according to the investment method, shortly before and after completion.

In the case of **land reserves** where no active development is planned for the near future, the **comparable value method** (or the **residual value method**) is applied, depending on the property and the status of development.

For almost 100% of the total property assets, external valuations were carried out on the key date 31.12.2022 or values were based on binding purchase agreements. Other property assets were valued internally. In 2022, all external valuations commissioned by CA Immo were carried out by CB Richard Ellis.

### Market environment in 2022

The prevailing market conditions over the last few quarters, characterized in particular by geopolitical uncertainties, weakening economic momentum and sharply rising interest rates, have significantly impacted investors' willingness to invest in real estate assets. CA Immo's core markets were all affected by this slowdown to roughly the same extent.

Total real estate investment in the four main markets of CA Immo in Germany reached €23.2 bn in 2022, representing a dramatic decline from €56.8 bn a year earlier (–59% y-o-y). While somewhat smaller, the decline in the capitals of Austria and CEE amounted to –42% y-o-y as volumes shrunk to €6.7 bn, having reached €11.6 bn in 2021. The decline in activity in the fourth quarter of 2022 across most segments is particularly meaningful, as this is traditionally the strongest quarter for transactions.

Office investment declined in 2022 in all markets except Düsseldorf. However, at €17.0 bn (down 29% y-o-y), the overall decline was more muted than in the overall commercial investment sector. The more significant decline in investment activity in Germany can be attributed in part to the fall in residential transactions.

A decade of uninterrupted yield compression (with the minor exception of pandemic-weakened yields in Warsaw and Budapest) has come to a halt. One of the immediate drivers of yield decompression was the rise in interest rates in the eurozone and neighboring countries. As negative leverage has become a reality, prime yields have expanded first where they were lowest: Germany and Vienna in the first half of 2022, followed by CEE from Q3 onwards. The overall yield expansion was 105 bps in Germany, while in CEE the highest was in Warsaw at 85 bps

Despite the lack of positive news, demand for office space, measured in terms of net absorption, amounted to 3.38 m sqm in 2022 across CA Immo's eight core markets (+7% y-o-y). Thanks particularly to strong demand in Munich, Budapest, Prague and Warsaw, overall demand was relatively evenly distributed throughout the year. However, a small decline in the fourth quarter may indicate a slower start in 2023. Demand as measured by net absorption in 2022 was the strongest since the outbreak of the pandemic, as all markets except Düsseldorf (−8,300 sqm) performed positively (740,000 sqm in total, compared to −5,000 sqm in 2021).

Solid demand and low new supply in most markets have led to further increases of prime rents, most notably in Düsseldorf, Prague, and Munich (33%, 10% and 8% respectively). Prime rents have only remained at their last year's value in Budapest.

On the back of tenant appetite, vacancy rates contracted in Warsaw (−107 bps), Frankfurt (−42 bps), Vienna (−29 bps), Munich (−12 bps), and Prague (−8 bps). Budapest (+213 bps), Berlin (+66 bps) and Düsseldorf on the other hand have experienced increases due to stronger new supply.

Further information on real estate market developments can be found in the section "Property Markets".

For 2022 as a whole, the CA Immo Group recorded a negative revaluation result of €−94.1 m (2021: €541.1 m) due to a negative revaluation result in the fourth quarter. Hereof, 39% was attributable to active development projects as well as land reserves and 61% to investment properties.

#### AUSTRIA

The revaluation result in Austria totalled €20.6 m as of the reporting date (2021: €−2.0 m). This result includes a positive valuation result of the property Rennweg 16/Mechelgasse 1 in Vienna.

The average gross yield of the portfolio properties decreased minimally year-on-year from 5.3% to 5.2% (fully consolidated properties).

#### PROPERTY REVALUATION RESULT FOR AUSTRIA<sup>1)</sup>

	Book value	Revaluation/Impairment	Gross yield	
	in € m		in %	
	31.12.2022	in € m	31.12.2021	31.12.2022
Investment properties <sup>2)</sup>	377,1	−3,9	5,3	5,2
investment properties under development	0,0	0,0		
Assets held for sale	100,4	24,5		
<b>Total</b>	<b>477,5</b>	<b>20,6</b>		

<sup>1)</sup> Based on fully consolidated properties

<sup>2)</sup> Excludes properties used for own purposes

**GERMANY**

The revaluation result in Germany totalled €–49.4 m as of December 31, 2022 (2021: €525.2 m). The largest contributions to the revaluation gain in terms of value were recorded by the ONE (Frankfurt) and Grasblau (Berlin) development projects, which were completed in 2022, as well as land plots in Berlin. This was offset by slight val-

uation losses on standing assets and projects under construction, such as the Upbeat and Hochhaus am Europaplatz developments (Berlin), as well as other land reserves in Munich and Frankfurt.

The gross yield therefore increased y-o-y from 3.3% to 3.7% (fully consolidated properties).

**PROPERTY REVALUATION RESULT FOR GERMANY <sup>1)</sup>**

	Book value in € m 31.12.2022	Revaluation/Impairment in € m	Gross yield in % 31.12.2021	31.12.2022
Investment properties <sup>2)</sup>	3.073,2	–2,1	3,3	3,7
investment properties under development	596,1	–57,7		
Properties held for trading	192,1	10,4		
<b>Total</b>	<b>3.861,5</b>	<b>–49,4</b>		

<sup>1)</sup> Based on fully consolidated properties

<sup>2)</sup> Excludes properties used for own purposes

**CENTRAL AND EASTERN EUROPE**

The revaluation result in the Central and Eastern Europe segment amounted to €–65.3 m as of the reporting date (2021: €17.9 m incl. Romania, €14.2 m excl. Romania). The gross yield of the CA Immo portfolio fell

slightly year-on-year from 6.1% to 5.9% (fully consolidated properties), which is attributable to the somewhat lower occupancy rate in the CEE core markets in the meantime.

**PROPERTY REVALUATION RESULT FOR CENTRAL AND EASTERN EUROPE <sup>1)</sup>**

	Book value in € m 31.12.2022	Revaluation/Impairment in € m	Gross yield in % 31.12.2021	31.12.2022
Investment properties	1,515.5	–66.2	6.1	5.9
investment properties under development	0.5	0.3		
Assets held for sale	42.6	0.6		
<b>Total</b>	<b>1,558.5</b>	<b>–65.3</b>		

<sup>1)</sup> Based on fully consolidated properties

## FINANCING

As a real estate company, CA Immo operates in a capital-intensive sector with the availability of debt capital being a key determinant of success. The optimal structuring and optimisation of the capital structure is highly relevant and, along with the successful management of the property portfolio, is one of the decisive factors for the overall result of CA Immo.

### Balance sheet profile remains strong

As of December 31, 2022, the total financial liabilities of the CA Immo Group amounted to €2.8 bn and were thus higher than the previous year's figure (€2.6 bn). After deducting the Group's cash and cash equivalents, net debt amounted to €1.9 bn at the end of the year (2021: €1.9 bn). The company thus continues to have an extremely robust balance sheet with a solid equity ratio of 46.8% (2021: 46.3%), which is reflected in defensive debt ratios such as gearing (net) of 57.2% (2021: 59.1%) and loan-to-value (LTV, net) of 32.5% (2021: 31.1%). Finance costs, a key component of the recurring earnings, amounted to €-49.8 m (2021: €-47.6 m).

### Financing facilities

In addition to the financing facilities that have already been secured and are therefore reflected on the balance sheet, the CA Immo Group also has financing lines that

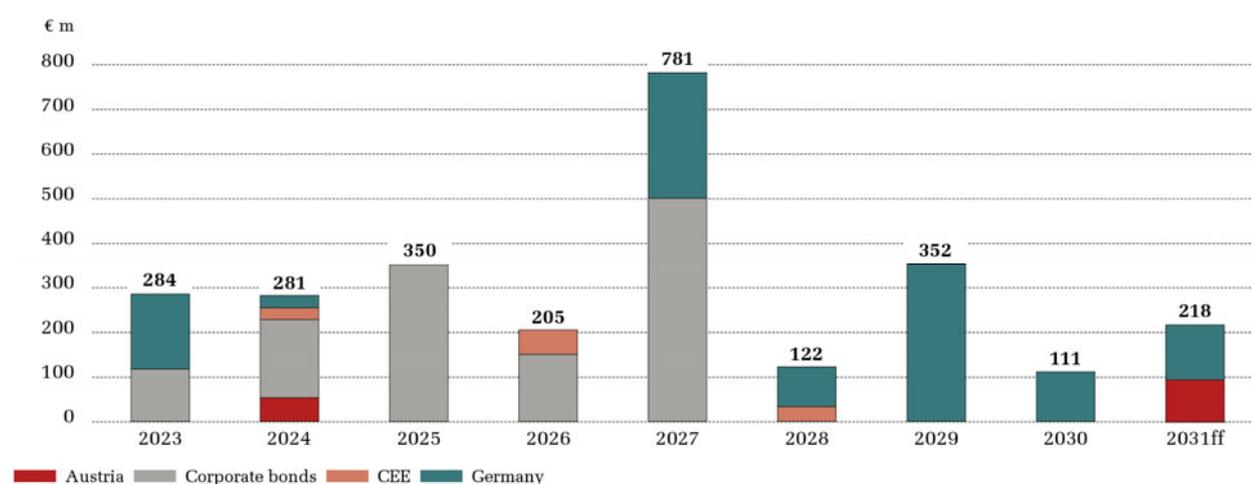
have not yet been utilized, which serve to finance development projects under construction in Germany and will be successively valued by the banks as construction progresses. This financing facility amounted to €139 m at the reporting date, taking into account joint ventures in the amount of the interest held.

In addition, the company has a financing line (revolving credit facility) of €300 m at holding level, which was concluded in the fourth quarter of 2021 and prolonged by a year until 2025 in 2022. The financing margin is linked, among other things, to the company's sustainability performance. This facility has not been drawn as at the balance sheet date and can be used for general corporate purposes (including acquisitions).

### Maturity profile

The chart below shows the maturity profile of CA Immo Group's financial liabilities as of December 31, 2022 (assuming that extension options are exercised). The maturities shown for 2023, secured mortgage loans in Germany and an unsecured corporate bond issued in 2016 with an annual coupon of 2.75%, amount to around €285 m as of the reporting date. Of this amount, around €117 m relates to the corporate bond maturing in February 2023, which was repaid after the reporting date from freely available cash.

MATURITY PROFILE <sup>1)</sup> AS AT DECEMBER 31, 2022, BASIS: €2.8 BN



<sup>1)</sup>The database includes fully consolidated financing.

In 2022, the construction financing for the completed ONE project (Frankfurt) with a total volume of €250 m, which was taken over into the investment portfolio, was transferred to a long-term investment financing. The terms secured for this at an early stage are at around 1.2% annual fixed interest (for 90% of the loan amount) and a term until 2029. Newly concluded bank financings include the Upbeat project (approx. €135 m) in Berlin and the Kasernenstrasse property (approx. €45 m) in Duesseldorf. Furthermore, the bank financing of Skygarden in Munich and JFK and Tour Total/JM4 in Berlin were increased and partly extended.

In 2023 and the first quarter of 2024, secured financing activities will focus on the German portfolio, with pending extensions of the Kontorhaus bank loan in Munich and the Belmundo and Lavista bank loans in Duesseldorf, respectively, as well as the transfer of the construction financing for the Hochhaus am Europaplatz project in Berlin (approximately €105 m) to a long-term investment financing as part of its completion and reclassification to the investment portfolio.

**Investment grade rating**

In December 2015, following a comprehensive credit analysis, the international rating agency Moody's Investors Service assigned CA Immobilien Anlagen AG an in-

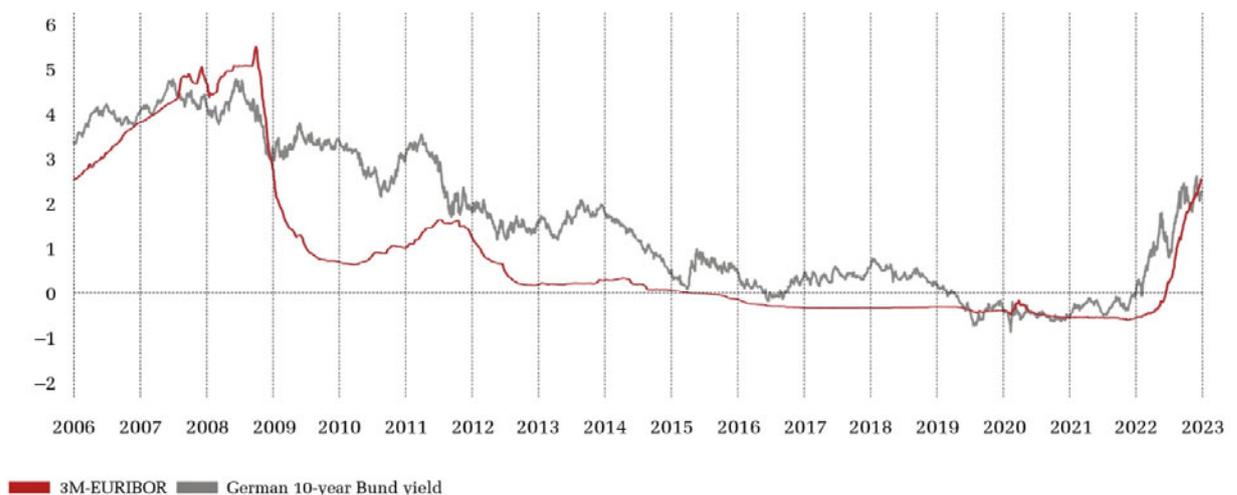
vestment grade long-term issuer rating of Baa2 with a stable outlook. As a result of the share increase by SOF-11 Klimt CAI S.à. r.l., Moody's downgraded CA Immo's long-term issuer rating and senior unsecured rating to Baa3 with a negative outlook. The rating was last affirmed by Moody's in a credit opinion in February 2023.

The investment grade rating of CA Immo allows for greater flexibility and thus further optimization of the financing structure through improved access to the institutional debt capital market. This broadens the range of financing options available to the Group. Key indicators for obtaining and maintaining this investment grade rating are a strong balance sheet with a low level of debt, sustainable earnings power and the associated solid interest cover, as well as a sufficiently large proportion of unsecured properties.

**Financing costs remain low**

Over recent years, continual optimisation of the financing structure and advantageous market conditions have facilitated significant reductions in financing costs. As the table below shows, average financing costs for the CA Immo Group on the basis of fully consolidated financial liabilities stood at 1.71% as at the key date 31.12.2022 (2021: 1.49%). The figure includes derivatives used for interest rate hedging in the form of interest rate swaps. If the latter are excluded, the average interest rate is higher at 2.23%.

INTEREST RATE DEVELOPMENT



Source: Bloomberg  
Interest rate in %

FINANCING COSTS <sup>1)</sup>

in € m	Outstanding nominal value	Nominal value derivatives	Average cost of debt excl. derivatives	Average cost of debt incl. derivatives	Average debt maturity	Average swap maturity
<b>Investment properties</b>						
Austria	147.6	95.1	3.6	2.8	6.8	7.0
Germany	1,037.5	865.4	2.9	1.8	5.4	5.8
Czechia	32.8	32.8	3.5	1.9	6.0	6.0
Hungary	0.0	0.0	0.0	0.0	0.0	0.0
Poland	80.9	70.5	3.3	1.7	2.7	2.9
Serbia	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>1,298.9</b>	<b>1,063.8</b>	<b>3.0</b>	<b>1.9</b>	<b>5.4</b>	<b>5.7</b>
Development projects	114.6	0.0	2.7	2.7	4.5	0.0
Short-term property assets	0.0	0.0	0.0	0.0	0.0	0.0
Financing on parent company level	1,366.6	0.0	1.5	1.5	3.0	0.0
<b>Total</b>	<b>2,780.1</b>	<b>1,063.8</b>	<b>2.2</b>	<b>1.7</b>	<b>4.2</b>	<b>5.7</b>

<sup>1)</sup>The data basis includes only fully consolidated financing

## BASIC PARAMETERS OF THE FINANCING STRATEGY

**Financing Strategy**

The financing strategy of the CA Immo Group is based on a balanced mix of secured and unsecured financing instruments with the aim of minimising financing costs and the risk of interest rate changes while maximising average terms and flexibility.

Maintaining and improving the investment grade rating and financial policy in the medium term on the basis of a solid balance sheet structure with a strong equity base and sustainable profitability is a key strategic component, which is also reflected in the objective of a long-term defensive and robust financial profile.

As regards financial indicators, long-term objectives fluctuate between 45-50% for the Group's equity ratio and 30-35% for the loan-to-value ratio (net financial liabilities to property assets). The interest rate hedging ratio, at around 92% as of the reporting date, is to be maintained at a high level in order to largely cushion the risk of interest rate increases.

**Financing structure**

With a share of around 49% of the total financing volume, half of the outstanding financings is currently ac-

counted for by unsecured financing in the form of corporate bonds and a promissory loan placed on the capital market. The other half of the financing volume comprises mortgage loans secured by real estate, which are taken out in those (subsidiary) companies in which the respective real estate is held.

**Unsecured financing**

The share of unsecured financing at the level of the Group parent company has gradually increased since the investment grade rating was obtained in 2015 and, as of the reporting date, comprised six corporate bonds placed on the capital market with a total volume of around €1.29 bn. Of this amount, around €117 m relates to the corporate bond maturing in February 2023, which was repaid after the balance sheet date from freely available cash. In addition, CA Immo placed its first green promissory loan with a total volume of €75 m in May 2022.

The carrying amount of unencumbered real estate, a key criterion for the Group's investment grade rating, amounted to around €2.1 bn as of December 31, 2022 and was thus lower than in the previous period (December 31, 2021: €2.7 bn). This corresponds to a ratio of around 43% of total real estate assets.

## Bonds

As at key date 31.12.2022, CA Immo had the following outstanding bonds registered for official trading on the Vienna Stock Exchange:

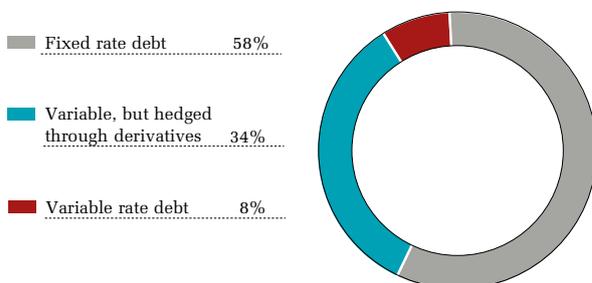
ISIN	Type	Out-standing volume <sup>1)</sup>	Tenor	Cou-pon
AT0000A1JVU3	Corporate bond	117 m €	2016-2023	2.750%
AT0000A1TBC2	Corporate bond	175 m €	2017-2024	1.875%
AT0000A22H40	Corporate bond	150 m €	2018-2026	1.875%
XS2099128055	Corporate bond	500 m €	2020-2027	0.875%
XS2248827771	Green bond	350 m €	2020-2025	1.000%

The corporate bond due in February 2022 (€117 m) was repaid upon maturity. The bonds are unsecured financings of the Group parent company, which rank pari passu with each other and with all other unsecured financings of CA Immobilien Anlagen AG. The terms and conditions of the bonds include a loan-to-value (LTV) covenant. The two bonds issued in 2020 also contain two further covenants relating to the secured financing volume and the interest rate coverage of the Group.

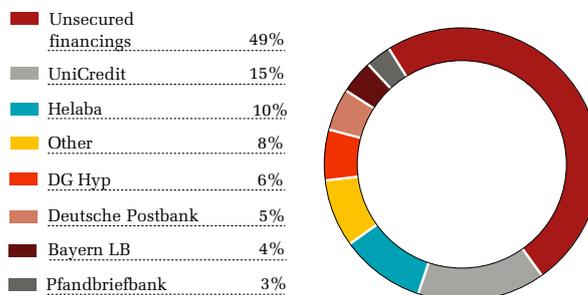
## Secured financing

CA Immo has business relations with a large number of financing partners. With around 15% of total outstanding financial liabilities, the main financing bank in terms of the credit volume is the UniCredit Group. As the chart shows, Helaba, DG Hyp, Deutsche Postbank, Bayern LB and Pfandbriefbank also accounted for larger shares as at the key date.

FINANCIAL DEBT AS OF 31.12.2022  
(Basis: €2.8 bn)



FINANCING SPLIT BY BANKS\*  
(Basis: €2.8 bn)



## Long-term interest rate hedging

Since interest expenses makes up a significant expense item on the income statement for most real estate companies (alongside administrative overheads), interest rate rises can have a major impact on earnings – especially since rental revenue is usually based on long-term agreements, which means increases in financing costs cannot be directly counterbalanced by higher revenue. For this reason, the CA Immo Group's financing strategy involves hedging a substantial proportion of interest expenditure against fluctuation over the long term. Interest swaps are currently used as interest hedging tools. The ratio of fixed-interest bonds, which has been rising over recent

quarters, also makes up a major part of the interest rate hedging ratio.

Of the derivatives deployed, interest swap agreements account for a nominal value of €882.0 m (€800.1 m on 31.12.2021) as well as interest rate floors account for €41.2 m (€42.1 m on 31.12.2021) and interest rate caps of €69.0 m (€0.0 m on 31.12.2021). The weighted average term remaining on derivatives used for interest rate hedging was around 5.7 years on the key date, compared to a weighted remaining term of 4.2 years on financial liabilities.

<sup>1)</sup> The outstanding volume of corporate bonds maturing in 2023 as at the reporting date included a repurchase carried out in 1Q 2020.

In balance sheet terms, a distinction is made between those contracts that are recognized as freestanding fair value derivatives in the income statement under the item "Result from derivatives" and those contracts that are designated as cash flow hedges in accordance with IFRS 9 and whose change in fair value at the respective reporting date is recognized in other income. As of the reporting date December 31, 2022, contracts with a total nominal

value of €770.7 m and a fair value of €73.7 m were classified as fair value derivatives (December 31, 2021: €617.1 m and €-18.9 m, respectively). As of December 31, 2022, the company had contracts classified as cash flow-hedges with a nominal value of €221.5 m and a fair value of €37.2 m (December 31, 2021: €225.0 m and €4.0 m, respectively).

## RESULTS

### SALE OF THE ROMANIAN PLATFORM

On November 22, 2022, the CA Immo Group completed the sale of the seven Romanian properties and the management company (Segment: Eastern Europe Core Regions). This geographical segment is presented as discontinued operations until the closing date. In the consolidated statement of financial position, all assets and liabilities of the Romanian portfolio were reported under "Assets held for sale" and "Liabilities held for sale" until the closing date. In the consolidated income statement, the earnings (after taxes) of the Romania portfolio are presented in a separate line in both the 2022 financial year and the comparative figures.

Therefore, the following comments on the income statement do not include any contribution from the Romanian portfolio. The result of the discontinued operation is presented separately. A detailed explanation can also be found in the section "Discontinued operations" in the notes to the consolidated financial statements.

### KEY FIGURES FROM THE INCOME STATEMENT

#### Sustained earnings

Rental income for CA Immo increased by 6.3% to €213.8 m. By region, around 46% of total rental income was generated by the German portfolio, followed by the Central- and Eastern European portfolio with around 41% and Austria with around 13%.

The most recent completions of the ONE development project in Frankfurt and Grasblau in Berlin, as well as further leasing successes in developments completed in the previous year, made a positive rental contribution totaling €9.2 m. The acquisition of the investment property Kasernenstrasse 67 in Duesseldorf at the beginning of 2022 generated rental income growth totaling €3.5 m. Furthermore, rental income from standing assets increased by a total of €7.7 m compared with the previous reporting period. This also includes rent increases in connection with indexation clauses in rental agreements. On the other hand, there were rental losses of €7.8 m in connection with non-strategic property sales (sales in all core regions).

Incentive arrangements from various lease agreements (in particular rent-free periods) are amortised on a straight line basis for the total term of the lease contract. Rental income therefore shows the effective economic rent and not the actual cash-relevant rent during the period. Of the rental income for business year 2022, straight

line amortisation of this kind accounted for €2.2 m (2021: €–2.4 m).

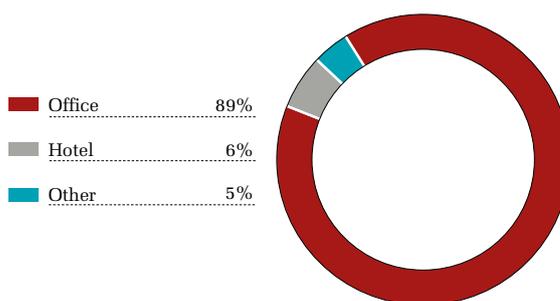
In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses were up at €–33.0 m (2021: €–24.7 m). This expenditure item consists of vacancy costs and operating expenses that cannot be passed on (€–8.9 m), agency fees (€–4.4 m), maintenance (€–8.9 m), allowances for bad debt (€–2.3 m) and other directly attributable expenses (€–13.4 m). The increase compared to the previous year is mainly due to higher agency fees in particular in connection with recent project completions and higher maintenance costs.

The net rental income generated by the rental activities after deduction of direct management costs increased by 2.4% from €176.5 m to €180.7 m.

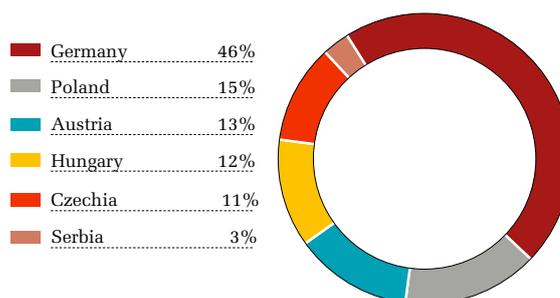
The operating margin on letting activities (net rental income in relation to rental income), an indicator of the efficiency of the rental business, decreased from 87.7% in the previous year to 84.6%.

Other expenditure directly attributable to project development stood at €–1.9 m at year end (2021: €–1.9 m).

RENTAL INCOME BY MAIN USAGE  
(Basis: €213,8 m)



RENTAL INCOME BY COUNTRY  
(Basis: €213,8 m)



CHANGE IN RENTAL INCOME FROM 2021 TO 2022<sup>1)</sup>

€ m	Austria	Germany	Central- and Eastern Europe	Total
<b>2021</b>	<b>26.8</b>	<b>84.0</b>	<b>90.3</b>	<b>201.1</b>
Change				
Resulting from change in vacancy rate, indexation or rental price	3.5	5.1	-0.8	7.7
Resulting from new acquisitions	0.0	3.5	0.0	3.5
Resulting from completed projects	0.0	6.7	2.5	9.2
Resulting from sale of properties	-3.4	-0.4	-4.0	-7.8
<b>Total change in rental income</b>	<b>0.0</b>	<b>14.9</b>	<b>-2.3</b>	<b>12.6</b>
<b>2022</b>	<b>26.8</b>	<b>98.9</b>	<b>88.0</b>	<b>213.8</b>

<sup>1)</sup> Included are non-performance components of operating costs according to IFRS 16 amounting to €9.2 m.

## INDIRECT EXPENSES

€ m	2022	2021
Personnel expenses	-46.6	-48.8
Legal, auditing and consulting fees	-9.8	-13.0
Third party acquired development services	-0.9	-1.9
Office rent	-0.8	-0.6
Travel expenses and transportation costs	-0.7	-0.3
Other expenses internal management	-2.6	-2.7
Other indirect expenses	-4.1	-5.7
<b>Subtotal</b>	<b>-65.5</b>	<b>-73.1</b>
Own work capitalised in investment property	16.6	16.2
Change in properties held for trading	1.5	1.0
<b>Indirect expenses</b>	<b>-47.5</b>	<b>-56.0</b>

**Property sales result**

Trading revenue of €9.3 m was generated in 2022 in connection with the scheduled sale of properties held in current assets and construction services (2021: €8.2 m). This income was offset by book value deductions and other directly attributable expenditure of €-1.7 m. The trading portfolio thus contributed a total of €7.7 m to the result (2021: €6.7 m).

Profit from the sale of investment properties of €4.1 m was below the previous year's value of €52.7 m. The sale of a non-strategic land plot in Duesseldorf generated the largest part of this result in terms of value in the previous year.

**Income from services**

Gross revenue from services dropped by -35.8% to €5.2 m (2021: €8.1 m). This item mainly includes development revenues for third parties by the Group subsidiary omniCon.

**Indirect expenses**

In 2022 indirect expenditures fell substantially by -15.2% from €-56.0 m in the previous year to €-47.5 m. The decline extends across almost all expense types and reflects the optimization of business activities and the focus on our core markets.

As shown in the table above, the item "Own work capitalized" remained essentially unchanged at €16.6 m (2021: €16.2 m). This item may be regarded as an offsetting position to the indirect expenditures which counterbalance the portion of internal project development expenditure, provided it is directly attributable to individual development projects and thus qualifies for capitalisation.

Indirect expenses also contain expenditure counterbalancing the aforementioned gross revenue from services.

**Other operating income**

Other operating income amounted to a total of €1.2 m compared to the 2021 reference value of €3.2 m.

**Earnings before interest, taxes, depreciation and amortisation (EBITDA)**

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to €149.5 m, down -21.0% on the previous year's figure of €189.4 m. The contribution of the individual regional segments to the overall result was as follows: With an EBITDA of €80.4 m, the Germany segment generated the largest share of around 54%. The largest EBITDA contribution from the Central- and Eastern European core markets is attributable to Poland,

which generated EBITDA of €26.2 m (18%), followed by Czechia with €17.1 m (11%) and Hungary with €14.7 m (10%). The Austrian segment generated an EBITDA of €6.2 m (4%).

**Revaluation result**

The total revaluation gain of €183.1 m in 2022 was counterbalanced by a revaluation loss of €-277.2 m. The cumulative revaluation result based on independent external appraisals of €-94.1 m was therefore significantly below the previous year's value (2021: €537.4 m).

The result reflects the significantly changed market environment for office properties compared with the previous year. The economic consequences of the Covid-19 pandemic and the effects of the war in Ukraine led to higher inflation, associated significantly higher interest rates and lower economic growth. This has impacted property markets in the form of lower demand for rental space, declining transaction volumes, and cautious forecasts by market participants, which led to declining property valuations by the external appraisers in the fourth quarter of 2022 as part of the semi-annual valuation process.

Broken down by region, the revaluation loss in Germany totalled €-49.4 m. Central- and Eastern Europe recorded negative revaluations of €-65.3 m. In contrast, Austria recorded a valuation gain of €20.6 m. This result includes a positive valuation result of the property Rennweg 16/Mechelgasse 1 in Vienna. Further information on property valuations can be found in the section "Property Valuation".

**Result from joint ventures**

Current results of joint ventures consolidated at equity are reported under 'Result from joint ventures' in the consolidated income statement. In 2022 this contribution totalled €26.5 m (2021: €3.6 m).

**Earnings before interest and taxes (EBIT)**

Earnings before interest and taxes (EBIT) totalled €74.4 m and therefore is significantly reduced to the corresponding figure for the previous year of €725.2 m (–89.7%), in particular due to the negative revaluation result.

In regional terms, the Germany segment accounted for the lion's share of Group EBIT at €51.1 m. Central- and Eastern Europe generated EBIT of €26.0 m and Austria €–2.7 m.

**Financial result**

The financial result for 2022 was €43.5 m, compared to €–74.4 m last year. In detail, the elements of the financial result developed as follows:

The Group's financing costs totalled €–49.8 m (2021: €–47.6 m).

In addition to interest paid as shown in the income statement, financing costs of €5.5 m (2021: €5.8 m) with a weighted average interest rate of 2.28% (2021: 1.37%) were capitalised in business year 2022 in connection with the construction of real estate.

The result from derivatives came to €90.3 m (2021: €–25.9 m). The result for 2021 includes a derivative valuation in the amount of €–46.2 m for the convertible bond issued in October 2017. This instrument consisted of a debt component and, due to the cash repayment option of CA Immo, an embedded derivative that needed to be separated. The embedded derivative of the convertible bond was reported at fair value. In contrast, the interest rate development over 2022 resulted in a positive valuation effect of the company's interest rate derivatives in the amount of €89.8 m (2021: €20.3 m).

At €2.6 m, the result from financial investments was improved compared to the figure for the reference period (2021: €–0.8 m). Other items of the financial result (other financial result and exchange rate differences) totalled €0.3 m (2021: €–0.1 m).

**Earnings before taxes (EBT)**

Earnings before taxes (EBT) of €117.8 m (2021: €650.8 m) showed a significant year-on-year decrease of –81.9% based on the earnings developments described above, especially due to the negative revaluation result.

**Taxes on income**

Taxes on earnings amounted to €–36.9 m in 2022 (2021: €–192.0 m). For 2022, the majority of this relates to current income taxes, whereas in 2021 a significant portion was attributable to deferred taxes.

**Result from discontinued operations (Romania)**

Rental income in Romania amounted to €24.6 m until disposal in 2022 (2021 adjusted: €28.0 m). Net rental income was down on the previous year at €17.4 m (2021 adjusted: €23.0 m). EBITDA totalled €–6.8 m (2021 adjusted: €20.7 m). This figure contains the result from the sale of real estate assets held for sale (including ancillary costs) in the amount of €–20.7 m. As a result, earnings before interest and taxes (EBIT) totalled €–6.8 m (2021 adjusted: €24.4 m). The result for the period for the discontinued operations (Romania) was also negative at €–5.4 m (2021 adjusted: €21.0 m).

**Consolidated net income**

At €75.5 m, consolidated net income for the period was –84.3% below the previous year's figure of €479.8 m. Earnings per share amounted to €0.75 (2021: €4.89 per share).

**Cash flow**

Cash flow from operating activities takes account of changes in current assets linked to the sale of properties intended for trading and totalled €146.7 m (2021: 150.9 m).

Cash flow from investment activities, which comprises the net balance between investments and real estate sales, stood at €213.2 m in 2022 compared to the previous year's value of €–10.3 m. Cash flow from financing activities was €–165.2 m (2021: €–445.1 m).

**CASH FLOW-STATEMENT – SHORT VERSION**

€ m	2022	2021	Change in %
Cash and cash equivalents - beginning of the business year	633.1	935.5	–32
Cash flow from			
- business activities	146.7	150.9	–3
- Investment activities	213.2	–10.3	n.m.
- financing activities	–165.2	–445.1	–63
<b>Changes in cash and cash equivalents</b>	<b>194.7</b>	<b>–304.6</b>	<b>n.m.</b>
Other changes <sup>1)</sup>	–4.0	2.2	n.m.
<b>Changes in cash and cash equivalents - the end of the business year</b>	<b>823.8</b>	<b>633.1</b>	<b>30</b>

<sup>1)</sup> Includes exchange rate movements from foreign currency, reclassification to a disposal group and expected credit losses on cash and cash equivalents

**Funds from Operations (FFO)**

An FFO I of €125.3 m was generated in 2022, –2.4% below the previous year's value of €128.3 m. FFO I per share stood at €1.25 at the key date, a decline of –4.5% in year-on-year comparison (2021: €1.31 per share). The FY 2022 guidance of > €125 m was therefore achieved. FFO I, a key indicator of the Group's recurring earnings power, is reported before taxes and adjusted for the sales result and other non-recurring effects.

Adjusted non-recurring effects totalled €8.8 m (2021: €13.9 m). These primarily related to financing expenses of €5.3 m, administrative expenses in the amount of €3.3 m and operating expenses of €–0.4m.

FFO II, including trading, other non-recurring results and after taxes, is an indicator for the Group's overall profitability and totalled €121.2 m, compared to €143.1 m in the previous year. FFO II per share amounted to €1.21 (2021: €1.46 per share).

**FUNDS FROM OPERATIONS (FFO)**

€ m	2022	2021 restated
Net rental income (NRI)	180.7	176.5
Income from services	5.2	8.1
Other operating income/expenses excl. services	1.2	3.2
Other operating income/expenses	6.4	11.4
Indirect expenses	–47.5	–56.0
Result from joint ventures	10.0	9.9
Finance costs	–49.4	–47.6
Result from financial investments <sup>1)</sup>	2.7	–0.5
FFO from discontinued operations	13.9	20.7
Non-recurring adjustments <sup>2)</sup>	8.3	13.9
<b>FFO I (excl. trading and pre taxes)</b>	<b>125.3</b>	<b>128.3</b>
Result from trading and construction works	7.7	6.7
Result from the sale of investment properties	4.1	52.7
Result from disposal of joint ventures	0.0	0.0
At-equity result property sales	31.0	5.2
Property sales result	42.7	64.5
Result from disposal of assets at fair value	0.0	0.8
Other financial results	0.0	0.0
Other adjustments	–13.8	–18.9
Current income tax	–0.9	–0.9
<b>FFO II (incl. trading and after taxes)</b>	<b>121.7</b>	<b>143.1</b>

<sup>1)</sup> Excluding value adjustments for cash and restricted cash

<sup>2)</sup> Adjustment for property sales and other non-recurring results

<sup>3)</sup> Includes other non-recurring results adjusted in FFO I

**BALANCE SHEET ANALYSIS****Assets**

As at the balance sheet date, long-term assets amounted to €5,838.6 m (82.0% of total assets). Investment property assets on the balance sheet amount to €4,965.8 m (31 December 2021: €4,984.3 m) and reflect, on the one hand, the Group's continuous portfolio growth, both organically from its own project development pipeline and through external acquisitions of investment properties in its core

markets, as well as the sale of investment properties (including the sale of all Romanian properties).

The balance sheet item 'Property assets under development' decreased by 45.6% to €596.6 m compared to 31 December 2021. Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to €5,910.5 m on the key date, hence down on the level for the end of 2021 (€6,254.2 m).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at €64.4 m on the key date (31 December 2021: €55.8 m).

Cash and cash equivalents stood at €823.8 m on the balance sheet date, below the level for 31 December 2021 (€633.1 m).

### Liabilities

#### Equity

The balance sheet equity grew in 2022 by 2.1% from €3,291.0 m at the end of last year to €3,358.5 m. This figure reflects the net profit for the period of €75.5 m.

Since the start of the year, the Group's total assets increased by around 0.8% to €7,170.6 m (31. December 2021: €7,114.4m). Despite the increase in assets, the equity ratio of 46.8% on the key date remained within the strategic target range (31 December 2021: 46.3%).

#### Interest-bearing liabilities

On the reporting date, interest-bearing liabilities amounted to €2,822.4 m, 9.2% above the previous year's value of €2,583.9 m. After the balance sheet date, the corporate bond maturing in February 2023 with a volume of around €117 m was repaid. Net debt (interest-bearing liabilities less cash and cash equivalents) decreased from €1,946.2 m in the previous year to €1,921.1 m. Gearing (ratio of net debt to shareholders' equity) was 57.2% at year-end (31 December 2021: 59.1%). The loan-to-value ratio (financial liabilities less cash, cash equivalents to

property assets and restricted cash) stood at 32.5% on the key date, compared to 31.1% in the previous year.

100% of interest-bearing financial liabilities are in euros. CA Immo has a comprehensive interest rate hedging strategy to hedge against interest rate risk; for more details, see the section on 'Financing'.

### KEY BALANCE SHEET AND FINANCING FIGURES

€ m	31.12.2022	31.12.2021
<b>Shareholders' equity</b>	<b>3,358.5</b>	<b>3,291.0</b>
Long-term interest-bearing liabilities	2,452.6	2,186.5
Short-term interest-bearing liabilities	369.9	397.4
Cash and cash equivalents	-823.8	-633.1
Restricted cash	-77.7	-4.6
<b>Net debt</b>	<b>1,921.1</b>	<b>1,946.2</b>
Equity ratio	46.8	46.3
Gearing (net)	57.2	59.1
Gearing (gross)	84.0	78.5
Loan-to-value (net)	32.5	31.1
Loan-to-value (gross)	47.8	41.3

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION: SHORT VERSION

	€ m	2022 in %	€ m	2021 in %	Change in %
Property assets	5,575.4	77.75	6,092.6	85.64	-8
Investments in joint ventures	64.4	0.90	55.8	0.78	15
Intangible assets	2.1	0.03	3.4	0.05	-38
Financial and other assets	193.5	2.70	95.0	1.34	>100
Deferred tax assets	3.2	0.04	2.7	0.04	20
<b>Long-term assets</b>	<b>5,838.6</b>	<b>81.42</b>	<b>6,249.5</b>	<b>87.84</b>	<b>-7</b>
Assets held for sale and relating to disposal groups	254.5	3.55	76.2	1.07	>100
Properties held for trading	85.8	1.20	87.2	1.23	-2
Receivables and other assets	167.9	2.34	68.4	0.96	>100
Securities	0.0	0.00	0.0	0.00	n.m.
Cash and cash equivalents	823.8	11.49	633.1	8.90	30
<b>Short-term assets</b>	<b>1,332.0</b>	<b>18.58</b>	<b>864.9</b>	<b>12.16</b>	<b>54</b>
<b>Total assets</b>	<b>7,170.6</b>	<b>100.00</b>	<b>7,114.4</b>	<b>100.00</b>	<b>1</b>
Shareholders' equity	3,358.5	46.84	3,291.0	46.26	2
Shareholders' equity as a % of total assets	46.8		46.3		
Long-term interest-bearing liabilities	2,452.6	34.20	2,186.5	30.73	12
Short-term interest-bearing liabilities	369.9	5.16	397.4	5.59	-7
Other liabilities	295.6	4.12	541.2	7.61	-45
Deferred tax assets	694.0	9.68	698.3	9.82	-1
<b>Total liabilities and shareholders' equity</b>	<b>7,170.6</b>	<b>100.00</b>	<b>7,114.4</b>	<b>100.00</b>	<b>1</b>

## FINANCIAL PERFORMANCE INDICATORS

The strategic focus of business activity at CA Immo is the long-term increase in the value of the company. This is supported by key financial performance indicators which are important tools to identify the factors that contribute to the sustained increase in enterprise value and quantifying those factors for the purposes of value management.

The primary financial performance indicator is the net income generated on the Company's average equity (**return on equity or RoE**). The aim is to generate a figure higher than the calculated cost of capital, thus generating

shareholder value. At 2.3% in 2022 (2021: 14.9%), this figure was below the target value. The decrease compared to the previous years was mainly driven by the negative property revaluation result. Nevertheless, with the successful strategy implementation of recent years and strong positioning of the CA Immo Group, the ground was prepared for generating a return on equity over the long term, and one that exceeds the cost of equity (see the "Strategy" section).

The other quantitative factors used to measure and manage our shareholders' long-term return include the change in NAV per share, operating cash flow per share, and Funds from Operations (FFO I and FFO II) per share

(please refer to the table above and “Balance Sheet” and “Key Figures per Share” in the flap of the annual report).

## NON-FINANCIAL PERFORMANCE INDICATORS

As the financial indicators ultimately represent the success achieved in the operating real estate business, they are preceded by a number of other performance indicators, including non-financial indicators, that are essential for measuring and managing the operating business performance:

- **Occupancy rate** is an indicator for the quality and management success of the portfolio. The economic letting rate of CA Immobilien Anlagen AG in the portfolio remained at around 90% (around 89% as at 31 December 2021)<sup>1)</sup>.
- **Vacancy rate** shows the ratio of unlet space to the total area of the property portfolio and therefore plays an important role in terms of the return to be generated. The higher the vacancy rate, the lower the rental income. The property portfolio of CA Immobilien Anlagen AG had a vacancy rate of around 10% as at 31 December 2022 (31 December 2021: around 11%).
- **WAULT - Weighted Average Unexpired Lease Term** is a key indicator in the commercial real estate sector. It provides information on the average remaining lease term of the property portfolio and amounts to 4.4 years at CA Immobilien Anlagen AG as at 31 December 2022 (31 December 2021: 4.0 years, excl. Romania).
- **Location quality and infrastructure** are decisive for the marketability of the properties. The majority of the Group's office stock is located in CBD or central business locations in central European capitals.
- **Sustainability certification:** the development of sustainable buildings for its own portfolio to increase the quality of its building stock has been an important part of CA Immo's sustainability strategy for many years. In order to provide transparent, internationally comparable and objective proof of building quality across the entire portfolio, CA Immo also has strategic core existing buildings certified.
- **Local presence and market knowledge:** a decentralised organisational structure with our own branches in the core markets ensures efficient management and tenant loyalty.
- **Reduction of the CO<sub>2</sub> emission intensity** of the investment portfolio as an indication of a targeted active improvement in the energy performance of the buildings, thereby increasing the attractiveness of the investment portfolio. CA Immo focuses in particular on measures such as increasing the energy efficiency of buildings, renovation measures and modernization, the gradual switch to renewable energy sources, and the incorporation of its own project completions, which were realized under sustainable aspects, into the own portfolio.

The non-financial performance indicators relating to environmental, employee and social issues as well as human rights and the fight against corruption and bribery are presented and explained in detail in the ESG report.

<sup>1)</sup> 2022: Excl. owner-occupied properties and excl. the ONE (Frankfurt) and Grasblau (Berlin) office buildings completed in 2022 and transferred to the portfolio, which are still in the stabilisation phase; 2021: Excl. owner-occupied properties and excl. the Mississippi House, Missouri Park (Prague) and ZigZag (Mainz) office buildings completed in 2021 and transferred to the portfolio, which were still in the stabilisation phase

## OUTLOOK

### ANTICIPATED DEVELOPMENTS AND THE MAIN OPPORTUNITIES AND THREATS

The general conditions on the real estate markets were increasingly burdened by general economic and political developments in the course of 2022. Above all, the rapid rise in interest rates as a result of high inflation poses challenges for the real estate industry, which are reflected, among other things, in a strong weakening of the real estate investment markets. This prevailing uncertainty and volatility will continue to shape the real estate sector in 2023.

In addition, our tenants' requirements for office space are increasing against the backdrop of hybrid working environments and the transition to a sustainable economy. However, as a leading prime office player with Germany as an anchor market, we see this change as an opportunity. For many years, we have been meeting the demand for high-quality, energy-efficient and innovative offices in prime locations in major European cities. Thanks in part to this strategic orientation, we were able to achieve important strategic milestones in the 2022 financial year and further strengthen our stable balance sheet and defensive financing structure - a solid foundation for future value-creating growth.

#### **Strategic focus to ensure the resilience of the business model**

In view of these fundamental macroeconomic changes, we will continue to focus on securing and increasing our competitiveness and resilience. In doing so, we are essentially following three directions:

- Firstly, a further increase in the quality of our portfolio through a clear focus on our core markets and the successive sale of properties that do not or no longer meet the strategic requirement profile.
- Secondly, we want to accelerate our transformation into a sustainable company.
- Thirdly, we are pursuing the consistent optimisation of our organisational and cost structures in order to continue to generate value for all our stakeholders.

#### **Continuous increase in portfolio quality**

In addition to the increased focus of the portfolio on prime office buildings in the core markets of Berlin, Munich, Vienna, Prague and Warsaw, our focus remains on sustainability and intensive tenant retention. The goal with our buildings is to offer the best product, the best support and the greatest possible flexibility for our tenants.

The share of the two core markets Germany and Austria is expected to increase to over 80% in the medium term.

Our deep value chain around high-quality office properties in attractive metropolitan areas makes us the ideal partner for blue-chip companies. We want to use and further expand these strengths to consolidate our good market position in the long term.

The profitable sale of non-strategic properties as part of the strategic capital rotation programme should further increase our portfolio quality and resilience. The reinvestment of proceeds from the sale of non-strategic properties in acquisitions or in the company's strategic development pipeline aims to optimise the quality of the portfolio in terms of location, structural and sustainable quality, resilience and management efficiency. In addition, the implementation of innovative utilisation concepts is intended to raise the ecological and technological standard of the entire portfolio.

#### **Successive realisation of the strategic development pipeline**

In 2022, we were able to add two high-quality buildings to our portfolio with the successful completion of the ONE project in Frankfurt (total investment volume of around €444 m) and Grasblau in Berlin (total investment volume of around €72 m). The completion of the Berlin project Hochhaus am Europaplatz (total investment volume of around €143 m), which is currently under construction, is expected for the end of 2023/beginning of 2024. Both this and the second development project upbeat in Berlin (total investment volume of around €334 m), which has been under construction since last year, are 100% pre-let.

The development of extensive land reserves in central locations in the German metropolises of Munich, Frankfurt and especially Berlin represents significant long-term organic growth potential for CA Immo, which is to be realised successively as the necessary conditions and requirements are met. While office development projects are generally dedicated to the company's own portfolio, projects with a different focus of use are generally earmarked for sale.

#### **Key business factors**

Key factors that may influence the business development planned for 2023 include:

- Economic developments in the regions in which CA Immo is active and the effects of these on demand

for rental premises and rental prices (core indicators include GDP growth, employment and inflation).

- The development of general interest rate levels.
- The financing environment as regards the availability and cost of long-term financing with outside capital (both secured financing from banks on property level and unsecured capital market financing on group level), and accordingly the development of the market for real estate investment, price trends and their impact on the valuation of the CA Immo portfolio.
- The speed at which planned development projects are realised will also depend on the market factors outlined above and the availability of necessary debt and equity.
- Impact of flexible and hybrid forms of work ("work-from-home") on the demand for office real estate.
- Political, fiscal, legal and economic risks, transparency and the development level on our real estate markets.

#### **Dividend**

CA Immo intends to maintain its profit-oriented dividend policy. The amount of the dividend is based on the profitability, growth prospects and capital requirements of the CA Immo Group. At the same time, a continuous payout ratio of around 70% of recurring earnings (FFO I) is intended to maintain the continuity of the dividend development.

After a thorough evaluation, CA Immo decided in the previous year to propose to the Annual General Meeting on 5 May 2022 to deviate from its previous dividend policy and carry forward the entire net profit for the 2021 financial year. The background to this decision was the fact that – including special distributions – a dividend of €3.50 per share was already distributed to the shareholders in the 2021 financial year and a further dividend of €2.50 per

share in the 2022 financial year from the net profit as at 31 December 2020.

For the 2022 financial year, the Executive Board proposes a dividend of €1.00 per share entitled to dividend. Based on the closing price on 31 December 2022 (€28.35), the dividend yield is around 3.5%. The proposal for the appropriation of profits reflects the current assessment of the Executive Board and the Supervisory Board. The distribution amount exceeding the base target of 70% of FFO I reflects the profitable sales activity in connection with the strategic capital rotation programme.

#### **Share buyback**

After a share buyback programme for 1,000,000 shares was completed in 2022, the Executive Board decided in December 2022 to carry out another share buyback programme with a volume of up to 2,000,000 shares on the basis of the authorisation resolution of the 34th Annual General Meeting of 6 May 2021 pursuant to § 65 para 1 item 8 of the Austrian Stock Corporation Act. By 31 December 2022, 80,364 shares with a value of approximately €2.1m had been acquired in the course of this share buyback programme.

#### **Financial target 2023**

For the 2023 financial year, an EBITDA of over €200 m is expected on the basis of profitable sales as part of the strategic capital rotation programme, which would result in a significant increase compared to the figure for 2022 (€149.5 m).<sup>1)</sup>

The annual target for the recurring result (FFO I) is expected to be announced as part of the first quarter reporting in May 2023.

<sup>1)</sup> Based on transactions signed and closed to date.

## EPRA RATIOS

In order to ensure comparability with other listed property companies, CA Immo reports individual key figures in accordance with the standards of EPRA (European Public Real Estate Association), the leading interest group for listed property companies. These key figures may differ from the values determined in accordance with IFRS rules. CA Immo follows EPRA's 'Best Practice Recommendations' ([www.epra.com](http://www.epra.com)).

### EPRA NET ASSET VALUE (NAV)

With the publication of the EPRA Best Practices Recommendations Guidelines October 2019, the net asset value reporting was revised with the aim of better reflecting recent market and company developments. As a consequence, EPRA NAV and EPRA NNNAV were replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value, EPRA Net Tangible Assets and EPRA Net Disposal Value. CA Immo intends to report only these new key figures as of Q1 2021, which are defined by EPRA as follows<sup>1)</sup>:

#### EPRA KEY FIGURES

		31.12.2022	31.12.2021
EPRA NRV	€ m	4,382.1	4,450.5
EPRA NRV per share	€	43.98	44.19
EPRA NTA	€ m	4,016.0	4,033.9
EPRA NTA per share	€	40.31	40.05
EPRA NDV	€ m	3,666.9	3,393.8
EPRA NDV per share	€	36.80	33.70

#### EPRA Net Reinstatement Value

The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded.

Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

#### EPRA Net Tangible Assets

The underlying assumption behind the EPRA Net Tangible Assets calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

#### EPRA Net Disposal Value

Shareholders are interested in understanding the full extent of liabilities and resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. For this purpose, the EPRA Net Disposal Value provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability, including tax exposure not reflected in the Balance Sheet, net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values.

Net Asset Value (IFRS) stood at €3,358.4 m on 31 December 2022 (€33.71 per share) against €3,290.9 m at the end of 2021 (€32.68 per share); this represents an increase of 2.1% (3.2% per share). This change reflects the annual result of €75.5 m.

EPRA Net Tangible Assets (NTA) stood at €4,016.0 m as at the reporting date, which is at a similar level to the value at year-end 2021 (€4,033.9 m). This corresponds to an EPRA NTA per share of €40.31, slightly above the EPRA NTA as at 31 December 2021 of €40.05 per share.

The number of shares in circulation on the reporting date was 99,636,025 (31 December 2021: 100,716,389, diluted). The values per share in the table below are presented on a diluted basis.

<sup>1)</sup> Source: EPRA – Best Practices Recommendations Guidelines (October 2019)

## NET ASSET VALUE (NRV, NTA AND NDV AS DEFINED BY EPRA)

€ m	31.12.2022			31.12.2021		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
<b>IFRS Equity attributable to shareholders</b>	<b>3,358.4</b>	<b>3,358.4</b>	<b>3,358.4</b>	<b>3,290.9</b>	<b>3,290.9</b>	<b>3,290.9</b>
i) Hybrid instruments (Convertible)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Diluted NAV</b>	<b>3,358.4</b>	<b>3,358.4</b>	<b>3,358.4</b>	<b>3,290.9</b>	<b>3,290.9</b>	<b>3,290.9</b>
ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	4.1	4.1	2.9	11.9	11.9	10.0
ii.b) Revaluation of investment properties under development (if IAS 40 cost option is used)	0.0	0.0	0.0	0.0	0.0	0.0
ii.c) Revaluation of other non-current investments	0.0	0.0	0.0	0.0	0.0	0.0
iii) Revaluation of tenant leases held as finance leases	0.0	0.0	0.0	0.0	0.0	0.0
iv) Revaluation of trading properties	147.9	124.9	110.5	149.4	124.5	110.5
<b>Diluted NAV at Fair Value</b>	<b>3,510.4</b>	<b>3,487.5</b>	<b>3,471.8</b>	<b>3,452.2</b>	<b>3,427.3</b>	<b>3,411.4</b>
v) Deferred taxes in relation to fair value gains of investment properties	693.5	641.1		694.9	598.6	
vi) Fair value of financial instruments	-112.6	-112.6		12.9	9.2	
vii) Goodwill as a result of deferred tax	0.0	0.0	0.0	-1.2	-1.2	-1.2
viii.a) Goodwill as per the IFRS balance sheet		0.0	0.0		0.0	0.0
viii.b) Intangibles as per the IFRS balance sheet		0.0			0.0	
ix) Fair value of fixed interest rate debt			195.0			-16.4
x) Revaluation of intangibles to fair value	0.0			0.0		
xi) Purchasers' costs	290.8	0.0		291.7	0.0	
<b>NAV</b>	<b>4,382.1</b>	<b>4,016.0</b>	<b>3,666.9</b>	<b>4,450.5</b>	<b>4,033.9</b>	<b>3,393.8</b>
Fully diluted number of shares	99,636,025	99,636,025	99,636,025	100,716,389	100,716,389	100,716,389
<b>NAV per share in €</b>	<b>43.98</b>	<b>40.31</b>	<b>36.80</b>	<b>44.19</b>	<b>40.05</b>	<b>33.70</b>

### EPRA YIELDS

The type and scope of yield disclosures often vary and the metrics used are not consistently defined. In order to provide comparable reporting in terms of yields across

The EPRA net initial yield is calculated as annualized rental income based on rents at the balance sheet date,

less non-refundable property operating costs, divided by the market value of the property. The EPRA "topped up" yield is calculated using an adjustment in respect of the granting of rent-free periods (or other unexpired lease incentives such as discounted lease periods and step-rents).

### EPRA YIELDS

€ K	Austria	Germany	Czechia	Hungary	Poland	Serbia	Total
<b>Investment properties<sup>1)</sup></b>	<b>400,105</b>	<b>2,518,054</b>	<b>396,764</b>	<b>461,470</b>	<b>520,049</b>	<b>38,164</b>	<b>4,334,606</b>
Annualised cash rental income (gross)	19,660	87,991	21,407	25,763	33,520	3,168	191,509
property operating expenses	-2,858	-9,174	-2,979	-9,395	-3,979	-1,315	-29,701
<b>Annualised cash rental income (net)<sup>1)</sup></b>	<b>16,802</b>	<b>78,817</b>	<b>18,428</b>	<b>16,368</b>	<b>29,542</b>	<b>1,853</b>	<b>161,808</b>
<b>EPRA Net Initial Yield</b>	<b>4.2%</b>	<b>3.1%</b>	<b>4.6%</b>	<b>3.5%</b>	<b>5.7%</b>	<b>4.9%</b>	<b>3.7%</b>
<b>Lease incentives</b>	<b>-171</b>	<b>-1,494</b>	<b>230</b>	<b>-8</b>	<b>-239</b>	<b>-252</b>	<b>-1,934</b>
<b>EPRA "topped-up" Net Initial Yield</b>	<b>4.2%</b>	<b>3.1%</b>	<b>4.7%</b>	<b>3.5%</b>	<b>5.6%</b>	<b>4.2%</b>	<b>3.7%</b>

<sup>1)</sup> Based on the like-for-like portfolio

### EPRA VACANCY RATE

Vacancy rate reporting is not standardized across the real estate industry. In order to promote comparable and consistent reporting, the EPRA requirements specify a single, clearly defined vacancy rate disclosure. The EPRA vacancy rate is to be expressed as a percentage equal to the expected rental value of vacant space divided by the expected rental value of the entire portfolio. The EPRA vacancy rate is calculated only for completed properties (investment, trading and including share of joint ventures' vacancy), but excluding properties under development.

### EPRA VACANCY RATE

	Vacancy ERV	Full Reversion ERV	EPRA Vacancy Rate
<b>Austria</b>	<b>3.5</b>	<b>22.2</b>	<b>16.0%</b>
<b>Germany</b>	<b>3.7</b>	<b>117.3</b>	<b>3.2%</b>
Hungary	10.1	35.8	28.3%
Poland	2.6	34.9	7.5%
Czechia	1.5	26.2	5.6%
Serbia	0.8	3.5	22.9%
<b>Central- and Eastern Europe</b>	<b>15.0</b>	<b>100.4</b>	<b>15.0%</b>
<b>Total</b>	<b>22.3</b>	<b>239.9</b>	<b>9.3%</b>

## SUPPLEMENTARY REPORT

The following activities are reported for the opening months of business year 2023:

CA Immo continued its strategic capital rotation programme to focus the portfolio on high-quality, sustainable office properties in prime locations in early 2023.

### Portfolio transactions

In mid-February, CA Immo completed the sale of a building complex – consisting of the **Hotel Savoyen and the office building at the Botanical Garden** – in Vienna's third district, with the signing taking place in November 2022. The property, which is centrally and conveniently located in the immediate vicinity of Belvedere Palace, has approx. 38,150sqm of total rental space.

### Share buyback programme

CA Immobilien Anlagen AG continued its share buyback programme, which was launched in December, after the balance sheet date. As of 1 March 2023, CA Immobilien Anlagen AG holds a total of 7,353,334 treasury shares (31 December 2022: 6,860,401 treasury shares). With a total number of 106,496,426 voting shares issued, this corresponds to approximately 6.9% (31.12.2022: 6.4%) of the voting shares.

### Dividend

For the 2022 financial year, the Executive Board proposes a dividend of €1.00 per share entitled to dividend. Measured against the closing price on 31 December 2022 (€28.35), the dividend yield is around 3.5%. The proposed profit distribution reflects the current assessment of the Executive Board and the Supervisory Board. The distribution amount exceeding the base target of 70% of FFO I reflects the profitable sales activities within the framework of the strategic capital rotation programme.

### Changes in the Management Board

The Supervisory Board of CA Immobilien Anlagen AG and the Chairwoman of the Management Board, Silvia Schmitt-Walgenbach, have mutually agreed on 21 March 2023 that Silvia Schmitt-Walgenbach's contract will be terminated as of 31 March 2023. The reason for the termination of the contract by mutual agreement is different views on the priorities in the implementation of the corporate strategy. Mrs. Schmitt-Walgenbach's tasks will be assumed by the two other Management Board members of CA Immo, Keegan Viscius and Andreas Schillhofer.

### RESEARCH AND DEVELOPMENT

Technological and social change continues to transform the office environment and the knowledge-based economy. To (re-)develop office properties today in such a way that they can be efficiently and profitably managed in future, CA Immo monitors changes to working processes and corporate requirements in terms of premises; at the same time, it trials new technical solutions along with space and building concepts on selected development projects. The current focus is on new requirements with regard to hybrid and flexible working environments of the future, digitalisation and sustainable office space management.

In the course of its theoretical and practical research activities, CA Immo cooperates with institutions involved in property-related research. For example, CA Immo is a partner to the Office 21 joint research project of the Fraunhofer IAO Institute ([www.office21.de](http://www.office21.de)) with the objective of evaluating external and internal innovation approaches and piloting them at an early stage. CA Immo also actively participates in relevant platforms for the real estate sector (for details on our memberships, please see the ESG report).

RISK REPORT

# RISK UNIVERSE OF CA IMMO

## Development risks

- Cost risk
- Quality risk
- Permit risk
- Partner risk
- Time risk

## Investment Property Risks

- Vacancy risk
- Portfolio risk
- Valuation risk
- Tenant default risk

## Financial risks

- Currency risk
- Capital market risk
- Transaction risk
- Liquidity risk
- Tax risk

## ESG Risks

- Climate risk
- Governance risk
- Social risk

## Other risks

- Operating risk
- Legal risk
- IT risk
- HR risk
- Insurance risk

## RISK MANAGEMENT AT CA IMMO

To ensure the success of CA Immo as a business in the long term and enable the company to meet its strategic objectives, effective management of new and existing risks is essential. A commensurate measure of risk must be accepted if we are to utilise market opportunities and exploit the potential for success they hold. For this reason, risk management and the internal monitoring system (IMS) deliver an important contribution to the Group's corporate governance (defined as the principle of responsible management).

CA Immo's risk management system is based on the following elements:

- Risk culture: CA Immo's reputation is central to our identity and business success. Therefore, compliance with established principles of corporate governance and value management (Code of Ethics, Code of Conduct) is a matter of course. For CA Immo, risk culture implies raising of risk awareness and consciously addressing risks in day-to-day business both for managers and individual employees.
- Risk strategy: The risk strategy describes how risks arising from CA Immo's business strategy or business model are managed. It sets out the framework for the nature, extent and appropriateness of risks, thus reflecting the company's own definition of a "sensible" approach to risks and describing these risks in terms of their impact on the economic situation of the company and the guidelines for managing risks that are to be derived from this.

### Strategic alignment and tolerance of risk

The Management Board, with the involvement of the Supervisory Board, determines the strategic direction of the CA Immo Group as well as the nature and extent of those risks which the Group is prepared to assume in order to achieve its strategic objectives. The Management Board is supported by the Risk Management department in assessing the risk landscape and developing potential strategies to increase long-term stakeholder value. In addition, an internal risk committee with representatives from all divisions as well as the Chief Financial Officer has been established, which meets on a quarterly basis or in special meetings if necessary. The aim of this committee is to establish a regular, cross-functional assessment of the Group's risk situation, including the initiation of any necessary measures. This is to ensure that the

company's direction is optimally chosen against the background of available alternatives.

### Identification of risks and assessment

At CA Immo, the opportunity/risk situation is assessed on a quarterly basis within the framework of reports which are drawn up on the basis of the results of the risk committee, among other things. Risks are evaluated both at individual property and project level and at (sub-)portfolio level. Early warning indicators such as rent forecasts, vacancy analyses, continuous monitoring of lease terms and termination options as well as continuous monitoring of construction costs for project realisations are included. Scenario presentations regarding the development of the value of the property portfolio, exit strategies and liquidity planning supplement risk reporting and increase planning certainty. CA Immo takes account of the precautionary principle in that multi-year planning and investment decisions cover the entire time horizon of investments.

In addition, CA Immo now carries out an annual inventory and evaluation of individual risks according to content, impact and probability of occurrence. An annual update is also carried out with regard to the estimated impact on the result, assets and liquidity of CA Immo ("extent of damage") and the probability of occurrence within one year. Measures and controls already implemented are taken into account to determine the net risk. This data serves as the basis for the Management Board to determine the level and type of risks it deems acceptable in pursuing the strategic objectives. Once the board has approved the strategy, it is incorporated into the group's 3-year planning and helps to communicate the group's risk appetite and expectations both internally and externally.

CA Immo's risk policy is specified by a series of guidelines. Compliance with them is continuously monitored and documented through controlling processes. Risk management is implemented in a binding manner at all levels of the company. The Management Board is involved in all risk-relevant decisions and bears overall responsibility. Decisions are made at all levels according to the principle of dual control. As an independent department, the internal audit department examines the operational and business processes; if necessary, external experts are consulted. In reporting and evaluating the audit results, it is not bound by instructions.

**Evaluating the functionality of risk management**

The proper functioning of the risk management system is evaluated annually by the Group auditor in line with the requirements of C Rule no. 83 of the Austrian Corporate Governance Code. The results are reported to the Management Board and the Audit Committee.

**KEY FEATURES OF THE INTERNAL MONITORING SYSTEM (IMS)**

CA Immo's internal control system encompasses all principles, procedures and measures to ensure the effectiveness, efficiency and regularity of accounting as well as compliance with the relevant legal regulations and corporate guidelines. Taking management processes into account, the ICS is integrated into the individual business processes. The aim is to prevent or detect errors in accounting and financial reporting and thus ensure early correction. Transparent documentation enables the processes for accounting, financial reporting and auditing activities to be presented. All operational areas are integrated into the accounting process. The responsibility for the implementation and monitoring of the ICS lies with the respective local management. The managing directors of the subsidiaries are required to evaluate and document compliance with the controls through self-audits. The effectiveness of the ICS is reviewed on a random basis by the Group's internal audit department and the efficiency of the business processes is continuously evaluated. The results of the audit are reported to the respective management, the entire Management Board of CA Immo and at least once a year to the Audit Committee.

**INVESTMENT PROPERTY RISKS****Risks arising from the market environment and portfolio composition (portfolio risk)**

The economic success of CA Immo depends, among other things, on the development of the property markets relevant to the Group. The main factors influencing economic development include the global economic situation as a whole, rental price trends, the rate of inflation, the level of government debt and interest rates. In the office property segment, factors such as economic growth, industrial activity, unemployment rate, consumer confidence and other elements that are decisive for economic development also play a significant role. All these factors are beyond the company's control. They could have negative effects on the entire European economy and thus also on economically strong nations such as Germany and Austria, for example, or have a negative impact on the financial and real estate sector as a whole. Any negative change in the economic situation could result in a decline in demand for real estate, which in turn could affect the occupancy rate, property values or even the liquidity of properties. Economic instability and limited access to debt and equity financing may lead to possible defaults by counterparties and a general slowdown in market activity. If there is a lack of liquidity in the property investment market, there is a risk that it may not be possible to sell individual properties or only at unattractive conditions.

The value of real estate depends not only on the development of the general economic conditions and in particular on rental prices, but also on the initial yields in the real estate economy. Due to the current market environment, there is still a risk that initial yields for commercial properties will correct further upwards. The historically exceptionally high price level for property investments and the low level of property yields therefore harbour risks for the **property values** of the CA Immo portfolio. As was already apparent in the fourth quarter of 2022, it cannot be ruled out that a rise in general interest rates will lead to a further increase in property yields and a subsequent decline in property values.

In view of the risks outlined above, CA Immo regularly reviews its own **property valuations**. Following an almost complete external valuation of the Group's portfolio in the fourth quarter of 2022, the values for the property assets as at the reporting date of 31 December 2022 were adjusted on the basis of binding purchase agreements or on the basis of the external valuations. Taking into account the current exceptional market conditions (see chapter "Economic environment") as well as the currently low level of transactions, a higher degree of caution must continue to be applied to the property valuations than is otherwise the case. Further information on changes in market values can be found in the chapter "Property valuation".

CA Immo counteracts **market risk** through broad diversification across different countries. CA Immo counters **country risk** by concentrating on strategic core markets with local branches and its own local staff, and by adjusting regional allocation within the core markets. The focus here is on markets with long-term structural trends such as increasing urbanisation, positive demographic change and structural supply shortages, as well as high investment liquidity. Market knowledge, ongoing evaluation of the strategy, continuous monitoring of the portfolio as well as targeted portfolio management within the framework of strategic decisions (e.g. determination of exit strategies, medium-term planning for sales) enable a timely response to economic and political events.

CA Immo prevents any **transfer risk** through the targeted repatriation of liquid funds from investment markets with weaker credit ratings. Active portfolio management is designed to prevent **concentration risks** and maintain a balanced portfolio structure. CA Immo is currently active in Germany, Austria and selected CEE markets. With a share of around 66% of the total portfolio, Germany is currently CA Immo's largest single market. CA Immo is part of the EPRA Developed Europe Index, which supports capital market positioning and the overall rating. The aim is to achieve an aggregate EBITDA contribution of more than 50% from Germany, Austria and Poland. In terms of asset classes, CA Immo concentrates on modern, high-quality office properties with a focus on prime inner-city locations. The Development business area primarily develops high-quality office properties for the company's own portfolio. In addition, property developments and, to a lesser extent, construction projects with other types of use such as residential properties are realised, which are generally sold after successful development or completion.

**Individual investments** should not exceed 5% of total property assets in the long term. Exceptions are possible after approval (e.g. ONE). As at the balance sheet date, only the Skygarden investment property in Munich and ONE in Frankfurt fell into this category. Overall, the portfolio shows a high degree of diversification: the top 10 portfolio properties of the Group represent around 40% of the total portfolio. The concentration risk in relation to individual tenants is also manageable: as at 31 December 2022, around 22% of rental income was generated by the ten top tenants. With a share of around 3% of total rental income, PricewaterhouseCoopers, followed by Intercity Hotel GmbH, were the largest single tenants in the portfolio as at the reporting date. In general, single tenants should not account for more than 5% of total annual rental income over a longer period of time, although tenants with excellent credit ratings (AAA/AA) may be an exception. For **single-tenant buildings**, such scenarios should be avoided unless the tenant's credit rating is considered excellent (AAA/AA). A single-tenant scenario is defined as cases in which more than 75% of the annual rental income (single property level) is attributable to a single tenant. In principle, rental income from single-tenant buildings should not exceed 20% of the total annual rental income. In addition, the average lease term for single-tenant properties should be more than ten years.

**Other risk concentrations** resulting from factors such as the holding of several properties with a market value of more than €100 m in the same city, the industry mix of tenants, the identity of contractual partners or suppliers or lenders, etc., which cannot be effectively measured or limited quantitatively, are subject to appropriate regular review.

The economic success of CA Immo depends, among other things, on the development of real estate markets of relevance to the Group. Key factors influencing the economic trend include the overall global economy, the trend in rental prices, the inflation rate, levels of national debt and interest rates. In the office properties segment, factors such as economic growth, industrial activity, the unemployment rate and consumer confidence play a major role alongside other factors critical to the economic trend. These circumstances – all of which are beyond the company's control – may have a negative impact on the broad economic picture in Europe and thus adversely affect economically powerful countries like Germany and Austria; they may also impair the finance and real estate sector generally. Any downturn in the economic situation has the potential to reduce demand for real estate,

which in turn can adversely affect occupancy rates, property values and even the liquidity of real estate. Economic instability and limited access to loan capital and equity-based financing can lead to business partners opting out. Where the liquidity of the real estate investment market is insufficient, there is a risk that sales of individual properties with a view to strategic adjustment of the real estate portfolio may prove impossible or only possible under unacceptable conditions.

Political and economic developments in countries in which CA Immo operates also have a significant impact on **occupancy rates** and rent defaults. If the Group is unable to extend expiring leases on favourable terms and find or retain suitable creditworthy tenants, this affects the earnings power and market value of the properties concerned. The creditworthiness of a tenant, especially during an economic downturn, may decline in the short or medium term, which may affect rental income. In critical situations, the Group may decide to reduce rents in order to maintain an acceptable occupancy rate.

All of CA Immo's core cities experienced a challenging operating environment due to the current prevailing economic conditions and the effects of the Russia/Ukraine conflict, which is characterised in particular by a significant slowdown in transaction activity. Should letting activity also weaken significantly, longer marketing and vacancy periods for unlet units are to be expected in the future as well. Since the demand for office space depends primarily on the overall economic development, it remains to be seen how the partially declining office space turnover in the course of 2022 will develop in the 2023 financial year. Furthermore, it remains to be seen how the crisis-related expansion of digital work processes and the trend towards flexible or hybrid working ("work-from-home") will affect the demand for office properties in the medium term. It cannot be ruled out that the trends towards flexible office space rentals and co-working could shape the office market even more in the future.

CA Immo counters the risk of rent defaults by analysing the property portfolio, the tenant structure and the cash flow, among other things, and carries out various analysis scenarios to assess the risks. In principle, a case-by-case assessment is always necessary here. Through targeted monitoring and proactive measures (e.g. requesting security deposits, checking tenants for creditworthiness and reputation), the **rent default risk** in the Group has remained at a low level despite the recent negative effects

of the pandemic on individual tenants. All outstanding receivables are evaluated on a quarterly basis and value adjusted according to their risk content. A default risk was sufficiently taken into account in the valuation of the property. Many of the Group's leases (around 95%) contain value protection clauses, mostly with reference to the country-specific consumer price index. Therefore, the amount of income from such leases and from new leases is highly dependent on the development of inflation (**value hedging risk**).

In the rental market, **competition** for reputable tenants is intense; in many markets, rents are under pressure. In order to remain attractive to tenants, CA Immo could be forced to accept lower rents. In addition, misjudgements about the attractiveness of a location or its potential use can make letting more difficult or severely compromise the desired rental conditions.

The Group's portfolio also includes, to a lesser extent, **other asset classes** such as shopping centres and hotels, whose operation is associated with its own risks. Poor management of the building or the tenants, falling visitor numbers and the increasing competitive situation can lead to falling rents or the loss of important tenants and thus to rent losses and problems with new lettings. Although CA Immo does not operate any hotels itself, the Group's earnings situation is influenced by the quality of external hotel management and the development of the hotel markets. Last but not least, there are pandemic measures ordered by the authorities, such as lockdowns, which have a particularly severe impact on hotel operators and the retail sector.

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#### RISKS ASSOCIATED WITH THE PROJECT DEVELOPMENT FIELD

In real estate development projects, only costs are typically incurred in the initial phase. Revenues are only generated in later phases of the project. Development projects can often be associated with **cost overruns** and **delays** in completion, which are frequently caused by factors outside CA Immo's control. This can impair the economic success of individual projects and lead to contractual penalties or claims for damages. If no suitable tenants can be found, this can lead to vacancies after completion.

CA Immo has taken a number of measures to manage these risks to a large extent (cost controls, deviation anal-

yses, multi-year liquidity planning, etc.). With few exceptions, projects are only started once a corresponding pre-letting rate has been achieved that can cover future debt service through rental income. An exception is only made in special constellations of the project and/or market situation (e.g. extreme regional shortage of lettable space with foreseeable rising rents and low letting risk during the project phase). Such exceptions require explicit examination when obtaining project approval.

In view of the recent high level of capacity utilisation in the construction industry, CA Immo is exposed to risks with regard to the (timely) availability of construction services as well as construction prices and quality. This has recently been noticeable not only in Germany - the core market for project developments - but in all core regions of CA Immo. Despite the fact that project reserves have been priced in, it cannot be ruled out that a further rise in construction costs could pose risks to budget compliance and overall project success. In addition, despite defensive project costing, there is a risk that current property yields could change and reduce the targeted project profit (developer profit). CA Immo is therefore increasingly focusing on appropriate market and cost analyses in the development sector. Particularly under the current market conditions, which have been tested by high inflation, rising interest rates, supply bottlenecks and a general increase in market uncertainty and volatility, a higher uncertainty factor is unavoidable in project developments with rising construction costs, supply and time problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values. Land values could therefore fluctuate much more than would be the case under normal circumstances. The projects upbeat and Hochhaus am Europaplatz in Berlin, which are currently being implemented, show 100% pre-letting and are continuously evaluated with regard to the cost risk.

CA Immo creates sustainable value through a comprehensive value chain ranging from letting and management to the construction, planning and development of investment properties with strong competences within the company. This reduces functional (performance) risks and maximises opportunities along this value chain (developer profit). However, due to their high capital commitment without ongoing inflows, **land reserves** and **projects to create building rights** entail specific risks (e.g. approval risk), but at the same time offer considerable potential for value appreciation by obtaining or improving building rights. Risks are regularly reduced through the

sale of non-strategic land reserves. On the remaining sites, the creation of building rights is being rapidly pursued with the company's own capacities. Overall, CA Immo aims for a balanced portfolio; on the basis of balance sheet values, this means around 85% investment properties and around 15% developments under construction, including land reserves.

CA Immo also realises project developments in **joint ventures** and is partly dependent on partners and their ability to pay and perform (**partner risk**). The Group is also exposed to the credit risk of its counterparties. Depending on the agreement in question, CA Immo could also be jointly and severally liable with its co-investors for costs, taxes or other third-party claims and, in the event of a default by its co-investors, have to bear their credit risk or their share of costs, taxes or other liabilities.

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## FINANCIAL RISKS

### Capital market, liquidity, investment and refinancing risk

**(Re)financing** on the financial and capital markets is one of the most important factors for property companies. CA Immo requires debt capital in particular to re-finance existing financial liabilities and to finance project developments and acquisitions. As a result, it is dependent on the willingness of banks and capital markets to provide additional capital or to prolong existing financing at reasonable conditions. The market conditions for property financing are constantly changing. The attractiveness of financing options depends on a number of factors, not all of which can be influenced by the Group (market interest rates, required collateral, etc.). This can have a significant impact on the Group's ability to increase the percentage of completion of its development portfolio, to invest in suitable acquisition projects or to meet its obligations under financing agreements.

From today's perspective, the CA Immo Group has sufficient liquidity. Nevertheless, restrictions at the level of individual subsidiaries must be taken into account, as access to liquid funds is limited due to commitments for ongoing projects or there is a need for liquidity in individual cases for the required stabilisation of loans. In addition, there is a risk that planned sales activities cannot be realised, or can only be realised with delays or below the price expectations. Other risks include unforeseen obligations to make **additional funding obligations** in the case of project financing and covenant violations in

the area of property financing or the corporate bonds issued by CA Immo. If these covenants are breached or in the event of default, the respective contractual partners would be entitled to call in financing and demand immediate repayment. This could force the Group to sell properties or conclude refinancing agreements at unfavourable conditions.

CA Immo has fluctuating holdings of liquid funds, which it invests according to the respective operational and strategic requirements and objectives. In order to maintain or improve the long-term issuer **investment grade** rating from Moody's (currently Baa3 with a negative outlook) in the long term, it is also necessary to have adequate capital resources, solid interest cover and a sufficiently large pool of unencumbered properties.

CA Immo counters any risk with continuous monitoring of the covenant agreements as well as with a well-developed liquidity planning and safeguarding system. The financial effects of the strategic objectives are also taken into account. In addition, the Group has a revolving current account line at the level of the parent company with a volume of €300 m to manage liquidity peaks. This ensures that unforeseen liquidity needs can be met throughout the Group. In line with the investment horizon for real estate, loans are generally concluded on a long-term basis. As a basic rule, appropriate financing (e.g. loan, bond) must be guaranteed before binding contracts are concluded in connection with property purchases. In the past, capital partnerships (joint ventures) were also entered into at project level as an alternative and supplement to the previous (equity) capital procurement sources.

Despite careful planning, however, a liquidity risk cannot be ruled out, particularly in the case of joint venture partners, due to the impossibility of calling up funds. In addition, CA Immo Germany has a high level of capital commitment, which is typical for project developments. The financing of all projects already under construction is secured. There is a need for additional financing for new projects.

### **Interest rate risk**

The current economic environment, characterised among other things by high inflation and the associated significant **rise in interest rates**, has recently had a negative effect on the real estate market and subsequently on the valuation of real estate and disinvestment projects. Raising equity and debt capital on capital markets has become considerably more difficult over the last few quarters, as a result of which growth aspects could not be implemented or could only be implemented in part.

Market-related fluctuations in interest rates affect both the level of the financing rate and the market value of the interest rate hedges concluded. CA Immo uses domestic and foreign banks and issues corporate bonds for financing purposes and ensures that the interest rate hedging ratio is as high as possible. Derivative financial instruments (interest rate caps, interest rate swaps and interest rate floors) are increasingly used to hedge against impending **changes in interest rates** and the associated fluctuations in financing costs. However, such hedging transactions could turn out to be inefficient or unsuitable for the achievement of objectives or lead to losses recognised in profit or loss. Furthermore, the valuation of derivatives could have a negative impact on the result or equity. The extent to which the Group makes use of derivative instruments depends on assumptions and market expectations regarding future interest rate levels, in particular the 3-month Euribor. If these assumptions prove to be incorrect, this can lead to a considerable increase in interest expenses.

Permanent monitoring of the interest rate risk is therefore essential. There are currently no risks that pose a significant and sustained threat to CA Immo. CA Immo's financing strategy is based on a balanced mix of secured bank financing and unsecured capital market financing. Currently, 92% of the total financing volume is accounted for by fixed-interest financing (including in the form of corporate bonds) or financing secured by derivatives. The continuous optimisation of the financing structure in recent years has led to a reduction in average borrowing costs, an improvement in the maturity profile and an increase in the share of interest-rate-hedged financial liabilities. The robustness of the financial profile has thus been further strengthened.

### Tax risks

All companies are subject to income tax in the respective country with regard to both current income and capital gains. Significant discretionary decisions must be made in connection with the amount of tax provisions to be made. In addition, the extent to which deferred tax assets are to be recognised must be determined.

Income from the sale of participations may be fully or partially exempt from income tax if certain conditions are met. Even if the intention is to meet the conditions, deferred tax liabilities are nevertheless recognised in full for the property assets in accordance with IAS 12.

Significant assumptions must also be made about the extent to which deductible temporary differences and loss carryforwards can be offset against taxable profits in the future and thus deferred tax assets recognised. Uncertainties exist regarding the amount and timing of future income as well as the interpretation of complex tax regulations. In the case of uncertainties regarding the income tax treatment of transactions, an assessment is required as to whether the relevant tax authority is likely to accept the interpretation of the tax treatment of the transaction or not. Based on this assessment, the CA Immo Group recognises tax liabilities at the amount considered most probable in the event of uncertainty. Uncertainties and complexities can, however, result in future tax payments being significantly higher or lower than the obligations currently assessed as probable and recognised in the balance sheet.

The CA Immo Group holds a significant portion of its real estate portfolio in Germany, where numerous complex tax regulations must be observed. These include in particular (i) regulations on the transfer of hidden reserves to other assets, (ii) legal requirements on real estate transfer tax or the possible incurrence of real estate transfer tax in the case of indirect and direct changes of shareholders in German partnerships and corporations, (iii) the tax recognition of outsourcing of operating facilities, (iv) the distribution of trade income among several permanent establishments or (v) the deduction of input tax on construction costs in development projects. The CA Immo Group takes all steps to comply with all tax regulations. Nevertheless, there are circumstances - also outside the sphere of influence of the CA Immo Group - such as changes in the shareholding structure, changes in the law or changes in interpretation on the part of the tax authorities and courts, which can lead to the aforementioned tax issues having to be treated differently

than before and can therefore have an influence on the recognition of taxes in the consolidated financial statements.

Furthermore, there are uncertainties in connection with past restructuring in Central and Eastern Europe regarding the possible retrospective application of subsequent tax changes. However, CA Immo considers the probability of an actual charge to be low.

With regard to the tax deductibility of service charges within the Group, CA Immo always endeavours to charge an arm's length price for internal services and to document this sufficiently in order to comply with all legal requirements (transfer price documentation). However, it is possible that the tax authorities may take a different view and come to a conclusion that could lead to tax consequences with regard to the deductibility of internal service charges made in the past and thus trigger subsequent tax payments.

### Currency risks

The possible reintroduction of national **currencies** by individual Eurozone members would also have serious consequences for the European economies and financial markets. Finally, the exit of individual nations from European Monetary Union could lead to a complete collapse of the monetary system.

Since CA Immo is active on a number of markets outside the eurozone, the company is subject to various currency risks. Where rents are payable in currencies other than the euro on these markets and cannot be fully adjusted to current exchange rates in time, **incoming payments may be reduced** by means of exchange rate changes. Where expenses and investments are not transacted in euros, exchange rate fluctuations can impair the **payment capacity** of Group companies and adversely affect the Group's profits and earnings situation.

CA Immo generally counters such risk in that foreign currency inflows are secured by pegging rents to the euro; no significant and direct currency risk exists at present.

The pegging of rents affects the **creditworthiness of tenants** and thus produces an indirect currency risk that can result in payment bottlenecks and loss of rent. Since incoming payments are mainly received in local currency, however, free liquidity (rental revenue less operating costs) is converted into euros upon receipt. This process is continually overseen by the responsible country managers. There is no currency risk on the liabilities side. Currency risks linked to construction projects are hedged according to need on a case-by-case basis, taking account of the currency underlying the order and lease agreement, likely exchange rate development and the calculation rate.

#### **Transaction risk and risks from sales transactions**

After many years of high demand and record transaction volumes on the European real estate market as well as on CA Immo's core markets, particularly in Germany, the transaction markets slumped in 2022 due to significant changes in the general conditions for real estate investments. The risk of transactions being paused or even cancelled due to problems with pricing, availability and financing costs remains high.

Sales transactions can produce risks linked to contractual agreements and assurances. These might relate to **guaranteed** income from rental payments and can subsequently reduce purchase sums agreed or received. Sufficient financial provision has been made to counter recognised risks to revenue from transacted sales, and liquidity risk is considered in liquidity planning. Contractual obligations in the form of follow-on costs (e.g. residual construction work) form part of relevant project cost estimates.

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## **OTHER RISKS**

### **Operational and organisational risks**

Weaknesses in the CA Immo Group's **structural and process organisation** can lead to unexpected losses or additional expenditure. This risk can arise from shortcomings in **EDP** and other **information systems** as well as human error and inadequate internal inspection procedures. Flawed programme sequences as well as automated EDP and information systems pose a high operational risk where their type and scope fail to take account of business volumes or prove vulnerable to cyber-crime (**IT and cyber risks**). Human risk factors include an insufficient understanding of corporate strategy, inadequate internal risk monitoring (and especially business process controls) and excessive decision-making authority at individual level, which can lead to unconsidered actions or a proliferation of decision-making bodies that hinder flexible responses to changes in the market. Some real estate management tasks and other administrative duties are outsourced to external third parties. In the process of transferring administrative tasks, it is possible that knowledge of managed properties and administrative processes can be lost, and that CA Immo could prove incapable of identifying and contractually committing suitable service providers within the necessary timeframe.

Nonetheless, the **expertise** possessed by a company and its workforce constitutes a significant competitive factor and a unique point of distinction over competitors. When key members of staff leave, therefore, the company is exposed to the risk of loss of expertise, which generally requires a significant commitment of corporate resources (money, time, recruitment of new employees) to redress the balance (**HR risk**).

CA Immo takes various measures to counter these risk factors. In the case of corporate mergers, structured processes of organisational integration are observed. Process organisation (i.e. system/process integration) is firmly established; activities to ensure the long-term implementation of operational processes are ongoing. The Group structure is regularly scrutinised and examined to ensure predefined structures take account of the size of the company. CA Immo counters risks linked to personal expertise (which can arise with the resignation of key knowledge holders) through regular transfers of knowledge (via training courses) and by documenting know-how (in manuals, etc.); far-sighted staff planning also plays a part.

### Legal risks

In the course of normal business activity, the companies of the Group can become involved in **legal disputes**, both as plaintiffs and as defendants. Such cases are heard in various jurisdictions. The law applicable in each case, the varying degrees of efficiency of the competent courts and the complexity of the matters in dispute may in some cases result in a considerable length of proceedings or other delays. CA Immo is confident that it has made sufficient financial provisions for legal disputes. At present, no lawsuits or arbitration proceedings that could threaten the company's survival are imminent or pending.

In spring 2020, CA Immo filed claims for damages against the Republic of Austria and the State of Carinthia for a preliminary amount of €1.9 bn on the grounds of unlawful and culpable partisan influence on the best bidder procedure in the context of the privatisation of the federal housing companies in 2004 ("**BUWOG**") and the unlawful failure to award a contract to CA Immo. The first-instance criminal verdicts of the "**BUWOG** criminal proceedings" of January 2022 against the defendants, former Federal Minister of Finance Grasser et al., which are relevant to these civil proceedings and - due to the pending appeal proceedings - not legally binding, essentially confirmed from CA Immo's point of view that unlawful and partisan actions were taken to the detriment of CA Immo in connection with the BUWOG privatisation proceedings. An assessment of the effects of the criminal proceedings on the pending civil proceedings for damages will only be possible once all appeal proceedings have been concluded and a final criminal verdict has been reached.

It is not possible to predict changes to **legal regulations**, case law and administrative practice, or the impact of these on business results and operations; such changes may in particular adversely affect real estate values or the cost structure of the CA Immo Group. CA Immo proactively manages such legal risks by taking numerous measures. These include the regular assessment of historical and existing legal risks, continual monitoring of legislative changes and changes in case law, the incorporation of lessons learned into business processes and continuous informative and training measures.

### ESG RISKS

Current developments on capital markets (e.g. EU Green Deal) as well as new legal requirements create pressure for companies to report more strongly than before on ESG risks resulting from their business activities. Environmental, social and governance aspects also play an essential role in the entire real estate sector. Buildings are seen as one of the key factors for climate protection due to their high energy consumption, which is why attention is currently still primarily focused on environmental issues, but social and governance factors are also becoming increasingly relevant.

#### Environmental risks

Energy use in buildings for lighting, heating or cooling leads to direct or indirect CO<sub>2</sub> emissions. Building materials contain carbon that is produced during their extraction, manufacture, transport and processing. As carbon is present in almost every phase of the construction and operation of buildings, companies should start implementing appropriate **decarbonisation programmes for real estate** in time to contribute to the ambitious goal of climate neutrality in Europe by 2050.



As a responsible player in the European real estate sector, CA Immo fully supports the **United Nations climate goals** and the associated transition to a low-carbon, sustainable economy. To best meet the associated requirements and secure its long-term competitiveness, CA Immo embeds corresponding goals, measures, processes and systems in its strategic orientation (e.g. sustainability certifications, ESG reporting, green financing, etc.).

For CA Immo, improving the **energy efficiency** of existing buildings is a key factor in achieving **climate neutrality**. In this way, we prevent higher energy consumption and the associated higher operating costs. Since the results of carbon efficiency depend to a large extent on decisions made in the planning phase, we pay attention to future environmental impacts at a very early stage in our project developments. Where possible, we focus on increasing the proportion of sustainable materials, paying attention to the carbon footprint of conventional materials and generating energy from on-site renewable sources (solar panels, heat pumps, heat grids, etc.). Our procurement process also ensures that the high ecological requirements are met in accordance with the certification standard provided for the building in question. We oblige our construction service providers to comply with the

sustainability standards according to DGNB Gold or LEED Gold (e.g. material declaration, worker protection).

Detailed information on this – in particular on climate risks and opportunities including risk assessment – can be found in the ESG Report.

#### Other environmental and climate risks

Environmental and safety regulations include actual as well as latent obligations to remediate contaminated properties. Compliance with these regulations may involve significant investment and other costs. These obligations could relate to properties that are currently or were in the past owned, managed or developed by CA Immo. In particular, this relates to **contamination** with previously undiscovered harmful materials or pollutants, war material or other environmental risks such as soil contamination, etc. Some regulations sanction the release of emissions into the air, soil and water, which form the basis of CA Immo's **liability** to third parties and can have a significant impact on the sale, letting or rental income of the properties concerned. **Natural disasters** and extreme weather events can also cause considerable damage to properties. In principle, insurable risks are insured to the usual extent (e.g. all-risk insurance for development projects). However, if there is insufficient **insurance cover** for such damage, this could have adverse effects. In order to minimise risk, CA Immo also includes these aspects in its due diligence before every purchase. Corresponding guarantee declarations are required from the seller. Wherever possible, the CA Immo Group uses environmentally compatible materials and energy-saving technologies. CA Immo takes account of the ecological precautionary principle by carrying out project developments and (re)developments exclusively on the basis of certifiability.

#### Social risks



In the social area, our strategic focus is on the following topics in particular: Well-being, health and safety, employee development, diversity, community impact, social aspects of a sustainable supply chain and neighbourhood development. In the case of construction services, for example, CA Immo requires and monitors its contractors for compliance with statutory regulations on health and safety at work, regulations on workplaces and working hours, and collective agreements.

Information on the main social risks for CA Immo and the comprehensive protective measures implemented by CA Immo in the wake of the Covid 19 pandemic to ensure a safe working environment for CA Immo employees, tenants and on CA Immo construction sites can be found in the ESG report.

#### Governance risks



Exemplary corporate governance represents an opportunity for CA Immo to increase its value in the long term. Conversely, failure to comply with governance and compliance standards entails high risks, which can range from penalties and fines to loss of reputation. These include not only compliance with legal requirements, governance rules and (internal) guidelines, but also the transparent handling of conflicts of interest, the payment of appropriate remuneration, the promotion of open communication with all stakeholders, respect for human rights and adherence to our ethical principles and corporate values. CA Immo takes a clear position against any form of unequal treatment, human rights violations, organised crime (e.g. fraud, extortion, bribery and corruption), money laundering or terrorist financing. In contrast, we want to promote integrity and diversity at all levels.

The **risk of corruption** is addressed, for example, by the Code of Conduct ("Zero Tolerance") and the related Gifts and Donations Policy. Employees are required to report any suspicions internally. In addition, employees and external third parties who suspect misconduct can report it anonymously via the electronic **whistleblowing system**<sup>1)</sup> set up by CA Immo on the company's website. The Supervisory Board is informed at least once a year about measures taken to combat corruption. Corruption-related matters are audited on the basis of the audit plan

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/whistleblower-system/>

approved by the Audit Committee or on the basis of special audit assignments from the Management Board, Audit Committee or full Supervisory Board. All operationally active Group companies are audited for corruption risks on a regular basis.

As early as the awarding process, we require our **contractors and suppliers (vendors)** to recognise and comply with our Code of Ethics and Code of Conduct as well as the governance, social and environmental standards we have defined. CA Immo checks its business partners - especially construction companies - as part of the award process not only with regard to their professional qualifications and economic situation, but also with regard to social aspects. As part of a **third-party compliance** check, compliance with governance, social and environmental standards is queried and checked by means of

questionnaires and the use of company and risk databases for undesirable media, sanctions, watchlists, etc., and taken into account in award processes. In the area of governance, we pay particular attention to compliance with laws, our internal guidelines for contract partners, for example, with regard to corporate ethics, ensuring compliance and measures to combat corruption, money laundering and the financing of terrorism.

Details of our key standards and the associated control mechanisms are available on our website.<sup>1)</sup>

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/corporate-governance/our-values/>

## INFORMATION ACC. SECTION 243A UGB (AUSTRIAN COMMERCIAL CODE)

### SHARE CAPITAL & SHAREHOLDER STRUCTURE

The share capital of the company amounts to €774,229,017.02 and is divided into four registered shares and 106,496,422 ordinary bearer shares, each representing €7.27 of the share capital. The bearer shares are listed on the Prime Market of the Vienna Stock Exchange (ISIN: AT0000641352).

With a stake of around 59% (62,924,265 bearer shares and four registered shares at the time of reporting), SOF-11 Klimt CAI S.à r.l., Luxembourg, a company managed by Starwood Capital Group, is CA Immo's largest shareholder. Starwood Capital Group is a private investment firm with a primary focus on global real estate. The remaining outstanding shares of CA Immo are held in free float by both institutional and private investors who, with the exception of Petrus Advisers Ltd. (5.01% as of latest notice), each hold a stake below the 4% threshold required by law to be reported. The company held 6,860,401 treasury shares at the balance sheet date. For more information on the organisation of the shares and the rights of shareholders, please refer to the Corporate Governance Report<sup>1)</sup>.

### CAPITAL DISCLOSURES

At the 31st Annual General Meeting of 9 May 2018, the Management Board was authorized, with the consent of the Supervisory Board, to increase the capital stock by up to €359,168,301.36 (approx. 50% of the current capital stock) by issuance of up to 49,404,168 new ordinary bearer shares in return for contributions in cash or in kind (also in several tranches and by exclusion of shareholders' subscription rights if required). In addition to the conditional capital available for this purpose, authorised capital of €9,098,448.62 was used to service the conversion rights exercised by holders of convertible bonds, resulting in unused authorised capital of €350,069,852.74 as of 31 December 2022, which can be drawn down until 18 September 2023 at the latest.

In the same Annual General Meeting the Management Board was authorized, with the consent of the Supervisory Board, until 8 May 2023 to issue convertible bonds up to a total nominal amount of €750 m with conversion and/or subscription rights in respect of up to 19,761,667 ordinary bearer shares of the company representing a pro-rata amount of the share capital of the company of up to €143,667,319.09 ('contingent capital 2018'), also in

several tranches and to determine all other terms of the convertible bonds as well as in respect of the issuance and the conversion procedure. Under this authorisation, convertible bonds may only be issued, if the total number of new shares for which conversion and/or subscription rights are granted by such convertible bonds shall not exceed 20% of the share capital at the time this authorisation is resolved upon. The shareholders' subscription rights were excluded (article 174 para 4 in connection with article 153 Austrian Stock Corporation Act (AktG)).

### SHARE BUYBACK

At the 34th Annual General Meeting held on 6 May 2021, the Management Board was authorised in accordance with article 65 para 1 no 8 and para 1a and para 1b Austrian Stock Corporation Act (AktG) for a period of 30 months from the date of the adopted resolution (until 5 November 2023), with the consent of the Supervisory Board, to repurchase treasury shares in the company, whereas the company's stock of treasury shares must not exceed 10% of its share capital. The consideration shall not be lower than 30% and shall not exceed 10% of the average unweighted market price at the close of the market on the ten trading days preceding the repurchase.

The Management Board is further authorised to determine the respective other terms and conditions of the repurchase, whereby the treasury shares may be acquired at the discretion of the Management Board via the stock exchange, by way of a public offer, or by any other lawful and appropriate way, in particular off market, and/or from individual shareholders and under exclusion of the shareholders' pro rata rights (reverse subscription right). The authorisation may be exercised in full or in part or in multiple partial amounts and in pursuit of one or more purposes by the company, subsidiaries (article 189a no 8 Commercial Code (UGB)) or by third parties for their account. The authorisation may be repeatedly exercised. In addition, the Management Board was authorised, with the consent of the Supervisory Board, to transfer the acquired treasury shares by all legally permissible means and to determine the terms and conditions of the transfer of shares or to cancel the treasury shares without an additional resolution by the General Meeting.

On May 03, 2022, the Management Board decided to implement a further share buyback programme on the basis of the authorization resolution of the 34th Annual General Meeting on May 6, 2021, pursuant to Section 65

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/corporate-governance/>

(1) 8 AktG. On October 19, the share buyback programme was completed as planned. 1,000,000 bearer shares (ISIN AT0000641352) were acquired, which corresponds to approximately 0.94% of the share capital. The highest consideration paid per share acquired was €32.10, the lowest consideration paid per share acquired was €26.25. The weighted average consideration paid per share acquired was €30.33 and the total value of shares acquired was €30,327,788.47. CA Immo held 6,780,037 treasury shares after the end of the buyback programme, which corresponds to a share of approximately 6.4% of the total number of issued voting shares.

On December 19, 2022, the Management Board again decided to implement a further share buyback programme based on the authorization resolution of the 34th Annual General Meeting of May 6, 2021, pursuant to Section 65 (1) 8 AktG. By December 31, 2022, 80,364 shares with a value of around €2.1 m had been acquired in the course of this share buyback programme.

A total of 1,080,364 treasury shares were acquired in 2022. As of December 31, 2022, CA Immo held 6,860,401 treasury shares.

Details of the transactions carried out under the share buyback programmes and any changes to the current share buyback programme are published on the company's website.<sup>1)</sup>

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## INFORMATION ON THE MANAGEMENT AND SUPERVISORY BOARDS

According to the articles of association, the Management Board of CA Immo comprises one, two or three persons. The age limit for Management Board members is defined as 65 in the Articles of Association. The final term of office for Management Board members concludes at the end of the Annual General Meeting that follows the 65th birthday of a Board member. The Supervisory Board comprises no less than three and no more than twelve members. At any time, Supervisory Board members appointed through registered shares may be asked to step down by the person entitled to nominate and replaced by another. The provisions of the Articles of Association regarding terms of office and elections to appoint replacements do not apply to them. The other Supervisory Board members are elected by the Annual General Meeting.

The age limit for Supervisory Board members is defined as 70 in the Articles of Association. Supervisory Board members must step down from the Board at the end of the Annual General Meeting that follows their 70th birthday. The Shareholder's Meeting resolves on the dismissal of members of the Supervisory Board on the basis of a majority of at least 75% of the capital stock represented (article 21 of the Articles of Association of CA Immo).

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## CHANGE-OF-CONTROL CLAUSES

The new Management Board contracts concluded in fiscal year 2021 do not contain any commitments assuring payments in the event of premature termination of Management Board duties following a change of control ("change of control" provisions).

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<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo>

## ESG REPORT

CA Immo is an investor, developer and manager of high-quality office buildings. Our strategic business model is geared towards sustainable value creation, taking into account ecological, economic, social and legal dimensions. This goes hand in hand with our claim to meet the diverse interests and needs of CA Immo's stakeholders in a responsible balance, thereby safeguarding competitiveness in the long term. With this in mind, we evaluate and manage the requirements of our stakeholders as well as the impact of our business activities on our ecological and social environment. This report shows our strategic positioning, goals and action plan on the topic of sustainability and provides an overview of corresponding activities in 2022.

### Reporting standards and guidelines

CA Immo is not obliged to prepare a consolidated non-financial report in accordance with section 267a of the Austrian Commercial Code (Nachhaltigkeits- und Diversitätsverbesserungsgesetz, or NaDiVeG). As a public interest entity, we nevertheless voluntarily prepare a corresponding report.

In order to prepare our sustainability topics as clearly as possible and in an internationally comparable manner, we base our reporting on two common international standards: the **EPRA Sustainability Best Practice Recommendations 3rd Edition (sBPRs)** and the recommendations of the **Task Force on Climate Related Financial Disclosures (TCFD)**. An overview of all sustainability topics integrated into the annual report in accordance with these standards, as well as a detailed definition of the reporting boundaries and methodology, can be found in the ESG appendix.

The **EPRA sBPR Guidelines** provide – based on the standards of the Global Reporting Initiative (GRI) – a consistent method for the comparable presentation of the sustainability performance of real estate companies and cover the categories environment, social and governance (ESG). The **TCFD recommendations** stand for consistent disclosure of climate-related financial risks. In addition, we show and explain the **United Nations Sustainable Development Goals (SDGs)** considered within the framework of our sustainability strategy.

**SUSTAINABLE DEVELOPMENT GOALS**



With the **EU Taxonomy Regulation** and the **CSRD (Corporate Sustainability Reporting Directive)**, the EU Commission is currently developing new binding requirements for sustainability reporting. The topics and approaches of both regulations were taken into account in the update of our ESG materiality analysis in 2022. While the EU taxonomy already has its own chapter in this report, the inclusion of the first sub-areas and requirements of the new CSRD reporting obligations will be prepared in the course of 2023 and gradually included in the ESG report. Reporting in accordance with the CSRD will be mandatory for CA Immo from the 2025 business year onwards, and preparations to this effect are already underway.

### ESG Reporting: Status and Outlook

We aim to optimise the transparency and comparability of our sustainability performance through reporting that is as relevant and meaningful as possible. In 2022, our ESG reporting was awarded the **"Effective Sustainability Communicator Austria Award 2022"**. The analysis on which the award is based, conducted by the HHL Leipzig Graduate School of Management, assessed the quality of sustainability reporting, integrative understanding of sustainability and the coherence of the presentation of sustainability topics in important communication formats.<sup>1)</sup> In addition, our Sustainability Report 2022, which is integrated into the Annual Report, received an **"EPRA sBPR Gold"** award for exemplary ESG reporting for the third year in a row. CA Immo was ranked in the VÖNIX sustainability index of the Vienna Stock Exchange for another year in a row.<sup>2)</sup>

In addition to our annual reporting, we are continuously assessed by established ESG rating agencies. In the 2022 business year, CA Immo was able to significantly improve its ESG ratings across the board. For example, we were awarded Prime status by ISS ESG for the first time.

<sup>1)</sup> <http://www.caimmo.com/en/award>

<sup>2)</sup> <http://www.voenix.at>

CA IMMO ESG RATINGS IN A THREE-YEAR COMPARISON

Rating Agency	Score 2020	Score 2021	Score 2022
MSCI	A	AA	AAA
Sustainalytics	17.1 (low risk)	14.6 (low risk)	10.9 (low risk)
ISS ESG	C-	C-	C (Prime)
EPRA sBPR	Gold Award	Gold Award	Gold Award



The goal for the coming reporting periods is to further expand our reporting in line with international standards (f.e. the CSRD) and the requirements of our stakeholders, and to take advantage of opportunities that present themselves in the form of more favourable financing conditions, among other things. The canon of ESG ratings relevant to CA Immo is continually reviewed and supplemented as necessary.

**Stakeholder dialogue and political engagement**

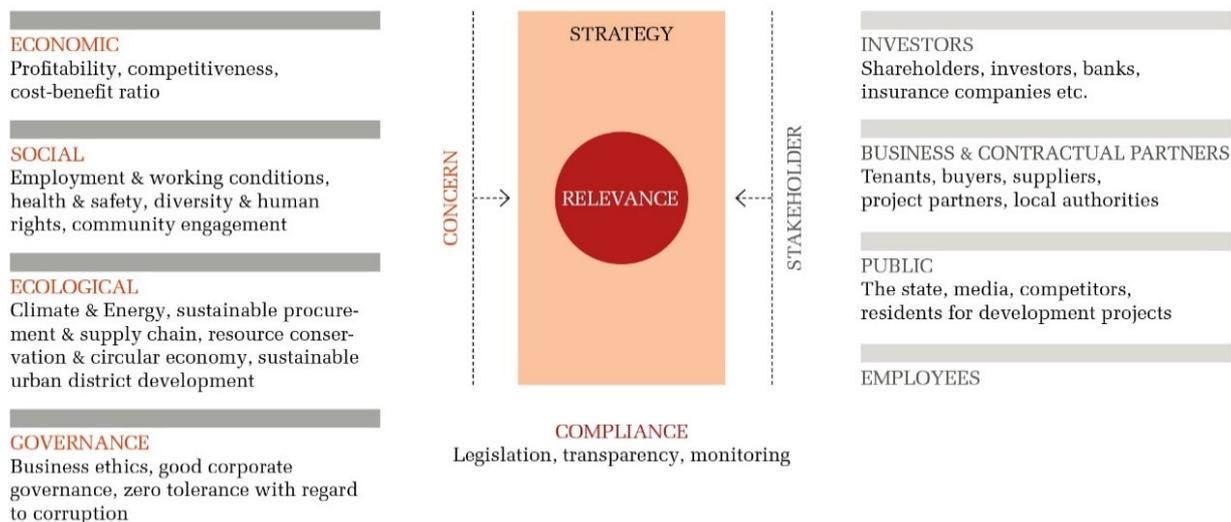
Comprehensive and continuous dialogue with our diverse target groups is an important prerequisite for the long-term success of CA Immo. The concerns of our

stakeholders shape our self-image and guide our strategic decisions – and thus also flow into the selection and weighting of our strategic sustainability topics.

Our stakeholder relationships run on several levels. CA Immo employees are in constant direct dialogue and maintain personal contact with investors, tenants, business partners, local authorities, the media, other employees and job applicants. Standardised employee surveys are also conducted. External media coverage and analysts' assessments of the company are regularly monitored. Our guidelines regarding political influence (lobbying) can be found in our Code of Ethics & Conduct at <https://www.caimmo.com/esg-policies>.

For CA Immo, an open, early exchange and partnership-based cooperation with local authorities, residents and other stakeholders in the context of development projects is a key success factor in creating sustainable and vibrant urban districts. That is why we enter into active dialogue with the relevant groups at an early stage of the project. This can take the form of neighbourhood or public events, posting or providing information in public places, information to the local press, or face-to-face dialogue with selected target groups, among others. Every CA Immo urban district development begins with an architectural competition for urban and landscape planning, which is advertised transparently and awarded internationally. Representatives of all interest groups associated with the development are involved in this process.

CA IMMO SUSTAINABILITY APPROACH



**Strategic sustainability initiative and awareness raising**

In 2019, CA Immo launched a Group-wide project to define, manage and implement its strategic sustainability activities under the motto "Tomorrow Proof by CA Immo".



Parallel to the expansion of external reporting, the organisational anchoring and internal communication of sustainability issues and activities has also been intensified. In 2022, numerous working groups on ESG topics (e.g. on EU taxonomy or on the development of a Group-wide strategy for the sustainable use of the roofs of existing buildings), some of which were interdepartmental, were continued and virtual employee training courses were offered.

**Organisational anchoring and management of sustainability issues and risks**

The entire Management Board is responsible for the group-wide, holistic implementation of the sustainability strategy in the corporate strategy and its compliance. CA Immo's ESG commitment comprises goals, corresponding measures and strategies for achieving these goals, comprehensive reporting and a commitment to compliance with various established standards in the areas of the environment, social affairs and governance.

The climate and general sustainability risks relevant to CA Immo are re-evaluated annually by the responsible departments as part of the Group-wide risk catalogue, and appropriate risk-reducing measures are derived (risk profiles). A summary of the risk catalogue is presented to the Executive Board and Supervisory Board once a year. Risk prevention measures are implemented by the responsible departments as required. Responsibility for the management of these risks lies with the entire Executive Board; the individual Executive Board members are responsible for ensuring the operational effectiveness of the internal control systems and risk mitigation in their areas of responsibility. This proactive approach is designed to ensure that any risks are minimised through early countermeasures and that the company can react to changing conditions in good time.

The cross-departmental CA Immo ESG Management Committee, which was established in 2022 and is headed by the Corporate Sustainability department, coordinates

the ongoing implementation of the sustainability strategy and drives the development of new initiatives. An update on the framework conditions, targets and measures as well as corresponding progress in the ESG context is presented to the Management Board at the quarterly meetings of the ESG Management Committee, which have been held since 2022. ESG issues are reported to the Supervisory Board at least twice a year during the quarterly Supervisory Board meetings (see also chapter "Report of the Supervisory Board").

**ESG GOVERNANCE AT CA IMMO**



Information on the anchoring of ESG in the remuneration model of the Executive Board can be found in the Corporate Governance Report or at [www.caimmo.com/remuneration](http://www.caimmo.com/remuneration).

**Relevance and priorities of CA Immo sustainability reporting**

In order to ensure that sustainability reporting and strategy are in line with the business model and all stakeholder interests, CA Immo has carried out an update of the analysis to determine the key sustainability issues in the 2022 business year. The process of analysing and defining the key sustainability issues was carried out in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) as part of the Corporate Sustainability Reporting Directive (CSRD), which has already created the initial basis for meeting the upcoming regulatory requirements.

In the first step, a list of potentially relevant topics was drawn up on the basis of regulations, sustainability standards, reporting by relevant competitors and explicit consideration of CSRD topics, as well as an internal analysis of the impact of CA Immo business activities on the

environment, society and the economy. The topics collected were then assessed in accordance with the **concept of double materiality**, which takes into account both the materiality of the impact of our business activities on the environment, society and the economy along the entire value chain (impact materiality or "inside-out") and financial materiality (outside-in).

**Impact materiality** was carried out in stages: Acquiring a common understanding of the impacts and identifying and assessing the actual and potential impacts, both negative and positive.

**Financial materiality** assessed aspects that generate material risks and opportunities, i.e. that may affect future cash flows, development, the situation of the company, or, for example, access to finance in the short, medium or long term.

Internal experts from all relevant specialist areas were involved in this evaluation process. An external stakeholder survey was also conducted: all CA Immo employees and external reference groups such as tenants, investors and banks were invited to prioritise the individual issues for CA Immo from their point of view. The internal and external assessment results were used to draw up a list of key issues, which was then validated by the members of the Management Board.

**Social, environmental and economic impacts, risks and opportunities arising from CA Immo business activities**

The main direct (own activities) and indirect (value chain) material impacts, risks and opportunities identified during the materiality analysis process:

**Environment:**

- Management of energy efficiency and CO<sub>2</sub> emissions, waste generation, resource consumption, and circular economy principles over the entire building life cycle
- Pollution prevention
- Eco-friendly procurement and supply chain
- Brownfield vs. greenfield development (protection of biodiversity)
- Sustainable product definition for city quarter developments and new construction projects.

**Society and economy:**

- Social standards in urban district and project development (product definition, e.g. social infrastructure, affordable housing), response to social change

- Health and safety for tenants, contractors and own employees in our buildings and on construction sites, dealing with pandemic risks
- Working conditions and income effects of own and external employees (contractors), employee rights, staff development and retention
- Community engagement
- Independent and responsible corporate governance, compliance with social and environmental requirements, observance of human rights, avoidance of corruption and bribery, reputational risk, cybersecurity.

The results of the materiality analysis, which took into account both internal expert assessments and the external stakeholder perspective, are presented below in the form of a list of material issues for CA Immo and assigned to six focus areas. The focus areas reflect the strategic level of ESG management at CA Immo and define the framework within which CA Immo can make a relevant contribution to a sustainable economy – as well as the associated material risks and opportunities. They define the focus of ongoing sustainability reporting, strategic objectives and operational measures. The reporting on the key topics is marked with the corresponding symbols.

Due to the current dynamic developments in ESG issues – both the regulatory environment and stakeholder needs – we will reassess this materiality matrix at least every two years in the future.

STRATEGIC ESG FOCUS AREAS OF CA IMMO



SUSTAINABILITY AT CA IMMO: MATERIAL ESG TOPICS AND FOCUS AREAS

ESG	Material Topics	Material Sub-Topics	Focus areas
E	Climate Change	THG Emissions und Decarbonisation	
		Sustainable Energy management	
E	Pollution Prevention	Harmful substances and pollution of air, water and soil	 
E	Circular Economy	Resource protection & circular economy	
E	Sustainable Supply Chain	Sustainable Supply Chain & Procurement	
E	Urban Development	Sustainable city quarter development	  
		Sustainability certification of properties	
S	End users and consumers	Wellbeing, comfort, satisfaction & Safety of tenants	 
S	Employees	Attractive Employer	
		Talent Management und Employee Development	
		Inclusion, Diversity & Equal opportunities	
S	Impact on communities	Community Engagement	 
G	Governance	Responsible economic performance and long-term value	
		Cybersecurity	
		Human Rights	
		Management of ESG Risks and Opportunities	
		Tax Governance & Responsibility	
		Governance & Internal Control System	
G	Business Conduct	Compliance & Business Conduct	

**UN Sustainable Development Goals (SDGs)**

As a relevant player in the European real estate sector, CA Immo supports the Sustainable Development Goals (SDGs)<sup>1)</sup> of the United Nations (see graphic). Our positioning and activities are in line with the SDGs; the most important fields of action are listed in the table on the next page and explained in overview form.

**Memberships**

CA Immo is actively involved in the relevant platforms of the real estate industry and supports industry-relevant research and development through memberships and co-operations. For example, CA Immo has for many years been an active member of organisations which

- promote sustainable urban and project development, e.g. the German Sustainable Building Council (DGNB) or the Urban Land Institute (ULI)
- publicly represent and standardise relevant topics and concerns of the real estate industry, e.g. the European

Public Real Estate Association (EPRA), the Zentraler Immobilien Ausschuss (ZIA), the ESG Circle of Real Estate (ECORE)<sup>2)</sup> or the Initiative Corporate Governance (ICG).

In 2022, CA Immo CEO Silvia Schmitt-Walgenbach was elected to the ZIA Executive Committee and has since led the establishment of a ZIA country office in Vienna. The aim is to expand the network of regulatory and economic policy interest groups representing the German real estate industry to Austria and to intensify the exchange with the Austrian real estate industry, among other things in view of the comprehensive ESG regulation for the real estate sector.

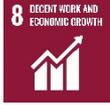
By actively exchanging experience across companies, CA Immo aims to participate in innovations and best practice at an early stage, thereby strengthening its competitiveness in the long term (see also the section on research and development). A complete list of all CA Immo memberships can be found on our Group website at [www.caimmo.com/membership](http://www.caimmo.com/membership).

**SUSTAINABLE DEVELOPMENT GOALS**



<sup>1)</sup> <https://www.sdgwatch.at/en/about-sdgs/>  
<sup>2)</sup> [www.ecore-scoring.com](http://www.ecore-scoring.com)

FOCUS AREAS OF CA IMMO IN THE CONTEXT OF INTERNATIONAL SUSTAINABILITY INITIATIVES

Focus Area	Description	Main topics of the EU Taxonomy Regulation	UN Sustainable Development Goals (SDGs)
<p><b>Climate &amp; Energy</b></p> 	<p>We want to contribute to limiting global warming to 1.5° Celsius. Therefore, we have set ourselves the goal of reducing the energy consumption and CO<sub>2</sub> footprint in the construction and operation of our buildings and increasing the resilience of our portfolio to climate risks. By raising awareness among our tenants, employees and suppliers, we aim to promote climate and environmentally friendly behaviour within our sphere of influence.</p>	<ul style="list-style-type: none"> <li>– Climate Change Mitigation</li> <li>– Climate Change Adaptation</li> </ul>	
<p><b>Sustainable Procurement &amp; Supply Chain</b></p> 	<p>We develop office properties for the long-term portfolio exclusively according to high sustainability standards. We ensure compliance with the associated requirements for sustainable procurement in the supply chain through a wide range of environmental and social requirements for contractors and suppliers.</p>	<ul style="list-style-type: none"> <li>– Pollution prevention and control</li> <li>– Supply chain responsibility</li> </ul>	
<p><b>Resource Conservation &amp; Circular Economy</b></p> 	<p>We take initiatives that lead to reduced resource consumption, the reuse and recycling of materials and waste in the construction, operation and refurbishment of buildings.</p>	<ul style="list-style-type: none"> <li>– Transition to a circular Economy</li> <li>– Sustainable use and protection of water and marine resources</li> </ul>	
<p><b>Sustainable Urban District Development</b></p> 	<p>We specialise in the environmentally friendly revitalisation of old inner-city sites (brownfield development). In doing so, we pay attention to the protection of biodiversity and create mixed-use urban neighbourhoods with sustainable infrastructure and a high quality of life that are attractive, inclusive and accessible.</p>	<ul style="list-style-type: none"> <li>– Protection and restoration of biodiversity and ecosystems</li> </ul>	 
<p><b>Business Ethics, Corporate Governance &amp; Compliance</b></p> 	<p>Responsible corporate governance and compliance with socially, environmentally and economically relevant requirements form the basis of our business activities. We are committed to strengthening workers' rights, preventing human rights abuses and acting in accordance with the principles of non-discrimination, equal opportunities and zero tolerance of corruption and bribery throughout our sphere of influence.</p>	<ul style="list-style-type: none"> <li>– Human Rights</li> <li>– Workers' rights</li> <li>– Fight against corruption</li> </ul>	 
<p><b>Health, Safety &amp; Well-being</b></p> 	<p>We create safe, healthy and attractive working environments for tenants, employees and service providers – both in our buildings and on the construction sites. We support our employees and pay attention to their needs, health and individuality.</p>		

### CA Immo Sustainability Agenda

Our agenda for sustainable business operations summarises all current key corporate objectives and principles in the ESG context. With this programme, CA Immo wants to actively contribute to achieving the climate and

environmental targets defined by the European Union (climate neutrality by 2050) and the general transition to a sustainable economy. The measures to achieve the goals and their current status are described in detail in the individual chapters.

## CA IMMO AGENDA FOR SUSTAINABLE BUSINESS OPERATIONS

Targets and Principles	Target achievement 2022
<b>Focus area Climate &amp; Energy</b>	
–Reduction of the average Scope 1+2 CO <sub>2</sub> emission intensity of the investment portfolio by 50% by 2030 (base year 2019)	2019-2021: –49% (2019-2022e <sup>1</sup> ): –56%)
–Reduction of the average energy intensity of the investment portfolio by 15% by 2025 (base year 2019, energy procured by the landlord)	2019-2021: –19% (2019-2022e <sup>1</sup> ): –18%)
–All new construction projects started from 2022 have an annual final energy demand of max. 100 kWh/sqm (projects completed after 2025) or max. 80 kWh/sqm (projects completed after 2030)	The Design Brief for all currently planned projects includes these thresholds
–All new construction projects started from 2022 onwards meet the technical screening criteria (TSC) of the EU taxonomy for the environmental objective climate change mitigation according to economic activities 7.1 and 7.7	EU taxonomy audits are carried out for all ongoing projects. The project requirements for new construction projects include compliance with TSC 7.1 and 7.7 in the currently valid version
–All new construction projects launched from 2022 onwards will be subject to a Life Cycle Assessment (LCA) to track embodied carbon	LCAs are prepared for all new construction projects
–All new construction projects completed from 2030 onwards are climate neutral in operation (net zero carbon)	Appropriate measures are taken into account in the planning phase
–Climate neutrality by 2050	2022: 100% electricity procurement from renewable energy sources in building operations
<b>Focus area Sustainable Procurement &amp; Supply Chain</b>	
–Social and environmental requirements in CA Immo Procurement Directive	Contractual partners are obligated to comply with social, environmental and governance standards by means of contractual clauses
<b>Focus area Resource protection &amp; Circular Economy</b>	
–A material passport will be created for all new construction projects started from 2022 onwards in order to increase the contribution to the circular economy	A material passport for the Upbeat office project is in preparation
–Increase the share of recycled/recyclable waste	Recycling quote 2021: 26% (2020: 21%)
–Reduction of water consumption	Water consumption: –31% (2021 vs. 2020)

<sup>1</sup>) The energy consumption and emission data for 2022 are preliminary estimates, as the consumption data for 2022 was not yet fully available at the time of reporting. Information on the extrapolation mode can be found in the ESG Appendix.

Targets and Principles	Target achievement 2022
<b>Focus area Sustainable Urban District Development</b>	
– Sustainability Certification rate of at least 70% in the investment portfolio (DGNB, LEED or BREEAM, by book value)	Certification rate 2022: 70%
– All new construction projects launched from 2022 onwards will achieve sustainability certification (DGNB or LEED or BREEAM) as well as WiredScore or SmartScore certification	DGNB, WiredScore Platinum & SmartScore Platinum certification is planned for all projects under construction
<b>Focus area Business Ethics, Corporate Governance &amp; Compliance</b>	
– UN Global Compact Signatory	CA Immo has been a signatory of the UN Global Compact since 2022
– Improvement of the score in the most important ESG ratings	– Sustainalytics from 14.6 to 10.9 (low risk) – MSCI from AA to AAA – ISS ESG from C- to Prime
– Annual compliance and anti-corruption training for all employees	2022: >90% of employees have completed compliance and anti-corruption training
– Proportion of women in leadership positions of at least 30%	2022: 30% share of women in leadership positions
<b>Focus area Health, Safety &amp; Wellbeing</b>	
– Yearly group-wide H&S checks (HSE) in all CA Immo properties	2022: H&S checks in all CA Immo buildings (100%)
– Training and communication on diversity and inclusion for all staff on at least a 2-year cycle	Regularly held management training sessions as well as training and consulting on the topic of diversity and inclusion as part of the employee training program
– Conduct an employee survey in a 2-year cycle and use the survey results for targeted improvement of employee satisfaction	– Employee survey has been conducted in 2022 – Employee satisfaction rate 2022: 71%

## ENVIRONMENT

CA Immo wants to make a contribution to limiting global warming to 1.5° Celsius and protecting the environment. Therefore, we have set ourselves the goal of reducing the CO<sub>2</sub> footprint of our business activities and evaluating and intensifying the measures we have taken so far to protect the environment.

### 1. CLIMATE RISKS AND OPPORTUNITIES

Climate change and its consequences for our environment are a global threat, the manifold effects of which are already being felt in many countries today. The future societal, climate policy and technological developments associated with climate change are subject to a high degree of uncertainty, as is the speed at which this process of change will take place. Much will depend on how sensitive the climate system is to changes in greenhouse gas emissions, how much higher levels of warming will actually affect our environment and how quickly individual countries and societies respond to these developments.

#### CO<sub>2</sub> emissions and global warming scenarios

Global warming of 2°Celsius will be exceeded in the course of the 21st century if there are no profound reductions in CO<sub>2</sub> and other greenhouse gas emissions in the coming decades.<sup>1)</sup> The graph on the next page shows scenario analyses for the development of global CO<sub>2</sub> emissions and the resulting global warming until 2100.

#### The role of the real estate sector in the fight against climate change

Over the whole life cycle – from construction, use, renovation to demolition – buildings in the EU are responsible for 40% of energy consumption and 36% of energy-related greenhouse gas emissions (CO<sub>2</sub>). Around 75% of buildings in Europe are considered inefficient and less than 1% of the national building stock is renovated annually on average<sup>2)</sup>. Stricter energy standards for buildings, higher energy refurbishment rates and technological change (e.g. more intensive use of renewable energy sources such as heat pump technologies), but also the en-

ergy transition (provision of sufficient energy from renewable sources for climate-neutral building operation) are key components to achieve the EU climate targets.

#### CA Immo climate risks and opportunities

The analysis of specific climate risks for our business is extremely complex and involves a number of unknown variables. Information on the management of climate risks relevant to CA Immo and the corresponding organisational processes and responsibilities can be found in the ESG report in the paragraph “Organisational anchoring and management of sustainability issues and risks” and in the Risk Management chapter.

Climate change represents a risk that unfolds on two levels. In assessing the specific climate risks for CA Immo, we have used these levels for classification purposes:

- **Physical risks:** Direct, physical damage to property, plant and equipment due to the changing climate, triggered by extreme weather events (acute risks) or continuous climate change such as rising sea levels or higher temperatures (chronic risks).
- **Transition risks:** Economic risks triggered by the transition to a low-carbon economy. This risk group includes regulatory risks (as a result of new or stricter legal regulations) and risks due to changes in the market, demand and technologies (market and competition risks) or loss of reputation (reputation risk).

#### Risk and vulnerability analysis according to the EU taxonomy (adaptation to climate change)

In order to be able to concretely assess the corresponding risk exposure of our portfolio, we evaluated natural hazards (flood, hailstorm, lightning strike, tornado, storm) for all investment properties with a value of >€10 m in 2021.<sup>3)</sup> Based on this, we carried out a detailed, forward-looking risk and vulnerability analysis in 2022 according to RCP scenarios (Representative Concentration Pathways) in accordance with the guidelines of the EU taxonomy.

The climate risk analysis was carried out on a site-specific basis and took into account the risk categories according to the EU taxonomy, i.e. chronic or acute as well as temperature- and wind-related or water- and land-related risks were considered. For the temporal scope, an

<sup>1)</sup> IPCC: Climate Change 2021, Sixth Assessment Report, www.ipcc.ch

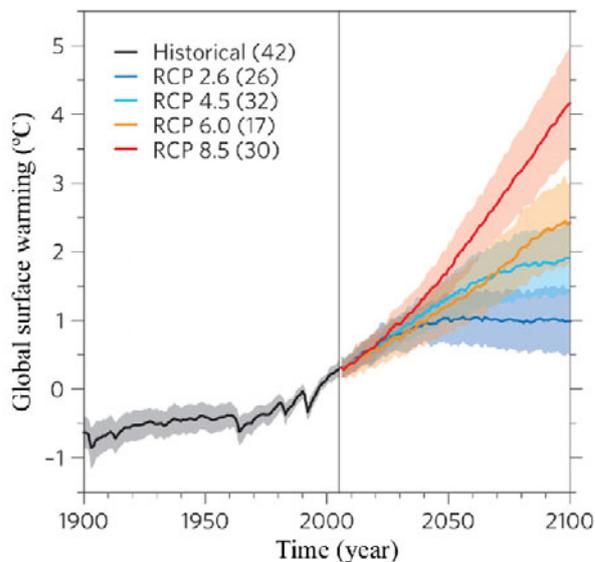
<sup>2)</sup> [https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17\\_en](https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17_en)

<sup>3)</sup> Natural Hazards Analyse mit SwissRE CATNET © Risk Analysis Tool

expected lifetime of the buildings of more than ten years was assumed.

The analysis was carried out taking into account two RCP scenarios (RCP4.5 and RCP8.5). The RCP8.5 scenario is the worst-case scenario, in which it can be assumed that the risks are most pronounced and extensive adaptation solutions are required. The RCP4.5 scenario is one of the most likely scenarios with a climate warming of 2° by 2100; in comparison, fewer adaptation solutions would be required here. The evaluation focused on short-term, current risks and the medium-term time horizon up to 2050. The Natural Hazards Tool with the corresponding climate models from Munich RE was used for the entire risk and vulnerability analysis.

#### Global warming: RCP scenario calculation



Source: Researchgate.net<sup>1</sup>

After the survey of the relevant climate scenarios in the defined time horizons, the next step was an evaluation of the identified physical climate risks and their extent. The threshold value for materiality was set internally conservatively at 50% of the risk extent, as no specification is available in the EU taxonomy.

The following climate change risks according to RCP 4.5 scenario until 2050 were analyzed for each investment building:

- Drought stress
- Fire Weather stress
- Fire Season stress
- Heat stress
- Heat max temperature stress
- Precipitation stress
- Precipitation 5 days stress
- River flood

The risks to which CA Immo's properties with their inner-city locations are exposed are primarily temperature-related (heat) and water-related (drought and flooding).

After the survey of the relevant climate scenarios in the defined time horizons, the next step was an evaluation of the identified physical climate risks and their extent. The threshold value for materiality was set internally conservatively at 50% of the risk extent, as no specification is available in the EU taxonomy.

In the last step, adaptation solutions already available in or around the affected buildings were analysed for these climate risks. For all properties with an increased exposure to physical risks, adaptation solutions have already been implemented. In the case of water-related risks, these are primarily flood protection concepts, protection against backflow, river regulation, barrier protection, dams; concerning temperature-related risks, these are especially cooling and sun protection systems including shading systems, building air conditioning and greening concepts.

The result of the risk and vulnerability analysis shows that there are currently no properties in the CA Immo portfolio that are exposed to significant physical risks, as sufficient adjustment solutions have already been implemented for all potentially significant physical risks.

<sup>1</sup> [www.researchgate.net/figure/Global-temperature-increase-used-in-IPCC-AR5-presented-by-the-RCPs-The-values-in\\_fig1\\_316307741](https://www.researchgate.net/figure/Global-temperature-increase-used-in-IPCC-AR5-presented-by-the-RCPs-The-values-in_fig1_316307741)

## PHYSICAL RISKS

Type of risk	Risk assessment	Potential financial impacts	Action and strategic precaution
Natural disasters and extreme weather events	<p>Risk group: Acute</p> <p>Probability: High</p> <p>Time horizon<sup>1)</sup>: Short</p> <p><b>CA Immo risk exposure<sup>2)</sup>: Low<sup>3)</sup></b></p>	<p>Physical damage and deterioration of buildings (possibly enhanced by high portfolio concentration within a city)</p> <p>Delivery delays and material shortages (interrupted supply chains)</p> <p>Interruption of production or operations</p>	<p>Ongoing control, maintenance and servicing of the buildings</p> <p>Forward-looking project development and high building quality of the CA Immo portfolio</p> <p>Risk and vulnerability analysis with RCP scenarios in accordance with the EU taxonomy guidelines in 2022</p> <p>Continuous review of adaptation measures to increase the climate resilience of the stock</p> <p>Comprehensive insurance cover for existing buildings and projects (construction sites)</p>
Gradual changes in temperature and precipitation, rising sea level	<p>Risk group: Chronic</p> <p>Probability: High</p> <p>Time horizon<sup>3)</sup>: Long</p> <p><b>CA Immo risk exposure<sup>2)</sup>: Low<sup>3)</sup></b></p>	<p>Changes in raw material and input prices</p> <p>Higher energy consumption and operating costs for buildings (e.g. due to increase in cooling demand)</p> <p>Higher maintenance and construction costs to make buildings climate resilient</p> <p>Increase of insurance premiums or no insurance coverage possible</p>	<p>Risk and vulnerability analysis with RCP scenarios according to the EU taxonomy guidelines in 2022 with analysis of suitable adaptation solutions</p> <p>Risk prevention by implementing the following adaptation solutions, among others:</p> <p>Flood protection concepts in buildings in river locations</p> <p>Improved drainage systems</p> <p>Implementation of efficient cooling and solar protection systems</p> <p>Greening of outdoor areas</p> <p>Continuous review of adaptation measures to increase the climate resilience of the building stock</p>

<sup>1)</sup> Period in which these climate risks are likely to occur: Short: 0-1 year, Medium: 1-3 years, Long: more than 3 years

<sup>2)</sup> Low: €0-10 m; Medium: €10-50 m, High: >€50 m. Period under consideration: 1 year

<sup>3)</sup> Taking into account the existing risk mitigating measures, the currently existing residual risk is classified as low

TRANSITION RISKS

Type of risk	Risk assessment	Potential financial impacts	Action and strategic precaution
<b>Regulatory risks</b>			
Stricter targets and legislation on decarbonisation, energy efficiency and adaptation to climate change	Probability: High Time horizon <sup>1)</sup> : Medium	<ul style="list-style-type: none"> <li>- Higher construction costs due to increasing requirements for energy efficiency of buildings and CO<sub>2</sub>-neutral construction process</li> <li>- Higher investments in energy retrofitting/refurbishment of the building stock</li> <li>- Compliance costs (penalties, levies)</li> <li>- Increased taxes and/or loss of subsidies</li> </ul>	<ul style="list-style-type: none"> <li>- Close monitoring of the current and future legal situation in our markets</li> <li>- Investments in energy retrofitting/refurbishment of the building stock</li> <li>- Forward-looking project development and high building quality of the CA Immo portfolio</li> <li>- Targeted energy and sustainability management</li> <li>- Buildings developed by CA Immo exceed current energy efficiency and environmental protection requirements (stay ahead of regulation)</li> </ul>
<b>Market risks</b>			
Pressure from the capital market to reduce CO <sub>2</sub> emissions (Sustainable finance)	Probability: High Time horizon <sup>1)</sup> : Short	<ul style="list-style-type: none"> <li>- Declining share price (loss of reputation)</li> <li>- Higher financing costs, reduced availability of debt capital</li> </ul>	<ul style="list-style-type: none"> <li>- Clear, measurable ESG strategy and targets</li> <li>- Transparent sustainability reporting and communication, ESG Ratings</li> <li>- Strategic capital rotation programme to increase the sustainability of the portfolio</li> </ul>
Change in market demand toward energy-efficient buildings (changing tenant needs)	Probability: High Time horizon <sup>1)</sup> : Medium	<ul style="list-style-type: none"> <li>- Decreasing real estate values</li> <li>- Poorer marketability</li> <li>- Lower rent levels, lower rental income (stranding risk)</li> </ul>	<ul style="list-style-type: none"> <li>- High building quality with a high proportion of sustainability certifications increases the long-term competitiveness of the portfolio</li> <li>- Buildings developed by CA Immo exceed current energy efficiency and environmental protection requirements (premium segment, best-in-class)</li> <li>- Strategic capital rotation programme to increase the sustainability of the portfolio</li> </ul>
<b>Reputational risks</b>			
Attractiveness as an employer, stakeholder trust	Probability: High Time horizon <sup>1)</sup> : Short	<ul style="list-style-type: none"> <li>- Competitive disadvantages due to high employee turnover</li> <li>- Disadvantages in the fight for the best brains</li> </ul>	<ul style="list-style-type: none"> <li>- Responsible business model with clear commitment to sustainability and climate protection</li> <li>- Transparent sustainability reporting and communication, stakeholder engagement</li> </ul>

<sup>1)</sup> Time horizon: Short: 0-1 year, Medium: 1-3 years, Long: more than 3 years

## CLIMATE OPPORTUNITIES

Opportunities	Potential financial impacts	Action and strategic precaution
<b>Resource efficiency:</b> More efficient buildings	<ul style="list-style-type: none"> <li>– Lower operating costs through efficiency gains, reduced water and energy consumption</li> <li>– Higher value or value stability of the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>– High building quality with a high proportion of sustainability certifications increases the long-term competitiveness of the portfolio</li> <li>– CA Immo Agenda for sustainable business operations</li> </ul>
<b>Energy source:</b> Use of renewable or low-emission energies	<ul style="list-style-type: none"> <li>– Low dependency on future fossil fuel price increases through efficiency improvements, use of renewable energy and low-emission technologies for property operation</li> <li>– Possibility of using political incentives for a low-emission economy (subsidies)</li> </ul>	<ul style="list-style-type: none"> <li>– CA Immo Agenda for sustainable business operations (targets and measures)</li> </ul>
<b>Products and services:</b> Green buildings	<ul style="list-style-type: none"> <li>– Reputation gain and competitive advantage through transparent and future-oriented environmental reporting and communication and due to higher demand for products/services with low emissions ("green buildings")</li> <li>– Competitive advantage through rapid adaptations of the building stock (modern technologies and innovation to optimize energy efficiency and reduce emissions)</li> </ul>	<ul style="list-style-type: none"> <li>– CA Immo has a high-quality portfolio with a high proportion of sustainability certifications (DGNB, LEED, BREEAM)</li> <li>– Buildings developed by CA Immo exceed current requirements for energy efficiency and environmental protection (DGNB Gold or LEED Gold certification standard, strong in-house expertise and track record regarding Green Building development)</li> <li>– Use of knowledge and synergies from project development to reduce CO<sub>2</sub> emissions and resource consumption in existing buildings</li> <li>– Transparent sustainability reporting and communication</li> </ul>
<b>Markets:</b> New business areas, target groups and financing opportunities	<ul style="list-style-type: none"> <li>– Increased revenue, competitive advantage through access to new and emerging markets</li> <li>– Green Finance: Lower financing costs, better availability of debt capital</li> </ul>	<ul style="list-style-type: none"> <li>– Responsible business model with clear, early commitment to sustainability and climate protection brings extensive competitive advantages in customer and investor relations</li> <li>– Green financing strategy –signing of a sustainability-oriented financing (RCF) in the amount of €300 m (2021)</li> </ul>
<b>Climate resilience</b>	<ul style="list-style-type: none"> <li>– Increased market valuation due to resilience planning (e.g. infrastructure, location, building condition)</li> <li>– Lower maintenance costs and costs for refurbishment due to high building climate resilience</li> </ul>	<ul style="list-style-type: none"> <li>– Clear strategic commitment to high-quality core products in resilient, inner-city metropolitan locations</li> <li>– Scenario analysis in accordance with the guidelines of the EU taxonomy has been carried out in 2022,</li> <li>– Derive adaptation measures to increase the climate resilience of the portfolio if needed</li> </ul>

2. INVESTMENT PROPERTIES

We aim to offer our tenants high-quality buildings in prime locations. Part of this comprehensive quality standard is to maintain sustainable and energy-efficient buildings in the portfolio and to operate them in a way that conserves resources as much as possible. To ensure that all properties retain their value, marketability and comprehensive sustainability over the long term, CA Immo focuses on quality and sustainability management throughout the entire life cycle of the buildings. In

the course of this, a wide range of measures are implemented to optimise the energy balance of our buildings and minimise the CO<sub>2</sub> footprint and resource consumption (ecological building operation).

The table below summarises all current material ESG targets and measures in the context of our portfolio management. The measures to achieve the goals and their current status are described in detail in the individual paragraphs.

CA IMMO AGENDA FOR SUSTAINABLE BUILDING OPERATION

Targets and Principles	Measures
<b>Climate &amp; Energy</b>	
<ul style="list-style-type: none"> <li>-Reduction of the average Scope 1+2 CO<sub>2</sub> emission intensity of the investment portfolio by 50% by 2030 (base year 2019)</li> <li>-Reduction of the energy intensity of the existing portfolio by 15% by 2025 (base year 2019, landlord-obtained)</li> <li>-Climate neutrality by 2050</li> </ul>	<ul style="list-style-type: none"> <li>-Conversion of electricity contracts to 100% electricity from renewable energy sources in the investment portfolio by 2023 (landlord-obtained)</li> <li>-Purchase of climate-neutral district heating acc. to local availability</li> <li>-Green lease programme to reduce CO<sub>2</sub> emissions (Scope 3) in the investment portfolio (tenant participation)</li> <li>-Establishment of a digital energy management system for the Group-wide portfolio by 2025</li> <li>-Programme of measures to systematically reduce the energy consumption and carbon footprint of the investment portfolio</li> <li>-Expansion of renewable energy sources in existing buildings</li> </ul>
<b>Resource Conservation &amp; Circular Economy</b>	
<ul style="list-style-type: none"> <li>-Increase the share of recycled/recyclable waste</li> <li>-Reduction of water consumption</li> </ul>	<ul style="list-style-type: none"> <li>-Implementation of a professional waste management and water consumption monitoring in building operations</li> <li>-Green lease programme for resource-saving, sustainable building use (tenant participation)</li> </ul>
<b>Sustainable Urban District Development</b>	
<ul style="list-style-type: none"> <li>-Certification rate of at least 70% in the portfolio (DGNB, LEED, BREEAM, by book value)</li> </ul>	<ul style="list-style-type: none"> <li>-Develop a strategy for certification or recertification of the portfolio.</li> <li>-Ongoing review of the status of certifications</li> <li>-In the reporting year, 12 recertifications were carried out</li> </ul>
<b>Health, Safety &amp; Wellbeing</b>	
<ul style="list-style-type: none"> <li>-Avoiding accidents in buildings</li> </ul>	<ul style="list-style-type: none"> <li>-Annual group-wide H&amp;S checks (HSE) in all buildings</li> </ul>

**Climate & Energy: Standardised Energy Management**



CA Immo continuously collects and analyses the energy consumption from heat and electricity as well as the resulting CO<sub>2</sub> emissions of the portfolio (see the EPRA table in the ESG Appendix). This data flows into the group-wide energy monitoring, on the basis of which decisions on energetic optimisation measures are made.

In order to enable even more detailed and timely energy monitoring in the future, including weak point analyses, a Group-wide, digitally supported energy management system is being implemented. The basis for this is the conversion to **smart meters** for electricity, gas, water and district heating, where possible, as well as an analysis for upgrading or converting the Building Management Systems (BMS) in the investment portfolio. Digital energy

data management will ensure continuous and effective monitoring of current consumption data.

By the end of 2022, 95.5% of the electricity metering points in the German CA Immo buildings and a significant proportion of the Austrian buildings had been converted to digital electricity meters. The retrofitting of existing meters has been started in CEE and Austria and will be intensified in the coming years. The installation of remotely readable meters is also being evaluated for gas meters and will be implemented successively wherever possible. The conceptual design for digital district heating meters in Germany was completed in 2022 and is to be implemented from 2023. The Group-wide digitalisation and remote reading of water meters will take place from 2023. The continuous expansion of building digitalisation (intelligent control of technical building infrastructure such as lighting, air-conditioning and heating systems through building control technology) is intended to further optimise energy efficiency in operations.

#### Energy management programme: Processes, control, responsibilities

Extensive standard services for sustainability and energy management have been developed for the facility management contracts and will be rolled out successively for all existing buildings (Service Level Agreements). These will include the preparation of half-yearly reports on the energy efficiency of the individual building, which will – amongst other things – be used to derive measures to improve the energy efficiency of the buildings, both for rental and common areas (optimisation proposals for tenants and owners). The control and monitoring of these processes is the responsibility of CA Immo's technical asset management. Investments in measures to

improve the resource efficiency of the buildings (energy, water) are proposed by Asset Management as part of the maintenance expenses in the course of the annual budgeting process and decided by the Executive Board. In 2022, more than €6.9 m was invested in energy and climate-friendly ESG measures.

#### Energy consumption and CO<sub>2</sub> footprint

In 2021, the average CO<sub>2</sub> emission intensity (annual CO<sub>2</sub> emissions per sqm) of the CA Immo portfolio (Scope 1+2, excluding tenant energy purchase) was reduced by around 43% compared to the previous year. This reduction is based in particular on a switch to energy from renewable energy sources and partly on a year-on-year decrease in electricity consumption (–13% electricity consumption like-for-like). Total average energy intensity (energy consumption per sqm, excluding tenant energy purchase) fell by 6% year-on-year. The main drivers of this development are above all:

- The ongoing transfer of own project completions into the own portfolio
- Targeted sale of older buildings (strategic capital rotation programme)
- Energy management and implementation of energy saving measures
- Purchase of green electricity

The share of electricity from renewable energy sources was 62% of total consumption in 2021, reaching 100% in 2022. As the consumption data for 2022 was not yet available in full at the time of reporting, the energy consumption and the CO<sub>2</sub> emission data based on it shown in the table below for 2022 are preliminary estimates based on 2021 consumption data (for extrapolation methodology, see ESG Appendix).

#### ENERGY CONSUMPTION DATA AND CO<sub>2</sub>-FOOTPRINT OF THE CA IMMO INVESTMENT PORTFOLIO<sup>1)</sup>

	EPRA Code	Coverage	Unit of measure	Base year 2019	2020	2021	change (yoy)	2022e <sup>2)</sup>
<b>Building energy intensity (excl. tenant energy supply)</b>	Energy-Int	General electricity, heating, cooling	kWh/sqm	138	119	112	–6%	114
<b>Building CO<sub>2</sub> emissions intensity (Scope 1+2)</b>	GHG-Int	General electricity, heating, cooling	kgCO <sub>2</sub> e/sqm	36.5	32.6	18.6	–43%	16.0

<sup>1)</sup> The consumption data shown (and the resulting emissions) include the electricity purchased by CA Immo for common areas (general electricity) and energy for heating and cooling throughout the building. Electricity purchased directly by tenants or centrally by CA Immo for tenants' areas (recorded via submetering) is excluded, as consumption values for tenant electricity are not available for all buildings. A detailed table of energy consumption and emission values of the CA Immo portfolio as well as information on reporting boundaries and analysis methodology of the consumption values in accordance with EPRA Best Practice Recommendations can be found in the ESG Appendix. The area used to calculate the energy and CO<sub>2</sub> intensities is the gross internal area (GIA)

<sup>2)</sup> The energy consumption and emission data for 2022 are preliminary estimates, as the consumption data for 2022 was not yet fully available at the time of reporting. Information on the extrapolation mode can be found in the ESG Appendix.

### **Energetic and climate-friendly modernisation of investment properties**

CA Immo invests continuously in optimising the energy efficiency of its portfolio. The following measures are part of this energy modernisation programme:

- Replacing old pumps with energy-saving high-efficiency pumps
- Successive replacement of conventional lighting with LED technology with modern sensors
- Installation of heat recovery in ventilation systems
- Modernisation and system improvements, e.g. of heating and cooling media
- Modern energy management systems to identify optimisation potential in the building at an early stage
- Optimization of system runtimes.

In 2021, among other things, detailed energy assessments were carried out for buildings with increased energy consumption (compared to the portfolio average) in order to derive and successively implement targeted measures for further efficiency improvements. In 2022, the first packages of measures were implemented throughout the Group. In particular, measures such as converting lighting to LED, installing variable-speed drives for heating circulation pumps or checking and, if necessary, replacing the insulation of pipelines, were implemented almost in their entirety in the CEE countries and for the most part in Austria and Germany. Energy savings resulting from the optimisation measures implemented are monitored by CA Immo Asset Management as part of the ongoing collection of consumption data.

### **Expansion of renewable energy sources in buildings**

In addition, a project was launched in 2022 to define a **roof space strategy for the investment portfolio**. In the first step, possible roof uses were evaluated and a first portfolio analysis was carried out for suitability for a photovoltaic (PV) system or greening, and a prioritised use of the respective roof area was determined. A detailed portfolio analysis and definition of the strategy for CA Immo will follow in 2023.

### **Climate & Energy: Reduction of carbon emissions through conversion of building operations to green energy**

The national bundling and Group-wide conversion of electricity procurement to renewable energy sources (wind, water and solar energy) was resolved in 2020. The conversion of the building operations of the entire

CA Immo portfolio to green electricity took place gradually as the old electricity contracts expired and was completed by the end of 2022. This will result in annual savings of just over 34,000 t CO<sub>2</sub>e. The country-specific contracts cover the period 2020 to 2025 and include the purchase of green electricity for all common areas and landlord-provided services (e.g. air conditioning, lifts) in our multi-tenant buildings as well as the electricity supply in our own-used CA Immo office areas. As all tenant electricity in the CEE countries of Hungary, Poland and the Czech Republic is purchased centrally by CA Immo, the green electricity contracts in these countries also include all tenant electricity.

In order to also reduce CO<sub>2</sub> emissions from the heating of the building stock, the **district heating contracts** are also to be successively switched to green or CO<sub>2</sub>-neutral energy sources, depending on local availability. At the time of reporting, three properties in Germany (in Cologne and Düsseldorf) were supplied with CO<sub>2</sub>-neutral district heating. Eleven more properties are scheduled to be converted in 2023. According to local availability, the share of green or CO<sub>2</sub>-neutral district heating is to be further expanded in Austria and the CEE countries in the future.

We support the mobility transition by installing **e-charging stations in our buildings**. As at the reporting date of 31 December 2022, a total of 243 e-charging stations were available in existing CA Immo buildings (2021: 154). A strategy for the rollout of further e-charging stations is being developed.

### **Tenant participation: Green Lease Agreements**

A holistic environmentally and climate-friendly building operation requires the participation of our tenants. Through Green Lease Agreements, we offer our tenants the opportunity to participate in our ESG initiatives as partners and to set a strong example for sustainability.

A green lease is a rental agreement in which the tenant and landlord agree on the most sustainable use and management of the property possible through the addition of ESG contractual clauses. Corresponding contractual components were finalised in 2021, since when green leases have been concluded at CA Immo. As of the reporting date, green leases had been concluded with a total of **82 tenants for around 131,000sqm**, including new leases as well as contract and space extensions. In the coming years, new and existing contractual relationships are to

be successively converted to green leases. Green lease agreements include, among others:

- Purchase of green electricity (CA Immo tenant electricity pool) to reduce CO<sub>2</sub> emissions in operations (Scope 3)
- Data and information exchange with the tenant (consumption, occupancy, use) and analysis of consumption data (energy monitoring)
- Reduction of waste, ecological cleaning
- Incentives for climate-friendly mobility of employees
- Environmentally friendly and resource-saving equipment of the rental areas.

The advantages of a Green Lease are: Efficient energy management through active exchange and analysis of consumption data (incl. tenant consumption), cost savings through reduction of electricity consumption and CO<sub>2</sub> emission intensity, promotion and use of renewable energy sources, waste reduction and avoidance of environmentally harmful cleaning agents.

#### Resource conservation & circular economy in building operations



As CA Immo centrally organises both water purchasing and waste disposal for all Multi-tenant office buildings, **water consumption and waste data** is

available for the majority of investment buildings. At the time of reporting, there was insufficient data for a meaningful estimate of the 2022 consumption values.

In 2021, **water intensity** (average annual water consumption per m<sup>2</sup>) decreased by 31% year-on-year. This strong decrease is still due to the lower office use during the Covid 19 pandemic. The installation of digital water consumption meters (smart meters) and corresponding consumption monitoring will further optimise water consumption. The rollout for smart water meters is to be implemented for the or the majority of the portfolio in 2023.

The **waste recycling rate** (incl. reuse) could be increased from 18% to 26% in the period 2019-2021. In terms of efficient operating cost and sustainability management, we want to optimise existing disposal concepts, further increase the waste recycling rate and close the last data gaps. A framework agreement for professional waste management of the German buildings is in force as of 1 January 2022. This includes the organisation and management of the waste cycle in our buildings with the aim of avoiding, recycling, recovering and disposing of waste in accordance with legal requirements and maxims of sustainability. Waste avoidance and separation is, among other things, a component of green lease contracts (tenant participation).

#### WATER CONSUMPTION AND WASTE RECYCLING QUANTITIES OF THE CA IMMO INVESTMENT PORTFOLIO <sup>1)</sup>

	EPRA Code	Unit of measure	2019	2020	2021	Change (yoy)
<b>Building water consumption intensity</b>	Water-Int	m <sup>3</sup> /sqm	0.44	0.28	0.19	-31%
<b>Waste recycling quote <sup>2)</sup></b>	Waste-Int	Weight of waste by disposal route (%)	18	21	26	+5 Pp

<sup>1)</sup> Information on reporting boundaries and analysis methodology of the consumption values can be found in the ESG Appendix. All key figures refer to the entire building. The area used to calculate the water intensity is the gross internal area (GIA).

<sup>2)</sup> Proportion of total annual waste disposed of through reuse or recycling.

### Sustainability certification as objective proof of portfolio quality

Sustainable in-house project development for its own stock to enhance the quality of the investment portfolio has been an important component of CA Immo's sustainability strategy for many years. In order to provide transparent, internationally comparable and objective proof of building quality across the entire portfolio, CA Immo also has strategic core investment properties certified.

In 2022, the certification process was completed for three office buildings (project completions) in Munich and Prague, 12 office building in Warsaw and Budapest have been recertified. On the other hand, eight certified buildings in CEE have been sold. As at 31 December 2022, 41 office properties and 2 hotel properties are certified according to DGNB, LEED or BREEAM standards (2021: 44 and 2, respectively). A further two German investment buildings were in the certification process. By book value, around 70% of the total CA Immo portfolio (all asset classes; 2021: 72%) and 71% of the total office portfolio (2021: 75%) were certified. By rentable area, certified stock comprised some 72% of the total portfolio (2021: 71%) and 75% of the office portfolio (2021: 78%).

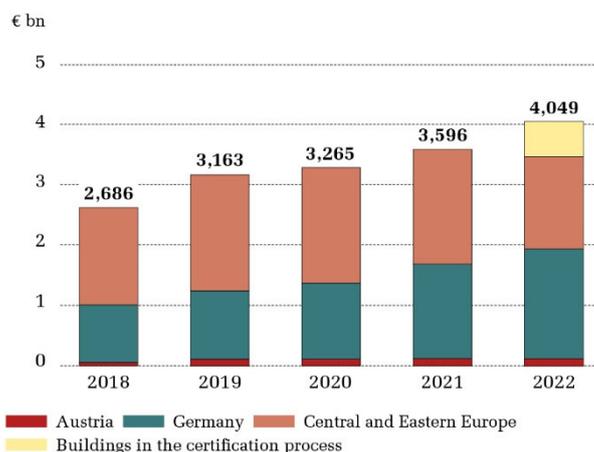
The book value of the certified property assets (all asset classes) was approximately €3,461 m as at 31 December 2022 (31 December 2020: €3,596 m); including the buildings in the certification process as at reporting date, the value was €4,049 m (31.12.2021: €3,965 m).

#### CERTIFIED PROPERTY ASSETS BY REGION <sup>1)</sup>

in € m	Total portfolio	Certified portfolio	Share of certified portfolio
Germany	3,076	1,815	59%
Austria	377	120	32%
CEE	1,525	1,525	100%
<b>Total</b>	<b>4,979</b>	<b>3,461</b>	<b>70%</b>

<sup>1)</sup> By book value. Basis: Properties 100% owned by CA Immo (fully consolidated).

#### CERTIFIED PROPERTY ASSETS BY BOOK VALUE <sup>1)</sup>

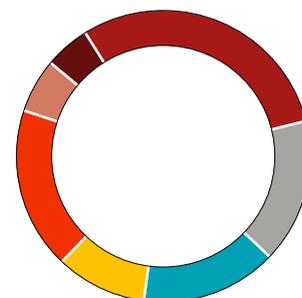


<sup>1)</sup> Properties with main use type office + hotel 100% owned by CA Immo (fully consolidated).

#### CERTIFICATES OF THE CA IMMO INVESTMENT PORTFOLIO <sup>1)</sup>

(Basis: €3,4 bn book value)

DGNB Gold	30%
DGNB Platinum	16%
LEED Gold	15%
LEED Platinum	10%
BREEAM Very Good	18%
BREEAM Interim	6%
BREEAM Excellent	5%



<sup>1)</sup> Properties with main use type office + hotel 100% owned by CA Immo (fully consolidated)

3. PROJECT AND URBAN DISTRICT DEVELOPMENT

**Sustainable urban district development**

 CA Immo contributes to shaping the appearance of major cities such as Berlin, Frankfurt, Munich and Prague through property and district development.

CA Immo specialists cover the entire value chain: From land preparation and participation in the master plan and the procurement of building rights (zoning), to the realisation of the surrounding infrastructure to the construction and operation of new buildings. This results in

mixed-use inner-city neighbourhoods with short distances and a high quality of life. Buildings developed by CA Immo are characterised by high technical and architectural quality, flexible use of space and low energy consumption.

The table below summarises all current material ESG targets and principles in the context of our development activities. The measures to achieve the goals and their current status are described in detail in the individual paragraphs.

CA IMMO PRINCIPLES FOR SUSTAINABLE AND CIRCULAR CONSTRUCTION

Targets and Principles	Measures
<b>Focus area Climate &amp; Energy</b>	
<ul style="list-style-type: none"> <li>– All new construction projects started from 2022 have an annual final energy demand of max. 100 kWh/m<sup>2</sup> (projects completed after 2025) or max. 80 kWh/m<sup>2</sup> (projects completed after 2030)</li> <li>– All new construction projects completed from 2030 onwards are climate neutral in operation (net zero carbon)</li> <li>– All new construction projects started from 2022 onwards meet the Technical Screening Criteria (TSC) of the EU taxonomy for the environmental objective climate change mitigation according to economic activities 7.1 and 7.7</li> </ul>	<ul style="list-style-type: none"> <li>– Continuous reduction of the energy demand of new construction projects through optimisation of the building envelope and technology as well as through increased digitalisation of Building Management Systems (BMS)</li> <li>– Expansion of renewable energy sources in and on development projects (e. g. photovoltaics, solar thermal energy, geothermal energy)</li> <li>– EU taxonomy checks are implemented for the current projects. Compliance with TSC 7.1 and 7.7 in the currently valid version is part of the project requirements for new construction projects</li> <li>– Early implementation of a CO<sub>2</sub> Life Cycle Analysis (LCA) for each new construction project to record and reduce the embodied carbon emissions</li> </ul>
<b>Sustainable Procurement &amp; Supply Chain</b>	
<ul style="list-style-type: none"> <li>– Social and environmental requirements in CA Immo Procurement Directive</li> </ul>	<ul style="list-style-type: none"> <li>– Obligation of all construction service providers to comply with comprehensive sustainability standards (e. g. environmental management systems, certifications, material declaration, worker protection)</li> </ul>
<b>Resource Conservation &amp; Circular Economy</b>	
<ul style="list-style-type: none"> <li>– Increase the share of recycled/recyclable waste</li> <li>– Reduction of water consumption</li> </ul>	<ul style="list-style-type: none"> <li>– Creation of a material passport for each new construction project to record the building materials and optimise raw material consumption and emission load (cradle to grave / cradle to cradle)</li> </ul>
<b>Sustainable Urban District Development</b>	
<ul style="list-style-type: none"> <li>– Focus on brownfield developments</li> <li>– Certification rate of at least 70% in the investment portfolio (DGNB, LEED, BREEAM, according to book value)</li> </ul>	<ul style="list-style-type: none"> <li>– Continuation of the strategic focus on brownfield development</li> <li>– Implementation of all new office developments for the own long-term portfolio according to at least DGNB Gold or LEED Gold certification standard</li> </ul>

**Climate & Energy: Energy efficiency and CO<sub>2</sub> emissions in project development**

 For many years, our aim has been to develop particularly sustainable and energy-efficient buildings for our own portfolio and thereby successively increase the quality of the building stock. While the focus in portfolio management is primarily on sustainability in building operation, the entire life cycle of the building is taken into account in project development.

In order to determine and optimise the impact of a building on its environment (including CO<sub>2</sub> emissions) in all phases of its life cycle, CA Immo carries out a comprehensive life cycle assessment (LCA) in the course of project development. These analyses distinguish between two types of emissions:

**Embodied carbon emissions**

- Emissions resulting from the production of building materials and their transport (phase A1-A3)
- Emissions from the construction process (phase A4-A5)
- Emissions from maintenance, repairs/refurbishment during the life cycle (B1-B5)
- Emissions from demolition and disposal (C1-4)

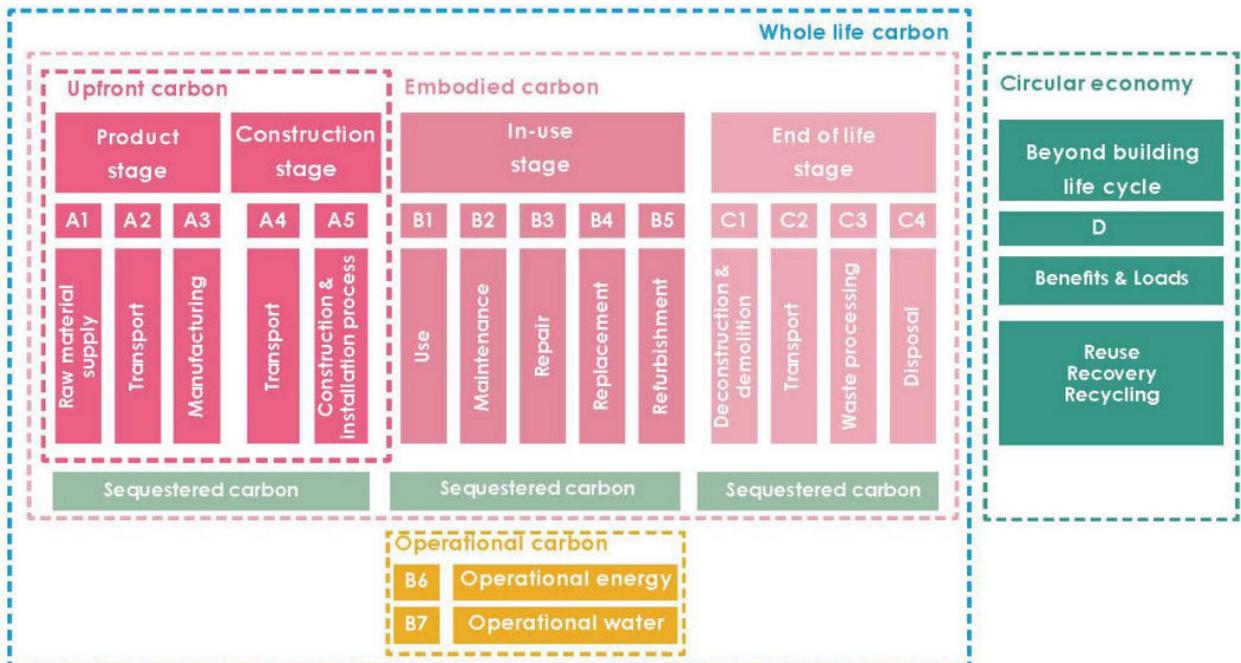
**Operational carbon emissions**

- Emissions from energy consumption in building operation (heating, hot water, lighting, air conditioning, ventilation; phase B6)
- Emissions from water consumption (phase B7)

Life Cycle Assessments (LCA) were carried out for all new construction projects certified by CA Immo according to DGNB or LEED in the period 2011-2022. Based on 13 LCAs of our German new-build projects in this period, the average carbon footprint per building was around 2,000 kg CO<sub>2</sub>/m<sup>2</sup>. Of this, around 500 kg CO<sub>2</sub>/sqm is accounted for by bound emissions and around 1,500 kg CO<sub>2</sub>/m<sup>2</sup> by operational CO<sub>2</sub> emissions.

Operational CO<sub>2</sub> emissions therefore account for 70 to 85% of the total CO<sub>2</sub> emissions during the life cycle of a building and are thus the greatest lever for reducing the CO<sub>2</sub> footprint. These data are in line with an analysis by the German Sustainable Building Council (DGNB).<sup>1)</sup>

In the future, the life cycle assessment (LCA) will become the central instrument in the planning process in order to be able to consider CO<sub>2</sub> emissions holistically.



Source: LETI (London Energy Transformation Initiative), <https://www.leti.uk/carbonalignment>

<sup>1)</sup> www.dgnb.de/de/aktuell/pressemitteilungen/2021/studie-co2-emissionen-bauwerke

## EMBODIED CARBON (UPFRONT) AND PRIMARY ENERGY DEMAND OF CURRENT CONSTRUCTION PROJECTS

Project <sup>1)</sup>	Usage	Completion	Upfront Carbon (A1-A5) in kgCO <sub>2</sub> /sqm	Primary Energy Demand in kWh/sqm/a
ONE	Office, Hotel	2022	433	87
Grasblau	Office	2022	415	88
Hochhaus am Europaplatz	Office	2024	467	119
Upbeat	Office	2026	397	127
CA Immo developments - average	Office, Hotel	2011-2021	477	100
Market average			<b>600<sup>2)</sup></b>	<b>237<sup>3)</sup></b>

<sup>1)</sup> ONE: Values based on final LCA prepared after project completion. The emission values for all other construction projects are preliminary estimates that were recorded in the LCA on different project phases with the aim of reducing the emission values in the course of project implementation. During the project phase, the bound emission values are continuously evaluated and concretised after completion. Final values are available after completion of the overall project.

<sup>2)</sup> Market average according to LETI (London Energy Transformation Initiative)

<sup>3)</sup> Market average according to <https://index-esg.com/>

Over the past 10 years (2011-2021) CA Immo has been able to reduce the average primary energy demand<sup>1)</sup> of the projects<sup>2)</sup> realised from over 150 kWh/m<sup>2</sup>/a to below 100 kWh/m<sup>2</sup>/a. The primary energy demand of the new buildings was on average about 30% below the respective legal requirements<sup>3)</sup>.

### Sustainable Procurement & Supply Chain

 CA Immo's procurement process ensures that the high ecological requirements are met in accordance with the certification standard provided for the projected building in each case (see paragraph on sustainability certification). All contractors (suppliers) are obliged to comply with the defined sustainability standards throughout the entire supply chain in the course of the award process. For example, environmental management systems, certifications and measures to reduce noise and emissions are queried by means of questionnaires and verification documents. Details on these standards and the associated control mechanisms can be found in the Corporate Governance chapter and in the CA Immo Procurement Policy at [www.caimmo.com/esg-policies](http://www.caimmo.com/esg-policies).

### Resource Conservation & Circular Economy

 In the course of its development projects CA Immo takes into account a wide range of circular economy factors and measures to conserve resources (design for circularity). Only through circular construction can we significantly reduce the amount of waste and embod-

ied CO<sub>2</sub> emissions. Criteria such as ease of deconstruction or the use of recycled materials are applied in all CA Immo project developments – insofar as this is possible in the context of the overall project.

BIM (Building Information Modelling) technology is used in every new construction project. In 2022, CA Immo also entered into an innovation partnership with the Madaster software platform to catalogue the materials used (cadastre) in the course of its construction activities. In addition to the digital building model, all materials and products used will be registered in future. This will make it possible to determine, among other things, the recycling rate, toxicity, recyclability as well as the carbon bound in the materials in the course of the construction process and to document this in the form of a material passport for each building. The first projects (Upbeat office building in Berlin) are already being recorded via Madaster.



The greatest possible flexibility and reversibility of use for a wide range of user requirements in terms of future

<sup>1)</sup> The primary energy demand of a building is calculated from the final energy demand (heating, lighting, cooling; excl. tenant electricity such as IT or kitchens in the rental areas), the energy sources used in the building (e. g. electricity, district heating or gas) and their defined primary energy factors. The purchase of green electricity is not taken into account here.

<sup>2)</sup> Basis: 13 in-house office completions. Excl. projects currently under construction

<sup>3)</sup> Legal requirements for energy efficiency at the time of submission of the building application

office landscapes, conversion and repurposing are key requirements for every new building, which are taken into account right from the planning phase. For example, the shell of the building is designed to be as flexible as possible by making the supporting structure, floor heights, floor depths and ceiling loads as neutral as possible in terms of use, and by taking into account occupancy reserves in the supply shafts. The aim is to enable a variety of flexible uses in the life cycle of the building and to avoid extensive conversion work in the course of the building's life cycle, including premature demolition.

Disposal logistics and recycling management for optimised waste separation are installed at all CA Immo construction sites. This includes daily waste collection, separation and disposal by external disposal logisticians. The CA Immo subsidiary omniCon is responsible for waste disposal logistics on construction sites in Germany as part of its construction management. At all other locations, this is the responsibility of the Development and Engineering department.

#### Sustainability certification for new developments

Since 2011, CA Immo has been developing all office properties for the own long-term stock in accordance with high sustainability standards (at least DGNB<sup>1)</sup> Gold or LEED<sup>2)</sup> Gold certification), taking into account the many years of experience gained from ongoing building operations. At the beginning of every project development there is a site-specific and user-oriented product definition, which, among other things, defines the standard and the level of the sustainability certification. The corresponding minimum standards for ecological, socio-cultural and functional, technical, location and process quality are derived from this.

Completed in 2022, the ONE high-rise project has a triple platinum certification (sustainability certification DGNB Platinum (pre-certificate) as well as SmartScore Platinum and WiredScore Platinum). ONE is the first high-rise in Central Europe to be awarded SmartScore Platinum certification for user comfort and innovative energy and resource management.

#### OVERVIEW SUSTAINABILITY STANDARDS OF CURRENT PROJECTS UNDER CONSTRUCTION

City	Project	Standard	Category
Berlin	Hochhaus am Europaplatz	DGNB	Gold <sup>1)</sup>
Berlin	Upbeat	WiredScore	Platin
Berlin	Upbeat	DGNB	Gold <sup>1)</sup>
Berlin	Upbeat	WELL	Core <sup>1)</sup>

<sup>1)</sup> In the certification process

In the course of the certification process, an external auditor accredited according to the respective standard (DGNB, LEED) accompanies the entire planning and construction process and ensures the implementation of the agreed sustainability criteria. The sustainability goals of the project are recorded in a pre-certificate based on the building design. Their implementation is checked by the certifier after completion of the building and is confirmed with the issuance of the final certificate.

Since 2022, part of this process has also been the documentation of compliance with the technical screening criteria according to the **EU taxonomy** (economic activity 7.1 and 7.7). This is currently being prepared for all projects (for own stock) completed after 2020.

#### Sustainable urban district development: Brownfield development



Since taking over the German district developer Vivico Real Estate GmbH in 2008, CA Immo has been developing large inner-city sites that were previously derelict or used for industrial purposes into modern urban districts (brownfield development). As part of the revitalisation of these old (brownfield) sites, some of which have been used for industrial and commercial purposes for over 100 years and by Deutsche Bahn, specialists from CA Immo's construction subsidiary omniCon are implementing a wide range of measures to prepare and develop the land. This special brownfield development expertise of CA Immo covers the following environmental aspects of site preparation, among others:

- Technical site assessment: inventory of buildings, underground "old buildings", coring, deconstruction
- Explosive ordnance risks and (construction-accompanying) explosive ordnance clearance measurement
- Evaluation of contaminated site risks (soil, water, soil air); soil and groundwater remediation

<sup>1)</sup> [www.dgnb-system.de/de/gebäude/neubau/kriterien/](http://www.dgnb-system.de/de/gebäude/neubau/kriterien/)

<sup>2)</sup> [www.usgbc.org/leed/why-leed](http://www.usgbc.org/leed/why-leed)

- Evaluation of waste and disposal services
- Measures for the protection of biodiversity: nature conservation surveys of flora and fauna
- Species protection: relocation measures for protected animal species such as lizards, green toads and bats
- Creation of biotopes, green compensation areas
- Infrastructural development: construction of future public roads, paths, squares, playgrounds and parks.

In 2022, CA Immo subsidiary omniCon carried out comprehensive groundwater and soil remediation on the CA Immo property in Berlin's Quitzowstrasse. Between 1898 and 1982, a machine and metal goods factory and a coal lighter factory with melting pots for naphthalene were located on this site. The soil and groundwater, which were contaminated with polycyclic aromatic hydrocarbons (PAH), NSO heterocycles, mineral oil hydrocarbons (MPH) and alkyl phenols as a result, were cleaned up by means of extensive soil replacement through intersecting large boreholes between 4.1 and 12 m deep, as well as accompanying and subsequent hydraulic remediation. The hydraulic remediation will be completed at the beginning of 2024.

#### 4. GROUP LEVEL

##### Climate & Energy: Reduction of the carbon footprint of CA Immo offices through green electricity purchasing



As part of the conversion of CA Immo building operations to green electricity in 2021, the supply of energy from renewable sources to the CA Immo offices used by the company itself has also been secured until 2025. The share of electricity from renewable sources was increased from 44% to 90% from 2020 to 2021. With this green energy purchase, we were able to significantly reduce the carbon footprint of our owner-occupied office space. A list of energy consumption, including the resulting CO<sub>2</sub> emissions, as well as the volume of water and waste generated in CA Immo's own office space, can be found in the ESG appendix.

##### Climate & Energy: Climate-friendly mobility



CA Immo's commitment to climate and environmental protection applies at both operational and Group level. We can make a contribution here by reducing our air travel and the CO<sub>2</sub> emissions of the company cars we provide to employees. With this in mind, we are increasingly offering employees the opportunity to use electric or hybrid vehicles as company cars. At the end of 2022, the hybrid share of company cars across the Group was 26% (2020: 12%), while electric cars accounted for 5% (2021: 5%). These shares are to be successively further expanded.

Our travel policy stipulates that employees use rail instead of air travel wherever possible. Through further activities such as the promotion of the BahnCard or job tickets for local public transport, we want to encourage our employees to switch from car to public transport.

#### OVERVIEW OF CO<sub>2</sub> EMISSIONS FROM BUSINESS TRAVEL ACTIVITIES

Business Travel	GHG Emissions Scope	Unit of measure	2022
Vehicle fleet <sup>1)</sup> Gasoline	GHG emissions Scope 1	kgCO <sub>2</sub> e	7,534
Vehicle fleet <sup>1)</sup> Diesel	GHG emissions Scope 1	kgCO <sub>2</sub> e	77,987
Vehicle fleet <sup>1)</sup> Hybrid (Gasoline, Diesel)	GHG emissions Scope 1	kgCO <sub>2</sub> e	20,935
Vehicle fleet <sup>1)</sup> Electric, Hybrid electric	GHG emissions Scope 2	kgCO <sub>2</sub> e	451
Business Travel flights and rail travel	GHG emissions Scope 3	kgCO <sub>2</sub> e	19,476
<b>Total</b>	<b>GHG emissions Scope 1+2+3</b>	<b>kgCO<sub>2</sub>e</b>	<b>126,383</b>

<sup>1)</sup> Vehicle fleet of Austria and Germany, i.e. 92% of the vehicle fleet, included

## SOCIAL ENGAGEMENT

CA Immo also takes measures in the social sphere to set positive impulses and responsible standards within its sphere of influence. Our strategy focuses in particular on wellbeing, health & safety, promotion of the employees, diversity, impact on communities as well as the social aspects of a sustainable supply chain and urban district development.

### 1. END-USER, -CONSUMER & SERVICE PROVIDER

#### Health & Safety



Safe and health-promoting working conditions for occupiers and external service providers, both in ongoing building operations and in the course of construction projects, are a basic prerequisite for our corporate success. CA Immo stands for strict compliance with all legal requirements in the area of health and safety. Our aim is to prevent accidents in or around our buildings, in our own offices and on construction sites. In addition, our activities focus on maintaining the long-term well-being of all occupiers.

#### Product and service safety programme (Product Health and Safety)

Health and safety assessments are carried out in all buildings throughout the Group during **building operations**. All legal requirements, e.g., concerning electrical installations, elevator systems and fire protection measures, are complied with. The safety and functionality of technical building systems are regularly checked by means of expert inspections, maintenance and functional tests in order to prevent malfunctions and equipment failures. If deficiencies are identified, their rectification is initiated immediately. External facility managers are responsible for functional safety and compliance with fire safety regulations in the individual buildings and report to CA Immo Asset Management at least once a year. The Asset Management department bears overall responsibility for the safety of the CA Immo investment portfolio.

All CA Immo investment buildings are inspected at least once a year for health and safety impacts. In fiscal year 2022, all 66 CA Immo investment properties were inspected for product safety and health impacts, representing 100% of the total investment portfolio (by area; excl. properties held for sale). During business year 2021, no regulatory violations or penalties were reported in relation to the health and safety impact of our buildings. All

CA Immo buildings are barrier-free for walking impaired people. Further key figures on product safety can be found in the ESG Appendix.

In all **project developments** carried out throughout the Group, health and safety considerations are integrated both in the planning and construction phase and with regard to subsequent tenants/occupiers of the buildings. The safety and health protection coordinator (SiGeKo), who is already involved in the planning phase, coordinates all those involved in the construction work. This coordinator carries out regular safety inspections and intervenes immediately when hazardous conditions are identified. In addition, each contractor is required to appoint its own safety officer. The risk of the individual activities is assessed by the SiGeKo and appropriate precautions are defined and compliance is monitored on site. All safety measures are incorporated as an overall safety and health protection plan in the respective construction site regulations of the project, compliance with which is mandatory for all project participants.

Monitoring and overall responsibility for safety at CA Immo's German construction sites lies with CA Immo subsidiary omniCon as part of its construction management activities. At all other sites outside Germany, this is the responsibility of the CA Immo Development and Engineering department.

In addition, CA Immo strives not only to comply with, but also to exceed all legal requirements relating to potential negative impacts on stakeholders (such as construction noise or increased particulate pollution) in all its project developments.

#### Tenant Comfort & Wellbeing

Workplace quality has a significant impact on the health, motivation and productivity of office occupants. That is why CA Immo considers the safety and health impacts of buildings as early as the planning, design and development phase of construction projects. A wide range of measures to promote the health and comfort of future tenants are implemented in the course of our project developments, such as a pleasant indoor climate, ideal acoustic, thermal and visual conditions, and the creation of spaces for social interaction, often with greened outdoor areas. In this respect, CA Immo relies on additional certification standards for selected buildings.

The **WELL building standard** specifies measures to promote health and well-being in buildings in the categories

of air, water, light, movement, thermal comfort, nutrition, noise, materials, spirit and community (wellcertified.com). Currently, one CA Immo office building in Prague holds a gold WELL Core and Shell certification. As of the reporting date, the Mississippi House and Missouri Park office buildings in Prague, one German office project under construction and one property in Budapest are scheduled for WELL certification.

### Covid-19

In 2022, compliance with all additional safety precautions prescribed in the context of the Covid 19 pandemic was continuously monitored and ensured in our buildings and on the construction sites. The Asset Management department is responsible for implementing and reviewing recommendations for extended hygiene measures (e.g., increased cleaning frequency and disinfection, increased air circulation) at the regional level in the general areas of our buildings and in office space used by the company.

### Tenant relations & Retention

CA Immo has had local teams on the ground in its core cities for many years, taking care of active tenant support and retention as well as the efficient management and maintenance of our buildings. Our experts are well acquainted with the respective market conditions, the nature and possibilities of our regional portfolio buildings, and the individual needs of our tenants. Ongoing interaction with our tenants, combined with our strong regional and international portfolio presence, enables us to offer tailored solutions for a wide range of tenant needs. High building quality, good inner-city locations, a reliable track record in project development for our own portfolio (built to suit) and our continuity as a long-term portfolio holder offer our tenants stability and security.

In the previous year, CA Immo conducted a **survey on tenant satisfaction**. In an initial survey phase, the 50 most important tenants were invited to telephone or personal interviews. In total, around 70% of the companies contacted took part in the survey. The following main topics were examined:

- Satisfaction with the support and the rental property
- Space requirements and utilization
- Need for services such as e-charging stations, digitization in the building
- Requirements in terms of ESG/sustainability.

Once analyzed, the results of the survey are used for targeted optimization of our buildings and services with the aim of increasing tenant loyalty and satisfaction. For example, an internal analysis was carried out on the introduction of WiredScore certification for selective existing buildings, and tenant communication was intensified. The survey is to be repeated regularly - at least every three years.

### Sustainable procurement & Supply Chain



CA Immo screens business partners – including construction companies in particular – for their professional qualifications and economic situation as part of the award process, but also requires confirmation of compliance with social standards. In the case of construction services, CA Immo obliges its contractors and supply chain partners for compliance with statutory regulations on occupational health and safety, workplace and working time regulations and collective agreements. In addition to the economic evaluation of bids, compliance with social and environmental standards is requested from potential contractors and taken into account in award processes. Details on these standards and the associated control mechanisms can be found in the Corporate Governance chapter and in the CA Immo Procurement policy at <http://www.caimmo.com/esg-policies>.

## 2. EMPLOYEES

Our employees are our most valuable resource; their expertise and commitment are crucial to our success. CA Immo values a corporate culture that is characterised by pride, trust and self-determined work. As an employer, we want to create the best possible conditions for our employees to develop their potential, strengths and competencies to the full. We offer safe and attractive working environments, a wide range of international development opportunities and careful, forward-looking personnel development with the aim of offering our employees what our office properties stand for: "a place where people love to work".

### Employment & Working Conditions

The number of staff employed by CA Immo across the Group as of December 31, 2021 was 392<sup>1)</sup> (31.12.2021: 441<sup>1)</sup>). This year-on-year decline of around 11% is partly due to the departure of the 16 employees of the Romanian management company, who were taken over by the purchaser together with the local portfolio (discontinued operation). Germany is CA Immo's most employee-intensive core market, accounting for around 57% of the workforce, followed by Austria (22%) and CEE (18%). The remaining 3% is accounted for by employees of the construction subsidiary omniCon branch in Basel<sup>2)</sup>. Of the total of 225 employees in Germany, 98 (2021: 108) were employed by omniCon as of the reporting date (of which

10 were employed by the omniCon branch in Basel). As an employer, CA Immo has been locally anchored in its markets for many years and employs almost exclusively local staff in its international branches. As of December 31, 2022, people from 23 nations worked for CA Immo.

In principle, CA Immo employs staff on full-time, permanent contracts. In 2022, of a total of 392 employees, 378 are employed on permanent contracts and 14 on fixed-term contracts. The proportion of fixed-term employees by employment contract is 4%.

In its CSR Policy, CA Immo is clearly committed to the freedom of association of its employees. This policy also defines CA Immo's position on issues such as employee relations, human rights and working conditions. The CSR Policy is available at [caimmo.com/esg-policies](http://caimmo.com/esg-policies). In cooperation with the Austrian and German works council, a large number of employee-related regulations – among other things to support the work-life balance – were defined within the framework of company agreements.

### Employee survey

CA Immo conducted a Group-wide analysis of **employee satisfaction** in 2022 in cooperation with Great Place to Work (GPTW). This survey assessed satisfaction dimensions such as pride, fairness, respect, team spirit, leadership and credibility. In addition, one focus area dealt with ESG-relevant topics.

### PERSONNEL DISTRIBUTION WITHIN THE CA IMMO GROUP <sup>1)</sup>

Headcount	Number of employees		Share of women in %	Joining / Leaving <sup>2)</sup> 2022	New hires <sup>3)</sup> 2022 in %	Turnover <sup>4)</sup> 2022 in %		
	31.12.2022	31.12.2021					Change in %	2022 Ø
Austria	85	92	-8	91	64	15/21	17	23
Germany/Switzerland <sup>5)</sup>	235	247	-5	240	40	24/38	10	16
CEE	72	102	-29	90	72	7/14	8	16
<b>Total</b>	<b>392</b>	<b>441</b>	<b>-11</b>	<b>421</b>	<b>51</b>	<b>46/73</b>	<b>11</b>	<b>17.3</b>

<sup>1)</sup> Headcounts. Thereof around 11% part-time staff, incl 28 employees on unpaid leave; excl. 22 employees of joint venture companies; Calculations according to the GRI Standards (GRI 401-1)

<sup>2)</sup> The exits do not include the exit of the employees of the Romanian management company, which was taken over by the purchaser together with the local portfolio (discontinued operation)

<sup>3)</sup> New hires: Joiners 2022 / average number of employees in 2022 (Headcount)

<sup>4)</sup> Turnover: Leavers 2022 / average number of employees in 2022 (Headcount)

<sup>5)</sup> At the end of 2022 10 local employees were employed at the Basel branch of CA Immo's wholly owned construction subsidiary omniCon

<sup>1)</sup> Incl. part-time employees (PTE) and employees on unpaid leave, excl. Freelancer

<sup>2)</sup> omniCon is a subsidiary of CA Immo that specializes in construction management and is active in Germany and Switzerland

With a Group-wide participation rate of 73%, the overall satisfaction rate was 71%, with factors such as a discrimination-free working environment and physical safety in the workplace being particularly positively highlighted by participating employees. CA Immo plans to conduct future employee satisfaction surveys every two years in order to constantly define and implement measures to increase employee satisfaction.

### Attractive Employer

In order to counteract the current challenges on the HR market, such as a shortage of skilled workers or socio-cultural change, CA Immo is implementing targeted measures to strengthen its employer brand. Some of these measures are described in more detail in the following sections.

### Co-determination of employees and internal communication

Regular internal communication and a trusting and constructive exchange between the Supervisory Board, management and employees are important to us. Relevant information is passed on to all employees in a comprehensive and timely manner via various channels, including physical or virtual CEO info meetings, info mails, management meetings and team jour fixes. The **Works Council**, which is based at the Vienna headquarters, cooperates closely with the HR department. Corresponding coordination meetings are held on regularly basis. The Management Board and the Works Council meet on a quarterly basis to discuss company developments and relevant employee issues. Two employee representatives from the Austrian Works Council sit on the Supervisory Board of CA Immo. Their activities enable co-determination on the Supervisory Board, including the right to have a say in far-reaching corporate decisions.

### Employee participation and social benefits

CA Immo offers employees a range of voluntary social benefits, independent of the working time model: Meal vouchers or food subsidy, Bahn-card 25 or 50, job tickets, further training support, kindergarten allowance, group health insurance, group accident insurance, job-related allowances and company pension scheme (pension fund). In addition to the fixed salary, all employees can participate in the company's success in the form of a variable profit-sharing bonus. This is linked to the achievement of budgeted annual targets and a positive Group result.

### Talent Management & Employee Development

As part of its strategic training and development programme (CA Immo Academy), CA Immo provides its employees with a wide range of regular internal and external training and development opportunities. In 2022, training courses were held in the specialist areas of asset and portfolio management as well as GDPR training, among others. Most of the training courses were held virtually.

CA Immo also supports the professional development of its employees with training days, flexible working hours and financial assistance for the completion of (dual) studies. Further information on the subject of training and further education can also be found at our website and in ESG Appendix. On average, women completed 12.6 and men 5.8 hours of training in 2022.

### AVERAGE ABSENCES FROM WORK BY REGIONS

in days		Vacation	Illness	Qualification in hours	in days
Austria <sup>1)</sup>	Women	21.6	5.0	15.0	1.9
	Men	26.1	4.2	10.2	1.3
Germany <sup>2)</sup>	Women	26.8	9.7	9.6	1.2
	Men	29.3	7.8	4.5	0.6
CEE <sup>3)</sup>	Women	21.3	0.5	14.8	1.9
	Men	22.6	0.1	7.2	0.9

<sup>1)</sup> Excludes two long-term sick leave case (LTSL). Including these LTSL, the average of sick leaves of women in Austria would be 6.5 days.

<sup>2)</sup> Excludes three long-term sick leave cases (LTSL). Including these LTSL, the average of sick leaves of women in Germany would be 10.1 days and of men 9.2 days

<sup>3)</sup> Excludes two long-term sick leave case (LTSL). Including these LTSL, the average of sick leaves of women in CEE would be 2.0 days

Every CA Immo employee holds an **appraisal interview** with his or her manager at least once a year to assess performance, define goals and develop his or her personal career. Individual training plans and goals can be defined in line with both the individual development potential of employees and the company's need for expertise and qualifications. In 2022, 99% of employees had an annual appraisal, with the remaining 1% being accounted for by employees who joined in the fourth quarter of 2022. In order to promote a culture of continuous feedback, every employee appraisal has been digitally recorded in a central HR tool since 2021. This means that targets can be viewed at any time and an interim status on target

achievement can be determined. A new feature of the annual appraisal is an analysis of employee potential in order to provide optimum support for employees' talents and training needs.

#### Health & Safety at work



One **occupational accident** was recorded in the 2022 reporting year. The resulting absences did not exceed one month in each case. No other significant work-related injuries, illnesses or days lost by CA Immo employees were reported in 2022.

External safety specialists carry out regular rounds and checks in all own-used CA Immo offices. The frequency of these inspections is based on national legal requirements and ranges from four times to once a year. The main topics include workplace evaluation, fire protection, indoor climate factors and alone work/alone workplace. An internal safety officer at each subsidiary also ensures pleasant and safe working environments. No identifiable technical safety deficiencies and resulting acute hazards or risks to employees were identified at any CA Immo office in 2022.

Safety and health plans are drawn up at all CA Immo construction sites; the company's own employees received regular safety briefings at the sites (see also the section Tenants & Service Providers).

In order to protect the physical and mental health of employees in the long term, CA Immo offers the following measures and incentives as part of its **occupational health care programme**:

- Digital information on health-promoting work (place) design (e.g., ergonomic work)
- Lectures by medical professionals on health promotion and stress prevention/management
- Annual voluntary free tick and flu vaccinations

Since 2021, CA Immo has offered employees eye examinations and other medical screenings relevant to the specific area of responsibility of each employee group, in addition to the legally required occupational safety measures (such as workplace and home-office instructions). In 2022, eye yoga and BIA measurements were offered to promote the general well-being of employees.

In addition to many restrictions, the pandemic also brought psychological stress. CA Immo therefore provided external **psychological support for employees** throughout the Group (Employee Assistance Programme) in the form of telephone or personal counseling. This service was also available to CA Immo employees and their relatives living in the same household in 2022. Our cooperation partner in Austria, Hilfswerk, offers a wide range of online presentations on topics such as time management, stress, conflicts and changes in the work environment in addition to the advice provided as part of the KEEP BALANCE programme. Partnership problems, questions about separation, divorce or raising children, and family conflicts can also be discussed with the counseling experts.

#### Covid-19

A special catalogue of measures to create a **safe working environment for CA Immo employees** in all office premises used by the company itself has been continuously adapted and communicated internally. Our Mobile Working Policy allows all CA Immo employees up to two home office days per week. Business trips and face-to-face meetings increased again during 2022.

In addition to the security measures in the common areas of our buildings as listed in the "Tenants & Service Providers" section, the following Covid-19 protection measures are also implemented in the own-used CA Immo offices:

- Free Covid 19 test kits for staff and visitors at all sites
- Provision of mouth-nose protection at the reception
- Mandatory use of mouth-nose protection in all general building and office areas (except at own workplace)
- Reducing courier deliveries, including private packages, to a minimum.

Further information on health and safety for employees can be found in our CSR Policy at [caimmo.com/esg-policies](https://caimmo.com/esg-policies).

### Inclusion, Diversity & Equal Opportunity

CA Immo operates in numerous countries of different languages and cultures and recognises social diversity and the rights of every individual. Therefore, we always strive to promote diversity within the company and give employees the space to realise their full potential in order to achieve exceptional results for customers and society. We strive to create workplaces free from discrimination based on gender, sexual orientation, marital status, regional/social origin, race, skin colour, religion, world view, age, ethnical affiliation, handicap of any kind or any other reason. CA Immo does not tolerate disrespectful or inappropriate behavior, unfair treatment or unfair retaliation of any form.

CA Immo respects the rights, interests and needs of its employees and pays attention to their individuality in order to establish a corresponding equality of rights and opportunities. With this in mind, CA Immo commits to fair and respectful treatment of our employees in its corporate social responsibility (CSR) policy. At the same time, CA Immo commits its employees to respectful and fair behavior towards each other and towards third parties (applicants, service providers, contractual partners etc.).

The respective managers are responsible for observing and implementing diversity and equality in the day-to-day work of each department. Responsibility for diversity initiatives at CA Immo lies with the Group Head of Human Resources. The basis for promoting diversity and equality is based on the Group-wide policies (CSR Policy, Code of Ethics and Code of Conduct) and the commitment to diversity management that we entered into by signing the Diversity Charter.

CA Immo is a cooperation partner of **myAbility Social Enterprise GmbH**. myAbility is a social enterprise consultancy that aims to create equal opportunities and make society barrier-free from within the economy.<sup>1)</sup> For the Frankfurt site, CA Immo has launched the collaboration as a pilot project to give students with disabilities insights into different departments and to promote a culture of inclusion among CA Immo employees. In 2022, this project was continued in Vienna by means of a workshop with managers and job shadowing in individual departments.

No incidents of discrimination were reported in 2022.

### Gender Diversity

CA Immo ensures equality and balance in the composition of its employee structure, across the workforce as a whole and at all managerial and executive levels. Aside from professional qualifications, the recruitment process adheres to a policy of non-discrimination between women and men. Since 2020, CA Immo supports the initiative Women in Leadership (F!F)<sup>2)</sup>, which actively promotes the change towards more diversity and a contemporary leadership culture in the real estate industry.

In the application and selection process, CA Immo pays attention to a balanced ratio between men and women. A fair, non-discriminatory and equal opportunity application and selection process is particularly important to us. CA Immo undergoes annual benchmarking as part of the Best Recruiters Awards<sup>3)</sup>. In this benchmarking, an external agency critically examines the quality of the recruiting process, the career website and, among other things, the company's focus on social responsibility and diversity. CA Immo recently received the Best Recruiters seal in gold and silver for its performance.

CA Immo also aims to increase the proportion of female managers through a variety of measures and incentives. For example, women are specifically targeted in internal succession planning and when filling management positions; preference is given to female applicants with equivalent qualification profiles in the recruiting process. Even part-time employment does not stand in the way of a management position. This model has already been used by some executives. In addition, attention is paid to gender balance in graduate and talent management programmes. In order to ensure that succession planning and the promotion of young executives are appropriately diverse, 50% women and 50% men are regularly nominated for the international talent programme (FIRE) and care is taken to ensure that the participants have as wide a range of tasks and country coverage as possible. Training and consultation on the topic of diversity are a regular part of the employee training programme. Starting in 2022, the topic of diversity development was included at least once a year in the agenda of a Supervisory Board meeting.

<sup>1)</sup> <https://www.myability.org/>

<sup>2)</sup> <https://www.frauen-in-fuehrung.info/>

<sup>3)</sup> <https://bestrecruiters.eu/>

As of the reporting date, the proportion of women throughout the Group was around 51% (December 31, 2021: 51%). At 72%, the proportion of women was highest in the CEE subsidiaries, followed by Austria (64%) and Germany (40%). The proportion of female managers remained constant at 30% in the annual comparison of 2022 and 2021. Since January 1, 2022, the CA Immo three-member Management Board team has also included one woman (corresponding to a 33% share of women on the Management Board). One woman is represented on the Supervisory Board. The overall proportion of women is therefore 17%.

CA Immo makes it possible to reconcile professional and family life by offering flexible working hours, part-time options, working from home, paternity leave and 'fathers' month'. Employees on a leave of absence remain linked to the internal information network and are invited to participate in annual team meetings and company events.

### Gender Pay Gap

We evaluate and compare the salaries of men and women in comparable functions on an annual basis. If a pay gap exists, it is analyzed at the individual level and discussed with the respective manager before each salary review, so that the gender pay gap can be gradually closed as part of the annual salary review. The gender pay gap (total compensation) is -4.3% at management level (December 31, 2021: 0.3%) and -2.1% at employee level (December 31, 2021: 6.4%).

### PERSONNEL DISTRIBUTION BY AGE AND CATEGORIES (TOTAL: 392 EMPLOYEES)<sup>1)</sup>

in %			
<b>Employees (329)<sup>2)</sup></b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	4%	40%	11%
Male	4%	25%	16%
<b>Total</b>	<b>8%</b>	<b>65%</b>	<b>27%</b>
<b>Managers (60)<sup>3)</sup></b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	0%	25%	5%
Male	0%	37%	33%
<b>Total</b>	<b>0%</b>	<b>62%</b>	<b>38%</b>
<b>Management Board (3)</b>	<b>≤ 28 years</b>	<b>29-48 years</b>	<b>≥ 49 years</b>
Female	0%	0%	33%
Male	0%	33%	33%
<b>Total</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>
<b>Total employees (392)</b>	<b>25</b>	<b>253</b>	<b>114</b>

<sup>1)</sup> Excl. 22 employees (as at 31.12.2022) of joint venture companies. The percentages relate to the number of employees in the respective category. Calculations according to the GRI guidelines (GRI 405-1). <sup>2)</sup> Of which 1% with disabilities <sup>3)</sup> Managers were defined as follows: Group manager, Managing Director, Head of department, head of division, team leader.

### GENDER DIVERSITY<sup>1)</sup>

in %	Male	Female	Gender Pay Gap <sup>2)</sup>	
			Base remuneration	Total compensation
Supervisory Board total	83	17	0	0
Supervisory Board (capital representatives)	75	25	0	0
Supervisory Board (employee representatives)	100	0	0	0
Management Board	67	33	-11	-11
Managers	70	30	-0.1	-4.3
Employees	45	55	-3.2	-2.1
<b>Total</b>	<b>49</b>	<b>51</b>		

<sup>1)</sup> Compensation of the Supervisory Board is independent of gender

<sup>2)</sup> Information regarding the calculation methodology can be found in the ESG appendix

### 3. SUSTAINABLE URBAN DISTRICT DEVELOPMENT



As an international investor, owner of inner-city office buildings and urban district developer,

CA Immo also has an impact on the social environment in its core cities. Our goal is to create urban districts in which people will enjoy living tomorrow just as much as they do today. Our districts are characterized by good public transport links and the combination of working and living with social and cultural facilities. The provision of green spaces and public spaces makes these places inclusive and accessible to all city residents.

#### Creation of social infrastructure

By specializing in the revitalization of brownfield sites, CA Immo opens up for all city dwellers places that were previously inaccessible or only accessible to a few people – mostly due to former industrial use. 24 CA Immo portfolio buildings, or around 40% of the total portfolio (by area), are located in neighborhoods that have been appropriately developed, upgraded and opened up to the public by CA Immo. In the course of its neighbourhood developments, CA Immo creates a wide range of social services and infrastructure in cooperation with the respective municipalities, including:

- Parks, playgrounds, sports facilities and ecological compensation areas,
- schools, daycare centers, local amenities,
- public roads and (bicycle) paths.

This results in a sustainable inner-city use of space with a high quality of stay at the same time.

In December 2022, the four-hectare Europagarten in Frankfurt, in the planning and construction of which CA Immo also contributed 21% (€1.15 million cost share), was opened to the public. The Europagarten is located in the center of the Europaviertel district, the northern part of which CA Immo has developed, and serves as a green recreation area for local residents.

Plans for 2023 include the construction of a playground in Europacity Berlin and a green space with generous sports and play areas in the Baumkirchen Mitte neighborhood.

#### Procurement of building rights for residential development

In the course of its urban district development projects, CA Immo has procured building rights for more than one

million sqm of gross floor space of residential construction in Frankfurt, Munich, Regensburg, Mainz, Berlin and Vienna over the past two decades. This corresponds to more than 12,000 residential units. Around 3,300 residential units were developed by CA Immo itself, in many cases with joint venture partners. Further extensive land reserves for urban residential quarters in Munich are currently in various stages of land preparation and zoning.

In 2022, CA Immo has completed the process of creating building rights for the "Langes Land" residential quarter, which is located in the immediate vicinity of the subway and S-Bahn in the north of Munich. The statutes of the development plan provide for building rights for approx. 925 apartments with a floor area of around 90,500 m<sup>2</sup> on the site, which was formerly used for industrial purposes or was derelict.

### 4. COMMUNITY ENGAGEMENT

#### Cultural and social sponsoring

Cultural and social sponsoring In the course of developing inner-city districts and converting former industrial sites, CA Immo has for many years made space and buildings available free of charge or at low cost for interim cultural use. One example of this is the Rieck Halls, which are used as exhibition space, and the Hamburger Bahnhof property at Berlin's main train station.

CA Immo also promotes selected charitable institutions, hospitals and schools in their core cities. In 2022, for example, we made a donation to the Austrian Red Cross to support aid efforts in Ukraine and provided office space in Warsaw free of charge to help Ukrainian refugees. In total, CA Immo donated around €200,000 (including donations in kind) to social and medical institutions in 2022.

#### Corporate Volunteering

CA Immo promotes its employees' commitment to the common good. In accordance with our Corporate Social Responsibility Policy, all CA Immo employees have the opportunity to actively pursue their social commitment on up to two paid working days per year.

## 5. CYBERSECURITY

CA Immo considers strong cybersecurity to be essential for the smooth functioning of its business. Network, programme, information and operational security form the core of this. The Organization and IT department is responsible for IT security throughout the Group. CA Immo's IT security concept addresses key topics such as security management, security objectives, protection requirements and risk analysis in order to constantly increase CA Immo's cyber resilience. Standardized processes and measures are used to identify potential threats and cyber risks at an early stage and to determine the need for protection (low to very high protection requirement) for each IT system. Measures for monitoring and responding to data protection breaches and cyber attacks are in place and are continuously reviewed to ensure they are up to date. Audit plans provide for audits of data privacy and IT security at regular intervals. This applies both to IT technical issues and to organizational issues such as compliance with the provisions of the General Data Protection Regulation (GDPR). Internal and external security audits have been carried out for several years. The last external audit was completed in autumn 2022 by an external auditing firm. The information and new findings compiled as part of these audits are documented in our Cybersecurity Policy. The Organization and IT department is responsible for IT security throughout the Group.

All CA Immo employees receive regular training on the topic of cybersecurity. Also in 2022, the majority of employees have completed cybersecurity trainings. IT guidelines are handed out to all employees at the beginning of their employment, and CA Immo employees can also find further links on IT security on the Group-wide intranet. The IT guidelines include information and rules on data backup, data exchange and transfer, data protection, use of e-mail and the Internet, mobile devices, home offices and remote access.

## BUSINESS ETHICS, CORPORATE GOVERNANCE &amp; COMPLIANCE



CA Immo wants to make an active contribution to a sustainable economy with integrity within its sphere of influence. This commitment requires the involvement of many, both our own employees and external partners. Through targeted information and clear standards and guidelines, we aim to raise awareness among our employees and contractors of the issues we consider relevant and to encourage or oblige them to support our principles and initiatives. All information on corporate governance, compliance, anti-corruption and human rights can be found in the Corporate Governance Report. Relevant policies are available on our Group website at [caimmo.com/esg-policies](http://caimmo.com/esg-policies), including:

- Code of Ethics & Code of Conduct
- Gifts and Donations Policy
- CSR Policy
- Procurement Policy

**UN Global Compact Signatory**

By joining the world's largest and most important initiative for responsible corporate governance, the UN Global Compact, CA Immo has taken another significant step towards sustainability in 2022. As a participating organization of the UN Global Compact (UNGC), we are now committed to supporting the 10 universal principles in the areas of labor standards, human rights, environmental protection and anti-corruption, and the 17 Sustainable Development Goals (SDGs) within our sphere of influence, and to aligning our reporting with the standards set by the United Nations.

**WE SUPPORT**

## DISCLOSURES UNDER ARTICLE 8 OF THE EU REGULATION ESTABLISHING A FRAMEWORK FOR SUSTAINABLE INVESTMENT (EU TAXONOMY)

Regulation (EU) 2020/852 ("EU Taxonomy Regulation") entered into force on July 12, 2020. It aims to define sustainable economic activities and represents an important piece of EU legislation to promote transparency and to enable and expand investment in these activities, thus implementing the European Green Deal.

The scope of the economic activities listed within the EU taxonomy is not comprehensive, but is limited to sectors with significant environmental footprints and thus particular potential to contribute positively to the transition to a sustainable economy. The construction and real estate industry as an energy-intensive and thus emission-intensive sector is one of the addressees of the EU taxonomy.

According to the EU taxonomy, an economic activity is considered environmentally sustainable if it makes a significant contribution to at least one of the environmental goals, does not have a significant negative impact on any of the other environmental goals ("do no significant harm, DNSH") and is carried out in compliance with certain minimum protection criteria ("minimum safeguards"), especially with regard to responsible business conduct and human and labour rights. Whether a significant contribution is made to an environmental goal or there is no significant harm to the environmental goals must be reported from 2022 onwards on the basis of the technical screening criteria specified in detail by the EU Commission. Compliance with the minimum protection criteria must also be reported as part of the determination of the share of sustainable economic activities from the 2022 financial year onwards.

At present, the technical criteria for a significant contribution are only available for the first two environmental goals of climate protection and adaptation to climate change. Publication of the final criteria for the remaining four environmental goals (water protection, circular economy, pollution prevention and biodiversity) is expected in the course of 2023.

According to Art. 10 of the "Delegated act on the new reporting obligations under Art. 8 of the Taxonomy Regulation", simplification provisions applied for the reporting year 2021, according to which only the share of economic activities covered by the taxonomy – EU taxonomy eligibility – must be reported. A reporting obligation on the share of sustainable economic activities (in the sense of the application of predefined technical assessment criteria) – EU taxonomy alignment – only exists from the reporting year 2022 onwards.

As the scope of application of the EU taxonomy is linked to that of non-financial reporting in accordance with Article 19a and Article 29a of Directive 2013/34/EU and therefore extends to large public interest entities with more than 500 employees, CA Immo is not covered by the reporting requirements of the EU taxonomy at the reporting date. In order to be transparent with regard to its sustainable economic activities, CA Immo discloses the information on EU taxonomy eligibility voluntarily.

In the following, the economic activities applicable to CA Immo are presented with the financial performance indicators to be reported in accordance with Art. 8 of the EU Taxonomy Regulation (revenue, capital expenditure & operating expenses). This presentation includes the shares of the economic activities **covered by the taxonomy** in revenues, capital expenditure (CapEX) and operating expenditure (OpEX).

### Gross revenues

CA Immo is an investor, manager and developer specializing in large, modern office properties in the metropolitan cities of Germany, Austria and CEE. The company covers the entire value chain in the commercial property sector and has a high level of in-house construction expertise. Founded in 1987, CA Immo is listed on the ATX of the Vienna Stock Exchange and holds real estate assets of around €5.9 bn in Germany, Austria and CEE.

The gross revenues of CA Immo consist mainly of rental income (including operating cost income) from properties in the portfolio amounting to €264.2 m. Income from the sale of properties held for trading and services amount to €14.6 m, but these revenues originate from economic activities not covered by the EU taxonomy.

Within the list of economic activities covered by the taxonomy, CA Immo has identified two activities for the gross revenues of the business year 2022:

– Acquisition and ownership of buildings: Acquisition of real estate and exercise of ownership of this real estate

(note: e.g. by renting). The economic activities in this category can be classified under NACE code L.68 according to the statistical classification of economic activities established by Regulation (EC) No. 1893/2006. – Construction of new buildings: The economic activities in this category can be classified under NACE code F.41.2 according to the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

The shares of eligible and ineligible gross revenues (turnover) according to the taxonomy for the fiscal year 2022 are as follows:

#### TURNOVER ACCORDING TO THE EU TAXONOMY FOR THE FINANCIAL YEAR 2022

in € K	NACE Code	Total turnover 2021	Share of total turnover in %	Total turnover 2022	Share of total turnover in %
A. Taxonomy-eligible economic activities					
7.7 Acquisition and ownership of buildings	L.68	245,058		264,189	
7.1 Construction of new buildings	F.41.2	–926		0	
<b>Total Taxonomy-eligible economic activities</b>		<b>244,132</b>	<b>93.40%</b>	<b>264,189</b>	<b>94.80%</b>
B. Not Taxonomy-eligible economic activities					
<b>Total not Taxonomy-eligible economic activities</b>		<b>17,256</b>	<b>6.60%</b>	<b>14,565</b>	<b>5.20%</b>
<b>Total turnover (A+B)</b>		<b>261,388</b>	<b>100%</b>	<b>278,754</b>	<b>100%</b>

The figures for 2021 have been adjusted compared to the figures published in the ESG Report 2021: the revenues from the sale of long-term property assets are not included in the revenues, also the revenues from the discontinued operations Romania have been excluded.

#### Capital expenditures (CapEx)

Capital expenditures as defined by the EU taxonomy are additions to long-term assets or rights of use. CA Immo reports capital expenditure primarily in the form of additions to the investment portfolio (purchases of existing properties, project development for its own portfolio). Furthermore, investments are made in the form of renovations and refurbishments of the building stock owned by CA Immo. Both types of additions are to be allocated as CapEx to the economic activity "Acquisition and ownership of buildings".

Investments in company cars are also covered by the taxonomy under the economic activity "Transport by passenger car".

Investments in owner-occupied property and software as well as in office furniture and equipment totalling around €7.5 m are not covered by the EU taxonomy.

Overall, the shares of eligible and ineligible capital expenditures according to the taxonomy for the fiscal year 2022 are as follows:

## CAPEX ACCORDING TO THE EU TAXONOMY FOR THE FINANCIAL YEAR 2022

In € K	NACE Code	Absolute CapEx 2021	Share of total CapEx in %	Absolute CapEx 2022	Share of total CapEx in %
A. Taxonomy-eligible economic activities					
7.7 Acquisition and ownership of buildings	L.68	216,119		276,277	
6.5 Transport by passenger car	H.49.39	297		164	
<b>Total Taxonomy-eligible economic activities</b>		<b>216,416</b>	<b>99.00%</b>	<b>276,441</b>	<b>97.30%</b>
B. Not Taxonomy-eligible economic activities					
<b>Total not Taxonomy-eligible economic activities</b>		<b>2,259</b>	<b>1.00%</b>	<b>7,547</b>	<b>2.70%</b>
<b>Total CapEx (A+B)</b>		<b>218,675</b>	<b>100%</b>	<b>283,988</b>	<b>100%</b>

The figures for 2021 have been adjusted compared to the figures published in the ESG Report 2021: the CapEx related to the discontinued operations Romania have been excluded.

**Operating expenses (OpEx)**

Operating expenses as defined by the EU taxonomy are, in addition to research and development expenses for the reduction of greenhouse gas emissions, all maintenance and repair expenses as well as other directly attributable costs that are relevant for the ongoing maintenance and preservation of the functionality of property, plant and equipment. In relation to CA Immo's business model,

OpEx is only considered in the form of non-capitalised costs for maintenance and repair expenses on existing properties.

The operating expenses covered by the EU taxonomy are therefore to be allocated in their entirety to the economic activity "Acquisition of and ownership of buildings" and break down as follows:

## OPEX ACCORDING TO THE EU TAXONOMY FOR THE FINANCIAL YEAR 2022

In € K	NACE Code	Absolute OpEx 2021	Share of total OpEx in %	Absolute OpEx 2022	Share of total OpEx in %
A. Taxonomy-eligible economic activities					
7.7 Acquisition and ownership of buildings	L.68	-4,686		-8,926	
<b>Total Taxonomy-eligible economic activities</b>		<b>-4,686</b>	<b>100%</b>	<b>-8,926</b>	<b>100%</b>
B. Not Taxonomy-eligible economic activities					
<b>Total not Taxonomy-eligible economic activities</b>		<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Total OpEx (A+B)</b>		<b>-4,686</b>	<b>100%</b>	<b>-8,926</b>	<b>100%</b>

The figures for 2021 have been adjusted compared to the figures published in the ESG Report 2021: the OpEx related to the discontinued operations Romania have been excluded.



## ESG APPENDIX

## MATERIAL NON-FINANCIAL PERFORMANCE INDICATORS UNDER SECTION 267A PARA. 2 UGB (NADIVEG)

	CA Immo Focus areas	EPRA-Indicators	Page reference
Environmental issues	Climate & Energy, Resource Conservation & Circular Economy, Sustainable procurement & Supply chain, Sustainable urban district development	Elec-Abs, Elec-LFL, DH&C-Abs, DH&C-LFL, Fuels-Abs, Fuels-LFL, Energy-Int, GHG-Dir-Abs, GHG-Indir-Abs, GHG-Int, Water-Abs, Water-LFL, Water-Int, Waste-Abs, Waste-LFL, Cert-Tot	Impact of business activities on issues: 87 Concepts & results: 90-107, 124-133, 135 Risks: 79-80, 93-97
Employee issues	Health and safety, Sustainable procurement / supply chain	Diversity-Emp, Diversity-Pay, Emp-Dev, Emp-Turnover, H&S-Emp,	Impact of business activities on issues: 87
Social issues	Health and safety, Sustainable procurement / supply chain	Emp-Training, H&S-Asset, H&S-Comp, Comty-Eng	Concepts & results: 21-31, 91-92, 108-116, 134, 136 Risks: 70-81, 93-97
Respect for human rights	Business Ethics, Corporate Governance & Compliance	Gov-Board Gov-Select	Impact of business activities on issues: 87
Combating corruption and bribery	Business Ethics, Corporate Governance & Compliance	Gov-CoI	Concepts & results: : 21-31, 91-92, 108-116 Risks: 70-81

## REPORTING ACCORDING TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Subject areas	Topics	Chapter	Page
Governance	The board's oversight of climate-related risks and opportunities	Corporate Governance Report, Risk Report, ESG Report	86, 71-72, 93-94
	Management's role in assessing and managing climate-related risks and opportunities	Corporate Governance Report, Risk Report, ESG Report	86, 71-72, 93-94
Strategy	Climate-related risks and opportunities over the short, medium, and long term	ESG Report	93-97
	Impact of climate-related risks and opportunities on the businesses, strategy and financial planning	ESG Report	87, 93-97
	Preparation of the organisation's strategy in consideration of various climate-related scenarios	Strategy, ESG Report	5-8, 93-97
Risk Management	Processes for identifying and assessing climate-related risks	Risk Report, ESG Report	71-72, 86-87, 93-94
	Processes for managing climate-related risks	Risk Report, ESG Report	71-72, 86-87, 93-94
	Integration of the above processes in the organisations general risk management	Risk Report, ESG Report	71-72, 93-94
Metrics and targets	Metrics to assess climate-related risks and opportunities in line with the strategy and risk management process	ESG Report and ESG Appendix	86-92, 98-107, 124-133, 135
	Scope 1, Scope 2 and Scope 3 GHG emissions and the related risk	ESG Appendix, ESG Report	93-107, 124-133, 135
	Targets to manage climate-related risks and opportunities and performance against targets	ESG Report	90-92

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

We report on our environmental, social and governance engagement in accordance with the EPRA Sustainability Best Practice Recommendations 3rd Edition (sBPR). We address the EPRA sBPR across three sections:

- Overarching recommendations
- Sustainability performance indicators
- Narrative on performance (see ESG Report and Corporate Governance Report).

### 6. OVERARCHING RECOMMENDATIONS ACC. TO EPRA

#### Organisational boundaries

For our data boundary, we take an operational control approach. All key figures stated in the course of ESG reporting refer to CA Immobilien Anlagen AG and all fully consolidated subsidiaries in the respective reporting period or reporting date (unless otherwise stated). Consequently, reporting includes exclusively portfolio properties that were in operation and fully-owned by CA Immo throughout the year under review. Properties that were acquired, sold or completed in the reporting period (financial year) and thus were not part of our investment portfolio for the entire period were not include.

#### Reporting period

The reporting on the consumption data of our investment portfolio refers to the calendar year that ended on 31 December 2021, as the consumption data of our buildings for the year 2022 was not completely available by the editorial deadline of the report. The rest of the sustainability reporting refers to the reporting date 31 December 2022, unless otherwise stated.

#### Coverage

We seek to report on all properties within the organizational boundaries defined above, excluding:

- Properties classified as land reserves, e.g. temporary buildings, buildings with interim use
- Multi-storey car parks.

Office properties form the core segment of CA Immo; as at the reporting date, office properties accounted for 94% of the total portfolio, the rest was accounted for by hotels (3%) and other types of use (3%).

In 2021, the CA Immo portfolio recorded in the EPRA-consumption data in accordance with the scope described above included 66 investment buildings, of

which 55 were multi-tenant office buildings, one shopping centre and 10 single-tenant buildings (including six hotels). 41 buildings were heated with district heating, 26 with gas and 1 with heating oil. All asset classes, offices and others (hotel, shopping center, museum) were included in the consumption data analysis. In total, around 90% of the entire CA Immo investment portfolio (by gross lettable area, as at 31 December 2021) was included in the consumption data analysis in the 2021 business year (2020: 90%). The consumption figures for the 17 offices used by CA Immo itself are shown separately.

In order to be able to provide a comprehensive data collection for the total energy consumption of our buildings, we seek to obtain tenant consumption data (tenant electricity purchased directly by the tenant) from both all single-tenant buildings and multi-tenant buildings. For the reporting year 2021, two office buildings fully leased to a single tenant (single-tenant hotel building) had to be excluded from the consumption data analysis due to lack of data availability.

#### Extrapolation methodology for 2022 consumption data

Consumption data for the 2022 business year was not available in full by the editorial deadline for this report. In order to nevertheless be able to give an indication of the corresponding consumption, we have extrapolated selective consumption values (energy and CO<sub>2</sub> intensity of the investment portfolio) on the basis of the 2021 consumption values, taking into account climate (weather) and vacancy factors, and presented them in the ESG report. The EPRA tables in the ESG Appendix show the full 2021 consumption data in 2- resp. 3-year comparison only.

#### Scope of reporting

In reporting on the consumption data of our investment portfolio, we follow the scope definition of the Greenhouse Gas Protocol:

- Scope 1: Direct emissions from the combustion of energy sources procured directly by CA Immo (fossil fuels)
- Scope 2: Indirect emissions arising from the generation of energy procured by CA Immo outside CA Immo properties (electricity for common areas, heating and cooling of the entire buildings)
- Scope 3: Indirect emissions that occur within the value chain of CA Immo. CA Immo reports emissions in accordance with the GHG Protocol as part of EPRA reporting as of the reporting date in the following Scope 3 categories: Category 1 (Purchased goods and services), Category 3 (Fuel- and energy-related activities), Category 5

(Waste generated in operations) sowie Category 13 (Downstream leased assets). These are emissions from energy consumption by tenants, as well as waste disposed of in our buildings.

For the conversion of energy consumption to greenhouse gas emissions, **location-based** conversion factors from DEFRA (for district heating and gas) and the International Energy Agency IEA (for electricity) or **market-based** conversion factors from the respective suppliers (for district heating and electricity) were used.

#### **Estimation of landlord-obtained utility consumption**

Energy consumption is based on invoices and, if applicable, on meter readings. For one single-tenant-building estimates for water and energy data were made based on the requirements of the EPRA Sustainability Best Practices Recommendations 3rd Edition. Waste data reported in volumetric units were converted. Density conversion factors developed by the UK Environment Agency were used for this purpose.

#### **Boundaries – Reporting on landlord and tenant consumption**

Where possible, the total consumption quantities (energy and water) of the properties were recorded. The total energy quantities include energy purchased by the landlord to supply the technical building equipment and common areas, energy purchased by the tenant, and energy purchased by the landlord, which is passed on directly to the tenants and recorded and billed as part of submetering. All three components are reported separately. Water consumption is based on the entire building and therefore also includes tenant consumption. The waste data includes waste from tenants and landlords, since CA Immo is responsible for the waste contracts.

#### **Analysis – Normalisation**

Since the reporting year 2021, the area used to calculate energy intensity (Energy-Int), CO<sub>2</sub> intensity (GHG-Int) and water intensity (Water-Int) is the gross internal area (GIA in sqm; incl. garage parking spaces, basement and storage area located in the building. The values for 2019 and 2020 have been adjusted accordingly. Only those buildings for which complete data are available are included in the calculation of the intensity ratios. For our own-

used office space, we report on intensity performance indicators using the space we use in the building (rental space).

#### **Analysis – Segment analysis**

The segment analysis was performed both on a geographical basis and by asset class. The investment portfolio 2021 includes properties in Germany, Austria and CEE (Czechia, Hungary, Poland, Romania and Serbia). Data is presented separately by asset class for office and other (hotel, shopping center and museum).

#### **Analysis – Like-for-like analysis**

Like-for-like analysis includes all properties that were in continuous operation and part of the CA Immo portfolio in the last two full reporting years (operational control). To ensure meaningful comparability, the individual performance indicators only include properties for which consumption data is available from both years.

#### **Key employee figures**

Employee figures are reported on the basis of headcounts (HC) of all fully consolidated companies (including employees on unpaid leave and part-time employees, excluding students and interns). If a key figure was calculated with a different basis, this is explained in more detail in a footnote.

## ENERGY CONSUMPTION OF THE CA IMMO INVESTMENT PORTFOLIO IN 3-YEAR COMPARISON

Indicator	EPRA Code	Boundaries	Unit of measure	2019	2020	2021	Change <sup>3)</sup>
Energy consumption		Total energy consumption		269,777	260,603	250,854	-4%
		Total energy consumption Like-for-Like		257,240	250,541	235,980	-6%
Electricity consumption	Elec-Abs	Total energy consumption from electricity		160,705	145,389	127,642	-12%
		General electricity, landlord obtained <sup>1)</sup>		81,142	69,737	61,497	-12%
		Landlord obtained, submetered to tenant area		60,214	51,444	47,002	-9%
		Tenant obtained, tenant area		19,348	24,208	19,142	-21%
		% from renewable sources		0%	1%	62%	N/A
Electricity consumption LFL	Elec-LFL	Total energy consumption from electricity		N/A	140,524	121,630	-13%
		General electricity, landlord obtained <sup>1)</sup>		N/A	67,461	58,976	-13%
		Landlord obtained, submetered to tenant area		N/A	49,528	45,031	-9%
		Tenant obtained, tenant area		N/A	23,535	17,623	-25%
Energy consumption from district heating <sup>2)</sup>	DH&C-Abs	Total energy consumption from district heating	MWh	46,050	60,629	68,706	13%
		Whole building, landlord obtained		43,614	48,453	55,334	14%
		Whole building, tenant obtained		2,436	12,176	13,372	10%
		% from renewable sources		0%	0%	0%	N/A
		% GHG Offset		0%	0%	0%	N/A
Energy consumption from district heating <sup>2)</sup> LFL	DH&C-LFL	Total energy consumption from district heating		N/A	55,891	59,843	7%
		Whole building, landlord obtained		N/A	43,714	46,663	7%
		Whole building, tenant obtained		N/A	12,176	13,180	8%
Energy consumption from fossil fuels	Fuels-Abs	Total energy consumption from fuel		63,022	54,585	54,506	0%
		Whole building, landlord obtained		63,022	51,527	51,798	1%
		Whole building, tenant obtained		N/A	3,057	2,708	-11%
		% from renewable sources		0%	0%	0%	N/A
		% GHG Offset <sup>4)</sup>		0%	0%	8%	N/A
Energy consumption from fossil fuels LFL	Fuels-LFL	Total energy consumption from fuel		N/A	54,127	54,506	0%
		Whole building, landlord obtained		N/A	51,070	51,798	1%
		Whole building, tenant obtained		N/A	3,057	2,708	-11%
Energy intensity		Whole building	kWh/sqm	187	173	154	-11%
Energy intensity landlord-obtained	Energy-Int	Whole building, excl. tenant energy supply		138	119	112	-6%
Energy intensity LFL		Whole building		kWh/sqm	N/A	175	154
Energy intensity landlord-obtained LFL		Whole building, excl. tenant energy supply		N/A	121	111	-8%

<sup>1)</sup> Includes electricity purchased from CA Immo for common areas and cooling throughout the building

<sup>2)</sup> No purchase of district cooling in CA Immo's investment portfolio

<sup>3)</sup> Change 2020-2021 (yoy)

<sup>4)</sup> In the second half of 2021, one building consumed GHG-compensated fossil fuels

LFL: like-for-like

CO<sub>2</sub>-FOOTPRINT OF THE CA IMMO INVESTMENT PORTFOLIO IN 3-YEAR COMPARISON

Indicator	EPRA Code	Boundaries	Unit of measure	2019	2020	2021	Change <sup>4)</sup>
Direct GHG emissions (total) Scope 1	GHG-Dir-Abs	Whole building	tCO <sub>2</sub> e	11,586	9,474	9,487	0%
GHG Offset of Direct GHG emissions (total) Scope 1		Whole building	tCO <sub>2</sub> e	N/A	N/A	814	N/A
Direct GHG emissions (total) Scope 1 Refrigerant	GHG-Dir-Abs	Whole building, landlord obtained	tCO <sub>2</sub> e	N/A	N/A	1,081	N/A
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs <sup>1)</sup>	Whole building	tCO <sub>2</sub> e (location based) <sup>9)</sup>	37,638	35,133	31,327	-11%
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs <sup>1)</sup>	Whole building	tCO <sub>2</sub> e (market based)	38,209	36,859 <sup>2)</sup>	18,591	-50%
Indirect GHG emissions (total) Scope 3 (Category 1)	GHG-Indir-Abs <sup>3)</sup>	Water supply, whole building, municipal supply	tCO <sub>2</sub> e	N/A	N/A	76	N/A
Indirect GHG emissions (total) Scope 3 (Category 3) <sup>3)</sup>	GHG-Indir-Abs <sup>3)</sup>	Energy supply, whole building	tCO <sub>2</sub> e	N/A	N/A	18,392	N/A
Indirect GHG emissions (total) Scope 3 (Category 5)	GHG-Indir-Abs <sup>3)</sup>	Waste treatment, whole building	tCO <sub>2</sub> e	N/A	N/A	1,814	N/A
Indirect GHG emissions (total) Scope 3 (Category 13)	GHG-Indir-Abs <sup>3)</sup>	Whole building	tCO <sub>2</sub> e (location based)	29,995	30,898	26,918	-13%
Indirect GHG emissions (total) Scope 3 (Category 13)	GHG-Indir-Abs <sup>3)</sup>	Whole building	tCO <sub>2</sub> e (market based)	30,150	30,676 <sup>2)</sup>	15,549	-49%
Indirect GHG emissions (total) Scope 3 (Category 13) Refrigerant	GHG-Indir-Abs <sup>3)</sup>	Whole building, tenant obtained	tCO <sub>2</sub> e	N/A	N/A	201	N/A
GHG emissions intensity Scope 1+2	GHG-Int	Whole Building, excl. tenant energy supply	kgCO <sub>2</sub> e/sqm (location based)	34.64	31.35	27.05	-14%
GHG emissions intensity Scope 1+2+3 (Category 13)	GHG-Int	Whole building		54.27	51.66	42.63	-17%
GHG emissions intensity Scope 1+2, LFL	GHG-Int	Whole Building, excl. tenant energy supply		N/A	32.10	26.73	-17%
GHG emissions intensity Scope 1+2+3 (Category 13), LFL	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (location based)	N/A	52.86	42.58	-19%
GHG emissions intensity Scope 1+2	GHG-Int	Whole Building, excl. tenant energy supply		36.54	32.56 <sup>2)</sup>	18.61	-43%
GHG emissions intensity Scope 1+2+3 (Category 13)	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (market based)	59.96	53.25 <sup>2)</sup>	27.92	-48%
GHG emissions intensity Scope 1+2, LFL	GHG-Int	Whole Building, excl. tenant energy supply		N/A	32.64 <sup>2)</sup>	18.17	-44%
GHG emissions intensity Scope 1+2+3 (Category 13), LFL	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (market based)	N/A	53.79 <sup>2)</sup>	28.19	-48%

<sup>1)</sup> GHG-Indir-Abs excludes emissions from consumption that is exclusively attributable to rental space (Scope 3.13 emissions)

<sup>2)</sup> The 2020 market-based data differ slightly from the data published in 2021 because some of the energy suppliers' market-based emission factors were not available at that time. In these cases, as recommended in the GHG Protocol Corporate Standard, average site-based emission factors were used to fill gaps

<sup>3)</sup> The reported emissions are assigned to Scope 3, but these values do not represent the full Scope 3 emissions according to the GHG Protocol. The following Scope 3 categories - Scope 3-category 13 "Downstream leased assets", parts of the category 1 "Purchased goods and services", category 3 "Fuel- and energy-related activities" and category 5 "Waste generated in operations" are mapped

<sup>4)</sup> Change 2020-2021 (yoy)

<sup>5)</sup> Since no emission factor for upstream energy supply is available for Serbia, the emission factor of Poland was used as a substitute

LFL: like-for-like

GHG-Emissionen: Greenhouse gas emissions

ENERGY CONSUMPTION AND CO<sub>2</sub>-FOOTPRINT OF THE INVESTMENT PORTFOLIO 2020 AND 2021 – DETAIL

Indicator	EPRA Code	Boundaries	Unit of measure
Energy consumption		Total energy consumption	MWh
		Total energy consumption Like-for-Like	
		Total energy consumption from electricity	
Electricity consumption	Elec-Abs	General electricity, landlord obtained	
		Tenant obtained, tenant area	
		Landlord obtained, submetered to tenant area	
		% from renewable sources	
		Total energy consumption from electricity	
Electricity consumption LFL	Elec-LFL	General electricity, landlord obtained	
		Tenant obtained, tenant area	
		Landlord obtained, submetered to tenant area	
		Total energy consumption from district heating	
Energy consumption from district heating	DH&C-Abs	Whole building, landlord obtained	
		Whole building, tenant obtained	
		% from renewable sources	
		% GHG Offset	
		Total energy consumption from district heating	
Energy consumption from district heating LFL	DH&C-LFL	Whole building, landlord obtained	
		Whole building, tenant obtained	
		Total energy consumption from fuel	
Energy consumption from fossil fuels	Fuels-Abs	Whole building, landlord obtained	
		Whole building, tenant obtained	
		% from renewable sources	
		% GHG Offset	
		Total energy consumption from fuel	
Energy consumption from fossil fuels LFL	Fuels-LFL	Whole building, landlord obtained	
		Whole building, tenant obtained	
Energy intensity		Whole building	kWh/sqm
Energy intensity (landlord-obtained)		Whole Building, excl. tenant energy supply	
Energy intensity LFL		Whole building	kWh/sqm
Energy intensity (landlord-obtained) LFL		Whole Building, excl. tenant energy supply	
Direct GHG emissions (total) Scope 1	GHG-Dir-Abs	Whole building	tCO <sub>2</sub> e
GHG Offsets of the direct GHG emissions Scope 1		Whole building	tCO <sub>2</sub> e
Direct GHG emissions (total) Scope 1 Refrigerant	GHG-Dir-Abs	Whole building, landlord obtained	tCO <sub>2</sub> e
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs <sup>2</sup>	Whole building	tCO <sub>2</sub> e (location based)
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs <sup>2</sup>	Whole building	tCO <sub>2</sub> e (market based)
Indirect GHG emissions (total) Scope 3 (Category 1)	GHG-Indir-Abs <sup>4</sup>	Water supply, whole building, municipal supply	tCO <sub>2</sub> e
Indirect GHG emissions (total) Scope 3 (Category 3)	GHG-Indir-Abs <sup>4</sup>	Energy supply, whole building	tCO <sub>2</sub> e
Indirect GHG emissions (total) Scope 3 (Category 5)	GHG-Indir-Abs <sup>4</sup>	Waste treatment, whole building	tCO <sub>2</sub> e
Indirect GHG emissions (total) Scope 3 (Category 13)	GHG-Indir-Abs <sup>4</sup>	Whole building	tCO <sub>2</sub> e (location based)
Indirect GHG emissions (total) Scope 3 (Category 13)	GHG-Indir-Abs <sup>4</sup>	Whole building	tCO <sub>2</sub> e (market based)
Indirect GHG emissions (total) Scope 3 (Category 13)	GHG-Indir-Abs <sup>4</sup>	Whole building, tenant obtained	tCO <sub>2</sub> e
GHG emissions intensity Scope 1+2	GHG-Int	Whole Building, excl. tenant energy supply	kgCO <sub>2</sub> e/sqm (location based)
GHG emissions intensity Scope 1+2+3 (Category 13)	GHG-Int	Whole building	
GHG emissions intensity Scope 1+2 LFL	GHG-Int	Whole Building, excl. tenant energy supply	kgCO <sub>2</sub> e/sqm (market based)
GHG emissions intensity Scope 1+2+3 (Category 13) LFL	GHG-Int	Whole building	
GHG emissions intensity Scope 1+2	GHG-Int	Whole Building, excl. tenant energy supply	kgCO <sub>2</sub> e/sqm (market based)
GHG emissions intensity Scope 1+2+3 (Category 13)	GHG-Int	Whole building	
GHG emissions intensity Scope 1+2 LFL	GHG-Int	Whole Building, excl. tenant energy supply	
GHG emissions intensity Scope 1+2+3 (Category 13) LFL	GHG-Int	Whole building	

LFL: like-for-like

	Germany	Austria	CEE	Office	Others <sup>1)</sup>	Germany	Austria	CEE	Office	Others <sup>1)</sup>
	2020			2020		2021			2021	
	55,491	29,052	176,060	243,302	17,300	57,312	26,509	167,033	233,269	17,585
	55,491	25,983	169,068	234,057	16,484	52,239	26,509	157,231	218,656	17,324
	28,182	13,642	103,565	138,638	6,751	24,364	11,669	91,609	121,678	5,964
	6,881	9,376	53,480	68,479	1,258	7,618	8,285	45,595	60,302	1,195
	0	1,359	50,085	51,300	144	0	988	46,015	47,002	0
	21,300	2,907	0	18,859	5,349	16,746	2,396	0	14,374	4,768
	8%	0%	0%	2%	0%	20%	80%	70%	64%	20%
	28,182	12,022	100,320	134,589	5,934	22,326	11,669	87,635	115,737	5,893
	6,881	8,572	52,008	66,203	1,258	7,099	8,285	43,592	57,781	1,195
	0	1,215	48,312	49,528	0	0	988	44,044	45,031	0
	21,300	2,234	0	18,859	4,676	15,227	2,396	0	12,925	4,698
	19,671	11,106	29,852	53,137	7,492	25,606	10,397	32,703	59,793	8,913
	11,120	7,481	29,852	47,582	871	16,090	6,542	32,703	53,871	1,464
	8,551	3,626	0	5,555	6,621	9,516	3,856	0	5,922	7,449
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
	19,671	9,658	26,563	48,399	7,492	22,571	10,397	26,875	51,121	8,722
	11,120	6,032	26,563	42,843	871	13,246	6,542	26,875	45,199	1,464
	8,551	3,626	0	5,555	6,621	9,325	3,856	0	5,922	7,258
	7,638	4,304	42,642	51,527	3,057	7,342	4,443	42,721	51,798	2,708
	4,581	4,304	42,642	51,527	0	4,634	4,443	42,721	51,798	0
	3,057	0	0	0	3,057	2,708	0	0	0	2,708
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	100%	0%	9%	0%
	7,638	4,304	42,185	51,070	3,057	7,342	4,443	42,721	51,798	2,708
	4,581	4,304	42,185	51,070	0	4,634	4,443	42,721	51,798	0
	3,057	0	0	0	3,057	2,708	0	0	0	2,708
	167	121	182	173	203	144	114	161	152	198
	97	94	131	121	56	103	98	117	113	69
	167	119	184	174	205	151	114	159	152	208
	97	97	131	122	56	107	98	114	112	69
	842	791	7,841	9,474	0	848	814	7,825	9,487	0
	0	0	0	0	0	0	814	0	814	0
	N/A	N/A	N/A	N/A	N/A	442	0	639	1,080	0
	4,338	2,642	28,153	34,801	332	5,188	2,109	24,030	30,934	393
	2,402	1,618	32,839	36,644	214	1,466	144	16,981	18,558	32
	N/A	N/A	N/A	N/A	N/A	13	11	53	70	7
	N/A	N/A	N/A	N/A	N/A	3,686	508	14,198	17,633	760
	N/A	N/A	N/A	N/A	N/A	46	124	1,644	1,791	23
	9,523	1,241	20,134	27,432	3,466	7,486	1,064	18,368	23,622	3,230
	9,190	748	20,739	27,615	3,062	6,267	362	8,920	13,264	2,285
	N/A	N/A	N/A	N/A	N/A	201	0	0	125	76
	22.31	15.21	37.30	31.98	8.66	21.90	14.94	30.70	27.49	10.26
	44.70	19.02	58.16	52.33	48.83	34.09	16.01	48.40	42.49	46.05
	22.31	15.68	38.07	32.78	8.66	23.06	14.94	29.93	27.19	10.26
	44.70	18.46	59.33	52.96	50.74	36.23	16.01	47.24	42.33	48.44
	13.97	10.67	42.16	33.31	5.60	8.40	4.89	23.91	19.07	0.84
	37.91	11.07	63.65	54.32	45.10	21.94	3.75	32.51	27.56	36.49
	13.97	11.52	41.86	33.43	5.60	9.06	4.89	22.95	18.65	0.84
	37.91	12.43	63.57	53.92	50.74	24.00	3.75	31.97	27.75	38.53

<sup>1)</sup> These include the asset class hotel as well as a shopping center (Galleria, Vienna) and a museum (Hamburger Bahnhof, Berlin)

## WASTE GENERATION AND WATER CONSUMPTION IN THE INVESTMENT PORTFOLIO IN 3-YEAR COMPARISON

Indicator	EPRA Code	Boundaries	Unit of measure	Total portfolio			
				2019	2020	2021	Change <sup>1)</sup>
Total waste		Whole building		13,653	4,814	6,039	25.4%
Weight of waste by disposal route (total)	Waste-Abs	Landfill with or without energy recovery	Tonnes	8,395	2,830	3,741	32.2%
		Incineration with or without energy recovery		2,640	751	1,023	36.1%
		Reuse		79	0	0	0%
		Recycling		2,286	1,015	1,270	25.2%
		Materials Recovery Facility		232	4	0	-100%
		Compost		7	33	2	-93.7%
		Other		12	181	3	-98.4%
		Total quantity recovery		5,257	1,984	2,298	15.8%
Weight of waste by disposal route (%)	Waste-Abs	Landfill with or without energy recovery	Disposal route (%)	61%	59%	78%	N/A
		Incineration with or without energy recovery		19%	16%	21%	N/A
		Reuse		1%	0%	0%	N/A
		Recycling		17%	21%	26%	N/A
		Materials Recovery Facility		2%	0%	0%	N/A
		Compost		0%	1%	0%	N/A
		Other		0%	4%	0%	N/A
		Total quantity recovery		39%	41%	48%	N/A
Total waste LFL		Whole building	Tonnes	N/A	4,484	4,966	10.8%
Weight of waste by disposal route (total) LFL	Waste-LFL	Landfill with or without energy recovery	Tonnes	N/A	2,678	2,834	5.8%
		Incineration with or without energy recovery		N/A	750	910	21.4%
		Reuse		N/A	0	0	0%
		Recycling		N/A	994	1,217	22.4%
		Materials Recovery Facility		N/A	4	0	-100%
		Compost		N/A	33	2	-94.0%
		Other		N/A	25	3	-88.5%
		Total quantity recovery		N/A	1,805	2,132	18.1%
Weight of waste by disposal route (%) LFL	Waste-LFL	Landfill with or without energy recovery	Disposal route (%)	N/A	60%	57%	N/A
		Incineration with or without energy recovery		N/A	17%	18%	N/A
		Reuse		N/A	0%	0%	N/A
		Recycling		N/A	22%	25%	N/A
		Materials Recovery Facility		N/A	0%	0%	N/A
		Compost		N/A	1%	0%	N/A
		Other		N/A	1%	0%	N/A
		Total quantity recovery		N/A	40%	43%	N/A
Waste intensity		Whole building		6.32	1.89	2.36	24.5%
Waste intensity LFL		Whole building	kg/ sqm	N/A	1.92	1.93	0.7%
Total water consumption	Water-Abs	Whole building, municipal supply	m	585,313	417,488	315,330	-24.5%
in areas with low water stress		Whole building, municipal supply		N/A	N/A	224,828	N/A
in areas with low - medium water stress		Whole building, municipal supply		N/A	N/A	18,538	N/A
in areas with medium - high water stress		Whole building, municipal supply		N/A	N/A	0	N/A
in areas with high water stress		Whole building, municipal supply		N/A	N/A	71,963	N/A
in areas with extreme high water stress		Whole building, municipal supply		N/A	N/A	0	N/A
Total water consumption, LFL		Water-LFL		Whole building, municipal supply	N/A	374,291	287,524
Building water consumption intensity	Water-Int	Whole building	m <sup>3</sup> /sqm	0.44	0.28	0.19	-30.6%
Building water consumption intensity, LFL		Whole building		N/A	0.26	0.19	-27.4%

<sup>1)</sup> Change 2020-2021 (yoy)  
LFL: like-for-like

Germany	Austria	CEE	Office	Others <sup>1)</sup>	Germany	Austria	CEE	Office	Others <sup>1)</sup>
2020			2020		2021			2021	
901	1,048	2,865	4,604	211	976	677	4,386	5,897	142
0	849	1,981	2,676	154	0	233	3,509	3,735	7
597	6	148	714	37	664	63	295	929	93
0	0	0	0	0	0	0	0	0	0
274	31	711	1,002	13	312	380	578	1,228	42
0	0	4	4	0	0	0	0	0	0
29	1	4	33	0	0	0	2	2	0
1	161	18	174	7	0	1	2	3	0
901	199	884	1,927	57	976	445	877	2,162	136
0%	81%	69%	58%	73%	0%	34%	80%	63%	5%
66%	1%	5%	16%	18%	68%	9%	7%	16%	66%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30%	3%	25%	22%	6%	32%	56%	13%	21%	30%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3%	0%	0%	1%	0%	0%	0%	0%	0%	0%
0%	15%	1%	4%	3%	0%	0%	0%	0%	0%
100%	19%	31%	42%	27%	100%	66%	20%	37%	95%
901	771	2,812	4,273	211	836	677	3,453	4,823	142
0	733	1,945	2,524	154	0	233	2,601	2,828	7
597	6	146	713	37	558	63	288	816	93
0	0	0	0	0	0	0	0	0	0
274	26	695	981	13	277	380	560	1,175	42
0	0	4	4	0	0	0	0	0	0
29	1	4	33	0	0	0	2	2	0
1	5	18	18	7	0	1	2	3	0
901	38	866	1,749	57	836	445	851	1,996	136
0%	95%	69%	59%	73%	0%	34%	75%	59%	5%
66%	1%	5%	17%	18%	67%	9%	8%	17%	66%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30%	3%	25%	23%	6%	33%	56%	16%	24%	30%
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3%	0%	0%	1%	0%	0%	0%	0%	0%	0%
0%	1%	1%	0%	3%	0%	0%	0%	0%	0%
100%	5%	31%	41%	27%	100%	66%	25%	41%	95%
0.00	3.36	2.12	1.90	1.57	0.00	1.16	3.38	2.48	0.08
0.00	1.82	7.89	2.00	0.00	0.00	1.68	3.53	2.82	0.00
73,083	70,520	273,885	365,783	51,704	52,829	45,285	217,216	287,491	27,839
N/A	N/A	N/A	N/A	N/A	6,645	45,285	172,899	204,098	20,731
N/A	N/A	N/A	N/A	N/A	18,538	0	0	18,538	0
N/A	N/A	N/A	N/A	N/A	0	0	0	0	0
N/A	N/A	N/A	N/A	N/A	27,646	0	44,317	64,855	7,108
N/A	N/A	N/A	N/A	N/A	0	0	0	0	0
40,430	67,218	266,644	348,171	26,120	38,177	45,285	204,063	260,835	26,689
0.22	0.25	0.29	0.25	0.44	0.16	0.17	0.21	0.19	0.28
0.16	0.27	0.29	0.26	0.32	0.15	0.17	0.21	0.19	0.28

<sup>1)</sup>These include the asset class hotel as well as a shopping center (Galleria, Vienna) and a museum (Hamburger Bahnhof, Berlin)

ENERGY, WATER CONSUMPTION AND CO<sub>2</sub> FOOTPRINT OF OWN-USED OFFICES IN 3-YEAR COMPARISON

Indicator	EPRA Code	Boundaries	Unit of measure	2019	2020	2021	Change <sup>1)</sup>
Electricity consumption	Elec-Abs	Total electricity consumption		140,019	131,335	342,041	160%
		% from renewable sources		0%	44%	90%	N/A
Electricity consumption LFL	Elec-LFL	Total electricity consumption	kWh	N/A	131,335	126,696	-4%
Energy consumption from district heating and cooling	DH&C-Abs	Whole building		231,730	169,080	497,125	194%
		% from renewable sources	0%	0%	0%	N/A	
Energy consumption from district heating and cooling LFL	DH&C-LFL	Whole building		N/A	169,080	218,190	29%
Energy consumption from fossil fuels	Fuels-Abs	Whole building		0	0	175,461	N/A
		% GHG Offset		0	0	4%	N/A
Building energy intensity	Energy-Int	Whole building	kWh/sqm	83	67	79	18%
Building energy intensity LFL	Energy-Int	Whole building	kWh/sqm	N/A	67	76	14%
Direct GHG emissions Scope 1	GHG-Dir-Abs	Whole building	kgCO <sub>2</sub> e	0	0	32,137	N/A
GHG Offsets of the direct GHG emissions Scope 1		Whole building	kgCO <sub>2</sub> e		N/A	1,190	N/A
Indirect GHG emissions Scope 2	GHG-Indir-Abs	Whole building	kgCO <sub>2</sub> e (location based)	90,001	75,336	184,171	144%
Indirect GHG emissions Scope 2	GHG-Indir-Abs	Whole building	kgCO <sub>2</sub> e (market based)	78,000	65,165	59,031	-9%
GHG emissions intensity	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (location based)	20.07	16.80	16.87	0%
GHG emissions intensity	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (market based)	17.33	14.53	7.11	-51%
GHG emissions intensity LFL	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (location based)	N/A	16.68	17.23	3%
GHG emissions intensity LFL	GHG-Int	Whole building	kgCO <sub>2</sub> e/sqm (market based)	N/A	14.43	3.16	-78%
Water consumption	Water-Abs	Whole building, municipal supply	m <sup>3</sup>	850	596	2,150	260%
in areas with low water stress				N/A	N/A	986	N/A
in areas with low - medium water stress				N/A	N/A	194	N/A
in areas with medium - high water stress				N/A	N/A	0	N/A
in areas with high water stress				N/A	N/A	970	N/A
in areas with extreme high water stress				N/A	N/A	0	N/A
Water consumption LFL	Water-LFL			N/A	596	623	4%
Water consumption intensity	Water-Int	Whole building	m <sup>3</sup> /sqm	0.19	0.13	0.17	26%
Water consumption intensity LFL	Water-Int	Whole building	m <sup>3</sup> /sqm	N/A	0.13	0.14	4%
Type and number of assets certified	Cert-Tot		Type and number	2 (DGNB Gold)	2 (DGNB Gold)	8 <sup>2)</sup>	300%

<sup>1)</sup> Change 2020-2021 (yoy)

<sup>2)</sup> 1 DGNB Platin, 3 DGNB Gold, 3 BREEAM Very Good, 1 LEED Gold certification

The scope of the office portfolio analyzed was expanded to include all office space used and leased by CA Immo itself (incl. office space used by CA Immo itself in CA Immo buildings). Therefore, the scope has expanded from 3 to 17 offices

LFL: like-for-like.

## WASTE GENERATION IN OWN-USED OFFICES IN 3-YEAR COMPARISON

Indicator	EPRA Code	Boundaries	Unit of measure	2019	2020	2021	Change <sup>2)</sup>	Like-for-like 2020	2021	Change
Weight of waste by disposal route (absolute)	Waste-Abs <sup>1)</sup>	Total waste	Tonnes	31.38	31.38	49.88	59%	31.38	31.38	0%
		Landfill with or without energy recovery		0.00	0.00	6.66	81%	0.00	0.00	0%
		Incineration with or without energy recovery		6.41	6.41	11.47	79%	6.41	6.41	0%
		Reuse		0.00	0.00	0.00	0%	0.00	0.00	0%
		Recycling		24.74	24.74	31.48	27%	24.74	24.74	0%
		Materials Recovery Facility		0.00	0.00	0.00	0%	0.00	0.00	0%
		Compost		0.00	0.00	0.03	0%	0.00	0.00	0%
		Other		0.23	0.23	0.24	2%	0.23	0.23	0%
Weight of waste by disposal route (%)	Waste-Abs <sup>1)</sup>	Total quantity recovery	Disposal route (%)	31.38	31.38	43.22	38%	31.38	31.38	0%
		Landfill with or without energy recovery		0%	0%	21%	N/A	0%	0%	N/A
		Incineration with or without energy recovery		20%	20%	37%	N/A	20%	20%	N/A
		Reuse		0%	0%	0%	N/A	0%	0%	N/A
		Recycling		79%	79%	63%	N/A	79%	79%	N/A
		Materials Recovery Facility		0%	0%	0%	N/A	0%	0%	N/A
		Compost		0%	0%	0%	N/A	0%	0%	N/A
		Other		1%	1%	1%	N/A	1%	1%	N/A
	Total quantity recovery		100%	100%	87%	N/A	100%	100%	N/A	

<sup>1)</sup> Waste disposal in the rented office space is handled by the landlord. Due to the lack of access to specific waste disposal data, the waste volume for the building as a whole can only be determined on the basis of the number of waste containers and the frequency with which they are emptied, of which the proportionate waste volume can be determined by CA Immo on the basis of the share of our rental space in the total rental space of the building

<sup>2)</sup> Change 2020-2021 (yoy)

COVERAGE OF THE CA IMMO INVESTMENT PORTFOLIO 2020 AND 2021<sup>1)</sup>

Indicator	EPRA Code	2020			2021		
		Area <sup>2)</sup>	Number <sup>3)</sup>	Coverage <sup>4)</sup>	Area <sup>2)</sup>	Number <sup>3)</sup>	Coverage <sup>4)</sup>
<b>Total electricity consumption</b>							
Total energy consumption from electricity		1,607,728 sqm	65 out of 67	99%	1,666,284 sqm	65 out of 66	98%
General electricity /landlord obtained <sup>5)</sup>	Elec-Abs	1,422,963 sqm	55 out of 55	100%	1,508,875 sqm	56 out of 56	100%
Landlord obtained, submetered to tenant area		1,026,788 sqm	35 out of 35	100%	1,099,365 sqm	33 out of 33	100%
Tenant obtained, tenant area		369,453 sqm	20 out of 32	62%	427,292 sqm	25 out of 33	71%
<b>Total electricity consumption LFL</b>							
Total energy consumption from electricity		1,499,617 sqm	59 out of 59	100%	1,571,009 sqm	59 out of 59	100%
General electricity /landlord obtained <sup>5)</sup>	Elec-LFL	1,346,340 sqm	51 out of 51	100%	1,417,732 sqm	51 out of 51	100%
Landlord obtained, submetered to tenant area		980,327 sqm	32 out of 32	100%	1,050,360 sqm	32 out of 32	100%
Tenant obtained, tenant area		342,678 sqm	19 out of 19	100%	344,036 sqm	19 out of 19	100%
<b>Energy consumption from from district heating and cooling</b>							
Whole building <sup>5)</sup>		939,967 sqm	38 out of 40	99%	979,114 sqm	41 out of 41	100%
Whole building, landlord obtained	DH&C-Abs	779,133 sqm	30 out of 30	100%	802,338 sqm	32 out of 32	100%
Whole building, tenant obtained		160,834 sqm	8 out of 10	95%	176,776 sqm	9 out of 9	100%
<b>Energy consumption from from district heating and cooling LFL</b>							
Whole building <sup>5)</sup>		870,672 sqm	35 out of 35	100%	883,839 sqm	35 out of 35	100%
Whole building, landlord obtained	DH&C-LFL	709,837 sqm	27 out of 27	100%	711,196 sqm	27 out of 27	100%
Whole building, tenant obtained		160,834 sqm	8 out of 8	100%	172,644 sqm	8 out of 8	100%
<b>Energy consumption from from fossil fuels</b>							
Whole building		663,048 sqm	26 out of 27	98%	725,754 sqm	25 out of 26	96%
Whole building, landlord obtained	Fuels-Abs	643,830 sqm	25 out of 25	100%	706,536 sqm	24 out of 25	96%
Whole building, tenant obtained		19,218 sqm	1 out of 2	63%	19,218 sqm	1 out of 1	100%
<b>Energy consumption from from fossil fuels LFL</b>							
Whole building		655,720 sqm	25 out of 25	100%	725,754 sqm	25 out of 26	96%
Whole building, landlord obtained	Fuels-LFL	636,503 sqm	24 out of 24	100%	706,536 sqm	24 out of 25	96%
Whole building, tenant obtained		19,218 sqm	1 out of 1	100%	19,218 sqm	1 out of 1	100%
<b>Building energy intensity</b>	Energy-Int	1,396,241 sqm	55 out of 55	100%	1,526,657 sqm	58 out of 66	90%
<b>Building energy intensity (landlord-obtained)<sup>6)</sup></b>		1,422,963 sqm	55 out of 55	100%	1,508,875 sqm	56 out of 56	100%
<b>Building energy intensity LFL</b>	Energy-Int-LFL	1,323,005 sqm	51 out of 51	100%	1,394,396 sqm	51 out of 51	100%
<b>Building energy intensity (landlord obtained)<sup>6)</sup> LFL</b>	Energy-Int-LFL	1,346,340 sqm	51 out of 51	100%	1,417,732 sqm	51 out of 51	100%
<b>Direct GHG emissions (total) Scope 1</b>	GHG-Dir-Abs	643,830 sqm	25 out of 25	100%	706,536 sqm	24 out of 25	96%
<b>Indirect GHG emissions (total) Scope 2</b>	GHG-Indir-Abs	1,422,963 sqm	55 out of 55	100%	1,508,875 sqm	56 out of 56	100%
<b>Indirect GHG emissions (total) Scope 3</b>	GHG-Indir-Abs	1,400,955 sqm	56 out of 67	86%	1,565,241 sqm	59 out of 66	92%
<b>Building GHG emissions intensity (Scope 1+2)</b>	GHG-Int	1,422,963 sqm	55 out of 55	100%	1,508,875 m <sup>2</sup>	56 out of 56	100%
<b>Building GHG emissions intensity (Scope 1+2+3.13)</b>		1,396,241 sqm	55 out of 67	86%	1,526,657 sqm	58 out of 66	90%
<b>Water consumption</b>	Water-Abs	1,494,178 sqm	59 out of 67	92%	1,625,331 sqm	61 out of 66	95%
<b>Water consumption LFL</b>	Water-LFL	1,417,318 sqm	54 out of 54	100%	1,500,519 sqm	54 out of 54	100%
<b>Building water consumption intensity</b>	Water-Int	1,494,178 sqm	59 out of 67	92%	1,625,331 sqm	58 out of 66	90%
<b>Weight of waste by disposal route (abs. and in %)</b>	Waste-Abs	1,494,178 sqm	59 out of 67	92%	1,586,243 sqm	59 out of 66	93%
<b>Weight of waste by disposal route (abs. and in %) LFL</b>	Waste-LFL	1,394,771 sqm	53 out of 53	100%	1,466,163 sqm	53 out of 53	100%
<b>Waste intensity</b>		1,494,178 sqm	59 out of 67	92%	1,586,243 sqm	59 out of 66	93%
<b>Waste intensity LFL</b>		1,394,771 sqm	53 out of 53	100%	1,466,163 sqm	53 out of 53	100%
<b>Type and number of assets certified</b>	Cert-Tot	1,217,589 sqm	48 out of 67	75%	1,215,578 sqm	43 out of 66	72%

<sup>1)</sup> This table shows the area, number of buildings and percentage coverage of the total building stock (according to the definition of the scope of the report) on which the respective consumption data are based)

<sup>2)</sup> Gross internal area of the buildings surveyed

<sup>3)</sup> Number of applicable properties. The total number of investment buildings (66 buildings) also includes two single-tenant buildings for which we have no consumption data

<sup>4)</sup> Coverage of the total area

<sup>5)</sup> Landlord obtained

<sup>6)</sup> Total building, excluding tenant energy supply. LFL: like-for-like



SOCIAL UND GOVERNANCE PERFORMANCE MEASURES ACCORDING TO EPRA

Social	EPRA Code	Unit of measure / Definition	Coverage	31.12.2021		31.12.2022	
Gender diversity	Diversity-Emp	% of employees	Supervisory Board <sup>1)</sup>	64% Male	83% Male	36% Female	17% Female
			Management Board	100% Male	67% Male	0% Female	33% Female
			Managers <sup>2)</sup>	70% Male	70% Male	30% Female	30% Female
			Employees	45% Male	45% Male	55% Female	55% Female
Gender pay	Diversity-Pay <sup>3)</sup>	Ratio in %	Average	0	0	0	0
			Median	0	0	-11.0	-11.0
			Management Board	-0.3	-1.6	-4.3	-9.5
			Managers <sup>2)</sup>	6.4	6.0	-2.1	-1.5
Employees							
				2021	2022		
Performance appraisals	Emp-Dev	% of total workforce		98	99		
New hires	Emp-Turnover	Total number		46	46		
		Rate in % <sup>4)</sup>		10	11		
Turnover	Emp-Turnover	Total number (Exits)		43	73		
		Rate in % <sup>5)</sup>		9.7	17.3		
Injury rate <sup>6)</sup>	H&S-Emp	Rate in %		0	0		
Lost day rate <sup>7)</sup>		Rate in %		0	0		
Absentee rate <sup>8)</sup>		Rate in %		12.8	13.8		
Fatalities <sup>9)</sup>		Number		0	0		
Training and development	Emp-Training	Average hours of training per employee		Men: 6.4	Men: 5.8	Women: 6.5	Women: 12.6
Health and safety assessments	H&S-Asset	Percentage of buildings (by rentable area) inspected for health and safety issues (e.g. fire safety, water quality)	% of total investment portfolio <sup>10)</sup> (by sqm)	95% (DE: 100%, AT: 93%, CEE: 93%)	100% (DE: 100%, AT: 100%, CEE: 100%)		
Health and safety compliance	H&S-Comp	All legal requirements are complied with, and any deficiencies identified are rectified immediately in all properties (100%)	Number of defects detected	0	0		
Community engagement	Comty-Eng	Share of properties (by rentable area) located in urban districts developed by CA Immo	% of total investment portfolio <sup>10)</sup> (by sqm)	31% (DE: 60%, AT: 43%, CEE: 12%)	40% (DE: 64%, AT: 63%, CEE: 15%)		
<b>Governance</b>				<b>31.12.2021</b>	<b>31.12.2022</b>		
Composition of the highest governance body	Gov-Board	Total number of Management Board Members	Management Board	3	3		
		Total number of Supervisory Board members (shareholder representatives independent of the Company or the Board of Management) <sup>12)</sup>	Supervisory Board	11	6		
		Total number of Supervisory Board members (capital representatives independent of the main shareholder) <sup>13)</sup>	Supervisory Board	4	1		
		Average tenure (years) of Supervisory Board <sup>11)</sup>	Supervisory Board	4	5,5		
		Supervisory Board Members <sup>12)</sup> with competencies relating to environmental and social topics	Supervisory Board	11	6		
Nominating and selecting the highest governance body	Gov-Select	Description	Management Board and Supervisory Board			CG- Report, Information acc. to § 243 A UGB	
Process for managing conflicts of interest	Gov-CoI	Description	Management Board and Supervisory Board			CG- Report	

<sup>1)</sup> Total Supervisory Board, incl. 4 shareholder and 2 employee representatives  
<sup>2)</sup> Managers include Group managers, Managing Directors of the regional offices, heads of departments, divisional heads, team leaders  
<sup>3)</sup> Difference in average total compensation (base salary and bonus) per employee category (function, level, country) of women and men in %  
<sup>4)</sup> New hire rate: new hires 2020 / average employees 2020 (headcount)  
<sup>5)</sup> Employee turnover: staff leaving in 2020 / average employees in 2020 (headcount)  
<sup>6)</sup> Injury rate: number of injuries & occupational accidents / total hours worked by all employees  
<sup>7)</sup> Lost day rate: Number of absence days due to injuries due to accidents at work / total working time of all employees in hours  
<sup>8)</sup> Absentee rate: total number of absence days (illness) / total working time of all employees in days  
<sup>9)</sup> Fatalities: Number of deaths due to occupational disease or accident  
<sup>10)</sup> As at 31.12.2022; excl. buildings acquired, completed or intended for sale in the course of the financial year 2022  
<sup>11)</sup> General average appointment period  
<sup>12)</sup> Independent according to C-Rule 53 (100%) / non-executive Supervisory Board Members according to C-Rule 53  
<sup>13)</sup> Independent according to C-Rule 54

INFORMATION ON ENERGY CONSUMPTION AND CO<sub>2</sub> FOOTPRINT OF THE CA IMMO GROUP

Performance measures	Unit of measure	31.12.2019	31.12.2020	31.12.2021
<b>Energy Consumption<sup>1)</sup></b>				
Electricity consumption	MWh	160,845	145,520	127,984
Energy consumption from district heating and cooling		46,281	60,798	69,203
Energy consumption from fossil fuels		63,022	54,585	54,681
<b>Total</b>	<b>MWh</b>	<b>270,148</b>	<b>260,903</b>	<b>251,868</b>
<b>GHG Emissions<sup>1)</sup></b>				
Direct GHG emissions Scope 1	tCO <sub>2</sub> e	11,586	9,474	10,600
Indirect GHG emissions Scope 2 (location based)		37,728	35,208	31,511
Indirect GHG emissions Scope 2 (market based)		38,287	36,924	18,650
Indirect GHG emissions Scope 3 (Category 1)		N/A	N/A	76
Indirect GHG emissions Scope 3 (Category 3)		N/A	N/A	18,392
Indirect GHG emissions Scope 3 (Category 5)		N/A	N/A	76
Indirect GHG emissions Scope 3 (Category 6)		N/A	N/A	126
Indirect GHG emissions Scope 3 (Category 13)		30,150	30,676	15,750
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>117,751</b>	<b>112,282</b>	<b>96,919</b>

<sup>1)</sup> Data consolidated for investment portfolio and own-used offices

INFORMATION ON CA IMMO EMPLOYEES

TYPES OF EMPLOYMENT AND WORK MODELS <sup>1)</sup>

Performance measures	Gender	Unit of measure	31.12.2021	31.12.2022
<b>Employment</b>				
Total employment	Female		227	201
	Male		214	191
	<b>Total</b>		<b>441</b>	<b>392</b>
New hires	Female	HC	22	28
	Male		25	18
	<b>Total</b>		<b>46</b>	<b>46</b>
Leavings	Female		19	38
	Male		24	35
	<b>Total</b>		<b>43</b>	<b>73</b>
Turnover <sup>2)</sup>	Female		8%	19%
	Male		11%	18%
	<b>Total</b>		<b>10%</b>	<b>19%</b>
<b>Employment contracts</b>				
Full-time			363	315
Part-time			47	45
Unpaid leave			31	31
	<b>Total</b>	HC	<b>441</b>	<b>392</b>
Temporary employees			0	0
All-in			419	419
<b>Health</b>				
Occupational diseases		Number/year	0	0
Occupational accidents		Number/year	2	1
<b>Training &amp; development</b>				
Number of employees trained		HC	441	392
Percentage of trained employees		%	100	100
Training time in hours		Hours/year	2,862	3,899
<b>Social dialogue</b>				
Number of collective agreements		Number	0	0
Bargaining agreements		Number	6	6
Number of meetings of the works council with the management board		Number/year	4	2

<sup>1)</sup> Excl. joint ventures; HC: Headcount, Calculations according to the GRI guidelines (GRI 401-1, 402)

<sup>2)</sup> Turnover: Exits 2022 / Headcount 2022



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## A. CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31.12.2022

€ K	Note	2022	2021 restated <sup>1)</sup>
Rental income	2.2.	213,753	201,145
Operating costs charged to tenants	2.3.	50,436	43,913
Operating expenses	2.3.	-58,982	-50,176
Other expenses directly related to properties rented	2.3.	-24,459	-18,427
<b>Net rental income</b>		<b>180,748</b>	<b>176,455</b>
<b>Other expenses directly related to properties under development</b>	<b>2.4.</b>	<b>-1,885</b>	<b>-1,854</b>
Income from trading and construction works		9,337	8,233
Book value of properties sold incl. ancillary and construction costs		-1,666	-1,558
<b>Result from trading and construction works</b>	<b>2.5.</b>	<b>7,671</b>	<b>6,675</b>
<b>Result from the sale of investment properties</b>	<b>2.6.</b>	<b>4,076</b>	<b>52,660</b>
Income from services	2.7.	5,228	8,137
Indirect expenses	2.8.	-47,451	-55,952
Other operating income	2.9.	1,152	3,229
<b>EBITDA</b>		<b>149,539</b>	<b>189,350</b>
Depreciation and impairment of long-term assets		-5,588	-4,865
Changes in value of properties held for trading		-1,976	-354
<b>Depreciation and impairment/reversal</b>	<b>2.10.</b>	<b>-7,563</b>	<b>-5,218</b>
Revaluation gain		183,119	594,583
Revaluation loss		-277,189	-57,152
<b>Result from revaluation</b>		<b>-94,070</b>	<b>537,431</b>
Result from joint ventures	2.11.	26,475	3,618
<b>Result of operations (EBIT)</b>		<b>74,381</b>	<b>725,181</b>
Finance costs	2.12.	-49,810	-47,608
Foreign currency gains/losses	2.15.	331	-52
Result from derivatives	2.13.	90,330	-25,945
Result from financial investments	2.14.	2,604	-756
<b>Financial result</b>	<b>2.15.</b>	<b>43,454</b>	<b>-74,361</b>
<b>Net result before taxes (EBT)</b>		<b>117,835</b>	<b>650,820</b>
Current income tax		-31,159	-30,008
Deferred taxes		-5,752	-162,006
<b>Income tax expense</b>	<b>7.1.</b>	<b>-36,911</b>	<b>-192,014</b>
<b>Consolidated net income from continuing operations</b>		<b>80,924</b>	<b>458,805</b>
<b>Consolidated net income from discontinued operation</b>		<b>-5,449</b>	<b>20,995</b>
<b>Consolidated net income</b>		<b>75,475</b>	<b>479,801</b>
thereof attributable to non-controlling interests		-2	26
<b>thereof attributable to the owners of the parent</b>		<b>75,477</b>	<b>479,774</b>
<b>Earnings per share in € (basic = diluted)</b>	<b>2.17.</b>	<b>€0.75</b>	<b>€4.89</b>
<b>Basic = diluted earnings per share in € from continuing operations</b>	<b>2.17.</b>	<b>€0.81</b>	<b>€4.67</b>
<b>Basic = diluted earnings per share in € from discontinued operation</b>	<b>2.17.</b>	<b>€-0.05</b>	<b>€0.21</b>

<sup>1)</sup> Restatement prior year refer to note 9.8.

## B. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2022

€ K	Note	2022	2021
<b>Consolidated net income</b>		<b>75,475</b>	<b>479,801</b>
<b>Other comprehensive income</b>			
Cash flow hedges - changes in fair value		32,613	6,664
Foreign currency gains/losses		5	42
Income tax related to other comprehensive income		-10,412	-2,127
<b>Other comprehensive income for the period (realised through profit or loss)</b>	<b>2.16.</b>	<b>22,207</b>	<b>4,578</b>
Revaluation IAS 19		3,488	592
Income tax related to other comprehensive income		-1,102	-196
<b>Other comprehensive income for the period (not realised through profit or loss)</b>	<b>2.16.</b>	<b>2,386</b>	<b>396</b>
<b>Other comprehensive income for the period</b>	<b>2.16.</b>	<b>24,593</b>	<b>4,974</b>
<b>Comprehensive income for the period</b>		<b>100,068</b>	<b>484,775</b>
thereof attributable to non-controlling interests		-2	26
<b>thereof attributable to the owners of the parent</b>		<b>100,070</b>	<b>484,748</b>



## C. CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.12.2022

€ K	Note	31.12.2022	31.12.2021	1.1.2021
<b>ASSETS</b>				
Investment properties	3.1.	4,965,793	4,984,297	4,723,068
Investment properties under development	3.1.	596,632	1,097,147	791,136
Own used properties	3.2.	12,954	11,174	12,896
Office furniture and equipment	3.3.	5,499	6,431	7,531
Intangible assets	3.3.	2,124	3,419	2,998
Investments in joint ventures	3.4.	64,391	55,800	57,629
Other assets	3.5.	188,006	88,571	60,728
Deferred tax assets	7.1.	3,214	2,681	4,382
<b>Long-term assets</b>		<b>5,838,615</b>	<b>6,249,520</b>	<b>5,660,368</b>
Long-term assets as a % of total assets		81.4%	87.8%	83.0%
Assets held for sale and relating to disposal groups	4.1.	254,522	76,197	37,092
Properties held for trading	4.2.	85,760	87,166	35,200
Receivables and other assets	4.3.	152,151	55,727	136,375
Current income tax receivables	7.2.	15,715	12,718	16,391
Cash and cash equivalents	4.4.	823,805	633,117	934,863
<b>Short-term assets</b>		<b>1,331,953</b>	<b>864,923</b>	<b>1,159,921</b>
<b>Total assets</b>		<b>7,170,568</b>	<b>7,114,445</b>	<b>6,820,289</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Share capital		774,229	774,229	718,337
Capital reserves		985,080	1,017,662	791,372
Other reserves		25,586	993	-3,981
Retained earnings		1,573,514	1,498,038	1,622,491
<b>Attributable to the owners of the parent</b>		<b>3,358,409</b>	<b>3,290,922</b>	<b>3,128,218</b>
Non-controlling interests		114	116	89
<b>Shareholders' equity</b>	5.1.	<b>3,358,523</b>	<b>3,291,038</b>	<b>3,128,308</b>
Shareholders' equity as a % of total assets		46.8%	46.3%	45.9%
Provisions	6.1.	53,267	50,323	34,249
Interest-bearing liabilities	5.2.	2,452,638	2,186,534	2,622,161
Other liabilities	5.3.	31,758	50,314	113,503
Deferred tax liabilities	7.1.	693,952	698,310	536,317
<b>Long-term liabilities</b>		<b>3,231,614</b>	<b>2,985,482</b>	<b>3,306,228</b>
Current income tax liabilities	7.3.	29,694	19,278	14,464
Provisions	6.1.	112,509	113,333	117,409
Interest-bearing liabilities	5.2.	369,905	397,409	205,301
Other liabilities	5.3.	64,287	305,547	46,932
Liabilities relating to disposal groups	4.1.	4,036	2,357	1,647
<b>Short-term liabilities</b>		<b>580,431</b>	<b>837,923</b>	<b>385,753</b>
<b>Total liabilities and shareholders' equity</b>		<b>7,170,568</b>	<b>7,114,445</b>	<b>6,820,289</b>

## D. CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.12.2022

€ K	2022	2021 restated
<b>Operating activities</b>		
Net result before taxes from continuing operations	117,835	650,820
Net result before taxes from discontinued operation	-7,231	24,356
Revaluation result incl. change in accrual and deferral of rental income	93,114	-536,988
Depreciation and impairment/reversal	7,618	5,293
Result from the sale of long-term properties and office furniture and other equipment	16,625	-52,645
Finance costs and result from financial investments	47,223	48,375
Foreign currency gains/losses	51	69
Result from derivatives	-90,330	25,945
Result from joint ventures	-26,475	-3,618
Payment court fees damages claim	0	-25,475
Taxes paid excl. taxes for the sale of long-term properties and investments	-8,464	-11,632
Interest paid (excluding interest for financing activities)	-23	-1,030
Interest received (excluding interest from investing activities)	235	423
<b>Cash flow from operations</b>	<b>150,179</b>	<b>123,894</b>
Properties held for trading	276	-2,083
Receivables and other assets	-6,961	22,419
Provisions	108	2,750
Other liabilities	3,077	3,878
<b>Cash flow from change in net working capital</b>	<b>-3,499</b>	<b>26,964</b>
<b>Cash flow from operating activities</b>	<b>146,680</b>	<b>150,858</b>
<b>Investing activities</b>		
Acquisition of and investment in long-term properties incl. prepayments	-171,912	-236,298
Acquisition of companies	-100,315	369
Cash and cash equivalents acquired companies	1,697	0
Acquisition of office equipment and intangible assets	-1,416	-1,911
Payment/ Cash inflow disposal of financial assets	0	-98
Disposal of investment properties and other assets	106,926	161,007
Sale discontinued operation	344,230	0
Cash and cash equivalents discontinued operation	-4,357	0
Disposal of investment property companies	30,106	78,688
Cash and cash equivalents investment property companies disposed	-1,643	-3,946
Investments in joint ventures	-575	0
Disposal of at equity consolidated entities	223	0
Loans made to joint ventures	-1,275	-3,000
Loan repayments made by joint ventures and others	5,165	771
Taxes paid relating to the sale of long-term properties and investments	-16,194	-10,842
Dividend distribution/capital repayment from at equity consolidated entities and other investments	28,406	13,511
Interest paid for capital expenditure in investment properties	-5,270	-5,325
Negative interest paid	-1,765	-3,648
Interest received from financial investments	1,212	394
<b>Cash flow from investing activities</b>	<b>213,242</b>	<b>-10,327</b>

€ K	2022	2021 restated
<b>Financing activities</b>		
Cash inflow from loans received	729,220	123,844
Costs paid for issuance of bonds	0	-20
Repayment of convertible bonds	0	-100
Repayment of bonds	-142,411	-107,450
Acquisition of treasury shares	-31,760	0
Dividend payments to shareholders	-251,791	-352,436
Payments to shareholders of non-controlling interests	-156	-3
Change restricted cash for loans	-66,667	-2,556
Repayment of loans incl. interest rate derivatives	-358,309	-67,979
Other interest paid	-43,343	-38,400
<b>Cash flow from financing activities</b>	<b>-165,216</b>	<b>-445,101</b>
<b>Net change in cash and cash equivalents</b>	<b>194,706</b>	<b>-304,569</b>
Fund of cash and cash equivalents 1.1.	633,148	935,482
Changes in the value of foreign currency	-487	791
Changes due to classification from/of disposal groups	-3,295	1,444
<b>Fund of cash and cash equivalents 31.12.</b>	<b>824,071</b>	<b>633,148</b>
Expected credit losses cash and cash equivalents	-266	-31
<b>Cash and cash equivalents 31.12. (balance sheet)</b>	<b>823,805</b>	<b>633,117</b>

The interest paid in 2022 (excluding negative interest) totalled €-48,635 K (2021: €-44,755 K). The income taxes paid in 2022 amounted to €-24,658 K (2021: €-22,474 K).

The total lease payments in 2022 amount to €-4,388 K (2021: €-4,580 K), out of which €-198 K (2021: €-243 K) related to Romania.

Additional information for the cashflow statement is provided in note 9.1.

## E. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 2022

€ K	Note	Share capital	Capital reserves - Others	Capital reserves - Treasury share reserve
<b>As at 1.1.2021</b>		<b>718,337</b>	<b>887,147</b>	<b>-95,775</b>
Cash flow hedges - changes in fair value	2.16.	0	0	0
Foreign currency gains/losses	2.16.	0	0	0
Revaluation IAS 19	2.16.	0	0	0
Consolidated net income		0	0	0
<b>Comprehensive income for 2021</b>		<b>0</b>	<b>0</b>	<b>0</b>
Conversion of bonds		55,892	226,290	0
Dividend payments to shareholders	5.1.	0	0	0
<b>As at 31.12.2021</b>	<b>5.1.</b>	<b>774,229</b>	<b>1,113,437</b>	<b>-95,775</b>
<b>As at 1.1.2022</b>		<b>774,229</b>	<b>1,113,437</b>	<b>-95,775</b>
Cash flow hedges - changes in fair value	2.16.	0	0	0
Foreign currency gains/losses	2.16.	0	0	0
Revaluation IAS 19	2.16.	0	0	0
Consolidated net income		0	0	0
<b>Comprehensive income for 2022</b>		<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of treasury shares	5.1.	0	0	-32,583
<b>As at 31.12.2022</b>	<b>5.1.</b>	<b>774,229</b>	<b>1,113,437</b>	<b>-128,357</b>

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
1,622,491	-422	-3,559	3,128,218	89	3,128,308
0	4,537	0	4,537	0	4,537
0	0	42	42	0	42
0	0	396	396	0	396
479,774	0	0	479,774	26	479,801
479,774	4,537	437	484,748	26	484,775
0	0	0	282,183	0	282,183
-604,227	0	0	-604,227	0	-604,227
1,498,038	4,115	-3,122	3,290,922	116	3,291,038
1,498,038	4,115	-3,122	3,290,922	116	3,291,038
0	22,202	0	22,202	0	22,202
0	0	5	5	0	5
0	0	2,386	2,386	0	2,386
75,477	0	0	75,477	-2	75,475
75,477	22,202	2,391	100,070	-2	100,068
0	0	0	-32,583	0	-32,583
1,573,514	26,316	-730	3,358,409	114	3,358,523



## F. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31.12.2022

### CHAPTER 1: INFORMATION ABOUT THE COMPANY AND GENERAL NOTES

#### a) Information concerning the Company

CA Immobilien Anlagen Aktiengesellschaft and its subsidiaries constitute an international real estate group (the "CA Immo Group"). The parent company is CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), which has its head office at 1030 Vienna, Mechelgasse 1, Austria. CA Immo Group owns, develops and manages especially office properties in Austria and Germany as well as in Eastern Europe. CA Immo AG is listed on the prime market segment of the Vienna Stock Exchange and is included in the ATX (Austrian Traded Index of leading companies).

#### b) Accounting principles

The consolidated financial statements of CA Immo AG were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and thereby fulfil the additional requirements of § 245a par. 1 of the Austrian Commercial Code (UGB). The consolidated financial statements are based on the acquisition cost method, with the exception of investment properties (including standing investments and properties under development), properties held for sale, other investments, derivative financial instruments and provisions for cash-settled share-based payment plans, which are measured at fair value. The net item from pension obligations is presented as the present value of the obligations less the fair value of the plan asset.

The consolidated financial statements are presented in thousands of Euros ("€ K"), rounded according to the commercial rounding method. The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

#### c) Presentation and structuring of the group notes

The preparation and presentation of the financial statements require management to make relevant decisions regarding the choice of the accounting methods as well as the sequence and the relevance of the disclosures, taking into account the requirements of the users of the financial statements. CA Immo Group presents all items of the consolidated income statement and the consolidated statement of financial position together with information about main decisions, assumptions and estimations as well as the accounting policies for these items. This structure offers the users of the financial statements a clear overview of the information about the group figures and relating explanations and disclosures.

The following symbols indicate the different contents of the chapters:



Main decisions, assumptions and estimations



Accounting policies

The financial statements contain financial information prepared by taking into account materiality considerations. The materiality of the CA Immo Group is determined by quantitative and qualitative aspects. The quantitative aspects are evaluated by means of ratios to balance sheet total, performance indicators and/or main items of cash flow. The disclosures in the notes of the CA Immo Group are assessed at each end of the financial period, weighing the efficient preparation of the consolidated financial statements and the transparent presentation of the relevant information.

#### d) Scope of consolidation

The consolidated financial statements comprise the ultimate parent company CA Immo AG and the companies listed in Note 9.9.

#### Changes in scope

	Full consolidation	Joint ventures at equity
<b>As at 1.1.2022</b>	<b>140</b>	<b>25</b>
Acquisition of shares in companies	1	0
Establishment of new companies	2	0
Disposal of companies due to liquidation or restructuring	-12	-1
Sale of entities (continuing operations)	-1	-2
Sales of entities (discontinued operation)	-8	0
<b>As at 31.12.2022</b>	<b>122</b>	<b>22</b>
thereof foreign companies	109	22

#### Investments in unconsolidated structured entities

As at 31.12.2022, as in the previous year, there are no investments in unconsolidated structured entities.



#### Effective date of initial or deconsolidation

The consolidation of a subsidiary begins on the day on which the group gains control over the subsidiary. It ends when the group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary are recognised in the financial statements as of the date on which the group gains control of the subsidiary until the date the control ceases. CA Immo Group determines the date of the initial consolidation or deconsolidation taking into account efficiency and materiality considerations.



#### Consolidation

The control concept of IFRS 10 leads to the existence of joint ventures within CA Immo Group, which, due to contractual arrangements, despite a shareholding percentage higher than 50% are included in the consolidated financial statements using the at-equity method in line with IFRS 11.

#### e) Acquisitions and establishments of companies/ company stakes

CA Immo Group acquired in 2022 the following companies:

Company name/domicile	Interest held in %	Purpose	Purchase price in € K	Initial consolidation date
CA Immo Düsseldorf Kasernenstraße GmbH, Frankfurt	100%	Property company	94,588	31.01.2022



CA Immo Group determines at the time of acquisition of companies (legal entities) whether the acquisition represents a business or a group of assets and liabilities. The following indicators are used for the assessment of business units:

- the acquired entity comprises a number of properties
- the acquired entity conducts substantive processes, apart from owning and letting properties
- the entity employs personnel carrying out substantive processes

In order to determine whether a transaction represents an acquisition of assets and liabilities or a business combination according to IFRS 3, CA Immo Group does not make use of the practical expedient (concentration test).

#### Initial consolidation

In 2022 CA Immo Group acquired the shares in one property company (fair value amounted to €96,853 K at the date of initial consolidation) amounting to €94,588 K. This transaction is an acquisition of assets and liabilities and not a business combination in accordance with IFRS 3.

Net assets acquired are presented below:

€ K	Total
Property assets	96,853
Other assets	47
Cash and cash equivalents	1,697
Deferred taxes	996
Provisions	-3,768
Other liabilities	-1,237
<b>Net assets acquired</b>	<b>94,588</b>

The purchase price for the acquisition made in 2022 was fully paid. Additionally, there is a receivable amounting to €191 K.

#### Newly established companies

For the foundation of companies, equity amounting to €10 K was paid.

#### f) Disposals of companies/ company stakes (continuing operations)

CA Immo Group disposed of the following interests in entities in the business year 2022:

Company name/domicile	Interest held in %	Consolidation method before change in participation	Sales price € K	Deconsolidation date
R70 Invest Budapest Kft., Budapest	100	Full consolidation	17,996	20.01.2022
<b>Total affiliated entities</b>			<b>17,996</b>	
EBL Nord 2 Immobilien GmbH, Vienna	50	At-equity	18	20.12.2022
EBL Nord 2 Immobilien Eins GmbH & Co KG, Vienna	50	At-equity	205	20.12.2022
<b>Total joint ventures</b>			<b>223</b>	
<b>Total</b>			<b>18,219</b>	

The sales prices in relation to sales made in 2022 were received in full as at 31.12.2022.

The fully consolidated entities comprised the following net assets as of the date of the sale:

€ K	<b>Total</b>
Property assets	30,339
Other assets	137
Cash and cash equivalents	1,643
Deferred taxes	-1,430
Provisions	-160
Other liabilities	-767
<b>Net change before payables to affiliated companies</b>	<b>29,762</b>
Liabilities to affiliated companies	-11,970
<b>Net change</b>	<b>17,792</b>

**g) Disposals of companies/ company stakes (discontinued operation)**

On 22.11.2022 CA Immo Group closed the sale of the seven Romanian property entities as well as the management company (included in the consolidated financial statements at 31.12.2021 in the segment Eastern Europe core region). This geographical area of operations is presented as a discontinued operation. In the consolidated income statement for the year 2022 as well as the comparative figures, the result after taxes of the Romanian portfolio is separately presented. In the operating segments, given the classification as a discontinued operation, the former core region Romania (until now presented in the segment Eastern Europe core region) is no longer included. The comparative information for 2021 was accordingly restated.

Company name/domicile	Interest held in %	Consolidation method before change in participation	Sales price € K	Deconsolidation date
CA Immo Campus 6.1. S.R.L., Bucharest	100	Full consolidation	16,647	22.11.2022
CAI REAL ESTATE M. ROMANIA SRL, Bucharest	100	Full consolidation	350	22.11.2022
EUROPOLIS ORHIDEEA B.C. SRL, Bucharest	100	Full consolidation	49,445	22.11.2022
INTERMED CONSULTING & MANAGEMENT SRL, Bucharest	100	Full consolidation	76,532	22.11.2022
Opera Center One S.R.L., Bucharest	100	Full consolidation	28,584	22.11.2022
Opera Center Two S.R.L., Bucharest	100	Full consolidation	7,258	22.11.2022
S.C. BBP Leasing S.R.L., Bucharest	100	Full consolidation	44,806	22.11.2022
VICTORIA INTERNATIONAL PROPERTY SRL, Bucharest	100	Full consolidation	33,928	22.11.2022
<b>Total affiliated entities</b>			<b>257,549</b>	

The sales prices for the seven Romanian property entities as well as the management company were received in full as at 31.12.2022. As security for the buyer's warranty claims €20,000 K was deposited in an escrow account.

The Romanian portfolio comprised the following net assets and result as at the date of sale:

€ K	<b>Total</b>
Properties (including right-of-use asset)	376,724
Office equipment (including right-of-use assets)	142
Intangible assets	2
Other assets	3,606
Cash and cash equivalents	4,357
Deferred taxes	-16,194
Provisions	-2,842
Other liabilities	-10,083
Lease liabilities	-264
<b>Net change before receivables/ payables to affiliated companies</b>	<b>355,448</b>
Receivables from/payables to affiliated companies	-108,566
<b>Net change</b>	<b>246,881</b>

In the consolidated income statement of CA Immo Group the transactions between discontinued and continuing operations are eliminated. The consolidation of income and expenses was thus still carried out for the reported periods. In the consolidated income statement the result of the discontinued operation is as presented below:

€ K	2022	2021
Rental income	24,584	27,966
Operating costs charged to tenants	6,927	7,140
Operating expenses	-7,366	-7,424
Other expenses directly related to properties rented	-6,719	-4,675
<b>Net rental income</b>	<b>17,426</b>	<b>23,007</b>
Sales prices for interests in property companies	257,549	0
Book value of net assets sold	-246,881	0
Revaluation result for the year	-21,882	0
Subsequent costs and ancillary costs	-9,481	0
<b>Result from disposal of assets held for sale</b>	<b>-20,694</b>	<b>0</b>
Indirect expenses	-3,509	-2,270
Other operating income	0	6
<b>EBITDA</b>	<b>-6,777</b>	<b>20,743</b>
<b>Depreciation and impairment of long-term assets</b>	<b>-55</b>	<b>-75</b>
Revaluation gain	0	7,777
Revaluation loss	0	-4,061
<b>Result from revaluation</b>	<b>0</b>	<b>3,716</b>
<b>Result of operations (EBIT)</b>	<b>-6,833</b>	<b>24,384</b>
Finance costs	-6	-11
Foreign currency gains/losses	-382	-17
Result from financial investments	-11	0
<b>Financial result</b>	<b>-399</b>	<b>-28</b>
<b>Net result before taxes (EBT)</b>	<b>-7,231</b>	<b>24,356</b>
Current income tax	-889	-931
Deferred taxes	2,671	-2,430
<b>Income tax expense</b>	<b>1,782</b>	<b>-3,361</b>
<b>Consolidated net income from discontinued operation</b>	<b>-5,449</b>	<b>20,995</b>
<b>thereof attributable to the owners of the parent</b>	<b>-5,449</b>	<b>20,995</b>
Earnings per share in € (basic) from discontinued operation	€-0.05	€0.21
Earnings per share in € (diluted) from discontinued operation	€-0.05	€0.21

In the consolidated cash flow statement of CA Immo Group the transactions and cash flows between discontinued and continuing operations remain eliminated. The cash flow of the discontinued area of operations is presented below:

€ K	2022	2021
Cash flow from operating activities	14,570	21,841
Cash flow from investing activities	334,820	-2,841
Cash flow from financing activities	-203	-240
<b>Net - Cash flow from discontinued operation</b>	<b>349,187</b>	<b>18,760</b>

#### h) Consolidation methods

§ All companies under the control of the parent company are fully consolidated in the consolidated financial statements. A company is initially consolidated as of the time control is gained by the parent. Companies are deconsolidated when control ceases. All intra-group transactions between companies included in the scope of full consolidation, the related revenues and expenses, receivables and payables, as well as unrealised intra-group profits, are fully eliminated. Profit and loss amounts resulting from “upstream” and “downstream” transactions with joint ventures are eliminated in accordance with the share of CA Immo Group in these companies (except for real estate properties measured at fair value).

If the company (legal entity) acquired is not a business, the acquisition is not a business combination according to IFRS 3. Correspondingly, the acquisition is only an acquisition of assets and liabilities, which are recognised with their proportional acquisition cost. The acquisition costs are allocated to the acquired assets (especially investment properties) and liabilities as well as the non-controlling interests, based on their relative fair value at the date of acquisition of the subsidiary.

If a business is acquired, the acquisition is classified as a business combination according to IFRS 3. In order to qualify as a business there must be at least one input factor (such as workforce, intellectual property or rights) and one substantive process (transformation of the input factors) that contributes significantly to the ability to generate output. The subsidiary is consolidated for the first time using the acquisition method, by recognising its identifiable assets and liabilities at fair value as well as a goodwill and non-controlling interests, if applicable. The goodwill represents any amount by which the fair value of the transferred amount (usually the purchase price for the acquired business) and (if applicable) for the non-controlling interest, exceeds the fair value of the identifiable assets and liabilities, including any deferred taxes.

Non-controlling interests are initially recognised proportionally at fair value of the identifiable net assets of the entity acquired and subsequently measured according to the changes in shareholders' equity attributable to the non-controlling interests. Total comprehensive income is attributed to the non-controlling interests even if this results in a negative balance of non-controlling interests. According to the classification of interest as shareholders' equity or liabilities, the non-controlling interests are recognised within shareholders' equity respectively as other liabilities.

Acquisitions or sales of shares in a subsidiary that do not result in an establishment or loss of control are accounted for as equity transactions. The book values of the controlling and non-controlling interests are adjusted to reflect the changes in the respective interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the shareholders of the parent company.

In case of a partial sale of shares in a subsidiary, previously fully consolidated, all assets and liabilities of the former subsidiary are excluded from the consolidated balance sheet, at the moment control is lost. As a result, the remaining shares are recognised as joint ventures, associated entities or financial instrument according to IFRS 9, with applicable fair value at the transition consolidation date through profit or loss.

If an acquisition of shares in an entity, previously accounted for as joint venture, associate or financial instrument according to IFRS 9, leads to control over that entity, then its assets and liabilities are recognised in the consolidated statement of financial position following the transitional consolidation and previously held investment is derecognised at their fair value through profit or loss.

### Joint ventures

CA Immo Group enters into joint ventures with one or more partner companies in the course of establishing investment property or project development partnerships, whereby joint management of these ventures is established by contract. Interests in jointly managed companies are accounted for according to the equity method in the consolidated financial statements of CA Immo Group (AEJV – at equity joint ventures).

### Equity method

According to the equity method, investments in joint ventures are initially recognised at the date of acquisition in the consolidated statement of financial position at cost, including directly attributable ancillary costs. The subsequent measurement is affected by any increase/decrease of this value, based on the group's share in profit or loss and the other comprehensive income (adjusted by interim gains and losses resulting from transactions with the group), dividends, contributions and other changes in the equity of the associated company, as well as by impairment.

Once the book value of the interest in an associated company has decreased to zero and possible long-term loans to the associated companies are impaired to zero as well, additional losses are recognised as a liability only to the extent that CA Immo Group has a legal or effective obligation to make further payments to the associated company.

### i) Foreign currency translation

#### Transactions in foreign currencies

§ The individual group companies record foreign currency transactions at the exchange rate prevailing at the date of the relevant transaction. Monetary assets and liabilities in foreign currency existing at the reporting date are translated into the particular functional currency at the exchange rate prevailing at that date. Any resulting foreign currency gains or losses are recognised in the income statement of the relevant business year.

The currency translation of assets and liabilities is based on the following exchange rates:

		Bid	Sale	Bid	Sale
		31.12.2022	31.12.2022	31.12.2021	31.12.2021
Switzerland	CHF	0.9831	0.9871	1.0257	1.0385
USA	USD	1.0646	1.0706	1.1296	1.1396

The monetary assets and liabilities in foreign currency are converted at the exchange rate of the reporting date. The resulting foreign currency gains and losses are recorded in the respective financial year.

#### Translation of companies' individual financial statements denominated in foreign currencies

The group reporting currency is the Euro (EUR). Since the Euro is generally also the functional currency of those companies included in the consolidated financial statements that are domiciled outside the European Monetary Union in Eastern Europe, the financial statements prepared in a foreign currency are translated in accordance with the temporal method. Under this method, investment properties (including properties under development) as well as monetary assets and liabilities are translated at closing rates, whereas own used properties as well as other non-monetary assets are translated at historical exchange rates. Items in the income statement are translated at the average exchange rates of the relevant reporting period. Gains or losses resulting from the currency translation are recognised in the income statement.

The functional currency of management companies in Eastern Europe is the respective local currency in each case. The amounts in the statements of financial position are translated at the exchange rate at the reporting date. Only shareholders' equity is translated at historical rates. Items of the income statement are translated at the average exchange rates of the relevant reporting period. Gains and losses arising from the application of the closing rate method are recognised in other comprehensive income.

Individual financial statements were translated on the basis of the following rates of exchange:

		Closing rate 31.12.2022	Average exchange rate 2022	Closing rate 31.12.2021	Average exchange rate 2021
Poland	PLN	4.6899	4.6883	4.5994	4.5775
Romania*	RON	4.9141	4.9337	4.9481	4.9244
Serbia	RSD	117.3224	117.4670	117.5821	117.5729
Czechia	CZK	24.1150	24.5371	24.8600	25.6483
Hungary	HUF	400.2500	393.0083	369.0000	358.7858

\*exchange rate used on the deconsolidation discontinued operation



#### Determination of the functional currency

In determining the functional currency CA Immo Group differentiates basically between property entities and management entities.

##### Functional currency: property entities

In the real estate transaction market in the countries where CA Immo Group owns investment properties, the properties and property entities are usually purchased and sold in Euro due to the active international investors in those markets. In addition, CA Immo Group almost entirely concludes lease contracts in Euro, or, in case these contracts are not concluded in Euro, they are almost entirely indexed to the Euro exchange rate.

Hence, the Euro has the most influence on the sales price of goods (real estate sales) and services (rental services) offered by CA Immo. This fact is also stated in external valuation reports, as values are stated in EUR.

Moreover, CA Immo finances its property in Euro. The price of the most essential cost factor of a real estate company is therefore also determined in Euro.

In consideration of the above mentioned factors, the Euro is determined as the functional currency of CA Immo Group's property companies, which are included in the consolidated financial statements and located outside the territory of the European Monetary Union.

##### Functional currency: management entities

The invoicing of services (management services provided to the property companies by management companies) in Eastern Europe is carried out in the respective local currency. The prices are set in the respective local currency, which therefore have the most significant influence on the sales prices of the provided services. Furthermore, these companies also employ staff which is paid in the respective local currency. The prices for the key cost factors are therefore determined based on the respective local currency. Cash flow is generated mostly independently from the parent company.

In consideration of the above mentioned factors, the respective local currency is the functional currency of CA Immo's management companies, which are included in the consolidated financial statements and located outside the territory of the European Monetary Union.

**j) Macroeconomic environment**

Global inflationary pressures, the war in Ukraine and the resurgence of Covid-19 in China stressed the global economy in 2022. The market conditions prevailing over the past few quarters, characterized in particular by geopolitical uncertainties, weakening economic momentum and sharply rising interest rates, have significantly changed the environment for the real estate sector. Immediate global effects include high energy prices, rapidly rising construction costs and significant interest rate increases. These factors are leading to increased volatility on international financial markets.

**Impact on the business model**

The CA Immo Group is affected by the developments described above by rising energy and financing costs as well as rising prices in the construction industry. Furthermore, the changed economic environment and fears of recession are having an impact on property valuations, in terms of increased real estate yields, transaction markets as well as the valuation of the company on the equity market.

All core markets of CA Immo Group experienced a challenging environment for business operations, which is characterized in particular by significantly weakened transaction activity. If letting activities also weaken significantly, longer marketing and vacancy times for unlet space can also be expected in the future.

In view of the recent high level of utilization in the construction industry, there are risks for the CA Immo Group in project developments in terms of both availability and construction costs. This means that rising construction costs, supply and timing problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values are to be expected.

The majority of the rents are either linked to an index or fixed graduated rents have been agreed, which allows the CA Immo Group to mitigate the risk of inflation.

The effects of geopolitical developments and developments on the stock and financial markets on the future financial position, financial performance and cash flows of the CA Immo Group cannot be conclusively assessed and are evaluated on an ongoing basis.

The Covid-19 pandemic had no significant impact on the financial position, financial performance and cash flows of the CA Immo Group as at 31.12.2022.

CA Immo Group does not have any properties in Russia or Ukraine in its portfolio.

**k) Climate-related matters**

Environmental, social and governance (ESG) aspects have also become increasingly important across the real estate sector. Buildings are seen as one of the key factors for climate protection. CA Immo Group fully supports the United Nations' climate goals and the associated transition to a low-carbon, sustainable economy. CA Immo Group has anchored corresponding measures, processes and goals in its strategic approach.

**Risk analysis**

The analysis of specific climate risks is extremely complex for our business and involves a number of unknown variables. In 2021, the CA Immo Group evaluated natural hazards (flood, hailstorm, lightning strike, tornado, storm) for all investment properties with a value of >€10 M. Based on this, in 2022, a detailed, forward-looking risk and vulnerability analysis in accordance with the guidelines of the EU taxonomy was carried out. The climate risk analysis was carried out on a site-specific basis and took into account the risk categories according to the EU taxonomy, i.e. chronic or acute as well as temperature- and wind-related or water- and land-related risks were considered.

The evaluation focused on short-term, current risks and the medium-term time horizon up to 2050. In the last step, adaptation solutions already available in or around the affected buildings were analysed for these climate risks. For all properties with an increased exposure to physical risks, adaptation solutions have already been implemented. In the case of water-related risks, these relate primarily to flood protection concepts, protection against backflow, river regulation and barrier protection and in case of temperature-related risks, these relate especially to cooling and sun protection systems including shading systems, building air conditioning and greening concepts.

**Impact on the business model**

The result of the risk and vulnerability analysis shows that there are currently no properties in the CA Immo Group portfolio that are exposed to significant physical risks, as sufficient adjustment solutions have already been implemented for all potentially significant physical risks.

CA Immo Group evaluates and assesses the risks on an ongoing basis. Physical damage to buildings caused by extreme weather events or continuous climate change can have a significant impact on investment properties.

To ensure that all properties retain their value, marketability and comprehensive sustainability over the long term, the CA Immo Group focuses on quality and sustainability management throughout the entire life cycle of the buildings. CA Immo Group continuously invests in the energetic and climate-friendly modernization of existing investment properties.

Changes in tenant's demand and the market demand for energy-efficient buildings (e-charging stations, green lease agreements, digital energy data management,...) can lead to poorer marketability of investment properties and lower rent levels. Development projects can also be impacted by, for example, higher construction costs due to increasing energy efficiency/decarbonization requirements and higher investments for energy refurbishment of the existing buildings. Furthermore, the pressure from the capital market to reduce CO<sub>2</sub>-emissions can have an impact on financing costs and the availability of capital.

Environmental and safety regulations include active and latent obligations to clean-up contaminated sites. Complying with these provisions can entail considerable investment expenses and other costs. These obligations may apply to real estate currently or formerly owned by CA Immo Group, or currently or formerly managed or developed by the company. In particular, the provisions cover contamination with undiscovered harmful materials or noxious substances, munitions and other environmental risks such as soil pollution, etc. Several regulations impose sanctions on the discharge of emissions into air, soil and water: this can make CA Immo Group liable towards third parties, significantly impact the sale and letting of affected properties and adversely affect the generation of rental revenue from such properties. In principle, insurable risks are covered to the usual extent.

In the short term, taking into account the existing risk-mitigating measures, CA Immo Group assumes that the identified climate risks will not have any significant impact on the financial position, financial performance and cash flows of CA Immo Group.



## CHAPTER 2: PROFIT AND LOSS

## 2.1. Operating segments

€ K			Austria		Germany	
	Income producing	Other properties	Total	Income producing	Other properties	Total
<b>2022</b>						
Rental income	26,826	10	26,837	90,573	10,195	100,768
Rental income with other operating segments	645	0	645	667	22	689
Operating costs charged to tenants	5,517	0	5,517	15,669	1,365	17,034
Operating expenses	-7,001	0	-7,001	-16,634	-3,053	-19,687
Other expenses directly related to properties rented	65	0	65	-7,380	-2,954	-10,334
<b>Net rental income</b>	<b>26,052</b>	<b>10</b>	<b>26,063</b>	<b>82,895</b>	<b>5,574</b>	<b>88,469</b>
Other expenses directly related to properties under development	0	-8	-8	0	-2,237	-2,237
Result from trading and construction works	0	-15	-15	0	73,073	73,073
Result from the sale of investment properties	3,767	0	3,767	314	54	368
Income from services	0	0	0	1,432	7,140	8,571
Indirect expenses	-988	-52	-1,041	-11,581	-14,424	-26,005
Other operating income	36	0	36	820	406	1,226
<b>EBITDA</b>	<b>28,867</b>	<b>-64</b>	<b>28,802</b>	<b>73,879</b>	<b>69,586</b>	<b>143,466</b>
Depreciation and impairment/reversal	-277	0	-277	-1,185	-5,375	-6,560
Result from revaluation	20,636	0	20,636	-39,319	-10,099	-49,418
Result from joint ventures	0	0	0	0	0	0
<b>Result of operations (EBIT)</b>	<b>49,226</b>	<b>-64</b>	<b>49,161</b>	<b>33,375</b>	<b>54,112</b>	<b>87,488</b>

## Timing of revenue recognition

Income from trading	0	249	249	0	75,520	75,520
Income from sale of investment properties	45,034	0	45,034	58,500	7,113	65,613
<b>Total income IFRS 15/ IAS 40 - transferred at a point in time</b>	<b>45,034</b>	<b>249</b>	<b>45,283</b>	<b>58,500</b>	<b>82,633</b>	<b>141,133</b>
Operating costs charged to tenants	5,517	0	5,517	15,669	1,365	17,034
Income from trading and construction works	0	0	0	0	62,204	62,204
Income from services	0	0	0	1,432	7,140	8,571
<b>Total income IFRS 15 - transferred over time</b>	<b>5,517</b>	<b>0</b>	<b>5,517</b>	<b>17,101</b>	<b>70,709</b>	<b>87,809</b>
<b>Total income IFRS 15</b>	<b>50,551</b>	<b>249</b>	<b>50,800</b>	<b>75,600</b>	<b>153,342</b>	<b>228,942</b>

## 31.12.2022

Property assets <sup>1)</sup>	477,488	0	477,488	2,525,419	1,479,467	4,004,887
Other assets	29,502	0	29,502	372,320	694,574	1,066,894
Deferred tax assets	0	0	0	1,510	761	2,271
<b>Segment assets</b>	<b>506,990</b>	<b>0</b>	<b>506,990</b>	<b>2,899,249</b>	<b>2,174,803</b>	<b>5,074,051</b>
Interest-bearing liabilities	158,771	0	158,771	986,873	656,505	1,643,377
Other liabilities	4,980	0	4,980	21,782	261,018	282,799
Deferred tax liabilities incl. current income tax liabilities	43,277	0	43,277	465,302	210,029	675,331
<b>Liabilities</b>	<b>207,028</b>	<b>0</b>	<b>207,028</b>	<b>1,473,957</b>	<b>1,127,551</b>	<b>2,601,508</b>
<b>Shareholders' equity</b>	<b>299,961</b>	<b>0</b>	<b>299,961</b>	<b>1,425,292</b>	<b>1,047,252</b>	<b>2,472,543</b>
Capital expenditures <sup>2)</sup>	1,152	0	1,152	101,674	176,279	277,953

<sup>1)</sup> Property assets include rental investment properties, investment properties under development, own used properties, properties held for trading and properties available for sale.

<sup>2)</sup> Capital expenditures include all acquisitions of properties (long-term and short-term) including additions from initial consolidation, office furniture and other equipment and intangible assets; thereof €19,731 K (31.12.2021: €74,923 K) in properties held for trading.

Income producing	Other properties	Eastern Europe core regions	Eastern Europe other regions	Total segments	Holding	Transition	Total
		Total	Income producing			Consolidation	
77,759	3,224	80,983	7,014	215,601	0	-1,848	213,753
0	0	0	0	1,333	0	-1,333	0
25,289	1,021	26,309	1,735	50,595	0	-159	50,436
-29,183	-1,407	-30,590	-2,113	-59,390	0	409	-58,982
-12,366	-629	-12,995	-938	-24,201	0	-258	-24,459
<b>61,498</b>	<b>2,209</b>	<b>63,707</b>	<b>5,699</b>	<b>183,938</b>	<b>0</b>	<b>-3,190</b>	<b>180,748</b>
0	0	0	0	-2,245	0	360	-1,885
0	0	0	0	73,059	0	-65,387	7,671
50	0	50	-109	4,076	0	0	4,076
641	0	641	0	9,212	9,205	-13,190	5,228
-10,158	-652	-10,810	-677	-38,533	-24,438	15,520	-47,451
52	2	54	6	1,321	202	-371	1,152
<b>52,083</b>	<b>1,558</b>	<b>53,641</b>	<b>4,919</b>	<b>230,828</b>	<b>-15,032</b>	<b>-66,258</b>	<b>149,539</b>
-365	0	-365	-9	-7,212	-595	243	-7,563
-64,369	-1,808	-66,176	888	-94,070	0	0	-94,070
0	0	0	0	0	0	26,475	26,475
<b>-12,651</b>	<b>-249</b>	<b>-12,900</b>	<b>5,798</b>	<b>129,546</b>	<b>-15,627</b>	<b>-39,539</b>	<b>74,381</b>
0	0	0	0	75,769	0	-66,432	9,337
18,009	0	18,009	0	128,656	0	0	128,656
<b>18,009</b>	<b>0</b>	<b>18,009</b>	<b>0</b>	<b>204,425</b>	<b>0</b>	<b>-66,432</b>	<b>137,993</b>
25,289	1,021	26,309	1,735	50,595	0	-159	50,436
0	0	0	0	62,204	0	-62,204	0
641	0	641	0	9,212	9,205	-13,190	5,228
<b>25,930</b>	<b>1,021</b>	<b>26,951</b>	<b>1,735</b>	<b>122,012</b>	<b>9,205</b>	<b>-75,553</b>	<b>55,664</b>
<b>43,939</b>	<b>1,021</b>	<b>44,959</b>	<b>1,735</b>	<b>326,437</b>	<b>9,205</b>	<b>-141,985</b>	<b>193,657</b>
1,393,491	83,090	1,476,581	81,946	6,040,902	0	-130,451	5,910,451
119,926	10,472	130,398	9,423	1,236,216	1,053,177	-1,032,492	1,256,902
1,116	0	1,116	0	3,387	33,674	-33,847	3,214
<b>1,514,533</b>	<b>93,562</b>	<b>1,608,095</b>	<b>91,369</b>	<b>7,280,505</b>	<b>1,086,852</b>	<b>-1,196,789</b>	<b>7,170,568</b>
537,101	41,380	578,482	34,080	2,414,711	1,378,899	-971,067	2,822,543
36,595	6,668	43,262	2,200	333,243	24,002	-91,389	265,856
43,848	2,660	46,508	3,071	768,187	1,931	-46,473	723,646
<b>617,544</b>	<b>50,708</b>	<b>668,252</b>	<b>39,352</b>	<b>3,516,140</b>	<b>1,404,833</b>	<b>-1,108,928</b>	<b>3,812,045</b>
<b>896,989</b>	<b>42,854</b>	<b>939,843</b>	<b>52,017</b>	<b>3,764,365</b>	<b>-317,981</b>	<b>-87,861</b>	<b>3,358,523</b>
16,282	6,539	22,821	1,431	303,357	240	-10,602	292,995

€ K	Austria			Germany		
2021	Income producing	Other properties	Total	Income producing	Other properties	Total
Rental income	26,780	11	26,791	73,791	12,378	86,169
Rental income with other operating segments	620	0	620	622	14	636
Operating costs charged to tenants	6,596	0	6,596	11,930	1,420	13,350
Operating expenses	-7,776	0	-7,776	-13,321	-2,077	-15,398
Other expenses directly related to properties rented	-5,676	0	-5,676	-4,234	-1,219	-5,453
<b>Net rental income</b>	<b>20,543</b>	<b>11</b>	<b>20,554</b>	<b>68,788</b>	<b>10,516</b>	<b>79,304</b>
Other expenses directly related to properties under development	0	-6	-6	0	-1,951	-1,951
Result from trading and construction works	0	44	44	0	25,598	25,598
Result from the sale of investment properties	16,364	0	16,364	442	30,825	31,268
Income from services	0	0	0	1,597	8,292	9,889
Indirect expenses	-1,031	-80	-1,111	-8,314	-13,871	-22,186
Other operating income	101	0	101	631	249	880
<b>EBITDA</b>	<b>35,976</b>	<b>-31</b>	<b>35,945</b>	<b>63,143</b>	<b>59,658</b>	<b>122,801</b>
Depreciation and impairment/reversal	-369	0	-369	-672	-3,425	-4,096
Result from revaluation	-1,974	0	-1,974	290,381	234,865	525,245
Result from joint ventures	0	0	0	0	0	0
<b>Result of operations (EBIT)</b>	<b>33,633</b>	<b>-31</b>	<b>33,601</b>	<b>352,852</b>	<b>291,098</b>	<b>643,950</b>

**Timing of revenue recognition**

Income from trading	0	135	135	0	39,745	39,745
Income from sale of investment properties	48,685	0	48,685	2,384	62,419	64,803
<b>Total income IFRS 15/ IAS 40 - transferred at a point in time</b>	<b>48,685</b>	<b>135</b>	<b>48,820</b>	<b>2,384</b>	<b>102,164</b>	<b>104,548</b>
Operating costs charged to tenants	6,596	0	6,596	11,930	1,420	13,350
Income from trading and construction works	0	0	0	0	2,511	2,511
Income from services	0	0	0	1,597	8,292	9,889
<b>Total income IFRS 15 - transferred over time</b>	<b>6,596</b>	<b>0</b>	<b>6,596</b>	<b>13,527</b>	<b>12,224</b>	<b>25,750</b>
<b>Total income IFRS 15</b>	<b>55,281</b>	<b>135</b>	<b>55,415</b>	<b>15,911</b>	<b>114,388</b>	<b>130,299</b>

**31.12.2021**

Property assets <sup>1)</sup>	496,450	154	496,605	2,295,213	1,604,413	3,899,626
Other assets	22,406	480	22,885	168,494	476,027	644,521
Deferred tax assets	0	0	0	1,149	2,327	3,476
<b>Segment assets</b>	<b>518,856</b>	<b>634</b>	<b>519,490</b>	<b>2,464,856</b>	<b>2,082,766</b>	<b>4,547,623</b>
Interest-bearing liabilities	181,288	0	181,288	762,008	521,801	1,283,810
Other liabilities	11,839	3	11,842	27,199	227,612	254,811
Deferred tax liabilities incl. current income tax liabilities	40,911	0	40,911	440,654	196,314	636,968
<b>Liabilities</b>	<b>234,038</b>	<b>3</b>	<b>234,041</b>	<b>1,229,861</b>	<b>945,727</b>	<b>2,175,588</b>
<b>Shareholders' equity</b>	<b>284,818</b>	<b>631</b>	<b>285,449</b>	<b>1,234,995</b>	<b>1,137,039</b>	<b>2,372,034</b>
Capital expenditures <sup>2)</sup>	509	0	509	2,037	257,344	259,381

Income producing restated	Other properties	Eastern Europe core regions Total restated	Eastern Europe other regions Income producing	Total segments restated	Holding restated	Transition Consolidation/ Adjustments restated <sup>3)</sup>	Total restated
82,144	745	82,889	7,434	203,283	0	-2,138	201,145
0	0	0	0	1,256	0	-1,256	0
22,032	134	22,166	1,724	43,835	0	78	43,913
-25,036	-328	-25,364	-2,048	-50,587	0	411	-50,176
-6,760	-304	-7,065	-777	-18,971	0	545	-18,427
<b>72,380</b>	<b>246</b>	<b>72,626</b>	<b>6,333</b>	<b>178,816</b>	<b>0</b>	<b>-2,361</b>	<b>176,455</b>
0	-142	-142	0	-2,099	0	246	-1,854
0	0	0	0	25,641	0	-18,966	6,675
4,430	0	4,430	-477	51,585	0	1,075	52,660
550	0	550	0	10,439	6,618	-8,920	8,137
-10,467	-464	-10,931	-754	-34,982	-30,922	9,952	-55,952
2,422	1	2,422	14	3,418	45	-234	3,229
<b>69,315</b>	<b>-359</b>	<b>68,956</b>	<b>5,116</b>	<b>232,818</b>	<b>-24,259</b>	<b>-19,209</b>	<b>189,350</b>
-377	0	-377	-7	-4,850	-536	168	-5,218
955	18,181	19,136	-4,976	537,431	0	0	537,431
0	0	0	0	0	0	3,618	3,618
<b>69,893</b>	<b>17,822</b>	<b>87,715</b>	<b>133</b>	<b>765,399</b>	<b>-24,795</b>	<b>-15,423</b>	<b>725,181</b>
0	0	0	0	39,880	0	-30,720	9,159
23,944	0	23,944	5,742	143,174	0	322	143,496
<b>23,944</b>	<b>0</b>	<b>23,944</b>	<b>5,742</b>	<b>183,054</b>	<b>0</b>	<b>-30,398</b>	<b>152,656</b>
22,032	134	22,166	1,724	43,835	0	78	43,913
0	0	0	0	2,511	0	-3,437	-926
550	0	550	0	10,439	6,618	-8,920	8,137
<b>22,582</b>	<b>134</b>	<b>22,716</b>	<b>1,724</b>	<b>56,786</b>	<b>6,618</b>	<b>-12,280</b>	<b>51,123</b>
<b>46,526</b>	<b>134</b>	<b>46,660</b>	<b>7,466</b>	<b>239,839</b>	<b>6,618</b>	<b>-42,678</b>	<b>203,779</b>
1,473,132	77,650	1,550,782	79,861	6,026,873	0	227,328	6,254,201
207,893	18,602	226,494	7,081	900,982	1,085,557	-1,128,976	857,563
617	0	617	0	4,093	30,809	-32,221	2,681
<b>1,681,642</b>	<b>96,252</b>	<b>1,777,893</b>	<b>86,942</b>	<b>6,931,948</b>	<b>1,116,366</b>	<b>-933,869</b>	<b>7,114,445</b>
576,706	41,398	618,104	38,389	2,121,591	1,460,513	-998,161	2,583,943
84,521	8,290	92,811	1,720	361,184	269,185	-108,493	521,876
48,585	3,028	51,612	2,596	732,088	632	-15,132	717,588
<b>709,811</b>	<b>52,716</b>	<b>762,527</b>	<b>42,706</b>	<b>3,214,862</b>	<b>1,730,330</b>	<b>-1,121,785</b>	<b>3,823,407</b>
<b>971,830</b>	<b>43,536</b>	<b>1,015,366</b>	<b>44,236</b>	<b>3,717,085</b>	<b>-613,963</b>	<b>187,916</b>	<b>3,291,038</b>
10,384	19,952	30,336	786	291,012	1,053	-18,913	273,151

<sup>3)</sup> The column "Transition Consolidation/Adjustments" includes the balance sheet numbers as at 31.12.2021 of the discontinued operation Romania (previously the segment Eastern Europe core regions income producing).

### Segment information

The operating segments generate gross revenues and other income from rental activities, the sale of properties held for trading, the sale of properties as well as from development services. Gross revenues and other income are allocated to the country and segment the properties or services are located/provided in. The arm's length condition of transactions between the operating segments is documented and monitored on an ongoing basis.

Business relationships within an operating segment are consolidated within the segment. Business relationships with other operating segments are disclosed separately and reconciliations to the consolidated income statement and consolidated statement of financial position are presented in the "Transition Consolidation" column.

The accounting principles of the reportable segments correspond to those described under "Summarized presentation of accounting methods". In line with IFRS 16, segment reporting does not include any rights of use/lease liabilities from rental and lease agreements existing between companies of the CA Immo Group. As in the past, such intercompany contracts are recognised as income/expense in the segment reporting and eliminated in the column "Transition Consolidation".

Transactions between operating segments are allocated as follows:

- Management fees for services performed (e.g. property management, financial negotiation, purchase and sale of properties, accounting, controlling, provision of personnel) are charged on the basis of actual fees and allocated to the individual segments on the basis of the invoiced services. They are recognised in the column "Holding" as income from services rendered.
- Management companies are assigned to the segments according to their main activities. Management fees charged by these companies are allocated based on the invoiced services to the individual operating segment of the respective region and are recognised in the segment, which the management company has been assigned to, as income from services rendered.
- Eastern Europe core region segment consists of Hungary, Poland and Czechia.
- Eastern Europe other region segment consists of Serbia and Slovakia (sold in 2021).

Due to the presentation of Romania as a discontinued operation, the former core market Romania (previously included in the segment Eastern Europe core regions) is not included in the segment reporting anymore. The prior year numbers for 2021 have been restated. The column "Transition Consolidation/Adjustments" includes the balance sheet numbers of the discontinued operation Romania as at 31.12.2021 to reconcile the segments to the group balance sheet as at 31.12.2021. The management fees of the holding company charged to the discontinued operation are not shown as income from services in the column holding anymore.

 The segments were identified on the basis of the information regularly used by the company's principal decision makers when deciding on the allocation of resources and assessing profitability. The individual properties are grouped into regions based on geographical areas and into reportable operating segments based on the stage of development of the properties by income producing and other properties. The aggregation of the regions mainly takes place based on evaluation of the market dynamics and the risk profiles which mainly impact economic characteristics. According to the assessment of CA Immo Group, the properties in the portfolio need to be separated into investment properties and other properties, based on the criteria "nature of products and services" and "nature of production processes" according to IFRS 8.

 The properties are allocated to the reporting segments according to location/region, their category and the main activities of the management/holding companies. Items that cannot be directly attributed to a property or segment management structure are disclosed in the column "holding". The presentation corresponds to CA Immo Group's internal reporting system. The following segments have been identified:

- Income producing properties: Investment properties rented including the related rights of use, own used properties including rights of use for own used properties and investment properties pursuant to IFRS 5
- Other properties: Properties under development and land banks, completed development properties (investment properties) until the second annual reporting date after completion (depending on the tenancy rate or beginning of the sales process), development services for third parties, properties under development pursuant to IFRS 5, and properties held for trading
- Holding: general management and financing activities of CA Immo Group.

Joint ventures are included with 100% of the assets and liabilities as well as revenues and expenses of the entities in the segment, irrespective of the method of consolidation into the financial statements. Adjustments in accordance with the consolidation method in CA Immo Group are shown in the column “Transition Consolidation”.

A significant percentage of total rental income of CA Immo Group is generated in the segment Eastern Europe core regions. A material proportion of the investment properties of CA Immo Group is located in these countries:

Segment Eastern Europe core regions before consolidation	€ K	2022 Share in %	€ K	2021 restated Share in %
<b>Rental income</b>				
Poland	32,324	39.9%	34,332	41.4%
Czechia	22,845	28.2%	19,972	24.1%
Hungary	25,814	31.9%	28,585	34.5%
<b>Total rental income</b>	<b>80,983</b>	<b>100.0%</b>	<b>82,889</b>	<b>100.0%</b>
<b>Book value of investment properties IAS 40</b>				
Poland	545,627	37.0%	563,679	36.3%
Czechia	473,990	32.1%	471,650	30.4%
Hungary	456,964	30.9%	515,452	33.2%
<b>Total book value of investment property according to IAS 40</b>	<b>1,476,581</b>	<b>100.0%</b>	<b>1,550,782</b>	<b>100.0%</b>

## 2.2. Rental income

€ K	2022	2021 restated
Basic rental income	200,458	194,625
Conditional rental income	1,119	2
Income from non-service components of service charges	9,165	8,103
Change in accrued rental income related to lease incentive agreements	2,164	-2,444
Settlement from cancellation of rent agreements	847	859
<b>Rental income</b>	<b>213,753</b>	<b>201,145</b>

CA Immo Group generates rental income from the following types of property:

2022	Austria		Germany		Eastern Europe core regions		Eastern Europe other regions		Total	
	€ K	Share in %	€ K	Share in %	€ K	Share in %	€ K	Share in %	€ K	Share in %
Office	15,989	59.6%	85,378	86.3%	80,972	100.0%	7,014	100.0%	189,353	88.6%
Hotel	6,247	23.3%	7,552	7.6%	0	0.0%	0	0.0%	13,798	6.5%
Retail	4,590	17.1%	0	0.0%	0	0.0%	0	0.0%	4,590	2.1%
Others	0	0.0%	6,001	6.1%	10	0.0%	0	0.0%	6,011	2.8%
<b>Rental income</b>	<b>26,826</b>	<b>100%</b>	<b>98,931</b>	<b>100%</b>	<b>80,982</b>	<b>100%</b>	<b>7,014</b>	<b>100%</b>	<b>213,753</b>	<b>100%</b>

2021 restated	Austria		Germany		Eastern Europe core regions		Eastern Europe other regions		Total	
	€ K	Share in %	€ K	Share in %	€ K	Share in %	€ K	Share in %	€ K	Share in %
Office	18,101	67.6%	71,576	85.2%	82,884	100.0%	7,434	100.0%	179,995	89.6%
Hotel	4,594	17.2%	7,080	8.4%	0	0.0%	0	0.0%	11,674	5.8%
Retail	4,079	15.2%	9	0.0%	0	0.0%	0	0.0%	4,088	2.0%
Others	6	0.0%	5,378	6.4%	4	0.0%	0	0.0%	5,388	2.7%
<b>Rental income</b>	<b>26,780</b>	<b>100%</b>	<b>84,042</b>	<b>100%</b>	<b>82,888</b>	<b>100%</b>	<b>7,434</b>	<b>100%</b>	<b>201,145</b>	<b>100%</b>

CA Immo Group generates rental income from a multitude of tenants. No single tenant generates more than 10% of the total rental income of CA Immo Group.

§ Rental revenues according to IFRS 16 are recognised on a straight-line basis over the lease term. Lease incentive agreements, such as rent-free periods, reduced rents for a certain period or one-off payments, which can be freely used in the course of their businesses, are included in rental income. Therefore, the lease incentives are allocated on a straight-line basis over the entire expected, respectively remaining contractual lease term accordingly. In the case of leases with constant rent adjustment over the term (graduated rents), such adjustments are likewise recognised on a straight-line basis over the lease term. The lease term over which rental income is allocated on a straight-line basis comprises the non-terminable period as well as any further periods for which the tenant can exercise an option, with or without making additional payments, provided that the exercise of the option is estimated as being probable at the inception of the lease.

Rental revenues comprise also components of the service charges reconciliation for which CA Immo Group does not provide the tenant with a separate service however the tenant must reimburse them (for example property taxes, building insurance, usufruct expenses), these being presented under "Income from non-service components of service charges".

Conditional rental income, which is based on revenues generated in the business premises, are recognised in profit or loss in the period in which they are assessed.

Rental income is measured at the fair value of the consideration received or outstanding, less any directly related reductions.

Payments received from tenants for the early termination of a lease and payments for damage to rented premises are recognised as rental income in the period in which they are incurred.

### 2.3. Result from operating costs and other expenses directly related to properties rented

€ K	2022	2021 restated
Operating costs charged to tenants	50,436	43,913
Operating expenses	-58,982	-50,176
<b>Own operating costs</b>	<b>-8,546</b>	<b>-6,263</b>
Maintenance costs	-8,892	-4,633
Agency fees	-4,393	-2,117
Bad debt losses and change in reserves for bad debts	2,274	-1,187
Other directly related expenses	-13,449	-10,490
<b>Other expenses directly related to properties rented</b>	<b>-24,459</b>	<b>-18,427</b>
<b>Total</b>	<b>-33,005</b>	<b>-24,690</b>

According to IFRS 16, the item “Other directly related expenses” contains expenses from non-service components. These relate mainly to property taxes and building insurance expenses and amount to €10,079K in 2022 (2021 restated: €8,196 K).

Rent waivers, realization of rental income and change in assessment of allowances due to the Covid-19 pandemic impacted net rental income by €2,720 K (2021 restated: €-3,463 K). Positive counter-effects from amortisation of lease incentive agreements (rent frees) over the remaining lease term amount to €206 K (2021 restated: €546 K). All agreed rent changes as well as granting of rent free periods are split over the duration of the respective lease agreement linearly.

§ Operating costs incurred by CA Immo Group for properties rented, which trigger a separate performance obligation (non-lease components) to tenants, are presented in the consolidated income statement in “operating costs charged to tenants”. Based on an analysis of primary performance responsibility, inventory risk as well as pricing competence, CA Immo Group has to be considered as principal for service charges as it has the primary responsibility for providing the service and is the direct counterpart in case of performance disruptions. The item “operating costs charged to tenants” contains only non-lease components that are within the scope of IFRS 15.

**2.4. Other expenses directly related to properties under development**

€ K	2022	2021
Operating expenses related to investment properties under development	-473	-655
Property advertising costs	-14	-189
Project development and project execution	-960	-875
<b>Operating expenses related to investment properties under development long-term assets</b>	<b>-1,447</b>	<b>-1,719</b>
Operating expenses related to investment properties under development	-263	-109
Project development and project execution	-176	-25
<b>Operating expenses related to investment properties under development short-term assets</b>	<b>-438</b>	<b>-134</b>
<b>Other expenses directly related to properties under development</b>	<b>-1,885</b>	<b>-1,854</b>

**2.5. Result from trading and construction works**

€ K	2022	2021
Trading property - transferred at a point in time	9,337	9,159
Trading property and construction works - transferred over time	0	-926
<b>Income from trading and construction works</b>	<b>9,337</b>	<b>8,233</b>
Book value of properties sold incl. ancillary and construction costs	-1,666	-1,558
<b>Result from trading and construction works</b>	<b>7,671</b>	<b>6,675</b>

 The item “income from trading and construction works” includes income from the sale of properties intended for trading, which is depending on contract stipulations realized at a point or over time, as well as income from construction works (construction of a building on the land of a customer, whereby CA Immo Group as a builder carries out a construction contract with or without a general contractor), which are transferred over time.

**2.6. Result from sale of investment properties**

€ K	Austria	Germany	Eastern Europe core regions	Eastern Europe other regions	2022	Austria	Germany	Eastern Europe core regions	Eastern Europe other regions	2021
Sales prices for interests in property companies	0	2	18,009	0	18,011	0	2,667	24,266	5,742	32,675
Book value of net assets sold excl. goodwill	0	0	-17,792	0	-17,792	0	-1,485	-23,967	-5,553	-31,005
Revaluation result for the year	0	0	0	0	0	0	0	5,333	0	5,333
Change subsequent costs and ancillary costs	0	-640	-167	-109	-916	0	1,481	-653	-323	505
<b>Results from the sale of investment property (share deals)</b>	<b>0</b>	<b>-639</b>	<b>50</b>	<b>-109</b>	<b>-697</b>	<b>0</b>	<b>2,664</b>	<b>4,979</b>	<b>-135</b>	<b>7,507</b>
Income from the sale of investment properties	45,034	65,612	0	0	110,645	48,685	62,136	0	0	110,821
Book value of properties sold	-44,122	-64,191	0	0	-108,313	-47,727	-36,900	0	0	-84,628
Goodwill of sold properties	0	0	0	0	0	0	-9	0	0	-9
Revaluation result for the year	3,805	769	0	0	4,573	16,324	0	0	0	16,324
Change subsequent costs and ancillary costs	-950	-1,183	0	0	-2,132	-784	3,428	0	0	2,644
<b>Results from the sale of investment property (asset deals)</b>	<b>3,767</b>	<b>1,006</b>	<b>0</b>	<b>0</b>	<b>4,773</b>	<b>16,498</b>	<b>28,654</b>	<b>0</b>	<b>0</b>	<b>45,153</b>
<b>Result from the sale of investment properties</b>	<b>3,767</b>	<b>368</b>	<b>50</b>	<b>-109</b>	<b>4,076</b>	<b>16,498</b>	<b>31,318</b>	<b>4,979</b>	<b>-135</b>	<b>52,660</b>

**§ Revenues from the sale of investment properties**

Income from the sale of properties is recognised when:

- CA Immo Group does not retain any rights of disposal or effective control in respect of the object sold (control),
- the amount of the revenues and the expenses incurred or to be incurred in connection with the sale can be reliably determined, and
- it is sufficiently probable that the economic benefit from the sale will flow to CA Immo Group.

Non-current earnings received in advance are measured at par value and subsequently with a reasonable market interest rate reflecting maturity and risk. The accrued interest is recognised in the consolidated income statement in the financial result.

**§ Result from the sale of investment properties**

In accordance with IAS 40, investment properties are measured at each reporting date and changes in fair values are recognised in profit or loss, as result from revaluation (revaluation gain/loss). When property assets are sold, the

valuation result realised during the current business year is reclassified to the result from the sale of investment properties together with other expenses in relation to the disposal. The book value of goodwill that has been allocated to a property sold is recognised as part of the disposal within the result from the sale of investment properties.

## 2.7. Income from services rendered

€ K	2022	2021
Revenues from construction contracts	382	0
Revenues from service contracts	4,614	7,611
Income from management	232	526
<b>Income from services</b>	<b>5,228</b>	<b>8,137</b>

### § Revenue recognition according to IFRS 15

Revenues are to be recognised in accordance with IFRS 15, when a performance obligation is fulfilled by transferring an agreed good or service to the customer. An asset is deemed to be transferred when the customer gains control of that asset. Control over a good or a service is transferred at a specific point in time if the obligation is not satisfied over a period of time. If one of the following criteria is met, the performance obligation is fulfilled over a period of time:

- the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs;
- the entity's performance creates or enhances an asset that the customer controls as the asset is created; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable claim of payment for performance completed to date

If a performance obligation is met over a period of time, according to IFRS 15, the contract related transaction price as well as contract performance and acquisition costs must be recognised as revenues or expenses, in accordance with the performance progress as at balance sheet date. The cost-to-cost method is used in the CA Immo Group for the ongoing monitoring of construction projects and is a reliable method for determining the progress of the service performance. Thereby, to determine the performance progress, the ratio of the contract respectively construction costs incurred up to balance sheet date to the estimated total contract costs, respectively construction costs (cost-to-cost method) is applied.

### § Revenues from services rendered

A rendered service is a service for a customer, which can be satisfied in time-based units (for example time based advice for building conversion, planning services or project assistance). Income from service contracts is recognised to the extent of the services rendered up to the reporting date (accounting by time unit).

### § Revenues from construction contracts

CA Immo Group also offers services in the form of construction supervision for customers, which are handled as construction contracts. The income from construction contracts (e.g. project management, construction supervision and acceptance of, for example building construction, interior works or development of land) is recorded in accordance with the provision of services.

## 2.8. Indirect expenses

€ K	2022	2021 restated
Personnel expenses	-46,560	-48,820
Legal, auditing and consulting fees	-9,790	-13,035
Third party acquired development services	-892	-1,933
Office rent	-773	-630
Travel expenses and transportation costs	-733	-275
Other expenses internal management	-2,633	-2,746
Other indirect expenses	-4,143	-5,687
<b>Subtotal</b>	<b>-65,524</b>	<b>-73,127</b>
Own work capitalised in investment property	16,619	16,201
Change in properties held for trading	1,453	973
<b>Indirect expenses</b>	<b>-47,451</b>	<b>-55,953</b>

Personnel expenses include contributions to staff welfare funds in the amount of €190 K (2021: €174 K) and to pension and relief funds in the amount of €401 K (2021: €394 K).

§ CA Immo Group capitalizes indirect expenses (mainly personnel expenses) to the extent that they can be attributed to the construction cost of properties under development and properties held for trading. The assignment is based on the activities of the departments for the developments. These internally-produced capitalised expenses and capitalised changes in work-in-progress respectively are reported as an adjustment of the indirect expenses. As long as these services are rendered to joint ventures of CA Immo Group, no decrease of the indirect expenses, but “income from services rendered” is recognised.

## 2.9. Other operating income

Other income amounting to €1,152 K (2021 restated: €3,229 K) includes €660 K for the takeover of parking space easement (in 2021 revenues in accordance with a neighbourhood agreement in Poland, amounting to approx. €2,000 K).

## 2.10. Depreciation and impairment losses/reversal

€ K	2022	2021 restated
Regular depreciation	-2,412	-2,208
Depreciation right of use assets	-1,964	-1,895
Impairment loss on goodwill	-1,211	-762
Impairment loss on properties held for trading	-2,921	-372
Reversal of impairment loss previously recognised on properties held for trading	945	19
<b>Depreciation and impairment/reversal</b>	<b>-7,563</b>	<b>-5,218</b>

§ Explanations with regard to the measurement of depreciation and impairments/reversal of impairments can be found in chapters “3.2. Own used properties”, “3.3. Office furniture and equipment and intangible assets” and “4.2. Properties held for trading”.

**2.11. Joint ventures result**

€ K	2022	2021
At equity consolidation of investments in joint ventures	26,499	3,618
Result from sale of joint ventures	-24	0
<b>Result from joint ventures</b>	<b>26,475</b>	<b>3,618</b>

**2.12. Finance expenses**

€ K	2022	2021 restated
Interest expense bonds	-20,764	-25,531
Interest expense banks	-25,008	-18,788
Interest expenses financial authorities/ tax audits	-5,417	-3,448
Other interest and finance costs	-2,872	-2,714
Interest expense convertible bond	0	-1,569
Interest expenses lease liabilities	-1,244	-1,323
Capitalised interest	5,495	5,765
<b>Finance costs</b>	<b>-49,810</b>	<b>-47,608</b>

§ Finance costs comprise interest payable for external financing, interest recognised by the effective interest-rate method (if not required to be capitalised according to IAS 23), interest for lease liabilities determined according to the effective interest-rate method (if not required to be capitalized according to IAS 23), interest for committed external funds not yet received, current interest on derivative transactions, interest expenses financial authorities/ tax audits, the interest costs arising from the calculation of retirement benefits, the net result attributable to non-controlling interests in limited partnerships and expenses similar to interest.

Interest is deferred over time by the effective interest-rate method.

In the statement of financial position the capital contribution, adjusted by the share of profit or loss of non-controlling interests in limited partnerships, is recognised under “other liabilities”.

**2.13. Result from derivatives**

€ K	2022	2021
Valuation of interest rate derivative transactions	89,795	20,299
Ineffectiveness of interest rate swaps	535	-23
Valuation of derivative convertible bond	0	-46,221
<b>Result from derivatives</b>	<b>90,330</b>	<b>-25,945</b>

The item "valuation of interest rate derivative transactions" includes the following items:

€ K	2022	2021
Valuation of interest rate swaps without a cash flow hedge relationship	90,245	20,914
Valuation of interest rate caps	617	0
Valuation of interest rate floors	-1,067	-615
<b>Valuation of interest rate derivative transactions</b>	<b>89,795</b>	<b>20,299</b>

## 2.14. Result from financial investments

€ K	2022	2021
Negative interest on deposits	-1,822	-3,638
Revaluation of other investments	219	-1,682
Interest income on bank deposits	155	175
Change in expected credit losses for cash and restricted cash	-297	651
Result from disposal of other investments	0	757
Interest income from loans to joint ventures	646	866
Revenues from investments	690	1,028
Other interest income	3,013	1,088
<b>Result from financial investments</b>	<b>2,604</b>	<b>-756</b>

§ The negative valuation of other investments in 2021 resulted from the decrease in fair value.

## 2.15. Financial result

€ K		Category <sup>1)</sup>	2022	2021 restated
Interest expense	Interest	AC	-49,810	-47,608
Foreign currency gains/losses	Valuation		-368	-484
	Realisation		699	432
Interest rate swaps	Valuation	FVtPL	90,245	20,914
	Ineffectiveness	FVOCI	535	-23
Interest rate caps and floors	Valuation	FVtPL	-450	-615
Derivative convertible bond	Valuation	FVtPL	0	-46,221
Interest income	Interest	AC	3,814	2,129
Negative interest on deposits	Interest	AC	-1,822	-3,638
Financial investments	Revenues from investments	AC	690	1,028
	Valuation	FVtPL	219	-1,682
Result from the disposal of other investments	Realisation	AC	0	757
Change in expected credit losses for cash and restricted cash	Valuation	AC	-297	651
<b>Net result of financial instruments</b>			<b>43,454</b>	<b>-74,361</b>
<b>Financial result</b>			<b>43,454</b>	<b>-74,361</b>

<sup>1)</sup> AC – amortised cost, FVtPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income

**2.16. Other comprehensive income**

2022				
€ K	Valuation result (Hedging)	Currency translation reserve	Reserve according to IAS 19	Total
Other comprehensive income before taxes	32,613	5	3,488	36,107
Income tax related to other comprehensive income	-10,412	0	-1,102	-11,514
<b>Other comprehensive income for the period</b>	<b>22,202</b>	<b>5</b>	<b>2,386</b>	<b>24,593</b>
thereof: attributable to the owners of the parent	22,202	5	2,386	24,593

2021				
€ K	Valuation result (Hedging)	Currency translation reserve	Reserve according to IAS 19	Total
Other comprehensive income before taxes	6,664	42	592	7,298
Income tax related to other comprehensive income	-2,127	0	-196	-2,324
<b>Other comprehensive income for the period</b>	<b>4,537</b>	<b>42</b>	<b>396</b>	<b>4,974</b>
thereof: attributable to the owners of the parent	4,537	42	396	4,974



Reserves according to IAS 19 include actuarial gains and losses from post-employment defined benefit plans as well as actuarial gains and losses from the plan assets.

**2.17. Earnings per share**

		2022	2021 restated
Weighted average number of shares outstanding	pcs.	100,304,487	98,162,253
Consolidated net income	€ K	75,477	479,774
<b>Basic = diluted earnings per share</b>	€	<b>0.75</b>	<b>4.89</b>

		2022	2021 restated
Weighted average number of shares outstanding	pcs.	100,304,487	98,162,253
Consolidated net income from continuing operations, attributable to the owners of the parent	€ K	80,926	458,779
<b>Basic = diluted earnings per share in € from continuing operations</b>	€	<b>0.81</b>	<b>4.67</b>

		2022	2021 restated
Weighted average number of shares outstanding	pcs.	100,304,487	98,162,253
Consolidated net income from discontinued operation	€ K	-5,449	20,995
<b>Basic = diluted earnings per share in € from discontinued operation</b>	€	<b>-0.05</b>	<b>0.21</b>

Since the conversion and termination of the convertible bond in September 2021, there has been no dilution and the basic earnings per share corresponds to the diluted one.

## CHAPTER 3: LONG-TERM ASSETS

## 3.1. Long-term property assets

## Investment Property (IAS 40) – Movements and classification

€ K	Income producing investment properties	Investment properties under development	Total
<b>Book values</b>			
<b>As at 1.1.2021</b>	<b>4,723,068</b>	<b>791,136</b>	<b>5,514,204</b>
Current investment/construction	20,980	191,077	212,056
Disposals	- 96,476	- 36,900	- 133,376
Reclassification to assets held for sale	- 68,359	- 6,058	- 74,417
Transfers	81,688	- 81,688	0
Revaluation	323,363	239,441	562,804
Change in lease incentives	35	139	174
<b>As at 31.12.2021</b>	<b>4,984,297</b>	<b>1,097,147</b>	<b>6,081,444</b>
purchase of real estate and real estate companies	96,853	0	96,853
Current investment/construction	50,944	117,948	168,893
Disposal from discontinued operations	- 376,724	0	- 376,724
Disposals	- 59,606	- 384	- 59,990
Reclassification to assets held for sale	- 191,141	- 53,500	- 244,641
Reclassification to own-used properties	- 2,220	0	- 2,220
Transfers	578,654	- 578,654	0
Revaluation	- 125,453	14,074	- 111,378
Change in lease incentives	10,189	0	10,189
<b>As at 31.12.2022</b>	<b>4,965,793</b>	<b>596,632</b>	<b>5,562,425</b>

The acquisition of real estate companies relates primarily to a company with an office property in Kasernenstraße in Düsseldorf (€96,853 K). Current capital expenditures (construction costs) in development properties mainly relate to the projects ONE (€51,267 K), Hochhaus am Europaplatz (€28,170 K), Upbeat (€20,137 K) and Grasblau (€10,335 K) in Germany. Capital expenditures (construction costs) in income producing properties relate in particular to the Frankfurt ONE project (€23,623 K). The reclassifications from properties under development to income producing properties relate to the project ONE (€474,854 K) and project Grasblau (€103,800 K). In addition, the Joachimsthalerstraße income producing property was reclassified as own-used property due to the increase in owner-occupancy (€2,220 K).

Among the income producing properties, the disposal from discontinued operations relates entirely to the sale of seven office buildings in Bucharest (€- 376,724 K). The other disposals mainly relate to the sale of the office building Donau Business Center in Vienna (€- 44,122 K). In the previous year, the disposals of portfolio properties mainly concerned two properties in Austria (€- 47,560 K), one property in Hungary (€- 17,443 K) and one property in Poland (€- 24,509 K) and, in the case of development properties, the Belsenpark property (€- 36,900 K) in Germany.

The fair value of the properties assigned as collateral for external financings totals €3,710,933 K (31.12.2021: €3,564,910 K).

In 2022, borrowing costs relating to the construction of properties totaling €5,495 K (2021: €5,765 K) were capitalised at a weighted average interest rate of 2.28% (2021: 1.37%).

The following table provides an overview of the book values as at the respective reporting dates:

€ K	Income producing investment properties	Investment properties under development	Total
<b>As at 1.1.2021</b>			
Fair value of properties	4,693,569	791,136	5,484,705
Lease incentive agreements	29,498	0	29,498
<b>Fair value/book value</b>	<b>4,723,068</b>	<b>791,136</b>	<b>5,514,204</b>
<b>As at 31.12.2021</b>			
Fair value of properties	4,955,075	1,097,008	6,052,083
Lease incentive agreements	29,222	139	29,361
<b>Fair value/book value</b>	<b>4,984,297</b>	<b>1,097,147</b>	<b>6,081,444</b>
<b>As at 31.12.2022</b>			
Fair value of properties	4,926,664	596,632	5,523,296
Lease incentive agreements	39,130	0	39,130
<b>Fair value/book value</b>	<b>4,965,793</b>	<b>596,632</b>	<b>5,562,425</b>



#### Classification of real estate assets with mixed utilisation

Some properties are of mixed use – they are used both to generate rental income and appreciation in value as well as partially for administrative purposes. If these respective portions can be sold individually, CA Immo Group recognises them separately. If the portions cannot be separated, the entire property is only classified as an investment property if the own used part occupies less than 5.0% of the total useful area.



#### Classification of real estate assets with change in use

Changes in classification for real estate assets (standing investments, investments under development, own used, held for trading) are to be considered when a change in the use is made. Transfers in or out from investment property are made, for example when:

- beginning or ending of owner occupied property or beginning of the development of an own used property (transfer in or from own used properties),
- beginning of the actual development with the purpose of sale (transfer from investment property to properties held for trading).



#### Classification of investment properties

The item “investment properties” consists of investment properties and properties under development that are held neither for own use nor for sale in the ordinary course of business, but to generate rental income and to appreciate in value. Usufruct rights for developed land and the rental of parking spaces for subletting lead to the recognition of right of use assets, which are assigned to the item “investment properties”.

Properties under development are reclassified to investment properties upon completion of the main construction works and rental income is gained.



#### Valuation of investment properties

Investment properties are measured according to the fair value model. Changes in the current book value before revaluation (fair value of previous year plus subsequent/additional acquisition or construction cost less subsequent acquisition cost reductions as well as the impact from the deferral of lease incentives) are recognised in the income statement under “result from revaluation”.

Investment grants are accounted for as deduction of construction costs.

Borrowing costs arising during property construction are allocated to the construction costs if they have been used for a qualifying asset (direct and generally borrowed funds). A qualifying asset is an asset that takes a substantial period of time (in principle more than 12 months) to be ready for its intended use or for sale. In cases in which debt is not directly attributable to an individual qualifying asset, the proportional amount of the total finance costs is allocated to the qualifying asset. The capitalisation rate for the generally borrowed funds is calculated as a weighted average of the borrowing cost for all loans, however with the exception of debt specifically raised for the qualifying asset. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### § Valuation of right of use assets

The carrying amount of the right of use asset in form of usufruct rights for the developed land as well as for rented parking spaces intended for sublease corresponds to the lease liability. These rights of use fulfill the definition of investment property and are therefore to be measured at fair value subsequently. The scheduled depreciation for these rights of use assets is not applicable and is replaced by the revaluation recognised in the profit or loss instead. The valuation reports prepared by the appraisers reflect the fair value of the respective property as a whole, as it is expected to be attainable on the market. The fair value prepared by the appraiser represents the expected realizable amount of the property. As the lease liability is separately accounted for, the presentation of the investment property without the right of use asset would lead to an incorrect result. For this reason the fair value according the appraisal has to be increased by the lease liability as at balance sheet date.

#### § Fair value measurement

IFRS 13 defines the fair value as the price that would be received following the sale of an asset or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. The price could be directly observable or estimated using valuation techniques. Corresponding to the inputs used to determine of the fair values, the measurement hierarchy distinguishes between the following levels:

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: inputs that are observable for the measurement of assets or liabilities, either directly or indirectly
- Level 3: inputs are unobservable for the measurement of assets or liabilities.

### Investment Property (IAS 40) - Valuation

#### § Assessment of fair value

100% (31.12.2021: 99.9%) of the properties in Austria, about 99.9% (31.12.2021: 99%) of the properties in Germany, and 100% (31.12.2021: 99%) of the properties in Eastern Europe, according to segment reporting, were subject to an external valuation as of the reporting date 31.12.2022. CA Immo Group generally commissions external valuation reports every six months. CA Immo Group provides on property level all material and valuation related information and documents to the appraisers. Before finalization of the valuation reports internal controls (e.g. input testing) and plausibility checks are applied. Afterwards the experts finalize the valuation reports.

The external valuations are made in accordance with the standards defined by the Royal Institution of Chartered Surveyors (RICS). The RICS defines the market value as the estimated amount for which an asset or liability could be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

The selection of the independent, external real estate experts for CA Immo Group is based, on the one hand on professional qualification, which is measured by national and international standards, such as HypZert, RICS or public appointments and swearing-ins and on the other hand by giving consideration to local market presence and penetration.

The valuation method applied by the expert for each property particularly depends on the property's stage of development and its type of use.

Rented commercial properties, which constitute the largest portion of CA Immo Group's portfolio, are mainly valued by the investment method. The fair value represents the present value of the future expected rental income. These are calculated based on two time units: firstly "term", with mainly contractual secured rents over the average expected remaining lease term and secondly "reversion", for which the experts include further parameters, in particular the market rent achievable for the object. Both periods are capitalized with an adequate interest rate (term yield/ reversionary yield).

For properties under development and construction, the residual method is applied. Under this method, the market value is based on the estimated market value upon completion, less expected outstanding expenses and after applying a reasonable developer profit in the range of 5% to 20% of the market value upon completion (31.12.2021: 5% to 20%). Developer profit for properties under development, which are nearly completed, ranges at the bottom of the margin according to their reduced risk. Risks of investment properties (after completion) considered are, the estimated future rents and initial yields in the range from 2.7% to 4.2% (31.12.2021: 2.6% to 4.5%) and financing interest rates of 4.5% (31.12.2021: 2.0%). The rates vary in particular depending on the general market climate, location and type of use. The closer a project is to completion, the greater the portion of parameters that are based on actual or contractually fixed amounts. After completion or immediately before completion, the properties are valued by applying the investment method (see above), adjusted for outstanding work.

The following table shows the essential input factors for the valuation of investment property (the fair value of the classes Office Austria and Office Germany also includes the fair value of own used properties) and property under development (the properties are assigned to each class based on their main use). The tables show for the properties in each classification the minimum and maximum values for rent and yield, as well as the area-weighted average values for rent, vacancy and yield and the average remaining lease terms calculated in years.

Due to the presentation of Romania as a discontinued operation, the values of 2021 are restated for input factors, hierarchy classification and sensitivity analysis of the classification "Office Eastern Europe" for better comparability.

Classification of investment properties incl. own used properties Valuation technique - investment method	Fair value 31.12.2022 € K	Fair value 31.12.2021 € K	Inputs	Range 2022	Range 2021 restated
Office Austria	272,200	352,100	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	9.80 / 32.03 / 13.41	8.48 / 28.97 / 12.02
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	8.13 / 25.97 / 11.00	7.10 / 24.49 / 10.25
			average remaining lease term in years	4.30	3.41
			average vacancy %	16.70	11.98
			Yield Term min/max/weighted average %	3.30 / 5.10 / 4.27	3.15 / 5.00 / 4.15
			Yield Reversion min/max/weighted average %	3.15 / 5.50 / 4.50	3.00 / 5.40 / 4.37
Office Germany*	2,863,555	2,278,299	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	10.99 / 37.51 / 22.23	10.83 / 26.55 / 18.78
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	15.05 / 34.00 / 26.37	11.99 / 30.05 / 23.54
			average remaining lease term in years	9.28	9.05
			average vacancy %	6.75	3.85
			Yield Term min/max/weighted average %	2.85 / 4.15 / 3.42	0.00 / 4.30 / 2.93
			Yield Reversion min/max/weighted average %	3.50 / 4.70 / 3.91	3.05 / 4.30 / 3.58
Office Eastern Europe*	1,515,471	1,600,153	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	11.80 / 21.97 / 15.29	11.60 / 21.41 / 14.71
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	12.08 / 19.44 / 14.98	11.65 / 18.74 / 14.38
			average remaining lease term in years	3.29	3.36
			average vacancy %	15.48	15.65
			Yield Term min/max/weighted average %	4.90 / 8.75 / 6.65	4.60 / 8.50 / 6.41
			Yield Reversion min/max/weighted average %	4.90 / 8.75 / 6.61	4.50 / 8.75 / 6.34
<b>Office total</b>	<b>4,651,226</b>	<b>4,230,552</b>			
Retail Austria	84,700	87,500	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	13.25 / 13.25 / 13.25	12.83 / 12.83 / 12.83
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	12.85 / 12.85 / 12.85	12.86 / 12.86 / 12.86
			average remaining lease term in years	2.06	2.63
			average vacancy %	9.33	12.26
			Yield Term min/max/weighted average %	4.75 / 4.75 / 4.75	4.65 / 4.65 / 4.65
			Yield Reversion min/max/weighted average %	4.75 / 4.75 / 4.75	4.60 / 4.60 / 4.60
<b>Retail total</b>	<b>84,700</b>	<b>87,500</b>			

\* The book value of "Office Germany" classification includes right of use assets in the amount of €258 K (31.12.2021: €389 K) and the book value of "Office Eastern Europe" classification includes €32,571 K (31.12.2021 restated: €33,053 K) of right of use assets.

Classification of investment properties incl. own used properties Valuation technique - investment method	Fair value	Fair value	Inputs	Range 2022	Range 2021
	31.12.2022	31.12.2021			
	€ K	€ K			
Hotel Austria	0	47,400	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	- / - / -	10.18 / 10.18 / 10.18
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	- / - / -	10.00 / 10.00 / 10.00
			average remaining lease term in years	-	5.16
			average vacancy %	-	0.00
			Yield Term min/max/weighted average %	- / - / -	5.75 / 5.75 / 5.75
			Yield Reversion min/max/weighted average %	- / - / -	6.00 / 6.00 / 6.00
Hotel Germany	158,000	160,300	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	15.24 / 17.20 / 16.32	15.24 / 15.72 / 15.51
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	13.74 / 13.79 / 13.77	14.24 / 15.13 / 14.73
			average remaining lease term in years	13.05	14.10
			average vacancy %	1.13	0.59
			Yield Term min/max/weighted average %	3.90 / 4.05 / 3.96	3.75 / 4.10 / 3.91
			Yield Reversion min/max/weighted average %	4.35 / 4.45 / 4.40	4.25 / 4.45 / 4.34
<b>Hotel total</b>	<b>158,000</b>	<b>207,700</b>			
Other Austria	20,200	16,800	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	8.39 / 8.39 / 8.39	1.41 / 1.41 / 1.41
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	7.26 / 7.26 / 7.26	0.98 / 0.98 / 0.98
			average remaining lease term in years	0.50	1.00
			average vacancy %	0.00	0.00
			Yield Term min/max/weighted average %	6.30 / 6.30 / 6.30	6.20 / 6.20 / 6.20
			Yield Reversion min/max/weighted average %	6.30 / 6.30 / 6.30	6.20 / 6.20 / 6.20
Other Germany	59,380	64,460	Actual-rent €/m <sup>2</sup> p. m. min/max/average weighted	4.78 / 4.78 / 4.78	4.51 / 4.51 / 4.51
			Market-rent €/m <sup>2</sup> p. m. min/max/average weighted	5.94 / 5.94 / 5.94	5.48 / 5.48 / 5.48
			average remaining lease term in years	0.77	0.90
			average vacancy %	2.33	2.34
			Yield Term min/max/weighted average %	2.50 / 4.45 / 3.74	3.65 / 4.55 / 4.27
			Yield Reversion min/max/weighted average %	2.50 / 4.95 / 4.19	4.65 / 5.05 / 4.90
<b>Other total</b>	<b>79,580</b>	<b>81,260</b>			

Classification of investment properties under development in realisation and planning	Fair value 31.12.2022	Fair value 31.12.2021	Inputs	Range 2022	Range 2021
Valuation technique - residual value	€ K	€ K			
Office Germany*	417,330	909,510	Expected-rent €/m <sup>2</sup> p. m. min/max	37.05 / 40.00	18.50 / 37.05
			Construction cost €/m <sup>2</sup> min/max	2,737 / 3,735	1,801 / 3,494
			Related cost in % of Constr. Cost min/max	23.81 / 27.97	22.55 / 33.50
<b>Development total</b>	<b>417,330</b>	<b>909,510</b>			

\* The book value of "Office Germany" classification includes right of use assets in the amount of €10 K (31.12.2021: €60 K).

Land banks which are not currently under development or which are not expected to be developed in the near future are valued through the comparable transactions method.

Classification of investment properties under development	Fair value 31.12.2022	Fair value 31.12.2021	Inputs	Range 2022	Range 2021
Comparative or residual method	€ K	€ K			
Landbank Germany	178,812	187,487	Valuation approach / m <sup>2</sup> plot area	2.31 – 25,499.38	2.31 – 22,096.18
Landbank Eastern Europe	490	150	Valuation approach / m <sup>2</sup> plot area	97.59	29.87
<b>Landbank total</b>	<b>179,302</b>	<b>187,637</b>			

### Interaction between the input factors

The essential input factors that determine the fair values for investment property are the actual rents and market rents as well as the interest rates (yields). Increasing rents (e.g. a short supply and increased demand) would cause *ceteris paribus* increasing fair values. Vice versa, the fair value *ceteris paribus* decreases when the rents are decreasing.

Increasing yields (e.g. the market expects increasing interest rates due to increasing risks – excessive supply, etc.) would cause *ceteris paribus* decreasing fair values. Conversely, the fair value *ceteris paribus* would increase if the yield decreases (e.g. higher demand for this type of investment property).

Both input factors have a reinforcing impact – as well in a positive or negative way – when they appear jointly. This means that a strengthened demand for rental space as well as a simultaneously strengthened demand for such investment property would cause an even greater increase of the fair value. Vice versa, a decrease in the demand for rental space as well as a decreased market demand for investment property would cause an even heavier decrease of the fair value.

For properties under development, construction costs are another essential input factor. The market value of properties is mainly determined by the expected rental income and the yield. It is in this area of conflict that new development projects are planned and calculated. Given that the calculated construction costs, which are a major influencing factor in development, could change during the development phase because of both market related factors (e.g. shortage of resources on the markets or oversupply) and planning-related factors (e.g. necessary additional changes, unforeseeable problems, subsequent savings, etc.), they have a significant influence on profitability. These additional opportunities/risks are given appropriate consideration in a developer's profit (risk/profit).

The fair value for rented properties, properties under development as well as land banks corresponds to level 3 of the fair value hierarchy according to IFRS 13.

Measurement hierarchy according to IFRS 13	31.12.2022	31.12.2021
€ K	Level 3	Level 3
Investment properties	4,965,793	4,984,297
investment properties under development	596,632	1,097,147
<b>Investment property</b>	<b>5,562,425</b>	<b>6,081,444</b>

Reclassifications between levels did not occur in 2022 and 2021.

### Hierarchy classification

The following tables show the development of separate classes that are assigned according to IFRS 13 to level 3 of the fair value hierarchy:

€ K	Office Austria*	Office Germany*	Office Eastern Europe restated	Retail Austria
<b>As at 1.1.2021</b>	<b>367,000</b>	<b>1,989,342</b>	<b>1,586,817</b>	<b>90,100</b>
Additions	273	8,409	15,625	229
Disposals	-34,941	-1,380	-44,111	0
Valuation	19,909	268,906	5,796	-2,824
Reclassification IFRS 5	0	0	-30,339	0
Reclassification between classes	0	13,238	68,450	0
Change in lease incentives	-141	-216	-2,084	-5
<b>As at 31.12.2021 = 1.1.2022</b>	<b>352,100</b>	<b>2,278,299</b>	<b>1,600,153</b>	<b>87,500</b>
Additions	1,029	36,161	24,029	109
Disposals	-44,122	-228	-1,007	0
Purchase of real estate and real estate companies	0	96,853	0	0
Valuation	1,279	-78,189	-65,628	-2,938
Reclassification IFRS 5	-37,900	-49,900	-42,566	0
Reclassification between classes	0	578,654	0	0
Change in lease incentives	-186	1,905	490	30
<b>As at 31.12.2022</b>	<b>272,200</b>	<b>2,863,555</b>	<b>1,515,471</b>	<b>84,700</b>

\* The fair value of the classes "Office Austria" and "Office Germany" also includes the fair value of the own used properties.

€ K	Hotel Austria	Hotel Germany	Others Austria	Others Germany
<b>As at 1.1.2021</b>	<b>60,900</b>	<b>169,700</b>	<b>17,900</b>	<b>67,110</b>
Additions	0	0	0	99
Disposals	-13,098	-11	0	-5,230
Valuation	-535	12,933	-1,100	18,312
Reclassification IFRS 5	0	-22,201	0	-15,819
Change in lease incentives	133	-121	0	-11
<b>As at 31.12.2021 = 1.1.2022</b>	<b>47,400</b>	<b>160,300</b>	<b>16,800</b>	<b>64,460</b>
Initial Application IFRS 16	0	0	0	0
Additions	0	10	0	0
Disposals	0	0	0	-19,764
Valuation	23,400	-2,211	3,400	17,659
Reclassification IFRS 5	-70,800	0	0	-2,975
Change in lease incentives	0	-99	0	0
<b>As at 31.12.2022</b>	<b>0</b>	<b>158,000</b>	<b>20,200</b>	<b>59,380</b>

€ K	Development Germany	Development Eastern Europe	Land banks Germany	Land banks Eastern Europe
<b>As at 1.1.2021</b>	<b>509,900</b>	<b>39,100</b>	<b>241,986</b>	<b>150</b>
Additions	173,345	15,635	2,218	18
Disposals	0	0	-36,900	0
Valuation	202,261	13,715	23,483	-18
Reclassification IFRS 5	-6,058	0	0	0
Reclassification between classes	30,062	-68,450	-43,300	0
<b>As at 31.12.2021 = 1.1.2022</b>	<b>909,510</b>	<b>0</b>	<b>187,487</b>	<b>150</b>
Additions	114,421	0	3,527	0
Disposals	-1	0	-383	0
Valuation	-27,946	0	41,681	340
Reclassification IFRS 5	0	0	-53,500	0
Reclassification between classes	-578,654	0	0	0
<b>As at 31.12.2022</b>	<b>417,330</b>	<b>0</b>	<b>178,812</b>	<b>490</b>

### Sensitivity of the property valuation

All valuations represent an estimate of the price that could be obtained in a transaction taking place at the valuation date. Valuations are based on assumptions, such as the existence of an active market in the region concerned. Unforeseen macroeconomic or political crises could have a significant influence on the market. Such events can trigger panic buying or selling, or a general reluctance to conclude business transactions. If a valuation date falls within a period immediately following an event of this kind, the data underlying the valuation may be questionable, incomplete or inconsistent, which inevitably affects the reliability of the estimate.

Due to the geopolitical events in Ukraine, the continuing inflationary pressure and the related rise in interest rates, as well as the consequences of the Covid-19 pandemic (including with regard to global supply chains), an increased potential for rising volatility in the markets is to be expected. The past has shown that consumer and investor sentiment

can quickly adapt to new circumstances, which can lead to increased market volatility in combination with the observable reduced liquidity. Especially in the second half of the year, low transaction volumes were observed in many markets.

For properties that currently have a high vacancy rate or short-term leases in non-A-locations the influence of the appraiser's assumptions on the property value is higher than for properties in prime locations with cash flows that are secured by long-term contracts.

The property values established by external appraisers depend on several parameters, some of which influence each other in a complex way. For the purposes of a sensitivity analysis for sub-portfolios in respect of changes in value caused by the change in one parameter, individual input factors vary (while other factors stay unchanged) in order to present possible changes.

The below tables illustrate the sensitivity of the fair values to a change in expected rental income (for the purposes of this model, defined as market rent) and in the yields (term yield – capitalization interest rate for the average expected remaining term of the current rental contracts and reversionary yield – capitalization interest rate for expected rental income after expiration of the current rental contracts) for all investment properties, other than properties held for sale.

2022					
Office Austria					
Change in Yield (in % of initial yield)					Change in market rent of
	-10%	-5%	0%	5%	10%
-10%	0.75%	5.97%	11.18%	16.39%	21.60%
-5%	-4.51%	0.40%	5.30%	10.20%	15.10%
0%	-9.24%	-4.62%	0.00%	4.62%	9.24%
+5%	-13.53%	-9.16%	-4.79%	-0.43%	3.94%
+10%	-17.43%	-13.29%	-9.15%	-5.01%	-0.88%

2021					
Office Austria					
Change in Yield (in % of initial yield)					Change in market rent of
	-10%	-5%	0%	5%	10%
-10%	0.49%	5.86%	11.24%	16.61%	21.98%
-5%	-4.79%	0.26%	5.32%	10.38%	15.44%
0%	-9.55%	-4.78%	0.00%	4.78%	9.55%
+5%	-13.86%	-9.34%	-4.82%	-0.30%	4.22%
+10%	-17.77%	-13.48%	-9.20%	-4.91%	-0.62%

2022					
Office Germany					
Change in Yield (in % of initial yield)					Change in market rent of
	- 10%	- 5%	0%	5%	10%
- 10%	2.66%	7.28%	11.89%	16.51%	21.13%
- 5%	-2.98%	1.32%	5.63%	9.94%	14.25%
0%	-8.06%	-4.03%	0.00%	4.03%	8.06%
+5%	-12.65%	-8.87%	-5.09%	-1.31%	2.47%
+10%	-16.83%	-13.27%	-9.71%	-6.16%	-2.60%

2021					
Office Germany					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	2.30%	6.95%	11.59%	16.24%	20.89%
-5%	-3.20%	1.15%	5.49%	9.83%	14.17%
0%	-8.14%	-4.07%	0.00%	4.07%	8.14%
+5%	-12.61%	-8.78%	-4.96%	-1.14%	2.68%
+10%	-16.66%	-13.07%	-9.47%	-5.87%	-2.27%

2022					
Office Eastern Europe					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	1.86%	6.94%	12.03%	17.11%	22.20%
-5%	-3.85%	0.92%	5.70%	10.47%	15.25%
0%	-8.99%	-4.49%	0.00%	4.49%	8.99%
+5%	-13.64%	-9.40%	-5.15%	-0.91%	3.33%
+10%	-17.87%	-13.86%	-9.84%	-5.83%	-1.81%

2021 restated					
Office Eastern Europe					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	1.80%	6.91%	12.03%	17.14%	22.26%
-5%	-3.91%	0.89%	5.70%	10.50%	15.31%
0%	-9.05%	-4.53%	0.00%	4.53%	9.05%
+5%	-13.70%	-9.43%	-5.15%	-0.88%	3.39%
+10%	-17.93%	-13.88%	-9.84%	-5.80%	-1.75%

2022					
Retail Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	0.13%	5.77%	11.40%	17.04%	22.68%
-5%	-5.23%	0.09%	5.40%	10.72%	16.04%
0%	-10.06%	-5.03%	0.00%	5.03%	10.06%
+5%	-14.42%	-9.65%	-4.89%	-0.12%	4.65%
+10%	-18.39%	-13.86%	-9.33%	-4.80%	-0.27%

2021					
Retail Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	0.41%	5.98%	11.56%	17.13%	22.70%
-5%	-5.03%	0.22%	5.47%	10.73%	15.98%
0%	-9.92%	-4.96%	0.00%	4.96%	9.92%
+5%	-14.35%	-9.65%	-4.95%	-0.25%	4.45%
+10%	-18.38%	-13.92%	-9.45%	-4.99%	-0.53%

2022					
Hotel Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	-	-	-	-	-
-5%	-	-	-	-	-
0%	-	-	-	-	-
+5%	-	-	-	-	-
+10%	-	-	-	-	-

2021					
Hotel Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	2.55%	7.52%	12.50%	17.48%	22.46%
-5%	-3.37%	1.28%	5.92%	10.57%	15.21%
0%	-8.69%	-4.35%	0.00%	4.35%	8.69%
+5%	-13.51%	-9.43%	-5.36%	-1.28%	2.79%
+10%	-17.89%	-14.06%	-10.23%	-6.40%	-2.56%

2022					
Hotel Germany					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	3.94%	7.13%	10.33%	13.52%	16.72%
-5%	-0.99%	1.95%	4.90%	7.84%	10.78%
0%	-5.44%	-2.72%	0.00%	2.72%	5.44%
+5%	-9.48%	-6.96%	-4.43%	-1.91%	0.61%
+10%	-13.16%	-10.81%	-8.47%	-6.13%	-3.79%

2021					
Hotel Germany					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	4.35%	7.64%	10.94%	14.23%	17.53%
-5%	-0.88%	2.15%	5.18%	8.21%	11.25%
0%	-5.59%	-2.80%	0.00%	2.80%	5.59%
+5%	-9.86%	-7.28%	-4.69%	-2.10%	0.48%
+10%	-13.75%	-11.35%	-8.95%	-6.56%	-4.16%

2022					
Other Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	0.32%	5.98%	11.65%	17.32%	22.98%
-5%	-5.19%	0.17%	5.52%	10.87%	16.22%
0%	-10.14%	-5.07%	0.00%	5.07%	10.14%
+5%	-14.62%	-9.81%	-4.99%	-0.18%	4.63%
+10%	-18.69%	-14.11%	-9.53%	-4.95%	-0.37%

2021					
Other Austria					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	0.55%	6.33%	12.12%	17.90%	23.69%
-5%	-5.18%	0.28%	5.74%	11.20%	16.66%
0%	-10.33%	-5.16%	0.00%	5.16%	10.33%
+5%	-14.99%	-10.09%	-5.19%	-0.30%	4.60%
+10%	-19.22%	-14.57%	-9.91%	-5.26%	-0.61%

2022					
Other Germany					
Change in Yield (in % of initial yield)	Change in market rent of				
	-10%	-5%	0%	5%	10%
-10%	-0.32%	5.46%	11.23%	17.00%	22.78%
-5%	-5.60%	-0.14%	5.32%	10.78%	16.24%
0%	-10.36%	-5.18%	0.00%	5.18%	10.36%
+5%	-14.66%	-9.74%	-4.81%	0.11%	5.04%
+10%	-18.58%	-13.88%	-9.19%	-4.49%	0.20%

2021					
Other Germany					Change in market rent of
Change in Yield (in % of initial yield)	-10%	-5%	0%	5%	
-10%	-0.21%	5.56%	11.34%	17.11%	22.89%
-5%	-5.55%	-0.09%	5.37%	10.83%	16.29%
0%	-10.36%	-5.18%	0.00%	5.18%	10.36%
+5%	-14.70%	-9.78%	-4.86%	0.06%	4.99%
+10%	-18.65%	-13.96%	-9.27%	-4.58%	0.11%

For the development projects under realisation, which are valued by the residual value method, the table below illustrates the sensitivity of the fair value to an increase or decrease in the projected outstanding development and construction costs. Development projects actively being developed were used as the basis.

2022					
in € M	-10%	-5%	Initial value	Still outstanding capital expenditures	
				+5%	+10%
Outstanding capital expenditure	257.2	271.4	285.7	300.0	314.3
Fair value	350.0	335.7	321.4	307.1	292.8
Changes to initial value	8.9%	4.4%	0.0%	-4.4%	-8.9%

2021					
in € M	-10%	-5%	Initial value	Still outstanding capital expenditures	
				+5%	+10%
Outstanding capital expenditure	1,506.0	1,589.7	1,673.3	1,757.0	1,840.7
Fair value	1,076.8	993.1	909.5	825.8	742.1
Changes to initial value	18.4%	9.2%	0.0%	-9.2%	-18.4%

The sensitivity analysis of the projects under development is based on an average percentage of completion of approximately 40% (2021: 27%) as at the balance sheet date, related to total construction costs. The sensitivity only relates to the outstanding costs of the building constructions works. The outstanding capital expenditures will reduce with the increase of the percentage of completion. Based on the residual value method this leads to an increase in the fair value of the projects under development. An increase or decrease of the outstanding capital expenditures leads to an inverse development of the fair value of the projects under development, within the residual value method.

### 3.2. Own used properties

€ K	Own used properties	Right of use assets of own used properties	Total
<b>Book values</b>			
<b>As at 1.1.2021</b>	<b>6,709</b>	<b>6,188</b>	<b>12,896</b>
Additions	7	262	269
Disposals	-14	0	-14
Depreciation and amortisation	-410	-1,568	-1,978
<b>As at 31.12.2021</b>	<b>6,292</b>	<b>4,882</b>	<b>11,174</b>
Additions	14	6,230	6,244
Disposals	0	-13	-13
Depreciation and amortisation	-367	-1,633	-1,999
Reclassification of income producing investment properties	2,220	0	2,220
Transfer to assets held for sale	-4,670	0	-4,670
<b>As at 31.12.2022</b>	<b>3,489</b>	<b>9,466</b>	<b>12,954</b>

The following table provides an overview of the book values as at the respective reporting dates:

€ K	Own used properties	Right of use assets of own used properties	Total
<b>As at 1.1.2021</b>			
Acquisition costs	10,443	9,625	20,068
Accumulated depreciation	-3,734	-3,437	-7,171
<b>Net book value</b>	<b>6,709</b>	<b>6,188</b>	<b>12,897</b>
<b>As at 31.12.2021</b>			
Acquisition costs	10,300	9,231	19,531
Accumulated depreciation	-4,009	-4,349	-8,358
<b>Net book value</b>	<b>6,292</b>	<b>4,882</b>	<b>11,174</b>
<b>As at 31.12.2022</b>			
Acquisition costs	4,496	15,297	19,793
Accumulated depreciation	-1,008	-5,831	-6,838
<b>Net book value</b>	<b>3,489</b>	<b>9,466</b>	<b>12,954</b>

#### Impairment losses

If an indication exists that a long term non-financial asset (own used properties) might be impaired, CA Immo Group performs an impairment test. CA Immo Group calculates the recoverable amount for the asset or smallest identifiable group of assets that generate cash inflows from continued use that are largely independent from the cash inflows from other assets (cash-generating unit).

The recoverable amount is the higher of the fair value less the cost to sell (net realisable value) and the value in use of the corresponding asset (or group of assets). The value in use is the present value of the expected future cash flows that are likely to be generated by the continued use of an asset (or group of assets) and its retirement at the end of its useful life.

If this recoverable amount of an own used property is lower than its carrying value, the asset is written off to the lower value. These write-offs are reported in the consolidated income statement under “depreciation and impairment/reversal”.

If at a later date the impairment ceases to exist, the impairment loss is reversed to profit or loss up to the carrying amount of the amortised original acquisition or production cost.



#### **Classification of properties**

Properties used for administration purposes are presented under the line “own used properties” if these properties can be sold separately or their own use amounts to more than 5.0% of the total usable area. The rights of use for the rent of space used for administration purposes are also included in this balance sheet item.



#### **Measurement**

Own used properties are measured in accordance with the cost method, i.e. acquisition or production cost or fair value at the date of reclassification less regular depreciation and impairment losses. The valuation of rights of use for properties rented for administration purposes is carried out according to the cost method, i.e. at the present value of the lease payments (lease liability) and reduced by the scheduled depreciation and impairments.

Investment grants are accounted for as deduction of production costs.

The estimated useful life of own used properties, applying the principle that each part of an item with a significant cost shall be depreciated separately, is 70 to 75 years for the structural work, 15 to 70 years for the facade, 20 years for the building equipment and appliances, 15 to 20 years for the roof, and 10 to 20 years for the tenant’s finishing works. The scheduled depreciation for the right of use assets of own used properties is carried out on a straight-line basis over the expected rental period. This is determined individually based on the underlying contracts.

**3.3. Office furniture and equipment and intangible assets**

€ K	Office furniture and equipment	Right of use assets of office furniture and equipment	Total office furniture and equipment	Goodwill	Software	Total intangible assets
<b>Book values</b>						
<b>As at 1.1.2021</b>	<b>6,844</b>	<b>687</b>	<b>7,531</b>	<b>1,981</b>	<b>1,017</b>	<b>2,998</b>
Currency translation adjustments	-1	-1	-1	0	0	0
Current additions	309	336	645	0	1,727	1,727
Disposals	-33	-43	-76	-9	-3	-12
Depreciation and amortisation	-1,299	-367	-1,666	0	-534	-534
Impairment	0	0	0	-762	0	-762
<b>As at 31.12.2021</b>	<b>5,820</b>	<b>612</b>	<b>6,431</b>	<b>1,211</b>	<b>2,208</b>	<b>3,419</b>
Currency translation adjustments	-11	0	-11	0	0	0
Current additions	654	216	870	0	651	649
Disposals	-82	-105	-187	0	94	95
Depreciation and amortisation	-1,273	-332	-1,604	0	-828	-828
Impairment	0	0	0	-1,211	0	-1,211
<b>As at 31.12.2022</b>	<b>5,108</b>	<b>392</b>	<b>5,499</b>	<b>0</b>	<b>2,124</b>	<b>2,124</b>

The following table shows the composition of the book values at each of the reporting dates:

€ K	Office furniture and equipment	Right of use assets of office furniture and equipment	Total office furniture and equipment	Goodwill	Software	Total intangible assets
<b>As at 1.1.2021</b>						
Acquisition costs	14,264	1,317	15,581	5,124	5,366	10,490
Accumulated impairment/amortisation	-7,420	-630	-8,051	-3,143	-4,349	-7,492
<b>Book values</b>	<b>6,844</b>	<b>687</b>	<b>7,531</b>	<b>1,981</b>	<b>1,017</b>	<b>2,998</b>
<b>As at 31.12.2021</b>						
Acquisition costs	14,522	1,138	15,660	5,106	7,062	12,168
Accumulated impairment/amortisation	-8,702	-526	-9,228	-3,894	-4,855	-8,749
<b>Book values</b>	<b>5,820</b>	<b>612</b>	<b>6,431</b>	<b>1,211</b>	<b>2,208</b>	<b>3,419</b>
<b>As at 31.12.2022</b>						
Acquisition costs	14,836	1,014	15,850	0	7,607	7,607
Accumulated impairment/amortisation	-9,728	-622	-10,351	0	-5,483	-5,483
<b>Book values</b>	<b>5,108</b>	<b>392</b>	<b>5,499</b>	<b>0</b>	<b>2,124</b>	<b>2,124</b>


**Goodwill impairment**

Goodwill is tested for impairment at each balance sheet date, with individual properties representing the cash generating units. Due to the specific nature of the recognised goodwill, the recoverable amount for the cash generating unit cannot be determined without taking into account the expected tax charge. Hence, the book value of the cash generating unit includes, in addition to the allocated goodwill, the directly attributable deferred taxes of the single properties. The recoverable amount is determined on the basis of value in use. This amount is derived from the fair value of a

property which is mainly determined on the basis of external valuation reports. The present value of the income tax payments is determined considering after-tax yield (which represents the yield of the property after tax effects of the relevant country) on the expected income tax payments.

#### **§ Intangible assets**

The goodwill represents the amount by which the fair value of the amount transferred (usually the purchase price for the acquired business) and (if applicable) for the non-controlling interest, exceeds the fair value of the identifiable assets and liabilities, including any deferred taxes. It mainly represents the benefit resulting from the fact that the deferred tax liabilities acquired will become due only in a future period. Goodwill is not amortised, but is tested for impairment at each period end.

A possible impairment is directly connected to the reduction of the fair value of the property or to taxation changes in the country of the cash generating unit. Parameters determined by the appraisers within the scope of the external property valuation are largely used for the impairment test.

Other intangible assets mainly comprise software and are recognised at acquisition cost less straight-line amortisation and impairment losses. Software is amortised over a useful life of 2 to 5 years. CA Immo Group makes use of the option under IFRS 16 and does not recognise any rights of use for software. Given the lack of control over the software, cloud software solutions are not capitalized as an asset and consequently, the costs are expensed over the contractual period.

#### **§ Office furniture and equipment**

Office furniture and equipment are measured in accordance with the cost method, i.e. acquisition or production cost less regular depreciation and impairment losses. The initial valuation of rights of use for office furniture and equipments carried out according to the cost method, i.e. at the present value of the lease payments (lease liability), and subsequently reduced by scheduled depreciation and impairments.

Office furniture and equipment are depreciated on a straight-line basis over their estimated useful life, which ranges from 2 to 15 years. The scheduled depreciation of the rights of use for office furniture, equipment and other assets is carried out on a straight-line basis over the expected rental period. This is determined individually based on the underlying contracts.

### 3.4. Investments in joint ventures

€ K	31.12.2022	31.12.2021
Eggarten	41,050	41,285
Mainz	18,529	13,621
Other	4,811	894
<b>Investments in joint ventures</b>	<b>64,391</b>	<b>55,800</b>

CA Immo Group is engaged in the following material joint ventures:

Name	Project Partner	Share of CA Immo Group (Prior Year)	Registered office	Region/Country Investment	Type of investment	Aggregation	Number of entities (Prior Year)
Eggarten	Büschl Group represented by Park Immobilien Projekt Eggarten Holding GmbH & Co. KG	50% (50%)	Munich	Germany	Development	Sum of entities	2 (2)
Mainz	Mainzer Stadtwerke AG	50.1% (50.1%)	Mainz	Germany	Development	Sum of entities	2 (2)

The joint venture “Eggarten” plans the development and sale of properties in Munich. The joint venture Mainz plans the development and sale of land plots in the customs harbour in Mainz.

None of the joint ventures are listed and all have 31.12. as the key date. In all cases, except the Mainz joint ventures (profit share between 50% and 30%), the profit share is in accordance with the ownership share. The financial statements of the joint ventures are prepared in compliance with the accounting policy of CA Immo Group and included in the consolidated financial statements in accordance with the equity method.

Joint ventures are set up by CA Immo Group for strategic reasons and structured as independent investment companies. They consist of common agreements, groups of independent investment companies (sum), or separate investment companies (subsidiaries). The structure depends on the strategic background e.g. development of properties, financing or investment volume.

As at 31.12.2022, just like in previous year, there are no unrecognised losses from joint ventures. There are no unrecognised contractual obligations for the CA Immo Group concerning the acquisition or disposal of shares in joint ventures or for assets that are not accounted for.

The presented information of joint ventures does not include any consolidation within the CA Immo Group.

The following table shows material interests in joint ventures:

€ K	2022		2021	
	Eggarten	Mainz	Eggarten	Mainz
Rental income	51	1,822	47	2,150
Trading property - transferred at a point in time	0	66,234	0	30,876
Result from trading and construction works	0	49,435	0	22,795
Depreciation and impairment/reversal	-5	-160	-5	-75
Finance costs	-165	-129	-141	-123
Income tax expense	44	-6,476	128	-2,778
<b>Consolidated net income</b>	<b>-468</b>	<b>43,008</b>	<b>-319</b>	<b>20,970</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive income for the period</b>	<b>-468</b>	<b>43,008</b>	<b>-319</b>	<b>20,970</b>
Long-term assets	212	110	172	1,262
Other short-term assets	94,362	144,363	93,418	107,934
Cash and cash equivalents	171	768	185	792
<b>Total assets</b>	<b>94,744</b>	<b>145,241</b>	<b>93,776</b>	<b>109,989</b>
Other long-term liabilities	0	44,833	0	41,084
Interest-bearing liabilities	12,247	96	10,287	147
<b>Long-term liabilities</b>	<b>12,247</b>	<b>44,929</b>	<b>10,287</b>	<b>41,231</b>
Other short-term liabilities	365	42,644	888	24,607
Interest-bearing liabilities	5	11	5	13
<b>Short-term liabilities</b>	<b>369</b>	<b>42,655</b>	<b>893</b>	<b>24,620</b>
<b>Shareholders' equity</b>	<b>82,128</b>	<b>57,656</b>	<b>82,595</b>	<b>44,138</b>
<b>Proportional equity as at 1.1.</b>	<b>41,236</b>	<b>22,122</b>	<b>41,395</b>	<b>18,386</b>
Proportional profit of the period in accordance with shares held	-234	21,547	-159	10,479
Dividends received	0	-14,774	0	-6,743
<b>Proportional equity as at 31.12.</b>	<b>41,002</b>	<b>28,895</b>	<b>41,236</b>	<b>22,122</b>
Other consolidation effects	49	-10,365	49	-8,501
<b>Book value of investments into joint ventures 31.12</b>	<b>41,050</b>	<b>18,529</b>	<b>41,285</b>	<b>13,621</b>

The following table summarizes non-material interests in joint ventures:

€ K	2022	2021
<b>Proportional equity as at 1.1.</b>	<b>-4,182</b>	<b>-650</b>
Proportional profit of the period	6,901	-2,720
Capital increases	2,290	105
Dividends received/ Capital decreases	-93	-917
<b>Proportional equity as at 31.12.</b>	<b>4,915</b>	<b>-4,182</b>
Other consolidation effects	147	1,651
Disposals	-251	0
Allowance of loans and receivables	0	3,425
<b>Book value of investments into joint ventures 31.12</b>	<b>4,811</b>	<b>894</b>

### 3.5. Other assets

€ K	31.12.2022	31.12.2021
Other financial assets	153,132	50,194
Long-term receivables and other assets	34,874	38,377
<b>Other assets</b>	<b>188,006</b>	<b>88,571</b>

€ K	Acquisition costs incl. recognised interest as at 31.12.2022	Changes in value accumulated until 31.12.2022	Book values as at 31.12.2022	Changes in value recognised in profit or loss 2022
<b>Loans and receivables</b>	<b>10,562</b>	<b>0</b>	<b>10,562</b>	<b>3,425</b>
<b>Other investments</b>	<b>29,665</b>	<b>2,072</b>	<b>31,737</b>	<b>219</b>
Interest rate swaps	0	107,485	107,485	102,433
Interest rate caps	2,730	617	3,347	617
Interest rate floors	726	-726	0	-1,067
<b>Derivative financial instruments</b>	<b>3,456</b>	<b>107,377</b>	<b>110,833</b>	<b>101,983</b>
<b>Total other financial assets</b>	<b>43,684</b>	<b>109,448</b>	<b>153,132</b>	<b>105,627</b>

€ K	Acquisition costs incl. recognised interest as at 31.12.2021	Changes in value accumulated until 31.12.2021	Book values as at 31.12.2021	Changes in value recognised in profit or loss 2021
<b>Loans and receivables</b>	<b>15,107</b>	<b>-3,425</b>	<b>11,682</b>	<b>-349</b>
<b>Other investments</b>	<b>30,540</b>	<b>1,853</b>	<b>32,393</b>	<b>-1,682</b>
Interest rate swaps	0	5,052	5,052	5,052
Interest rate floors	726	341	1,067	-615
<b>Derivative financial instruments</b>	<b>726</b>	<b>5,393</b>	<b>6,119</b>	<b>4,437</b>
<b>Total other financial assets</b>	<b>46,373</b>	<b>3,821</b>	<b>50,194</b>	<b>2,406</b>

Loans and receivables include loans to joint ventures.

Other investments mainly include non-controlling interests in Germany.

€ K	Other investments
<b>As at 1.1.2021</b>	<b>34,861</b>
Valuation P&L	-1,682
Distributions/capital reduction	-469
Disposals	-317
<b>As at 31.12.2021 = 1.1.2022</b>	<b>32,393</b>
Valuation P/L	219
Distributions/capital reduction	-875
<b>As at 31.12.2022</b>	<b>31,737</b>

The fair value of other investments corresponds to level 3 of the fair value hierarchy according to IFRS 13.

Measurement hierarchy according to IFRS 13	31.12.2022		31.12.2021	
€ K	Level 2	Level 3	Level 2	Level 3
Derivative financial instruments FVtPL	110,833	0	6,119	0
Other investments FVtPL	0	31,737	0	32,393
<b>Financial instruments by category (assets)</b>	<b>110,833</b>	<b>31,737</b>	<b>6,119</b>	<b>32,393</b>
		<b>142,570</b>		<b>38,513</b>

Reclassifications between levels did not occur in 2022 and 2021.

#### Long-term receivables and other assets

€ K	31.12.2022	31.12.2021
Cash and cash equivalents with drawing restrictions	27,582	34,274
Other receivables from joint ventures	1,428	1,351
Receivables from property sales	0	64
Net plan assets from pension obligations	837	0
Other receivables and assets	5,029	2,687
<b>Long-term receivables and other assets</b>	<b>34,874</b>	<b>38,377</b>

#### Net plan assets from pension obligations

CA Immo Group has a reinsurance for defined benefit obligations in Germany, which fulfills the criteria for disclosure as plan assets. As at 31.12.2021 the capital value of the defined benefit obligations exceeded the plan assets, therefore the net position is presented under the provisions. All IAS 19 disclosures are made under the provisions.

#### § Loans

Loans granted to joint ventures are assigned to the category “amortised cost” (AC). They are measured at fair value upon recognition, and subsequently at amortised cost, applying the effective interest-rate method and taking into account any impairment, according to IFRS 9. CA Immo Group generally evaluates loans granted to joint ventures together with the equity held in these entities because the loans are considered as part of the net investment. If the equity of the entities reported under the equity method becomes negative, the loans considered as part of the net investment are impaired to the level of the loss not yet recognised.

**§ Other investments**

Non-controlling interests are assigned to the category “fair value through profit or loss” (FVtPL). The valuation of the investment is made at fair value upon recognition. Subsequent changes in value are presented in profit or loss as “result from financial investments”. If a listed price on an active market is not available, the fair value of investments which own investment properties will be updated based on internal valuations, mostly based on external professional opinions for the properties.

**§ Long-term receivables**

Trade receivables, other receivables and other financial assets are primary financial instruments that are not listed on active markets and not intended for sale. They are assigned to the measurement category “amortised cost” (AC). They are initially measured at fair value, and thereafter at amortised cost, applying the effective interest-rate method and less expected credit losses.

Receivables from the sale of properties having a maturity of more than one year are recognised at their present values and presented as non-current receivables as of the respective reporting date.

**§ Cash subject to drawing restrictions of more than 12 months**

Restricted cash with a longer lock-up period (over 12 months) is presented as financial assets. The expected credit losses for cash and cash equivalents are determined based on the default probability of each financial institution.

**CHAPTER 4: CURRENT ASSETS**

**4.1. Assets and liabilities held for sale**

As at 31.12.2022, one property in Austria was classified as held for sale with a fair value of €100,370 K. Furthermore, three properties in Germany with a fair value of €106,375 K were classified as held for sale.

As at 31.12.2022, two properties in Berlin, Hamburger Bahnhof and Rieckhallen, among others, are reported as assets held for sale under IFRS 5. The Hamburger Bahnhof hosts the Nationalgalerie with contemporary art collections; the Rieckhallen is adjacent to and connected to the Hamburger Bahnhof. The buyers, the Bundesanstalt für Immobilienaufgaben BIMA and the State of Berlin, are securing a long-term development perspective for the museum location in Berlin through the acquisition. The approval of BIMA took place in December 2022 and of the State of Berlin in January 2023. Since both transactions are subject to the condition precedent of approval by the relevant bodies and the approval of the State of Berlin did not take place until January 2023, the result of the related transaction will not be realised until 2023. The acquisition of a plot of land at Humboldthafen in Berlin by the CA Immo Group in 2023 is also related to the described sales transaction.

Furthermore, a property with different types of use (office, hotel and own-used) in Vienna was classified as held for sale as at 31.12.2022. Special circumstances existed for the purchase of the property as at the reporting date, which is why a revaluation to the purchase price as at 31.12.2022 was not carried out.

The CA Immo Group expects to realise a sales result of around €73 M in 2023 for the properties reported as at 31.12.2022 under IFRS 5.

In addition a disposal group including an office building in the segment Eastern Europe other regions was classified as held for sale as of 31.12.2022.

<b>Assets held for sale</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
€ K		
Properties held for sale	249,311	74,417
Other assets held for sale	5,211	1,780
<b>Assets held for sale and relating to disposal groups</b>	<b>254,522</b>	<b>76,197</b>

The result from revaluation includes an amount of €0 K (2021: €0K) related to investment properties after their reclassification as properties held for sale.

<b>Assets and liabilities relating to disposal groups</b>		
€ K	<b>31.12.2022</b>	<b>31.12.2021</b>
Properties held for sale	42,566	30,339
Receivables and other assets	274	137
Cash and cash equivalents	4,937	1,643
<b>Assets relating to disposal groups</b>	<b>47,777</b>	<b>32,119</b>
Provisions	82	160
Interest-bearing liabilities	361	0
Other liabilities	1,228	767
Deferred tax liabilities	2,366	1,430
<b>Liabilities relating to disposal groups</b>	<b>4,036</b>	<b>2,357</b>
<b>Net-assets/liabilities included in disposal groups</b>	<b>43,741</b>	<b>29,762</b>

Investment properties held for sale in the amount of €100,370 K (31.12.2021: €15,819K) are encumbered with mortgages.

The fair value of assets held for sale corresponds to level 3 of the fair value hierarchy according to IFRS 13.

#### **§ Classification as “held for sale”**

Non-current assets and disposal groups are classified as “held for sale” if the relevant book value is expected to be realised from disposal and not from continued use. In this case, the relevant non-current assets and disposal groups are available for immediate sale in their current condition and a disposal is highly probable. Furthermore, the sale must be expected to be completed within one year of the classification as held for sale. Disposal groups consist of assets and liabilities that will be sold together in a single transaction.

Non-current assets and disposal groups that are classified as held for sale are generally recognised at the lower of book value and fair value less costs to sell. Investment properties, measured according to the fair value model, interest bearing liabilities measured at amortised cost, as well as deferred taxes valued according to IAS 12 and financial assets according to IFRS 9 are exempt from this rule.

#### 4.2. Properties held for trading

€ K			31.12.2022		31.12.2021	
	Acquisition / production costs	Accumulated impairment	Book values	Acquisition / production costs	Accumulated impairment	Book values
At acquisition/production costs	80,262	0	80,262	82,956	0	82,956
At net realisable value	12,958	-7,460	5,499	9,694	-5,484	4,210
<b>Total properties held for trading</b>	<b>93,220</b>	<b>-7,460</b>	<b>85,760</b>	<b>92,650</b>	<b>-5,484</b>	<b>87,166</b>

The fair value of the properties held for trading, which are recognised at acquisition/production costs, amounts to €185,027 K (31.12.2021: €169,788 K) and corresponds to level 3 of the fair value hierarchy.

Properties held for trading amounting to €18,949 K (31.12.2021: €15,824 K) with a fair value of €55,516 K (31.12.2021: €37,371 K) are expected to realise revenue within a period of more than 12 months. This applies to 12 properties (31.12.2021: 9 properties) in Germany which comprise mainly land banks in Munich.



#### Classification as “held for trading”

Properties are recognised as held for trading if the relevant property is intended for sale in the ordinary course of business or its specific development has started with the intention of a subsequent sale in the ordinary course of business (or a corresponding forward-sale agreement was concluded).



#### Measurement

Properties held for trading are measured at the lower of acquisition or production cost and net realisable value as of the relevant reporting date.

#### 4.3. Receivables and other assets

€ K	Book values as at 31.12.2022	Book values as at 31.12.2021
Rental and trade debtors	18,978	16,736
Receivables from trading property and construction work (transferred over time)	206	280
Receivables from property and share sales/acquisitions	4,042	4,446
Receivable from security of warranty claims	20,000	0
Receivables from joint ventures	6,215	5,931
Cash and cash equivalents with drawing restrictions	80,342	5,918
Other accounts receivable	9,392	8,772
<b>Receivables and other financial assets</b>	<b>139,175</b>	<b>42,084</b>
Other receivables from fiscal authorities	8,733	9,519
Other non financial receivables	4,242	4,124
<b>Other non financial assets</b>	<b>12,976</b>	<b>13,643</b>
<b>Receivables and other assets</b>	<b>152,151</b>	<b>55,727</b>

Cash and cash equivalents with drawing restrictions include €58 M in connection with already disbursed bank loans for investments in real estate planned within one year.

The carrying amount of receivables and other assets is based on nominal value and allowance, as follows:

€ K	Nominal value	Expected credit	Book value	Nominal value	Expected credit	Book value
	31.12.2022	losses 31.12.2022	31.12.2022	31.12.2021	losses 31.12.2021	31.12.2021
Receivables and other financial assets	145,362	-6,186	139,175	51,211	-9,127	42,084
Other non financial assets	12,976	0	12,976	13,643	0	13,643
<b>Receivables and other assets</b>	<b>158,337</b>	<b>-6,186</b>	<b>152,151</b>	<b>64,853</b>	<b>-9,127</b>	<b>55,727</b>

Movements in allowances for receivables and other assets are presented below:

€ K	2022	2021
<b>As at 1.1.</b>	<b>-9,127</b>	<b>-8,962</b>
Additions (value adjustment expenses)	-870	-3,451
Usage	1,810	652
Reversal	1,088	2,662
Disposal deconsolidation	824	0
Reclassification IFRS 5	79	0
Currency translation adjustments	9	-28
<b>As at 31.12.</b>	<b>-6,186</b>	<b>-9,127</b>

The following table shows the risk profile of receivables and other assets based on their maturity:

Maturities receivables and other financial assets	2022	2021
€ K		
<b>Not due</b>	<b>127,057</b>	<b>34,101</b>
Overdue <31 days	3,190	2,512
Overdue 31-90 days	1,218	454
Overdue >90 days	7,710	5,017
<b>Overdue total</b>	<b>12,118</b>	<b>7,983</b>
<b>Total</b>	<b>139,175</b>	<b>42,084</b>

Changes in contract assets and contract liabilities result from:

€ K	31.12.2022			31.12.2021		
	Receivables	Contract assets	Contract liabilities	Receivables	Contract assets	Contract liabilities
<b>As at 1.1.</b>	<b>280</b>	<b>0</b>	<b>0</b>	<b>18,618</b>	<b>0</b>	<b>0</b>
Increase as a result of changes in the measure of progress	96	0	0	0	0	0
Prepayments received	-170	0	0	-17,845	0	0
Subsequent changes / Purchase price reduction	0			-748		
Interest income present value receivables	0	0	0	255	0	0
<b>As at 31.12.</b>	<b>206</b>	<b>0</b>	<b>0</b>	<b>280</b>	<b>0</b>	<b>0</b>

As at 31.12.2022 expected future income from the sale of properties and construction works (realization over time due to transfer over time) amounts to €0 K (31.12.2021: €0 K).

#### § Receivables and other financial assets

Trade receivables, other receivables and other financial assets are primary financial instruments that are not listed on active markets and not intended for sale. They are assigned to the measurement category “amortised cost” (AC). They are initially measured at fair value, and thereafter at amortised cost, applying the effective interest-rate method less expected credit losses.

An expected loss on receivables is calculated based on the maturity, the past due period and the individual payment performance of the relevant debtor, taking into account any security received. The simplified allowance model of IFRS 9 for leasing receivables is applied, so that the expected credit losses for the whole remaining duration of the instrument are presented. Uncollectible receivables are derecognised. Subsequent payments in respect of receivables for which impairment losses have been incurred, are recognised as income in the consolidated income statement. CA Immo Group limits the credit risk mostly by means of deposits, bank guarantees and related securities. The following risk categories exist:

Risk category	Description	Expected credit loss
1 (low risk)	Low default risk; timely payments of the counterparty	12 month-expected credit loss
2 (increased risk or simplified approach)	Overdue receivables and all leasing receivables due to application of simplified approach.	Lifetime expected credit loss
3 (high risk due to delay of payment)	Diminished credit standing due to enduring non-payment, bankruptcy or insolvency proceedings	Lifetime expected credit loss
4 (derecognition)	No expected payments.	Full write-off. With the final default the receivable is derecognised.

CA Immo Group sets the expected credit losses based on aging and expected insolvency rates per country (for category 2 and category 3). For category 1 (low risk) the credit loss for the expected remaining maturity (maximum 12 months) is determined based on CDS (credit default swaps) default rates, for example, or expected credit losses.

**§ Cash subject to drawing restrictions of up to 12 months**

Cash in banks subject to drawing restrictions of more than 3 but less than 12 months is presented as “receivables and other assets”.

**§ Other non-financial instruments**

Other non-financial assets mainly consist of prepayments, accrued services in progress, receivables from fiscal authorities, prepaid expenses and contract assets (in accordance with IFRS 15). They are measured at cost less any impairment losses, respectively in case of contract assets less any expected credit losses.

When revenues for construction projects (for example for owner occupied apartments) are recognised by measuring progress, according to IFRS 15, contract assets, respectively contract liabilities, are presented. The recognised contract assets are netted with prepayments received and presented as “trade and other receivables” and in case of a contract liability as “other liabilities”.

**4.4. Cash and cash equivalents**

€ K	31.12.2022	31.12.2021
Cash in banks	824,037	633,130
Cash on hand	34	18
<b>Fund of cash and cash equivalents</b>	<b>824,071</b>	<b>633,148</b>
Expected credit losses in cash and cash equivalents	-266	-31
<b>Cash and cash equivalents (balance sheet)</b>	<b>823,805</b>	<b>633,117</b>

**§** Cash and cash equivalents include cash and cash in banks that is available at any time. Cash in banks subject to drawing restrictions with an original term of up to three months and to which CA Immo Group has only restricted access is presented in “fund of cash and cash equivalents”. Cash in banks subject to drawing restrictions is used for securing outstanding loans for income producing properties (repayment, interest and CAPEX) as well as current investments in development projects and cash deposits for guarantees.

The expected credit losses for cash and cash equivalents are determined based on the default probability of each financial institution. For the computation of the expected credit losses, CA Immo Group takes into consideration the expected period it takes to transfer cash and cash equivalents to other financial institutions.

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**CHAPTER 5: EQUITY AND FINANCING****5.1. Shareholders' equity**

The share capital equals the fully paid in nominal capital of CA Immobilien Anlagen Aktiengesellschaft of €774,229,017.02 (31.12.2021: €774,229,017.02). It is divided into 106,496,422 (31.12.2021: 106,496,422) bearer shares and 4 registered shares with a proportionate amount of the share capital of €7.27 each. The registered shares are held by SOF- 11 Klimt CAI S.à r.l., Luxembourg, an entity managed by Starwood Capital Group, each granting the right to nominate one member of the Supervisory Board. The Supervisory Board currently consists of two shareholder representatives elected by the General Meeting, two shareholder representatives appointed by means of registered shares, and two employee representatives.

On 3.5.2022 the Management Board resolved a share buyback programme in accordance with Article 65 para 1 no. 8 of the Austrian Corporation Act (AktG) on the basis of the authorizing resolution of the 34th Annual General Meeting on 6.5.2021. On 19.10.2022 the share buyback programme was completed as planned. 1,000,000 bearer shares were acquired, which corresponds to a proportion of the share capital of approximately 0.94%. The highest price paid per share acquired was €32.10, the lowest price paid per share acquired was €26.25. The weighted average price paid per share acquired was €30.33 and the total value of the shares acquired was €30,327,788.47. After the completion of the share buyback programme CA Immo AG held 6,780,037 treasury shares, which corresponds to a share of around 6.4% of the total number of issued shares with voting rights.

On 19.12.2022 the Management Board resolved to commence another share buyback programme in accordance with Article 65 para 1 no. 8 of the Austrian Corporation Act (AktG) on the basis of the approved resolution of the 34th Annual General Meeting on 6.5.2021. The volume totals up to two million shares (representing approx. 1.9% of the current share capital of the company). The share buyback programme foresees share purchases via the stock exchange. The terms and conditions of such purchases follow the Authorisation. In particular, the lowest amount payable on repurchase must not be less than 30% and must not exceed 10% of the average unweighted price at the close of the market on the ten trading days preceding the repurchase. The share buyback programme started on 23.12.2022 and will end no later than 3.11.2023. Until 31.12.2022, 80,364 shares had been acquired in the current programme. The highest consideration paid per share acquired was €28.10, the lowest consideration paid per share acquired was €25.65. The weighted average consideration paid per share acquired was €26.37 and the total value of shares acquired was €2,119,121.61.

As at 31.12.2022, CA Immobilien Anlagen AG held 6,860,401 treasury shares in total (31.12.2021: 5,780,037 treasury shares). Given the total number of voting shares issued of 106,496,426 (31.12.2021: 106,496,426), this is equivalent to around 6.4% (31.12.2021: 5.4%) of the voting shares.

The appropriated capital reserve as reported in the individual financial statements of CA Immobilien Anlagen Aktiengesellschaft totals €998,959K (31.12.2021: €998,959K). Profits can only be distributed up to the amount of the net profit of the parent company disclosed in the individual financial statements in accordance with the Austrian Commercial Code (UGB), subject to the existence of any legal dividend payment constraints. CA Immo AG had decided to propose to the 35th Annual General Meeting, which was held on 5.5.2022, to deviate from the previous dividend policy and to carry forward the entire balance sheet profit for the 2021 financial year. The background to this decision was the fact that dividends totalling €3.50 per share have already been distributed in the 2021 financial year from the net profit reported as at 31.12.2020, and a further dividend of €2.50 per share was distributed on 15.3.2022 to shareholders in the financial year 2022. Especially in view of the geopolitical environment at that time and the increased uncertainty and volatility in the markets, no additional dividend payment was planned for the 2021 financial year. The Annual General Meeting resolved to adopt the proposed resolution.

The total net profit of CA Immobilien Anlagen Aktiengesellschaft as at 31.12.2022 amounting to €439,080K (31.12.2021: €440,139K), is subject to dividend payment constraints in the amount of the deferred tax assets of €1,229K (31.12.2021: €665K). The Management Board of CA Immo AG proposes to use part of the retained earnings as

at 31.12.2022, amounting to €439,080 K, in 2023 to distribute a dividend of €1.00 per share, so that a total of €99,636 K is to be distributed to shareholders. The remaining retained earnings of €339,444 K are to be carried forward.

As at 31.12.2022, there exists unused authority capital in the amount of €350,069,852.74, which can be utilized until 18.9.2023 at the latest, as well as contingent capital in the amount of €143,667,319.09 earmarked for servicing convertible bonds that will be issued in the future based on the authorization of the Annual General Meeting as of 9.5.2018 (contingent capital 2018).

## 5.2. Interest bearing liabilities

€ K			31.12.2022			31.12.2021
	Short-term	Long-term	Total	Short-term	Long-term	Total
Corporate bonds	128,943	1,165,323	1,294,266	158,144	1,278,841	1,436,985
<b>Bonds</b>	<b>128,943</b>	<b>1,165,323</b>	<b>1,294,266</b>	<b>158,144</b>	<b>1,278,841</b>	<b>1,436,985</b>
Loans	236,389	1,172,999	1,409,388	235,946	871,227	1,107,173
Promissory loan	1,040	74,726	75,766	0	0	0
Lease liabilities	3,533	39,590	43,123	3,320	36,466	39,786
<b>Other interest-bearing liabilities</b>	<b>240,962</b>	<b>1,287,315</b>	<b>1,528,277</b>	<b>239,265</b>	<b>907,693</b>	<b>1,146,959</b>
	<b>369,905</b>	<b>2,452,638</b>	<b>2,822,543</b>	<b>397,409</b>	<b>2,186,534</b>	<b>2,583,943</b>

In May 2022 CA Immo AG issued a subordinated non-secured green promissory loan with a volume of €75 M. The coupon could be chosen out of different conditions (fixed/variable coupon, duration 3/5.5/7 years). At the time of the issuance the average yield was 2.5% and the average maturity 4.5 years.

31.12.2022	Nominal value in € K	Book value excl. interests in € K	Deferred interest in € K	Nominal interest rate	Effective interest rate	Issue	Repayment
Bond 2016-2023	116,621	116,608	2,794	2.75%	2.84%	17.2.2016	17.2.2023
Bond 2017-2024	175,000	174,728	2,814	1.88%	2.02%	22.2.2017	22.2.2024
Bond 2018-2026	150,000	148,379	2,148	1.88%	2.24%	26.9.2018	26.3.2026
Bond 2020-2027	500,000	495,396	3,955	0.88%	1.11%	5.2.2020	5.2.2027
Bond 2020-2025	350,000	346,820	623	1.00%	1.34%	27.10.2020	27.10.2025
<b>Total</b>	<b>1,291,621</b>	<b>1,281,931</b>	<b>12,335</b>				

31.12.2021	Nominal value	Book value	Deferred	Nominal	Effective	Issue	Repayment
	in € K	excl. interests	interest	interest rate	interest rate		
		in € K	in € K				
Bond 2015-2022	142,411	142,397	3,412	2.75%	2.83%	17.2.2015	17.2.2022
Bond 2016-2023	116,621	116,506	2,794	2.75%	2.84%	17.2.2016	17.2.2023
Bond 2017-2024	175,000	174,490	2,814	1.88%	2.02%	22.2.2017	22.2.2024
Bond 2018-2026	150,000	147,882	2,148	1.88%	2.24%	26.9.2018	26.3.2026
Bond 2020-2027	500,000	494,280	3,955	0.88%	1.11%	5.2.2020	5.2.2027
Bond 2020-2025	350,000	345,682	623	1.00%	1.34%	27.10.2020	27.10.2025
<b>Total</b>	<b>1,434,032</b>	<b>1,421,238</b>	<b>15,747</b>				

The corporate bonds are subject to financial covenants. These are mainly key indicators such as gearing (Loan-to-Value ratios) and interest coverage. The utilization of funds from the 2020-2025 bond (Green Bond) is tied to the allocation rules defined in the Green Bond Framework.

As at 31.12.2022 no bonds were in breach of covenants (31.12.2021: no breaches).

#### Other interest-bearing liabilities

As at 31.12.2022 and 31.12.2021, the terms of other interest-bearing liabilities are as follows:

31.12.2022	Effective	Interest	Maturity	Nominal value	Book value	Fair value of
Type of financing and currency	interest rate as at 31.12.2022	variable/fixed/hedged		in € K	in € K	liability
	in %					in € K
Loans	0.90%-1.35%	variable	12/2023 - 12/2031	185,019	184,613	184,613
Loans	0.90%-1.73%	hedged	6/2024 - 12/2032	951,043	947,152	947,152
Loans	0.70%-3.95%	fixed	9/2023 - 4/2032	277,431	277,623	252,417
<b>Loans (total)</b>				<b>1,413,493</b>	<b>1,409,388</b>	<b>1,384,182</b>
Promissory loan	1.50%-2.10%	variable	05/2025-05/2029	35,500	35,582	35,582
Promissory loan	2.81%-3.75%	fixed	05/2025-05/2029	39,500	40,184	36,752
<b>Promissory loan (total)</b>				<b>75,000</b>	<b>75,766</b>	<b>72,334</b>
Lease liabilities (IAS 40)	0.14%-6.94%	fixed	11/2023-8/2104	83,243	32,833	
Lease liabilities (other)	0.14%-5.06%	fixed	1/2023-12/2028	10,932	10,290	
				<b>1,582,668</b>	<b>1,528,277</b>	<b>1,456,516</b>

31.12.2021						
Type of financing and currency	Effective interest rate as at 31.12.2021	Interest variable/fixed/hedged	Maturity	Nominal value in € K	Book value in € K	Fair value of liability in € K
Loans	0.70%-1.58%	variable	6/2022 - 3/2032	262,583	260,129	260,129
Loans	0.90%-1.73%	hedged	6/2024 - 12/2032	565,425	561,926	561,926
Loans	0.70%-3.95%	fixed	12/2022 - 6/2030	285,300	285,117	286,787
<b>Loans (total)</b>				<b>1,113,308</b>	<b>1,107,173</b>	<b>1,108,842</b>
Lease liabilities (IAS 40)	0.14%-6.94%	fixed	3/2022-8/2104	84,562	33,858	
Lease liabilities (other)	0.06%-3.87%	fixed	1/2022-12/2025	6,123	5,928	
				<b>1,203,993</b>	<b>1,146,959</b>	<b>1,108,842</b>

For loans with a variable interest rate, interest rate derivatives with a nominal value of €375 K (31.12.2021: €9,635 K) have been set up in order to reduce the effect of changes in the interest rate.

The bank financing of CA Immo Group is subject to financial covenants. These are generally for investment properties LTV (loan to value, i.e. ratio between loan amount and the fair value of the property), ISCR (interest service coverage ratio, i.e. the ratio between rental revenues and interest expenses) and DSCR (debt service coverage ratio, i.e. the ratio between rental revenues and debt service of one period) and ratios for investment properties under development LTC (loan to cost, i.e. ratio between debt amount and total project costs) and ISCR (interest service coverage ratio, i.e. the ratio between future rental revenues planned and interest expenses).

Other interest-bearing liabilities, for which the relevant financial covenants were not met as at 31.12.2022, are presented in short-term interest-bearing liabilities regardless of their maturity, because breaches of the financial covenants generally entitle the lender to early termination of the loan agreement. This applies irrespective of the state of negotiations with the banks regarding a continuation or amendment of the loan agreements. As at 31.12.2022 no loans were in breach of covenants (31.12.2021: no breaches).

The Euro is the contract currency of 100% of the loans, loan notes and bonds (31.12.2021: 100% in EUR).

§ Interest-bearing liabilities are assigned to the category "amortised cost" (AC) and recognised upon disbursement at the amount actually received less transaction costs and for the lease liabilities at the present value of the future lease payments. Any difference between the amount received and the repayment amount, respectively between the present value and the nominal value of the lease liabilities is allocated over the term of the financing, according to the effective interest-rate method, and is recognised as financing costs or, if the conditions set forth in IAS 23 are met, capitalized as borrowing costs of construction works.

A convertible bond requires in principle a split of the financial instrument between an equity component and a debt component. The equity component of the convertible bond which was terminated in 2021 was replaced due to the cash settlement option of CA Immo AG, with an embedded derivative subject to separation. Embedded derivatives are generally separately recognised, if their economic characteristics and risks are not closely related to those of the host contract, if they independently fulfill the definition of derivatives and if the entire instrument is not measured at fair value through profit or loss. Initial recognition of the debt component is at fair value of a similar liability that does not include an option to convert into equity instruments. Directly attributable transaction costs are allocated to the debt component. Liabilities from convertible bonds are assigned to the category "amortised cost" (AC) and are measured using the effective interest-rate method.

When a change or amendment in the contractual terms of a liability is recognised as a redemption (i.e. the obligations specified in the contract are cancelled or the 10% threshold of the present value test is not met), then all incurred expenses and fees are deemed to be part of the gain or loss from the redemption. Changes or amendments in terms of loan agreements that do not result in a redemption, lead to an adjustment of the carrying value of the liability. The change in the fair value, as a result of changed or amended terms, is presented in the profit or loss statement and amortized as effective interest over the remaining duration.

### 5.3. Other liabilities

			31.12.2022			31.12.2021		
	Short-term	Long-term	Total	Short-term	Long-term	Total		
€ K								
<b>Fair value derivative transactions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,960</b>	<b>20,960</b>		
Trade payables	21,378	3,305	24,683	19,815	5,494	25,309		
Liabilities to joint ventures	1,088	0	1,088	123	0	123		
Rent deposits	4,893	15,892	20,786	5,883	10,495	16,379		
Open purchase prices	343	264	607	564	340	904		
Settlement of operating costs	1,716	0	1,716	2,401	0	2,401		
Other	7,571	8,333	15,905	257,904	10,598	268,501		
<b>Financial liabilities</b>	<b>36,990</b>	<b>27,795</b>	<b>64,784</b>	<b>286,690</b>	<b>26,927</b>	<b>313,617</b>		
Operating taxes	4,450	0	4,450	4,672	0	4,672		
Prepayments received	19,006	1,655	20,661	9,331	300	9,631		
Prepaid rent and other non financial liabilities	3,841	2,308	6,149	4,854	2,127	6,982		
<b>Non-financial liabilities</b>	<b>27,297</b>	<b>3,963</b>	<b>31,260</b>	<b>18,857</b>	<b>2,427</b>	<b>21,284</b>		
<b>Total other liabilities</b>	<b>64,287</b>	<b>31,758</b>	<b>96,044</b>	<b>305,547</b>	<b>50,314</b>	<b>355,861</b>		

#### Financial liabilities

Financial liabilities, such as trade payables, are assigned to the category “amortised cost” (AC) and measured upon recognition at fair value and subsequently at amortised cost.

For other short-term financial liabilities, the fair value generally corresponds to the estimated sum of all future payments.

Other long-term financial liabilities are measured at fair value at initial recognition and are discounted with a timely and risk adequate market rate.

#### Non-financial liabilities

Non-financial liabilities refer to liabilities to fiscal authorities and social insurance institutions, rent prepayments received, advance payments, advance dividends received, as well as contract liabilities (according to IFRS 15). They are recognised at the date of inception at the amount corresponding to the expected outflow of resources and the cost of inception (cash-in amount). Subsequent changes in value (including interest) are recognised in profit or loss.

Where revenues transferred over time occur in a construction project (for example for owner occupied apartments) by means of measure of progress, according to IFRS 15, contract assets, respectively contract liabilities, should be recognised. This item is reported as a net amount offset against the corresponding prepayments received under “trade and other receivables” in case of a contract asset or under “other non-financial liabilities” in case of a contract liability.

**5.4. Liabilities in disposal groups**

We refer to the presentation and explanations in Chapter 4.1. „Assets held for sale and relating to disposal groups“.

## CHAPTER 6: PROVISIONS

## 6.1. Provisions

€ K	Staff	Construction services	Subsequent costs of sold properties	Others	Total
<b>As at 1.1.2022</b>	<b>20,529</b>	<b>84,098</b>	<b>34,802</b>	<b>24,229</b>	<b>163,657</b>
Usage	-11,380	-40,000	-2,745	-13,584	-67,709
Reversal	-4,149	-384	-162	-3,257	-7,952
Addition	13,987	41,743	9,558	16,596	81,884
Addition from initial consolidation	0	0	0	3,768	3,768
Disposal from deconsolidation	-1,524	-925	0	-392	-2,842
Transfer to IFRS 5	0	0	0	-82	-82
Change in interest rate and accumulated interest	32	-3,881	-1,013	0	-4,863
Currency translation adjustments	-1	24	0	-108	-85
<b>As at 31.12.2022</b>	<b>17,493</b>	<b>80,674</b>	<b>40,439</b>	<b>27,170</b>	<b>165,776</b>
thereof short-term	13,027	54,548	17,765	27,170	112,509
thereof long-term	4,467	26,125	22,674	0	53,267

Other provisions mainly consist of provisions for services (audit services, tax and legal advice), property taxes, real estate transfer taxes, service expenses for properties, warranty risks and interest connected to tax audits.

§ Provisions are recognised if CA Immo Group has a legal or constructive obligation towards a third party as a result of a past event and the obligation is likely to lead to an outflow of funds. Especially for provisions for construction works and expenses related to sold investment properties it is necessary that estimations (eg. of a construction project, qualitative appraisals of service providers, price related risks or for the concrete fulfillment or scope of an obligation) are taken into consideration. Such provisions are recognised in the amount representing the best possible estimate at the time the consolidated financial statements are prepared. If the present value of the provision determined on the basis of prevailing market interest rates differs substantially from the nominal value, the present value of the obligation is recognised.

**Provision for employees**

The provision for employees primarily comprises bonuses of €14,751 K (31.12.2021: €15,267 K), net of the pensions provisions less plan asset in an amount of €0 K (31.12.2021: €2,584 K), the present value of the long-term severance obligation of €467 K (31.12.2021: €396 K) and unused holiday entitlements of €1,521 K (31.12.2021: €1,616 K).

The provision for bonuses comprises a long-term provision for the LTI (long-term incentive) programme for selected executives amounting to €1,945 K (31.12.2021: €1,428 K) as well as a short-term provision of €478 K (31.12.2021: €364 K). The expense for the LTI programme for selected executives amounts to €1,007 K (2021: €1,216 K). The provision for bonuses for the Management Board is included in contractual bonuses.

The following table presents the changes in the present value of the severance payment obligation:

€ K	2022	2021
<b>Present value of severance obligations as at 1.1</b>	<b>396</b>	<b>505</b>
Usage	0	-202
Current service costs	108	67
Interest cost	0	2
Revaluation	-36	23
<b>Present value of severance obligations as at 31.12</b>	<b>467</b>	<b>396</b>

The empirical adjustments of the present value of the obligation in respect of changes in projected employee turnover, early retirement or mortality rates are negligible.

#### Net plan assets from pension obligations

CA Immo Group has a reinsurance for defined benefit obligations in Germany, which fulfills the criteria for disclosure as plan assets – included in Chapter 3.5 Long term assets. As at 31.12.2021 as the capital value of these defined benefit obligations exceeded the plan assets at the closing date, the net position was presented under the provisions.

€ K	31.12.2022	31.12.2021
Present value of obligation	-6,024	-9,514
Fair value of plan asset	6,860	6,930
<b>Net position recorded in consolidated statement of financial position</b>	<b>837</b>	<b>-2,584</b>
Financial adjustments of present value of the obligation	3,311	477
Experience adjustments of present value of the obligation	-16	-33

The development of the defined benefit obligation and of the plan asset is shown in the following table:

€ K	2022	2021
<b>Present value of obligation as at 1.1.</b>	<b>-9,514</b>	<b>-10,166</b>
Current Payment	262	258
Interest cost	-67	-49
Revaluation	3,295	444
<b>Present value of obligation 31.12</b>	<b>-6,024</b>	<b>-9,514</b>
<b>Plan asset as at 1.1.</b>	<b>6,930</b>	<b>7,001</b>
Expected income from plan asset	50	34
Revaluation	157	171
Current Payment	-276	-275
<b>Plan asset as at 31.12</b>	<b>6,860</b>	<b>6,930</b>

The following income/expense was recognised in the income statement:

€ K	2022	2021
Interest cost	-67	-49
Expected income from plan asset	50	34
<b>Pensions costs</b>	<b>-18</b>	<b>-15</b>

The following result before taxes was recognised in the other comprehensive income:

€ K	2022	2021
Revaluation of pension obligation	3,295	444
Revaluation of plan assets	157	171
<b>IAS 19 reserve</b>	<b>3,452</b>	<b>615</b>

Sensitivity analysis regarding the financial mathematical assumptions is shown in the following table:

2022		
€ K	-0.25%	+0.25%
Change in interest rate of 0.25 percentage points	-191	182
Change in pension trend of 0.25 percentage points	165	-172

2021		
€ K	- 0.25%	+ 0.25%
Change in interest rate of 0.25 percentage points	-394	371
Change in pension trend of 0.25 percentage points	326	-342

## Payment obligations to employees Variable remuneration

### Long term incentive (LTI) programme

In order to promote a high level of alignment with the company's objectives, selected executives are entitled to variable remuneration in addition to their fixed salary, thus enabling them to participate in the company's success. In line with the compensation system of the Management Board, the prerequisite for this is the attainment of the budgeted quantitative and qualitative annual targets as well as a positive consolidated result.

The long term incentive programme (LTI) is revolving and does not provide for any personal investment. The plan grants performance-related remuneration in the form of virtual shares in CA Immo AG. The final number of virtual shares is determined on the basis of performance criteria linked to the medium-term strategy and share performance. The target amount of the LTI is divided by the volume-weighted average CA Immo AG share price (= closing price on the Vienna Stock Exchange) over the 3-month period prior to 31.12. of the respective bonus year. This method is used

to calculate the preliminary number of virtual shares. Based on the performance criteria measured at the end of the four-year performance period, the final number of virtual shares is determined. The LTI is generally determined as of 31.12. in the last year of the four-year performance period. Equal-weighted performance criteria for the LTI are Funds From Operations ("FFO") I and Relative Total Shareholder Return ("TSR") against the EPRA Nareit Developed Europe ex UK Index. Each tranche starts with a target value based on the executive's respective function, which would be received at the end of the term of the respective tranche if 100% of the targets were achieved. The amount allocated to a performance criterion is determined by comparing agreed targets with values actually achieved and expressed as a percentage. Allocation between the performance thresholds is linear. The final number of virtual shares is capped at 200% of the preliminary number of virtual shares. For the payout, the final number of virtual shares is multiplied by the volume-weighted average price of the last three months of the performance period. The resulting amount is paid out in cash, subject to a cap of 250% of the LTI target amount.

The bonus payment for the Management Board is linked to long-term operational and quality-based targets and also takes account of non-financial performance criteria. It is limited to 200% of the annual salary. Of the variable remuneration, half is linked to the attainment of short-term targets defined annually by the remuneration committee (annual bonus). The other half is based on outperformance of the following indicators defined annually by the remuneration committee: return on equity (ROE), funds from operations (FFO) and NAV growth. The level of the bonus actually paid depends on the degree of target attainment: the values agreed and actually achieved at the end of each business year are determined by the Remuneration Committee.

Half of performance-related remuneration takes the form of immediate payments (short term incentive); the remaining 50% flows in the long term incentive (LTI) model and are paid in cash after a certain holding period. This (LTI) performance-related remuneration is converted into phantom shares on the basis of the average rate for the last quarter of the business year. For the LTI tranches started until 2021, the payment of phantom shares is made in cash in three equal parts after 12 months, 24 months (mid term incentive) and 36 months (long term incentive). The conversion of the phantom shares is made at the average rate for the last quarter of the year preceding the payment year. The last tranche of this LTI programme is in place until 2024 (payment in 2025). Starting with 2022 the LTI programme for the Management Board was aligned with that of the selected executives.

For this kind of share-based remuneration, which is settled in cash, the liability incurred is recognised over the vesting period as a provision in the amount of the attributable fair value. Until the debt is settled, the attributable fair value is determined afresh on every closing date and settlement date. All changes are recognised in the income statement in the relevant business year.

#### **§ Defined benefit plans upon termination of employment**

Obligations arising from defined benefit pension plans exist for four persons in the CA Immo Germany Group. The commitments relate to one pension benefit for an already retired managing director, as well as three ongoing pension benefits. In accordance with IAS 19.63, reinsurance contracts in respect of defined benefit pension obligations are presented as a net asset (debt).

Each year, external actuarial calculations are obtained for the defined benefit pension obligations. The defined benefit obligation or liability is calculated according to IAS 19 using the projected unit credit method and based on the following parameters:

	31.12.2022	31.12.2021
Interest rate	3.91%	0.72%
Salary increases expected in the future	2.00%	2.00%
Accumulation period	25 years	25 years
Expected income from plan asset	3.91%	0.72%

The actual return on plan assets for 2022 is 0.72% (2021: 0.49%).

Service cost and interest expense related to the obligation as well as the interest income related to the plan assets are recognised in the year in which they arise. Actuarial gains and losses less deferred taxes related to the obligation and the plan assets are recognised in other comprehensive income.

CA Immo Group has a legal obligation to make a one-time severance payment to staff employed in Austria before 1.1.2003 in the event of dismissal or retirement. The amount of this payment depends on the number of years of service and the relevant salary at the time the settlement is payable. It varies between two and twelve monthly salary payments. In CA Immo Group, contract stipulated severance exists for several employees. According to IAS 19, a provision is recognised for this defined benefit obligation. The interest rate used for the computation of this provision amounts to 3.22% (2021: -0.04%).

#### **§ Defined contribution plans**

CA Immo Group has the legal obligation to pay 1.53% of the monthly salary of all staff joining companies in Austria after 31.12.2002 into a staff pension fund. No further obligations exist. The payments are considered as staff expenses and included in indirect expenses.

Based on agreements with a pension fund in Austria and a benevolent fund for small and medium-sized enterprises in Germany, a defined contribution pension commitment exists for employees in Austria and Germany after a certain number of years of service (Austria: 1 year irrespective of age; Germany: immediately upon reaching the age of 27). The contribution is calculated as a percentage of the relevant monthly gross salary, namely 2.5% in Austria and 2.0% in Germany. The contributions paid vest after a certain period (Austria: 3 years; Germany: 3 years) and are paid out as monthly pension upon retirement.

## CHAPTER 7: TAXES

## 7.1. Income taxes

€ K	2022	2021 restated
Current income tax (current year)	-22,267	-30,339
Current income tax (previous years)	-8,892	330
<b>Current income tax</b>	<b>-31,159</b>	<b>-30,008</b>
Change in deferred taxes	-5,743	-162,006
Tax on costs for treasury shares in equity	-9	0
<b>Income tax expense</b>	<b>-36,911</b>	<b>-192,014</b>
Effective tax rate (total)	31.3%	29.5%

Current income tax (current year) mainly arises in Germany in the amount of €-17,799 K (2021: €-25,966 K).

The change of current income tax (previous years) mainly results from Germany and refers to tax audit findings.

The reasons for the difference between expected income tax expense and effective income tax expense are outlined in the following table:

€ K	2022	2021 restated
Net result before taxes	117,835	650,820
<b>Expected tax expenses (tax rate Austria 25.0%/prior year 25.0%)</b>	<b>-29,459</b>	<b>-162,705</b>
Tax-effective reversal of impairment losses and impairment of investments in affiliated entities	-9	19
Non-usable tax losses carried forward	-590	-64
Permanent differences in connection with the convertible bond	0	-12,092
Non tax-deductible expense and permanent differences	-5,361	-4,162
Differing tax rates	-3,663	-17,767
Capitalisation of prior years non-capitalised tax losses	8,876	57
Tax-exempt income	90	542
Adjustment of prior periods	198	1,335
Utilization of prior years non-capitalised tax losses	133	1,819
Tax-exempt sales	13	943
Trade tax effects	2,990	378
Amortisation of deferred tax assets	-8,774	-877
At equity consolidation of investments in joint ventures	-461	-9
Exchange rate differences not affecting tax	-1,110	1,702
Change in tax rate	1,295	48
Tax impact on eliminated income in connection with discontinued operation	-972	-1,498
Others	-105	316
<b>Effective tax expense</b>	<b>-36,911</b>	<b>-192,014</b>

Due to higher deferred tax liabilities, mainly for positive market values for swaps and investment properties, more tax loss carryforwards were recognised in Austria, considering the loss offsetting limit.

The amortisation of deferred tax assets is mainly due to updated planning calculations in Germany.

The effect of the change in tax rate in 2022 results in the amount of €720K from the tax reform in Austria and the transfer of the registered office of a real estate company in Germany.

Changes in deferred taxes are as follows:

€ K	2022	2021
<b>Deferred taxes as at 1.1. (net)</b>	<b>-695,629</b>	<b>-531,935</b>
Change from IFRS 5 transfer	2,366	1,430
Changes from sale of companies	16,116	1,632
Changes from first consolidation	996	0
Changes due to exchange rate fluctuations	0	3
Changes recognised in equity	-11,514	-2,324
Changes recognised in profit or loss	-5,743	-162,006
Change recognised in profit or loss from discontinued operation	2,671	-2,430
<b>Deferred taxes as at 31.12. (net)</b>	<b>-690,737</b>	<b>-695,629</b>

As at 31.12. deferred tax assets and liabilities are split as follows:

Type	31.12.2021		Consolidated Income Statement	Other income	Addition/ Disposal/ IFRS 5/ exchange rate fluctuations	31.12.2022		Deferred tax asset	Deferred tax liabilities
	Deferred tax asset	Deferred tax liabilities				Net amount	Net amount		
Book value differences IFRS/tax of investment properties	2,149	-746,290	-744,142	5,746	0	64,966	-673,429	392	-673,821
Difference in depreciation of own used properties and related right-of-use assets	627	-1,557	-930	-1,456	0	-627	-3,012	0	-3,012
Difference in acquisition costs for assets held for trading	485	-433	52	866	0	0	918	1,035	-117
Difference in useful life for equipment and related right-of- use assets	183	-174	10	59	0	10	79	191	-112
Investments in joint ventures	944	0	944	-1,760	0	0	-816	1	-818
Loans, other investments	0	-2,885	-2,885	-36	0	0	-2,920	0	-2,920
Assets held for sale	0	-11,569	-11,569	9,980	0	-43,317	-44,906	0	-44,906
Revaluation of receivables and other assets	670	-54	616	758	0	-647	727	805	-78
Revaluation of derivatives assets	0	-2,488	-2,488	-16,724	-10,412	0	-29,623	0	-29,623
Revaluation of cash and cash equivalents	0	-73	-73	13	0	0	-60	9	-69
Revaluation of derivatives liabilities	3,833	0	3,833	-3,833	0	0	0	0	0
Liabilities (incl. lease liabilities)	12,817	-1,034	11,783	1,621	0	-236	13,168	14,284	-1,116
Bonds	0	-19	-19	4	0	0	-14	0	-14
Provisions	4,574	-39	4,535	-1,728	-1,102	-244	1,461	2,141	-680
Tax losses	43,272	0	43,272	2,703	0	-649	45,326	45,326	0
<b>Deferred tax assets/liabilities before offset and reclassification IFRS 5</b>	<b>69,554</b>	<b>-766,614</b>	<b>-697,060</b>	<b>-3,787</b>	<b>-11,514</b>	<b>19,257</b>	<b>-693,103</b>	<b>64,184</b>	<b>-757,288</b>
Computation of taxes	-66,873	66,873	0				0	-60,970	60,970
<b>Deferred tax assets/liabilities before reclassification IFRS 5</b>	<b>2,681</b>	<b>-699,741</b>	<b>-697,060</b>	<b>-3,787</b>	<b>-11,514</b>	<b>19,257</b>	<b>-693,103</b>	<b>3,214</b>	<b>-696,318</b>
Reclassification IFRS 5	0	1,430	1,430	0	0	936	2,366	0	2,366
<b>Deferred tax assets/liabilities net</b>	<b>2,681</b>	<b>-698,310</b>	<b>-695,629</b>	<b>-3,787</b>	<b>-11,514</b>	<b>20,193</b>	<b>-690,737</b>	<b>3,214</b>	<b>-693,952</b>

The recorded tax losses include deferred tax assets related to impairment losses on investments in subsidiaries in Austria amounting to €0 K (31.12.2021: €0 K), which have to be deferred over the next years for income tax purposes.

### Not recognised deferred taxes

Not recognised deferred taxes mainly relate to tax loss carryforwards in CA Immo Group, interest losses in CEE and business tax losses in CA Immo Group Germany. Tax loss carryforwards and impairment losses on investments in subsidiaries for which deferred taxes were not recognised expire as follows:

€ K	2022	2021
In the following year	27	5,424
Between 1 - 5 years	9,364	11,060
More than 5 years	355	5,261
Without limitation in time	93,865	128,027
<b>Total unrecorded tax losses carried forward</b>	<b>103,612</b>	<b>149,772</b>
thereupon non-capitalised deferred tax assets	21,142	33,222

The total taxable temporary differences related to investments in Austrian affiliated companies and joint ventures for which no deferred taxes were recognised pursuant to IAS 12.39 amount to €265,653 K (31.12.2021: €279,063 K). Tax loss carryforwards and impairment losses on investments in subsidiaries of the Austrian companies that were not recognised amount to €73,341 K (31.12.2021: €103,422 K). Thereof the unrecognised deferred tax asset related to impairment losses on investments which have to be deferred over the next years for income tax purposes amounts to €931 K (31.12.2021: €915 K).

The total taxable temporary differences related to investments in foreign affiliated companies and joint ventures for which no deferred taxes were recognised pursuant to IAS 12.39 amount to €134,065 K (31.12.2021: €146,985 K). Tax loss carry forwards not recognised of foreign entities amount to €30,271 K (31.12.2021: €46,349 K, thereof €7,118 K Romania).



All companies are subject to local income tax on current results and capital gains in their respective country. Significant estimates are required in respect of the amount of income tax provisions to be recognised. Moreover, it needs to be determined to which extent deferred tax assets should be recognised in the Group consolidated financial statements.

Income from the disposal of investments in real estate companies can be taxable or wholly or partially exempt from income tax. The scope of the exemption depends on compliance with certain requirements and on the rules of the applicable double taxation agreement. Even if the group intends to meet these conditions, the full amount of deferred taxes, under consideration of the initial recognition exemption, according to IAS 12 is recognised for investment properties.



The income tax expense reported for the business year contains the income tax on the taxable income (current and for other periods) of the individual subsidiaries calculated at the tax rate applicable in the relevant country ("current tax"), and the change in deferred taxes recognised in profit or loss ("deferred tax"), as well as the tax effect arising from amounts recognised in equity not giving rise to temporary differences and recognised in equity (e.g. the tax related to ancillary expenses for capital increases). Changes in deferred taxes resulting from foreign currency translation are included in deferred income tax expense.

In line with IAS 12, the calculation of deferred taxes is based on all temporary differences between the tax base of assets or liabilities and their book values in the consolidated statement of financial position. Deferred tax assets on tax losses carried forward are recognised taking into account the fact whether they can be carried forward indefinitely or only up to a certain time as well as the extent of their expected use in the future. The amount of the deferred tax asset recognised is determined based on projections for the next 3 to 5 years which show the expected use of the tax losses

carried forward in the near future and on the existence of sufficient taxable temporary differences, mainly resulting from investment property.

A group and tax compensation agreement was concluded in Austria for the formation of a tax group as defined by Section 9 of the Austrian Personal Income Tax and Corporate Income Tax Act (KStG) for all companies of CA Immo Group. The head of the group is CA Immobilien Anlagen Aktiengesellschaft, Vienna.

For certain entities within the CA Immo Germany Group a tax group has been established in accordance with German income tax legislation. The head of the tax group is CA Immo Deutschland GmbH, Frankfurt. Based on profit and loss transfer agreements the members of the tax group are required to transfer their entire profit to the head of the group (being the annual surplus before the profit transfer, less any loss carried forward from the previous year and after recognition or release of reserves). The head of the group has an obligation to balance any annual deficit arising in a group entity during the term of the agreement to the extent that such deficits exceed the amounts which can be released from other reserves that have been allocated out of profits earned during the term of the agreement.

#### **7.2. Current income tax receivables**

This item amounting to €13,162 K (31.12.2021: €11,795 K) relates to the CA Immo Germany Group and comprises corporate income tax and trade tax from the fiscal years 2013 and 2020 until 2022 not yet assessed by the tax authorities as well as results of finalized tax audits.

#### **7.3. Income tax liabilities**

This includes an amount of €28,551 K (31.12.2021: €16,809 K) relating to CA Immo Germany Group and comprises corporate income tax and trade tax for the years 2016, 2021 and 2022 which have not been finally assessed by tax authorities as well as results of finalized tax audits.

#### **7.4. Tax risks**

For the purpose of recognising tax provisions, estimates have to be made. Uncertainties exist concerning the interpretation of complex tax regulations as well as calculation methods to determine the amount and timing of taxable income. Due to these uncertainties and the complexity estimates may vary from the real tax expense also in a material amount. This may include amended interpretations of tax authorities for previous periods. CA Immo Group recognises appropriate provisions for known and probable charges arising from ongoing tax audits.

Uncertainty in the tax treatment of transactions require an assessment of whether the relevant tax authority is likely to accept the interpretation of the tax treatment of the transaction or not. Based on this assessment, the CA Immo Group recognizes tax liabilities at the amount considered most probable in the event of uncertainty. These uncertainties and complexities may result in future tax payments being significantly higher or lower than the obligations currently assessed as probable and recognised in the balance sheet.

There are uncertainties regarding the possible retrospective application of subsequent tax changes with regard to completed restructuring measures in Eastern Europe that have been agreed with the tax authorities. CA Immo Group estimates the probability of the actual burden due to the subsequent change in the tax consequences of restructuring measures carried out in the past as low.

Material assumptions also need to be assessed if temporary differences and losses carried forward can be offset against taxable profits in the future and if therefore deferred tax assets can be capitalised. Uncertainties exist concerning the amount and effective date of future taxable income.

CA Immo Group holds a significant part of its real estate portfolio in Germany, being subject to numerous complex tax regulations. In particular, CA Immo Group has to constantly deal with (i) roll-over schemes in order to transfer undisclosed, hidden reserves to other investments, (ii) legal provisions relevant to the real estate transfer tax/possible incurrence of real estate transfer tax in the event of direct or indirect shareholder changes in German partnerships and

corporations, (iii) the tax recognition of outsourcing of operating facilities, (iv) the distribution of the commercial income over several business premises as well as (v) the deduction of input VAT on construction costs, as an ongoing issue in the development phase of projects. CA Immo Group takes all necessary steps in order to comply with the relevant tax rules. However, because of circumstances that are out of CA Immo Groups control, such as changes in ownership structure, tax laws as well as alterations of interpretation by the tax administration and courts, the aforementioned tax issues might be treated differently and, therefore, could have an impact on the tax position in the consolidated financial statements.

Uncertainties exist in connection with the tax deductibility of service invoicings within the Group. CA Immo Group always aims to charge a price at arm's length for internal services and to prepare adequate documentation. In addition, external service providers are appointed for the preparation of transfer pricing documentation to comply with all legal requirements, but the tax authorities can have a different view and subsequently reach different conclusions. This can lead to tax consequences for the deductibility of internal service invoicings, which could trigger subsequent tax payments for previous periods.

Currently existing uncertainties are continually evaluated and may lead to adjustments of estimates.

## CHAPTER 8: FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

## 8.1. Financial instruments

## Financial assets by categories

Category	Classification			No financial instruments	Book value	Fair value
	FVTPL	FVOCI	IFRS 9 <sup>1)</sup> AC			
€ K					31.12.2022	31.12.2022
Cash and cash equivalents with drawing restrictions	0	0	27,582	0	27,582	27,605
Derivative financial instruments	73,660	37,173	0	0	110,833	110,833
Primary instruments	0	0	17,019		17,019	
Net plan assets from pension obligations				837	837	
Other investments	31,737	0	0	0	31,737	31,737
<b>Other assets</b>	<b>105,397</b>	<b>37,173</b>	<b>44,600</b>	<b>837</b>	<b>188,006</b>	
Cash and cash equivalents with drawing restrictions	0	0	80,342	0	80,342	80,418
Other receivables and assets	0	0	58,833	12,976	71,809	
<b>Receivables and other assets</b>	<b>0</b>	<b>0</b>	<b>139,175</b>	<b>12,976</b>	<b>152,151</b>	
<b>Cash and cash equivalents</b>	<b>0</b>	<b>0</b>	<b>823,805</b>	<b>0</b>	<b>823,805</b>	
	<b>105,397</b>	<b>37,173</b>	<b>1,007,580</b>	<b>13,812</b>	<b>1,163,962</b>	

<sup>1)</sup> FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

Category	Classification			No financial instruments	Book value	Fair value
	FVTPL	FVOCI	IFRS 9 <sup>1)</sup> AC			
€ K					31.12.2021	31.12.2021
Cash and cash equivalents with drawing restrictions	0	0	34,274	0	34,274	34,306
Derivative financial instruments	2,095	4,025	0	0	6,119	6,119
Primary financial instruments	0	0	15,597	188	15,785	
Other investments	32,393	0	0	0	32,393	32,393
<b>Other assets</b>	<b>34,488</b>	<b>4,025</b>	<b>49,871</b>	<b>188</b>	<b>88,571</b>	
Cash and cash equivalents with drawing restrictions	0	0	5,918	0	5,918	5,924
Other receivables and assets	0	0	36,165	13,643	49,808	
<b>Receivables and other assets</b>	<b>0</b>	<b>0</b>	<b>42,084</b>	<b>13,643</b>	<b>55,727</b>	
<b>Cash and cash equivalents</b>	<b>0</b>	<b>0</b>	<b>633,117</b>	<b>0</b>	<b>633,117</b>	
	<b>34,488</b>	<b>4,025</b>	<b>725,072</b>	<b>13,830</b>	<b>777,415</b>	

The fair value of the receivables and other assets in the category of “Amortised Cost” (AC) essentially equals the book value due to daily and/or short-term maturities. The primary financial instruments mainly consist of loans granted to joint ventures, which are considered and valued as part of the net investment in the entities (this corresponds to level 3 of the fair value hierarchy), as well as long term receivables from trading and construction works. Valuation of investments of FVTPL category corresponds to level 3 of the fair value hierarchy.

Financial assets are partially pledged as securities for financial liabilities.

### Financial liabilities by categories

Category	Classification		No financial instruments	Book value	Fair value
	IFRS 9 <sup>1)</sup>	AC			
€ K				31.12.2022	31.12.2022
Bonds		1,294,266	0	1,294,266	1,127,859
Loans		1,409,388	0	1,409,388	1,384,182
Promissory loan		75,766	0	75,766	72,334
Lease liabilities (IFRS 16)		43,123	0	43,123	
<b>Interest-bearing liabilities</b>		<b>2,822,543</b>	<b>0</b>	<b>2,822,543</b>	
Other primary liabilities		64,784	31,260	96,044	
<b>Other liabilities</b>		<b>64,784</b>	<b>31,260</b>	<b>96,044</b>	
		<b>2,887,327</b>	<b>31,260</b>	<b>2,918,587</b>	

<sup>1)</sup> FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

Category	Classification		No financial instruments	Book value	Fair value
	FVTPL	IFRS 9 <sup>1)</sup> AC			
€ K				31.12.2021	31.12.2021
Bonds	0	1,436,985	0	1,436,985	1,451,697
Loans	0	1,107,173	0	1,107,173	1,108,842
Lease liabilities (IFRS 16)	0	39,786	0	39,786	0
<b>Interest-bearing liabilities</b>	<b>0</b>	<b>2,583,943</b>	<b>0</b>	<b>2,583,943</b>	
Derivative financial instruments	20,960	0	0	20,960	20,960
Other primary liabilities	0	313,617	21,284	334,902	
<b>Other liabilities</b>	<b>20,960</b>	<b>313,617</b>	<b>21,284</b>	<b>355,861</b>	
	<b>20,960</b>	<b>2,897,561</b>	<b>21,284</b>	<b>2,939,805</b>	

The fair value recognised of the other primary liabilities basically equals the book value, based on the daily and short term due date.

**8.2. Derivative financial instruments and hedging transactions**

€ K	Nominal value	Fair value	31.12.2022		31.12.2021	
			Book value	Nominal value	Fair value	Book value
Interest rate swaps - assets	882,043	107,485	107,485	335,555	5,052	5,052
Interest rate swaps - liabilities	0	0	0	464,505	-20,960	-20,960
<b>Total interest rate swaps</b>	<b>882,043</b>	<b>107,485</b>	<b>107,485</b>	<b>800,060</b>	<b>-15,908</b>	<b>-15,908</b>
Interest rate caps	69,000	3,347	3,347	0	0	0
Interest rate floors	41,175	0	0	42,075	1,067	1,067
<b>Total derivatives</b>	<b>992,218</b>	<b>110,833</b>	<b>110,833</b>	<b>842,135</b>	<b>-14,840</b>	<b>-14,840</b>
thereof hedging (cash flow hedges)	221,546	37,173	37,173	225,000	4,025	4,025
thereof stand alone (fair value derivatives) - assets	770,672	73,660	73,660	152,630	2,095	2,095
thereof stand alone (fair value derivatives) - liabilities	0	0	0	464,505	-20,960	-20,960

As at the balance sheet date 67.3% (31.12.2021: 50.8%) of the nominal value of all loans have been turned into fixed interest rates (or into ranges of interest rates with a cap) by means of interest rate swaps.

€ K	Nominal value	Fair value	31.12.2022		31.12.2021	
			Book value	Nominal value	Fair value	Book value
Cash flow hedges	221,546	37,173	37,173	225,000	4,025	4,025
Fair value derivatives (stand alone) - liabilities	660,497	70,313	70,313	110,555	1,027	1,027
Fair value derivatives (stand alone) - assets	0	0	0	464,505	-20,960	-20,960
<b>Interest rate swaps</b>	<b>882,043</b>	<b>107,485</b>	<b>107,485</b>	<b>800,060</b>	<b>-15,908</b>	<b>-15,908</b>
Interest rate caps	69,000	3,347	3,347	0	0	0
Interest rate floors	41,175	0	0	42,075	1,067	1,067
<b>Total interest rate derivatives</b>	<b>992,218</b>	<b>110,833</b>	<b>110,833</b>	<b>842,135</b>	<b>-14,840</b>	<b>-14,840</b>

Interest rate derivatives	Nominal value in € K	Start	End	Fixed interest rate as at 31.12.2022	Reference interest rate	Fair value in € K 31.12.2022
EUR - cash flow hedges	221,546	3/2022	1/2029	-0.16%	3M-Euribor	37,173
EUR - stand alone - assets	660,497	5/2017- 7/2022	6/2024- 12/2032	0.04%- 1.78%	3M-Euribor	70,313
<b>Total interest swaps = variable in fixed</b>	<b>882,043</b>					<b>107,485</b>
Interest rate caps	69,000	12/2022	11/2029	3.09%	3M-Euribor	3,347
Interest rate floors	41,175	5/2018	5/2028	0.00%	3M-Euribor	0
<b>Total interest rate derivatives</b>	<b>992,218</b>					<b>110,833</b>

Interest rate derivatives	Nominal value in € K	Start	End	Fixed interest rate as at 31.12.2021	Reference interest rate	Fair value in € K 31.12.2021
EUR - cash flow hedges	225,000	3/2022	1/2029	-0.16%	3M-Euribor	4,025
EUR - stand alone - assets	110,555	5/2020- 1/2021	12/2029- 3/2030	0.04%- 0.10%	3M-Euribor	1,027
EUR - stand alone - liabilities	464,505	5/2017- 12/2019	6/2024- 12/2032	0.33%- 1.19%	3M-Euribor	-20,960
<b>Total interest swaps = variable in fixed</b>	<b>800,060</b>					<b>-15,908</b>
Interest rate floors	42,075	05/2018	5/2028	0.00%	3M-Euribor	1,067
<b>Total interest rate derivatives</b>	<b>842,135</b>					<b>-14,840</b>

### Gains and losses in other comprehensive income

€ K	2022	2021
<b>As at 1.1.</b>	<b>4,115</b>	<b>-422</b>
Change in valuation of cash flow hedges	33,148	6,641
Change of ineffectiveness cash flow hedges	-535	23
Income tax cash flow hedges	-10,412	-2,127
<b>As at 31.12.</b>	<b>26,316</b>	<b>4,115</b>
thereof: attributable to the owners of the parent	26,316	4,115

### The fair value hierarchy

Measurement hierarchy according to IFRS 13 € K	Level 1	Level 2	Level 3	31.12.2022
				Total
Derivative financial instruments FVtPL	0	0	0	0
<b>Financial instruments by category (liabilities)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Measurement hierarchy according to IFRS 13 € K	Level 1	Level 2	Level 3	31.12.2021
				Total
Derivative financial instruments FVtPL	0	-20,960	0	-20,960
<b>Financial instruments by category (liabilities)</b>	<b>0</b>	<b>-20,960</b>	<b>0</b>	<b>-20,960</b>

There were no reclassifications between the levels in 2022 and 2021.

### Valuation of interest rate derivatives

The interest rate derivatives are recognised at fair value. The fair values are calculated by discounting the future cash flows from variable payments on the basis of generally recognised financial-mathematical models. The interest rates for discounting the future cash flows are estimated by reference to an observable market yield curve. The calculation is based on inter-bank middle rates. The fair value of the derivatives corresponds therefore to level 2 of the measurement hierarchy according to IFRS 13.

A correction of the measurement of the interest rate derivatives due to CVA (Credit Value Adjustment) and DVA (Debt Value Adjustment) is only conducted when the adjustment reaches a significant extent.

CA Immo Group also enters into bank financing for investments properties whereby a minimal interest limit is contractually agreed. In this case it needs to be investigated whether an embedded derivative subject to separation is present. An embedded minimal limit on interest rates of a debt instrument is closely linked to the host contract if, at the date of entering the contract, the minimal interest limit is equal or below the prevailing market rate. CA Immo Group examines the existence of an embedded derivative for the necessity of separation from the host contract by comparing the agreed interest plus the valuation of the minimal interest rate limit with the market interest rate (reference interest plus margin). If the market interest rate (reference interest plus margin) exceeds the contractually agreed interest in each future period, there is no obligation to separate the embedded derivative. To date, CA Immo Group has not identified in any loan agreement an embedded derivatives subject to separation.

**§ Derivative financial instruments**

CA Immo Group uses derivative financial instruments, such as interest rate swaps, floors, caps and forward exchange transactions, in order to hedge against interest and currency risks. These derivative financial instruments are recognised at fair value at the time the contract is concluded and remeasured at fair value in the following periods. Derivative financial instruments are recognised as financial assets if their value is positive and as financial liabilities if their fair value is negative.

Derivative financial instruments are presented as non-current financial assets or liabilities if their remaining term exceeds twelve months and realisation within twelve months is not expected. All other derivative financial instruments, whose remaining term is below twelve months, are presented as current assets or liabilities.

The method applied by CA Immo Group when recognizing gains and losses from the subsequent measurement of derivative financial instruments depends on whether the criteria for cash flow hedge accounting (hedging of future cash flows) are met or not.

The interest rate swaps were designated as hedging instruments in a cash flow hedge relationship in accordance with IFRS 9. The hedged risk results from the difference between the expected future variable interest payments based on the 3M-Euribor and the future fixed interest rates for construction financing.

In the case of derivative financial instruments for which the criteria for cash flow hedge accounting are met and the cash flows are hedged, the part of the profit or loss from the hedging instrument that is determined as an effective hedge is recognised in other comprehensive income. Any remaining profit or loss from the hedging instrument represents an ineffectiveness of the hedge and is recognised in profit or loss.

The ineffectiveness of this hedging transaction is measured using the dollar offset method. Expenses and income which are not recognised in the other comprehensive income, are recognised in the profit or loss as ineffectiveness under the item “result from derivatives”. The hedging relationship between the hedging instrument and the underlying transaction as well as its effectiveness is evaluated and documented when the hedging transaction is concluded and then on an ongoing basis.

According to IFRS 9, a financial instrument is to be measured at fair value at initial recognition. However, if the fair value deviates from the transaction price when initially recognised and it is also not observable in an active market, the difference is to be accrued in line with IFRS 9 and may only be recognised as gain or loss to the extent that it results from a change in a factor (including the time factor) that the market participants would consider when pricing the asset or liability. For this reason, CA Immo Group has created a deferred item for the difference between the transaction price of the interest rate swaps and their fair value at the initial recognition, which will be released to profit or loss over the term using the effective interest method.

Pursuant to IFRS 9, derivatives not qualifying for hedge accounting are assigned to the category “fair value through profit or loss” (FVtPL). Changes in the fair value are therefore recognised entirely in profit or loss in the item “result from derivatives”.

The fair values of interest rate swaps, caps and floors are calculated by discounting the future cash flows from variable payments on the basis of generally accepted financial models. The interest rates for the discount of the future cash flows are estimated on basis of an interest rate curve, which is observable on the market. Inter-bank middle rates are used for the calculation.

Embedded derivatives are basically to be accounted separately from the host contract if their economic characteristics and risks are not closely related to these of the host contract, if they independently fulfill the definition of a derivative and the entire instrument is not valued at fair value through profit or loss. The embedded derivative is classified as

"fair value through profit or loss" (FVtPL) and is measured at fair value through profit or loss at each balance sheet date. The changes in fair value are fully presented in profit or loss as "result from derivatives".

### 8.3. Risks from financial instruments

#### Interest rate risk

Risks arising from changes in interest rates basically result from long-term loans and interest rate derivatives and relate to the amount of future interest payments (for variable interest instruments) and to the fair value of the financial instrument (for fixed rate instruments). A mix of long-term fixed-rate and floating-rate loans is used to reduce the interest rate risk. In case of floating-rate loans, derivative financial instruments (interest rate floors, caps and interest rate swaps) are also used to hedge the cash flow risk of interest rate changes arising from hedged items. In addition to the general interest rate risk (interest level) there are also risks arising from a possible change in the credit rating, which would lead to an increase or a decrease of the interest margin in the course of a follow-up financing.

The following sensitivity analysis outlines the impact of variable interest rates on interest expense. It shows the effect on the result of the financial year of a change in interest rate by 50 and 100 basis points on the interest expenses. The analysis assumes that all other variables, particularly foreign exchange rates, remain constant. Due to the rising interest rates at the time of the reporting, no sensitivity analysis was carried out with regard to falling interest rates.

€ K	recognised in Profit/Loss Statement		recognised in other comprehensive income	
	at 50 bps Increase	at 100 bps Increase	at 50 bps Increase	at 100 bps Increase
<b>31.12.2022</b>				
Interest-bearing liabilities with variable interest rate, without hedging	-1,103	-2,205	0	0
Interest-bearing liabilities with variable interest rate, hedged (Swap)	13,415	26,413	0	0
Other derivative financial instruments with/without CFH relationship	422	1,261	4,318	8,717
	<b>12,734</b>	<b>25,469</b>	<b>4,318</b>	<b>8,717</b>
<b>31.12.2021</b>				
Interest-bearing liabilities with variable interest rate, without hedging	-1,265	-2,529	0	0
Interest-bearing liabilities with variable interest rate, hedged (Swap)	17,169	33,691	0	0
Other derivative financial instruments with/without CFH relationship	-540	-810	7,256	14,176
	<b>15,364</b>	<b>30,351</b>	<b>7,256</b>	<b>14,176</b>

#### Currency risk

Currency risks result from rental revenues and receivables denominated in CZK, HUF, PLN, CHF and RSD. This foreign currency rental income is secured by linking the rental payments to EUR, so that no major risk remains.

#### Credit risk

The book values disclosed for all financial assets, guarantees and other commitments assumed, represent the maximum default risk as no major set-off agreements exist.

Tenants provided deposits amounting to €21,628 K (31.12.2021: €16,980 K, thereof €1,054 K Romania) as well as bank guarantees of €50,639 K (31.12.2021: €58,062 K, thereof €9,386 K Romania) and group guarantees in the amount of €43,969 K (31.12.2021: €44,216 K, thereof €216 K Romania).

The credit risk for liquid funds with banks is monitored according to internal guidelines.

### Liquidity risk

Liquidity risk is the risk that CA Immo Group will not be able to meet its financial obligations as they fall due. CA Immo Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet liabilities when due, whilst avoiding unnecessary potential losses and risks. Loans are usually agreed on a long-term basis in accordance with the long-term nature of real estate.

The CA Immo Group manages liquidity risk in several different ways: firstly, by means of distinct liquidity planning and securing to avoid possible liquidity shortages. Secondly, CA Immo Group secured an at the reporting date unused revolving credit facility of €300 M in the fourth quarter of 2021.

External capital is raised by CA Immo Group from a wide variety of domestic and foreign banks. The contractually agreed (undiscounted) interest payments and repayments for primary financial liabilities and derivative financial instruments are presented in the table below.

31.12.2022 € K	Book value 2022	Contractually agreed cash flows	Cash flow 2023	Cash flow 2024-2027	Cash flow 2028 ff
Bonds	1,294,266	-1,345,016	-133,797	-1,211,219	0
Loans	1,409,388	-1,700,764	-294,633	-631,680	-774,452
Promissory loan	75,766	-88,066	-3,077	-64,002	-20,987
Lease liabilities	43,123	-94,175	-3,540	-12,026	-78,609
Trade payables	24,683	-24,683	-21,378	-3,295	-10
Non-controlling interests held by limited partners	5,828	-5,828	0	0	-5,828
Liabilities to joint ventures	1,088	-1,088	-1,088	0	0
Other liabilities	33,185	-33,185	-14,524	-13,281	-5,381
<b>Primary financial liabilities</b>	<b>2,887,327</b>	<b>-3,292,806</b>	<b>-472,036</b>	<b>-1,935,502</b>	<b>-885,268</b>

31.12.2021	Book value	Contractually	Cash flow	Cash flow	Cash flow
€ K	2021	agreed cash	2022	2023- 2026	2027 ff
		flows			
Bonds	1,436,985	-1,508,518	-163,503	-840,641	-504,375
Loans	1,107,173	-1,174,653	-247,256	-417,077	-510,319
Lease liabilities	39,786	-90,685	-3,321	-9,895	-77,469
Trade payables	25,309	-25,309	-19,815	-5,494	-1
Non-controlling interests held by limited partners	5,691	-5,691	0	0	-5,691
Liabilities to joint ventures	123	-123	-123	0	0
Other liabilities	282,494	-282,494	-266,752	-13,738	-2,004
<b>Primary financial liabilities</b>	<b>2,897,561</b>	<b>-3,087,473</b>	<b>-700,770</b>	<b>-1,286,844</b>	<b>-1,099,859</b>
Interest rate derivatives not connected with hedges	20,960	-20,982	-6,439	-12,227	-2,315
<b>Derivative financial liabilities</b>	<b>20,960</b>	<b>-20,982</b>	<b>-6,439</b>	<b>-12,227</b>	<b>-2,315</b>
	<b>2,918,520</b>	<b>-3,108,454</b>	<b>-707,209</b>	<b>-1,299,071</b>	<b>-1,102,174</b>

For variable interest bearing liabilities and derivatives the cashflows are determined based on assumed values for the underlying forward rates as at the respective balance sheet date.

### Capital management

The objective of CA Immo Group's capital management is to ensure that the Group achieves its goals and strategies, while optimising the costs of capital in a sustainable way and in the interests of shareholders and other stakeholders. In particular, it focuses on achieving a return on equity that exceeds the cost of capital. Furthermore, the external investment grade rating should be supported by adequate capitalisation and by raising equity for the growth targets in the upcoming fiscal years.

The key parameters in determining the capital structure of the CA Immo Group are:

1. the general ratio of equity to debt and
2. within outside capital, the optimal ratio between the debt secured with real estate, which is recorded at the level of individual property companies, and the unsecured debt at the level of the parent company.

Regarding the first parameter, the CA Immo Group aims to maintain an equity ratio of 45% - 50%. As at 31.12.2022 the ratio was 46.8% (31.12.2021: 46.3%). The proportion between the secured and the unsecured debt should generally be balanced. As at 31.12.2022 the smaller share of 49% (31.12.2021: 56%) is attributable to unsecured corporate bonds and promissory loan. The remaining share of 51% (31.12.2021: 44%) is attributable to secured property loans and lease liabilities, which are usually taken directly by the company in which the property is held.

Net debt and the gearing ratio are other key figures relevant to the presentation of the capital structure of CA Immo Group:

€ K	31.12.2022	31.12.2021
<b>Interest-bearing liabilities</b>		
Long-term interest-bearing liabilities	2,452,638	2,186,534
Short-term interest-bearing liabilities	369,905	397,409
<b>Interest-bearing assets</b>		
Cash and cash equivalents	-823,805	-633,117
Cash at banks with drawing restrictions	-77,675	-4,628
<b>Net debt</b>	<b>1,921,062</b>	<b>1,946,198</b>
Shareholders' equity	3,358,523	3,291,038
<b>Gearing ratio (Net debt/equity)</b>	<b>57.2%</b>	<b>59.1%</b>

In calculating the gearing, for simplicity the book value of the cash and cash equivalents has been taken into account. The cash at banks with drawing restrictions is included in the calculation of net debt, if it is used to secure the repayments of interest bearing liabilities.



## CHAPTER 9: OTHER DISCLOSURES

## 9.1. Information for cash flow statement

€ K	Note	Liabilities		
		Other interest-bearing liabilities	Leasing liabilities	Bonds
<b>As at 1.1.2022</b>		<b>1,107,173</b>	<b>39,786</b>	<b>1,436,985</b>
<b>Changes in cash flow from financing activities</b>				
Cash inflow from loans received	5.2.	729,220	0	0
Repayment of bonds / Cash outflow from the repurchase of bonds	5.2.	0		-142,411
Acquisition of treasury shares	5.1.	0	0	0
Dividend payments to shareholders	5.1.	0	0	0
Payments to shareholders of non-controlling interests	5.1.	0	0	0
Change restricted cash for loans	8.1.			
Repayment of loans incl. interest rate derivatives	5.2.	-353,087	-2,491	0
Other interest paid	5.2.	-20,293	-1,244	-18,187
<b>Total change in cash flow from financing activities</b>		<b>355,840</b>	<b>-3,735</b>	<b>-160,598</b>
<b>Change from liabilities relating to disposal groups</b>	<b>4.1.</b>	<b>0</b>	<b>-361</b>	<b>0</b>
<b>Total change from the sale of subsidiaries or other business operations</b>	<b>1.g.</b>	<b>0</b>	<b>-264</b>	<b>0</b>
Effects of changes in exchange rates	5.2.	0	-603	0
Change in fair value	8.1.	0	0	0
<b>Total Other changes related to liabilities</b>		<b>22,141</b>	<b>8,300</b>	<b>17,879</b>
<b>Total Other changes related to equity</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>As at 31.12.2022</b>		<b>1,485,154</b>	<b>43,123</b>	<b>1,294,266</b>

Other changes related to liabilities mainly result from interest expenses, in accordance with Group profit and loss.

Liabilities		Derivatives	Shareholders'	Total
Other effects in cash flow from financing activities	Derivatives assets	liabilities	equity	
0	-6,119	20,960	3,291,038	5,889,822
0	0	0	0	729,220
0	0	0	0	-142,411
0	0	0	-31,760	-31,760
0	0	0	-251,791	-251,791
-156	0	0	0	-156
-66,667	0	0	0	-66,667
0	-2,730	0	0	-358,309
0	-3,618	0	0	-43,343
-66,824	-6,348	0	-283,551	-165,216
0	0	0	0	-361
0	0	0	0	-264
0	0	0	0	-603
0	-101,983	-20,960	0	-122,943
66,824	3,618	0	0	118,762
0	0	0	351,036	351,036
0	-110,833	0	3,358,523	6,070,233

Restated		Liabilities			
€ K	Note	Other interest- bearing liabilities	Leasing liabilities	Convertible bond	Bonds
<b>As at 1.1.2021</b>		<b>1,045,969</b>	<b>45,275</b>	<b>194,207</b>	<b>1,542,011</b>
<b>Changes in cash flow from financing activities</b>					
Cash inflow from loans received	5.2.	123,844	0	0	0
Costs paid/ Cash inflow from the issuance of bonds	5.2.	0	0	0	-20
Repayment of convertible bonds	5.2.	0	0	-100	0
Repayment of bonds / Cash outflow from the repurchase of bonds	5.2.	0		0	-107,450
Dividend payments to shareholders	5.1.	0	0	0	0
Payments to shareholders of non-controlling interests	5.1.	0	0	0	0
Change restricted cash for loans	8.1.				
Repayment of loans incl. interest rate derivatives	5.2.	-64,346	-2,938	0	0
Other interest paid	5.2.	-10,578	-1,335	-751	-18,922
<b>Total change in cash flow from financing activities</b>		<b>48,921</b>	<b>-4,272</b>	<b>-851</b>	<b>-126,392</b>
<b>Total change from the sale of subsidiaries or other business operations</b>	<b>1.f.</b>	<b>0</b>	<b>-3,799</b>	<b>0</b>	<b>0</b>
<b>Effects of changes in exchange rates</b>	<b>5.2.</b>	<b>0</b>	<b>57</b>	<b>0</b>	<b>0</b>
<b>Change in fair value</b>	<b>8.1.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Conversion of bonds</b>	<b>5.1.</b>			<b>-194,913</b>	
<b>Total Other changes related to liabilities</b>		<b>12,283</b>	<b>2,525</b>	<b>1,557</b>	<b>21,366</b>
<b>Total Other changes related to equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>As at 31.12.2021</b>		<b>1,107,173</b>	<b>39,786</b>	<b>0</b>	<b>1,436,985</b>

Liabilities	Derivatives		Shareholders' equity	Total
Other effects in cash flow from financing activities	Derivatives assets	Derivatives liabilities		
0	-1,682	85,210	3,128,308	6,039,297
	0	0	0	123,844
0	0	0	0	-20
0	0	0	0	-100
0	0	0	0	-107,450
0	0	0	-352,436	-352,436
-3	0	0	0	-3
-2,556	0	0	0	-2,556
0	0	-696	0	-67,979
0	0	-6,815	0	-38,400
-2,559	0	-7,511	-352,436	-445,101
0	0	0	0	-3,799
0	0	0	0	57
0	-4,437	23,718	0	19,281
		-87,270	282,183	0
2,559	0	6,812	0	47,102
0	0	0	232,984	232,984
0	-6,119	20,960	3,291,038	5,889,822

## 9.2. Other obligations and contingent liabilities

### Guarantees and other commitments

As at 31.12.2022, CA Immo Germany Group is subject to guarantees and other commitments resulting from purchase agreements for decontamination costs and war damage costs amounting to €105 K (31.12.2021: €106 K). Furthermore, comfort letters and securities have been issued for one (31.12.2021: one) joint venture in Germany amounting to €2,000 K (31.12.2021: €2,000 K). As a security for the liabilities of two (31.12.2021: two) joint ventures loan guarantees, letters of comfort and declarations were issued totalling €6,500 K (31.12.2021: €10,500 K) in Germany. Furthermore, as security for warranty risks in Germany a guarantee was issued in an amount of €17,589 K (31.12.2021: €20,128 K).

In connection with disposals, marketable guarantees exist between CA Immo Group and the buyer for coverage of possible warranty- and liability claims, which have been recognised in the statement of financial position accordingly. The actual claims may exceed the expected level. No (31.12.2021: one) comfort letters and securities have been issued for joint venture in Austria (31.12.2021: €4,700 K).

In connection with a development project in Eastern Europe a main contractor has filed an arbitration action at the Vienna International Arbitral Center on 15.2.2019. The claim contains alleged claims for the payment of additional costs, compensation for work performed, litigation costs and interest in the amount of over €30 M. CA Immo Group assumes that the general contractor will mostly not succeed. We have considered this in the statement of financial position accordingly.

In 2020, CA Immobilien Anlagen AG filed an action for damages of approx. €1.9 bn against the Republic of Austria and the state of Carinthia in connection with the privatization of the state residential construction company (BUWOG) in 2004. After a dismissing judgement by the Federal Administrative Court from 22.10.2021 with regard to the asserted exemption from court fees, CA Immo AG had to pay around €25 M court fees in 2021 for this action. CA Immo AG filed a constitutional complaint (without suspensive effect) against this judgement with the Constitutional Court.

In the first quarter of 2022, CA Immobilien Anlagen AG was served with an action for annulment directed against the resolutions passed at the Extraordinary General Meeting of 30.11.2021 regarding the distribution of a basic additional dividend and a super dividend. In addition, another action for annulment was filed in the second quarter of 2022, which essentially seeks the annulment of the resolutions of the ordinary 35th Annual General Meeting of 5.5.2022 with regard to the discharge of the Management Board and the Supervisory Board.

Mortgages, pledges of rental receivables, bank accounts and share pledges as well as similar guarantees are used as market collateral for bank liabilities.

### Other financial obligations

In addition, there are other financial obligations of order commitments related to building site liabilities for work carried out in the course of developing real estate in Austria in the amount of €0 K (31.12.2021: €0 K), in Germany in the amount of €80,416 K (31.12.2021: €102,356 K) and in Eastern Europe in the amount of €1,645 K (31.12.2021: €3,891 K). In addition as at 31.12.2022 CA Immo Group is subject to other financial commitments resulting from construction costs from urban development contracts which can be capitalised in the future in an amount of €10,820 K (31.12.2021: €11,083 K).



If the amount of an obligation cannot be estimated reliably, the outflow of funds from the obligation is not likely, or the occurrence of the obligation depends on future events, it represents a contingent liability. In such cases, a provision is not recognised and an explanation of material facts is disclosed in the notes.

### 9.3. Leases

#### CA Immo Group as lessor

All lease contracts concluded by CA Immo Group, under which CA Immo Group is the lessor, are recorded as operating leases in accordance with IFRS. These generally have the following essential contractual terms:

- linkage to EUR
- guaranteed value by linkage to international indices
- medium- to long-term maturities and/or termination waivers.

Future minimum rental income from as at 31.12. existing term lease contracts or contracts with termination waivers as at the reporting date are as follows:

Romania has been excluded from the prior year numbers 2021.

€ K	2022	2021 restated
In the following year	200,055	173,618
in the second year	176,038	149,174
in the third year	135,331	125,347
in the fourth year	106,750	94,488
in the fifth year	71,130	72,352
after more than five years	261,624	164,526
<b>Total</b>	<b>950,929</b>	<b>779,505</b>

All remaining rental agreements may be terminated at short notice and are not included in the table above.

The minimum rental income includes net rent amounts to be collected until the contractually agreed expiration of the contract or the earliest possible termination option by the lessee (tenant).

§ According to IFRS 16, the allocation of a leased asset to the lessor or lessee is based on the criterion of accountability of all significant risks and rewards associated with ownership of the leased asset. The characteristics of the CA Immo Group as lessor of investment properties corresponds to an operating lease because the economic ownership remains with CA Immo Group for the rented properties and thus the significant risks and rewards are not transferred.

CA Immo Group classifies leases as operating lease when the underlying contract does not represent a finance lease. A finance lease exists when:

- at the end of the lease term the ownership of the asset will be transferred to the lessee;
- the lessee has the option to purchase the asset at a price which is expected to be sufficiently lower than the fair value at the date the option becomes exercisable so that at the inception of the lease it is reasonably certain that the option will be exercised;
- the lease term is for the major part of the economic life of the asset, even if title is not transferred;
- at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and
- the leased assets are of a specialized nature such that only the lessee can use them without major modifications being made.

### CA Immo Group as lessee

The lease contracts concluded by CA Immo Group acting as lessee primarily relate to rented properties in Munich (until 2027) and in Frankfurt (until 2028), rented parking space, software, leases of cars, the rental of furniture and office equipment as well as usufruct of land. No purchase options have been agreed.

The CA Immo Group presents the rights of use in the same balance sheet item in which the underlying assets would be shown if they were owned by the CA Immo Group. The lease liabilities are also included in the balance sheet item "Interest-bearing liabilities". The users of the financial statements can find the detailed disclosures according to IFRS 16 in the relevant chapter of the notes to which the individual disclosure belongs.

The expense for short-term leases amounts to €96 K (2021: €34 K, thereof €0 K Romania) and the expense for leases related to assets of low value amounts to €47 K (2021 restated: €43 K). The total cash outflows for leases amount to €4,190 K (2021 restated: €4,337 K). All disclosures for lease expenses and lease payments are excluding Romania.

 Extensions and termination options are taken into account when measuring lease liabilities, if using an option is highly probable. However, this measurement is discretionary, therefore the estimates can be changed in the future. In a first step the term of the underlying contract is used and only in case indicators are available (e.g. information from valuation reports, particularly favourable contract terms, changed operating requirements) a termination or an extension option will be considered in the cash outflows when measuring the lease liability.

 CA Immo Group determines whether an arrangement contains a lease based on the economic substance of the arrangement and evaluates whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveyed a right to use the asset. This is the case only when the contract entitles CA Immo Group to control the use of a clearly identified asset in exchange for consideration for a certain period of time. In doing so, it is relevant that throughout the period of use, CA Immo Group can obtain substantially all the economic benefits from the identified asset and it has the right to direct the use of such an asset. However, an asset is only considered identified when the supplier does not have a substantive substitution right. If, based on the agreement, the supplier is actually able to exchange the asset for another during the period of use and if the exchange results in economic benefits, there is no identified asset and no recognition of a right of use takes place. Due to the lack of control over the software, cloud software solutions generally do not fulfill the criteria of a clearly identified asset. The costs for the software are expensed over the contractual period.

When accounting for leases, assets in the form of right of use are capitalized and lease liabilities are recognised. CA Immo Group applies practical expedients and does not recognize any rights of use/lease liabilities for short-term leases (less than 1 year) as well as leases with underlying assets of low value (< €5,000) and software.

Retrospective adjustment of lease payments, for example based on index adjustments are considered as variable leasing payments and recognised as profit or loss in the current period. An adjustment of a right of use asset/lease liability is only made on the base of future cash outflows. Pandemic-related rent concessions from lessors are not presented as a lease modification. The CA Immo Group applies the practical expedient and records all rent concessions in the income statement.

#### 9.4. Transactions with related parties

The following companies and parties are deemed related parties to the CA Immo Group:

- joint ventures, in which CA Immo Group holds an interest
- the corporate bodies of CA Immobilien Anlagen Aktiengesellschaft
- Starwood Capital Group ("Starwood") (from 27.9.2018)

##### Transactions with joint ventures

Joint ventures	31.12.2022	31.12.2021
€ K		
Investments in joint ventures	64,391	55,800
Loans	10,562	11,682
Receivables	7,643	7,283
Liabilities	20,117	7,876
Provisions	6,252	6,577
	<b>2022</b>	<b>2021</b>
Joint ventures result	26,499	3,618
Result from sale of joint ventures	-24	0
<b>Result from joint ventures</b>	<b>26,475</b>	<b>3,618</b>
Other income	262	375
Other expenses	-1,727	-1,290
Interest income	646	605

Outstanding loans to joint ventures as at the reporting date serve to finance the properties. The cumulative impairment loss on loans to joint ventures amounts to €0 K (31.12.2021: €3,425 K). The usual market interest on the loans is documented and monitored on an ongoing basis. The liabilities mainly include received dividends from joint ventures for the preliminary profits. No guarantees or other forms of security exist in connection with these receivables and liabilities.

No additional impairments or other adjustments to the book values were recognised in profit or loss.

##### Starwood Capital Group (Starwood)

Since 27.9.2018, SOF- 11 Klimt CAI S.à r.l. is CA Immo AG largest single shareholder. In the business year 2022, Starwood Capital Group (via its vehicle SOF- 11 Klimt CAI S.à r.l.) increased its stake in CA Immo AG from around 57.89% of the share capital to around 59.09% through acquisitions on and off the stock exchange. As of 31.12.2022, SOF- 11 Klimt CAI S.à r.l. held 62,924,265 bearer shares and four registered shares of CA Immo AG, this corresponds to 59.09% of the company's share capital. SOF- 11 Klimt CAI S.à r.l. is a company controlled by Starwood Capital Group ("Starwood"). Starwood Capital Group is a private investment firm with a primary focus on global real estate.

## **Corporate bodies of CA Immobilien Anlagen Aktiengesellschaft, Vienna**

### **Management Board**

Silvia Schmitt-Walgenbach (from 1.1.2022)

Dr. Andreas Schillhofer (from 1.6.2019)

Keegan Viscius (from 1.11.2018)

Total salary payments (excluding salary-based deductions) to Management Board members in office in the respective reporting year amounted in 2022 to €2,927 K (€3,464 K in 2021). The salary-based deductions totaled €214 K (2021: €198 K). Total fixed salary components amounted to €1,606 K (€1,581 K in 2021) and were made up of the base salary of €1,460 K (2021: €1,410 K), other benefits (in particular remuneration in kind for cars, expense allowances and travel expenses) of €54 K (2021: €48 K) and contributions to pension funds of €92 K (2021: €123 K). Variable compensation components amounted to €1,321 K (2021 restated: €1,576 K). Special payments amounted to €0 K (2021: €307 K).

As at the balance sheet date 31.12.2022, severance payment provisions for Management Board members totaled €375 K (31.12.2021: €311 K).

Towards former members of the Management Board (i.e. not in office in the reporting year) there were payment obligations totaling €907 K, consisting of variable remuneration components of €904 K and other benefits of €3 K. As at 31.12.2022 provisions from variable remuneration components from current LTI tranches still exist for former members of the Management Board and these amount to €937 K; provisions were booked accordingly in the previous year.

No loans or advances were granted to members of the Management Board.

As at 31.12.2022, based on the assumption of a 100% target achievement, provisions amounting to €3,689 K (31.12.2021: €5,329 K) had been created for the Management Board under the variable remuneration system.

### **Supervisory Board**

#### Elected by the General Meeting:

Torsten Hollstein, Chairman

Jeffrey G. Dishner, Second Deputy Chairman

Dr. Monika Wildner, Deputy Chairwoman (until 31.10.2022)

Univ.-Prof. MMag. Dr. Klaus Hirschler (until 31.10.2022)

Michael Stanton (until 31.10.2022)

#### Delegated by registered share:

Sarah Broughton

David Smith, First Deputy Chairman (since 1.11.2022)

Laura Rubin (until 31.10.2022)

#### Delegated by works council:

Georg Edinger, BA, REAM (IREBS)

Sebastian Obermair

Nicole Kubista (until 31.10.2022)

Walter Sonnleitner (until 31.10.2022)

As at the balance sheet date, the Supervisory Board of CA Immo AG comprised two capital representatives elected by the Annual General Meeting, two capital representatives appointed by means of registered shares and two employee representatives.

In business year 2022 (for 2021), total remuneration of €309 K (2021: €328 K) was paid out (including attendance fees of €133 K; €113 K in 2021). Moreover, expenditure of €86 K was reported in connection with the Supervisory Board in

business year 2022 (2021: €202 K). Of this, cash outlays for travel expenses accounted for approximately €40 K (2021: €13 K) and other expenditure (including training costs and license costs) accounted for €34 K (2021: €33 K). Legal and other consultancy services accounted for €12 K (2021: €156 K). No other fees (particularly for consultancy or brokerage activities) and no loans or advances were paid to Supervisory Board members.

Total Supervisory Board remuneration of €219K for business year 2022 will be proposed to the Annual General Meeting on the basis of the same criteria (fixed annual payment of €30 K per Supervisory Board member plus attendance fee of €1 K per meeting), taking account of the waiver of remuneration for Supervisory Board members appointed on the basis of registered shares or related to the Starwood Capital Group, respectively. The remuneration was taken into account in the consolidated financial statements as at 31.12.2022.

All business transactions conducted between the company and members of the Supervisory Board which oblige such members to perform services for the CA Immo AG outside of their Supervisory Board activities in return for remuneration of a not inconsiderable value must conform to industry standards and be approved by the Supervisory Board. The same applies to contracts with companies in which a Supervisory Board member has a significant economic interest. Sarah Broughton, David Smith and Jeffrey G. Dishner perform comprehensive management functions within Starwood Capital Group.

#### **9.5. Employees**

In 2022, CA Immo Group had an average of 361 white-collar workers (2021 restated: 381) of whom on average 76 (2021: 72) were employed in Austria, 220 (2021: 235) in Germany and 65 (2021 restated: 74) in subsidiaries in Eastern Europe. In Romania an average of 13 white-collar workers (2021: 16) were employed.

### 9.6. Costs for the auditors

The expenses presented in the table below refer to fees from Ernst & Young Wirtschaftsprüfungsgesellschaft.m.b.H..

€ K	2022	2021
Auditing costs	424	420
Other assurance services	161	133
Other consultancy services	0	0
<b>Total</b>	<b>585</b>	<b>553</b>

In the consolidated income statement, the audit expenses, including review amount to €1,376 K (2021 restated: €1,307 K). Out of this, the amount for Ernst & Young entities amounts to €1,221 K (2021 restated: €1,166 K). Additionally the amount of €17 K (2021: €69 K) is for Ernst & Young Romania in connection with Romanian portfolio.

### 9.7. Events after balance sheet date

In February 2023, CA Immo Group closed the sale of one investment property in Vienna, Austria.

CA Immobilien Anlagen AG continued its share buyback programme started in December 2022 also after the balance sheet date. As of the reporting date 15.3.2023, CA Immobilien Anlagen AG holds a total of 7,561,315 treasury shares (31.12.2022: 6,860,401). With a total number of 106,496,426 shares issued, this corresponds to around 7.1% (31.12.2022: 6.4%).

The Supervisory Board of CA Immobilien Anlagen AG and the Chairwoman of the Management Board, Silvia Schmitten-Walgenbach, have mutually agreed on 21.3.2023 that Silvia Schmitten-Walgenbach's contract will be terminated as of 31.3.2023.

### 9.8. New and amended standards and interpretations

#### a) Changes in presentation, which have a material effect on the consolidated financial statements

The presentation and accounting policies remain unchanged compared to previous year.

#### Discontinued operation – Restatement of prior year

On 22.11.2022, CA Immo Group signed and closed the sale of the Romanian portfolio. The Romanian portfolio represents a geographical area of operations and thus, Romania is shown as a discontinued operation according to IFRS 5. On the consolidated income statement, the net income (after tax) from the Romanian portfolio is presented as a separate line in the reporting period 2022 and the prior year period 2021.

The 2021 comparative amounts of the consolidated income statement were correspondingly restated:

€ K	2021	Adjustment	2021
	as reported		restated
Rental income	229,111	-27,966	201,145
Operating costs charged to tenants	51,053	-7,140	43,913
Operating expenses	-57,600	7,424	-50,176
Other expenses directly related to properties rented	-23,102	4,675	-18,427
<b>Net rental income</b>	<b>199,462</b>	<b>-23,007</b>	<b>176,455</b>
<b>Other expenses directly related to properties under development</b>	<b>-1,854</b>	<b>0</b>	<b>-1,854</b>
<b>Result from trading and construction works</b>	<b>6,675</b>	<b>0</b>	<b>6,675</b>
<b>Result from the sale of investment properties</b>	<b>52,660</b>	<b>0</b>	<b>52,660</b>
Income from services	8,137	0	8,137
Indirect expenses	-58,222	2,270	-55,952
Other operating income	3,235	-6	3,229
<b>EBITDA</b>	<b>210,093</b>	<b>-20,743</b>	<b>189,350</b>
<b>Depreciation and impairment/reversal</b>	<b>-5,293</b>	<b>75</b>	<b>-5,218</b>
Revaluation gain	602,360	-7,777	594,583
Revaluation loss	-61,213	4,061	-57,152
<b>Result from revaluation</b>	<b>541,147</b>	<b>-3,716</b>	<b>537,431</b>
Result from joint ventures	3,618	0	3,618
<b>Result of operations (EBIT)</b>	<b>749,565</b>	<b>-24,384</b>	<b>725,181</b>
Finance costs	-47,619	11	-47,608
Foreign currency gains/losses	-69	17	-52
Result from derivatives	-25,945	0	-25,945
Result from financial investments	-756	0	-756
<b>Financial result</b>	<b>-74,389</b>	<b>28</b>	<b>-74,361</b>
<b>Net result before taxes (EBT)</b>	<b>675,176</b>	<b>-24,356</b>	<b>650,820</b>
Current income tax	-30,939	931	-30,008
Deferred taxes	-164,436	2,430	-162,006
<b>Income tax expense</b>	<b>-195,375</b>	<b>3,361</b>	<b>-192,014</b>
<b>Consolidated net income from continuing operations</b>	<b>479,801</b>	<b>-20,995</b>	<b>458,805</b>
<b>Consolidated net income from discontinued operation</b>	<b>0</b>	<b>20,995</b>	<b>20,995</b>
<b>Consolidated net income</b>	<b>479,801</b>	<b>0</b>	<b>479,801</b>
<b>Earnings per share in € (basic = diluted)</b>	<b>€4.89</b>	<b>0</b>	<b>€4.89</b>
<b>Basic = diluted earnings per share in € from continuing operations</b>	<b>€4.89</b>	<b>(€0.21)</b>	<b>€4.67</b>
<b>Basic = diluted earnings per share in € from discontinued operation</b>	<b>€0.00</b>	<b>€0.21</b>	<b>€0.21</b>

For a better presentation, CA Immo Group started showing in 2022 the “Change in restricted cash for loans” separately in cashflow from financing activities (until then in the “repayment of loans incl. interest rate derivatives”). This led to a restatement of the comparative information of 2021.

€ K	2021	Adjustment	2021
	as reported		restated
<b>Operating activities</b>			
Net result before taxes from continuing operations	675,176	-24,356	650,820
Net result before taxes from discontinued operation	0	24,356	24,356
<b>Cash flow from operations</b>	<b>123,894</b>	<b>0</b>	<b>123,894</b>
<b>Cash flow from operating activities</b>	<b>150,858</b>	<b>0</b>	<b>150,858</b>
<b>Cash flow from investing activities</b>	<b>-10,327</b>	<b>0</b>	<b>-10,327</b>
Change restricted cash for loans	0	-2,556	-2,556
Repayment of loans incl. interest rate derivatives	-70,535	2,556	-67,979
<b>Cash flow from financing activities</b>	<b>-445,101</b>	<b>0</b>	<b>-445,101</b>
<b>Net change in cash and cash equivalents</b>	<b>-304,569</b>	<b>0</b>	<b>-304,569</b>

Due to the presentation of Romania as a discontinued operation, the former core market of Romania (previously included in the segment Eastern Europe core regions) is not included in the segment reporting anymore. The prior year numbers 2021 have been restated. The column "Transition Consolidation" includes the balance sheet numbers of the discontinued operation in Romania as at 31.12.2021 to reconcile the segments to the group balance sheet as at 31.12.2021. The management fees of the holding company charged to the discontinued operation are not shown as income from services in the column holding anymore.



€ K	Eastern Europe core regions Income producing (as reported)	Adjustment Eastern Europe core regions	Eastern Europe core regions Income producing (restated)
<b>2021</b>			
Rental income	110,110	-27,966	82,144
Rental income with other operating segments	0	0	0
Operating costs charged to tenants	29,173	-7,140	22,032
Operating expenses	-32,460	7,424	-25,036
Other expenses directly related to properties rented	-11,436	4,675	-6,760
<b>Net rental income</b>	<b>95,386</b>	<b>-23,007</b>	<b>72,380</b>
Income from services	550	0	550
Indirect expenses	-13,907	3,441	-10,467
Other operating income	2,428	-6	2,422
<b>EBITDA</b>	<b>88,887</b>	<b>-19,572</b>	<b>69,315</b>
Depreciation and impairment/reversal	-452	75	-377
Result from revaluation	4,671	-3,716	955
<b>Result of operations (EBIT)</b>	<b>93,106</b>	<b>-23,213</b>	<b>69,893</b>
<b>Timing of revenue recognition</b>			
Income from services	550	0	550
<b>Total income IFRS 15 - transferred over time</b>	<b>29,723</b>	<b>-7,140</b>	<b>22,582</b>
<b>Total income IFRS 15</b>	<b>53,666</b>	<b>-7,140</b>	<b>46,526</b>
<b>31.12.2021</b>			
Property assets	1,868,565	-395,434	1,473,132
Other assets	215,553	-7,661	207,893
Deferred tax assets	652	-35	617
<b>Segment assets</b>	<b>2,084,771</b>	<b>-403,129</b>	<b>1,681,642</b>
Interest-bearing liabilities	690,135	-113,430	576,706
Other liabilities	96,702	-12,182	84,521
Deferred tax liabilities incl. current income tax liabilities	67,618	-19,033	48,585
<b>Liabilities</b>	<b>854,455</b>	<b>-144,644</b>	<b>709,811</b>
<b>Shareholders' equity</b>	<b>1,230,315</b>	<b>-258,485</b>	<b>971,830</b>
Capital expenditures	13,211	-2,827	10,384

	Holding (as reported)	Adjustment Holding	Holding (restated)	Transition Consolidation (as reported)	Adjustment Consolidation	Transition Consolidation (restated)
	0	0	0	-2,138	0	-2,138
	0	0	0	-1,256	0	-1,256
	0	0	0	78	0	78
	0	0	0	411	0	411
	0	0	0	545	0	545
	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,361</b>	<b>0</b>	<b>-2,361</b>
	7,788	-1,170	6,618	-10,090	1,170	-8,920
	-30,922	0	-30,922	11,123	-1,171	9,952
	45	0	45	-234	0	-234
	<b>-23,089</b>	<b>-1,170</b>	<b>-24,259</b>	<b>-19,208</b>	<b>-1</b>	<b>-19,209</b>
	-536	0	-536	168	0	168
	0	0	0	0	0	0
	<b>-23,625</b>	<b>-1,170</b>	<b>-24,795</b>	<b>-15,422</b>	<b>-1</b>	<b>-15,423</b>
	7,788	-1,170	6,618	-10,090	1,170	-8,920
	<b>7,788</b>	<b>-1,170</b>	<b>6,618</b>	<b>-13,450</b>	<b>1,170</b>	<b>-12,280</b>
	<b>7,788</b>	<b>-1,170</b>	<b>6,618</b>	<b>-43,848</b>	<b>1,170</b>	<b>-42,678</b>
	0	0	0	-168,106	395,434	227,328
	1,085,557	0	1,085,557	-1,136,637	7,661	-1,128,976
	30,809	0	30,809	-32,256	35	-32,221
	<b>1,116,366</b>	<b>0</b>	<b>1,116,366</b>	<b>-1,336,998</b>	<b>403,129</b>	<b>-933,869</b>
	1,460,513	0	1,460,513	-1,111,590	113,430	-998,161
	269,185	0	269,185	-120,674	12,182	-108,493
	632	0	632	-34,165	19,033	-15,132
	<b>1,730,330</b>	<b>0</b>	<b>1,730,330</b>	<b>-1,266,430</b>	<b>144,644</b>	<b>-1,121,785</b>
	<b>-613,963</b>	<b>0</b>	<b>-613,963</b>	<b>-70,569</b>	<b>258,485</b>	<b>187,916</b>
	1,053	0	1,053	-21,741	2,827	-18,913

The 2021 comparative amounts of the tax reconciliation were correspondingly restated due to the presentation of Romania as a discontinued operation:

€ K	2021 as reported	Adjustment	2021 restated
Net result before taxes	675,176	-24,356	650,820
<b>Expected tax expenses (tax rate Austria 25.0%/prior year 25.0%)</b>	<b>-168,794</b>	<b>6,089</b>	<b>-162,705</b>
Non-usable tax losses carried forward	-139	76	-64
Non tax-deductible expense and permanent differences	-4,249	88	-4,162
Differing tax rates	-16,114	-1,653	-17,767
Tax-exempt income	543	-1	542
Adjustment of prior periods	1,398	-63	1,335
Amortisation/Reversal of amortisation of deferred tax assets	-955	78	-877
Exchange rate differences not affecting tax	1,456	246	1,702
Tax impact on eliminated income in connection with discontinued operation	0	-1,498	-1,498
<b>Effective tax expense</b>	<b>-195,375</b>	<b>3,361</b>	<b>-192,014</b>

Romania has been excluded from the 2021 comparative amounts of the future minimum rental income.

€ K	2021 as reported	Adjustment	2021 restated
In the following year	201,833	-28,215	173,618
in the second year	172,673	-23,499	149,174
in the third year	137,209	-11,862	125,347
in the fourth year	101,234	-6,747	94,488
in the fifth year	77,380	-5,028	72,352
after more than five years	169,890	-5,364	164,526
<b>Total</b>	<b>860,220</b>	<b>-80,714</b>	<b>779,505</b>

#### b) First-time application of new and revised standards and interpretations not materially influencing the consolidated financial statements

The following standards and interpretations, already adopted by the EU, were applicable for the first time in the business year 2022:

Standard / Interpretation	Content	Entry into force <sup>1)</sup>
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	1.4.2021 <sup>1)</sup>
Amendments to IFRS 3	Reference to the Conceptual Framework	1.1.2022 <sup>1)</sup>
Amendments to IAS 37	Cost of Fulfilling a Contract	1.1.2022 <sup>1)</sup>
Amendments to IAS 16	Proceeds before Intended Use	1.1.2022 <sup>1)</sup>
Annual Improvements (2018-2020)	Miscellaneous	1.1.2022 <sup>1)</sup>

<sup>1)</sup> The standards and interpretations are to be applied to business years commencing on or after the effective date.

**c) New or revised standards and interpretations not yet in force**

<b>Standard / Interpretation</b>	<b>Content</b>	<b>Entry into force<sup>1)</sup></b>
IFRS 17	Insurance Contracts	1.1.2023 <sup>2)</sup>
Amendments to IAS 1	Classification of liabilities as current or non-current	1.1.2023 <sup>2)</sup>
Amendments to IAS 1	Disclosure of Accounting Policies	1.1.2023 <sup>2)</sup>
Amendments to IAS 8	Definition of Accounting Estimates	1.1.2023 <sup>2)</sup>
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1.1.2023 <sup>2)</sup>

<sup>1)</sup> The standards and interpretations are to be applied to business years commencing on or after the effective date.

<sup>2)</sup> Not yet adopted by the EU as of the reporting date. The effective date envisaged by an EU Regulation may differ from the date indicated by the IASB.

The above listed revisions and interpretations are not being early adopted by CA Immo Group.

CA Immo Group does not expect any material impact from the first-time application of IFRS 17 (Insurance contracts) and the remaining new regulations.

**9.9. List of group companies**

The following companies are included in the consolidated financial statements in addition to CA Immobilien Anlagen Aktiengesellschaft:

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method <sup>1)</sup>	Foundation/ First time consolidation in 2022
CA Immo d.o.o.	Belgrade	32,822,662	RSD	100	FC	
CA Immo Sava City d.o.o.	Belgrade	4,685,767,489	RSD	100	FC	
TM Immo d.o.o.	Belgrade	1,307,737,295	RSD	100	FC	
CA Immo Sechzehn GmbH & Co. KG	Berlin	25,000	EUR	100	FC	
CA Immo Spreebogen Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Zehn GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Zwölf Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Real Estate Management Hungary Kft.	Budapest	54,510,000	HUF	100	FC	
COM PARK Kft.	Budapest	3,040,000	HUF	100	FC	
Duna Business Hotel Kft.	Budapest	452,844,530	HUF	100	FC	
Duna Irodaház Kft.	Budapest	277,003,015	HUF	100	FC	
Duna Termál Hotel Kft.	Budapest	390,906,655	HUF	100	FC	
EUROPOLIS City Gate Kft.	Budapest	13,010,000	HUF	100	FC	
Kapas Center Kft.	Budapest	772,560,000	HUF	100	FC	
KILB Kft.	Budapest	30,000,000	HUF	100	FC	
Millennium Irodaház Kft.	Budapest	997,244,944	HUF	100	FC	
Váci 76 Kft.	Budapest	3,100,000	HUF	100	FC	
Blitz F07-neunhundert-sechzig-neun GmbH	Frankfurt	25,000	EUR	100	FC	
Blitz F07-neunhundert-sechzig-acht GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Deutschland GmbH	Frankfurt	5,000,000	EUR	99.7	FC	
CA Immo GB Eins Verwaltungs GmbH i.L.	Frankfurt	25,000	EUR	100	FC	
CA Immo Invest GmbH	Frankfurt	50,000	EUR	100	FC	
CM Komplementär F07-888 GmbH & Co. KG	Frankfurt	25,000	EUR	94.9	FC	
DRG Deutsche Realitäten GmbH	Frankfurt	500,000	EUR	49	AEJV	
CA Immo Holding B.V. i.L.	Hoofddorp	1,800,000	EUR	100	FC	
CAINE B.V. i.L.	Hoofddorp	97,100,000	EUR	100	FC	
ALBERIQUE LIMITED i.L.	Limassol	1,325	EUR	100	FC	
4P - Immo. Praha s.r.o.	Prague	200,000	CZK	100	FC	
CA Immo Real Estate Management Czech Republic s.r.o.	Prague	1,000,000	CZK	100	FC	
RCP Alfa, s.r.o.	Prague	1,000,000	CZK	100	FC	
RCP Amazon, s.r.o.	Prague	1,000,000	CZK	100	FC	
RCP Beta, s.r.o.	Prague	73,804,000	CZK	100	FC	
RCP Delta, s.r.o.	Prague	1,000,000	CZK	100	FC	
RCP Gama, s.r.o.	Prague	96,931,000	CZK	100	FC	
RCP ISC, s.r.o.	Prague	1,000,000	CZK	100	FC	
RCP Zeta, s.r.o.	Prague	200,000	CZK	100	FC	
Visionary Prague, s.r.o.	Prague	200,000	CZK	100	FC	

<sup>1)</sup> FC full consolidation, AEJV at equity consolidation joint ventures

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method <sup>1)</sup>	Foundation/ First time consolidation in 2022
CA Immo Bitwy Warszawskiej Sp. z o.o.	Warsaw	47,956,320	PLN	100	FC	
CA Immo New City Sp. z o.o.	Warsaw	796,000	PLN	100	FC	
CA Immo P14 Sp. z o.o.	Warsaw	10,000	PLN	100	FC	
CA IMMO REAL ESTATE MANAGEMENT POLAND Sp. z o.o.	Warsaw	565,000	PLN	100	FC	
CA Immo Saski Crescent Sp. z o.o.	Warsaw	140,921,250	PLN	100	FC	
CA Immo Saski Point Sp. z o.o.	Warsaw	55,093,000	PLN	100	FC	
CA Immo Warsaw Spire B Sp. z o.o.	Warsaw	5,050,000	PLN	100	FC	
CA Immo Warsaw Spire C Sp. z o.o.	Warsaw	2,050,000	PLN	100	FC	
CA Immo Warsaw Towers Sp. z o.o.	Warsaw	155,490,900	PLN	100	FC	
CA Immo Sienna Center Sp. z o.o.	Warsaw	116,912,640	PLN	100	FC	
CA Immo - RI - Residential Property Holding GmbH	Vienna	70,000	EUR	100	FC	
CA Immo BIP Liegenschaftsverwaltung GmbH	Vienna	3,738,127	EUR	100	FC	
CA Immo Galleria Liegenschaftsverwaltung GmbH	Vienna	35,000	EUR	100	FC	
CA Immo Germany Holding GmbH	Vienna	35,000	EUR	100	FC	
CA Immo International Holding GmbH	Vienna	35,000	EUR	100	FC	
CA Immo Konzernfinanzierungs GmbH	Vienna	100,000	EUR	100	FC	
CA Immo LP GmbH	Vienna	146,000	EUR	100	FC	
CA Immo Rennweg 16 GmbH	Vienna	35,000	EUR	100	FC	
CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs KG	Vienna	7,000	EUR	100	FC	
EUROPOLIS CE Alpha Holding GmbH	Vienna	36,336	EUR	100	FC	
EUROPOLIS CE Rho Holding GmbH	Vienna	35,000	EUR	100	FC	
EUROPOLIS GmbH	Vienna	5,000,000	EUR	100	FC	

<sup>1)</sup> FC full consolidation, AEJV at equity consolidation joint ventures

As at 31.12.2022, CA Immo Group held 99.7% of shares in CA Immo Deutschland GmbH, Frankfurt am Main (or simply Frankfurt). The following subsidiaries, shares in joint ventures and associated companies of CA Immo Deutschland GmbH, Frankfurt, are therefor also included in the consolidated financial statements:

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method <sup>1)</sup>	Foundation/ First time consolidation in 2022 <sup>2)</sup>
CA Immo Berlin Europaplatz 02 Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Friedrich-List Ufer GmbH & Co. KG	Berlin	5,000	EUR	100	FC	F
CA Immo Berlin Am Karlsbad 11 Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Am Karlsbad 11 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Europaplatz 01 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Europaplatz 01 TT Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Europaplatz 02 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	F
CA Immo Berlin Europaplatz 03 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Europaplatz 04 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Europaplatz Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Hallesches Ufer GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 4 Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 4 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 7 Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 7 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 8 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Lehrter Stadtquartier 8 Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Mitte 01 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Mitte 02 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Pohlstraße 20 GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Pohlstraße Beteiligungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Pohlstraße Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Schöneberger Ufer Beteiligungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Schöneberger Ufer BT 1 Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Schöneberger Ufer BT 2 Betriebs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Schöneberger Ufer GmbH & Co. KG	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Upbeat GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Upbeat Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
CA Immo Berlin Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
Stadthafenquartier Europacity Berlin GmbH & Co. KG	Berlin	5,000	EUR	50	AEJV	
Stadthafenquartier Europacity Berlin Verwaltungs GmbH	Berlin	25,000	EUR	50	AEJV	
Boulevard Süd 4 GmbH & Co. KG i.L.	Frankfurt	200,000	EUR	100	FC	
Boulevard Süd 4 Verwaltungs-GmbH i.L.	Frankfurt	25,000	EUR	100	FC	
CA Immo Düsseldorf BelsenPark MK 2.1 Betriebs GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Düsseldorf BelsenPark MK 2.1 Projekt GmbH & Co. KG	Frankfurt	5,000	EUR	100	FC	
CA Immo Düsseldorf BelsenPark MK 3 Projekt GmbH & Co. KG	Frankfurt	5,000	EUR	100	FC	
CA Immo Düsseldorf BelsenPark Verwaltungs GmbH	Frankfurt	25,000	EUR	100	FC	

<sup>1)</sup> FC full consolidation, AEJV at equity consolidation joint ventures

<sup>2)</sup> F foundation, A acquisition

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method <sup>1)</sup>	Foundation/ First time consolidation in 2022 <sup>2)</sup>
CA Immo Düsseldorf Kasernenstraße GmbH	Frankfurt	37,503	EUR	100	FC	A
CA Immo Frankfurt Alpha GmbH	Frankfurt	25,100	EUR	100	FC	
CA Immo Frankfurt Beta GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Frankfurt Gamma GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Frankfurt Karlsruher Straße GmbH & Co. KG	Frankfurt	5,000	EUR	100	FC	
CA Immo Frankfurt ONE Betriebs GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Frankfurt ONE GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Frankfurt Verwaltungs GmbH	Frankfurt	25,000	EUR	100	FC	
omniCon Gesellschaft für innovatives Bauen mbH	Frankfurt	100,000	EUR	100	FC	
Baumkirchen MI GmbH & Co. KG	Grünwald	5,000	EUR	100	FC	
Baumkirchen MI Verwaltungs GmbH	Grünwald	25,000	EUR	100	FC	
Baumkirchen MK GmbH & Co. KG	Grünwald	10,000	EUR	100	FC	
Baumkirchen WA 1 GmbH & Co. KG	Grünwald	10,000	EUR	50	AEJV	
Baumkirchen WA 1 Verwaltungs GmbH	Grünwald	25,000	EUR	50	AEJV	
Baumkirchen WA 2 GmbH & Co. KG	Grünwald	10,000	EUR	50	AEJV	
Baumkirchen WA 2 Verwaltungs GmbH	Grünwald	25,000	EUR	50	AEJV	
Baumkirchen WA 3 GmbH & Co. KG	Grünwald	10,000	EUR	50	AEJV	
Baumkirchen WA 3 Verwaltungs GmbH	Grünwald	25,000	EUR	50	AEJV	
CA Immo Bayern Betriebs GmbH	Grünwald	25,000	EUR	100	FC	
CA Immo München Ambigon Nymphenburg GmbH & Co. KG	Grünwald	5,000	EUR	100	FC	
CA Immo München Nymphenburg GmbH & Co. KG	Grünwald	5,000	EUR	100	FC	
CA Immo München Verwaltungs GmbH	Grünwald	25,000	EUR	100	FC	
CA Immo Projektentwicklung Bayern GmbH & Co. KG	Grünwald	255,646	EUR	100	FC	
CA Immo Projektentwicklung Bayern Verwaltungs GmbH	Grünwald	25,565	EUR	100	FC	
CAMG Zollhafen HI IV V GmbH & Co. KG	Grünwald	105,000	EUR	50	AEJV	
CAMG Zollhafen HI IV V Verwaltungs GmbH	Grünwald	25,000	EUR	50	AEJV	
CPW Immobilien GmbH & Co. KG i.L.	Grünwald	5,000	EUR	33.32 <sup>3)</sup>	AEJV	
CPW Immobilien Verwaltungs GmbH	Grünwald	25,000	EUR	33.34 <sup>3)</sup>	AEJV	
Eggarten Projektentwicklung GmbH & Co. KG	Grünwald	16,000	EUR	50	AEJV	
Eggarten Projektentwicklung Verwaltung GmbH	Grünwald	25,000	EUR	50	AEJV	
Kontorhaus Arnulfpark Betriebs GmbH	Grünwald	25,000	EUR	100	FC	
Kontorhaus Arnulfpark GmbH & Co. KG	Grünwald	100,000	EUR	99.93	FC	
Kontorhaus Arnulfpark Verwaltungs GmbH	Grünwald	25,000	EUR	100	FC	
SKYGARDEN Arnulfpark GmbH & Co. KG	Grünwald	100,000	EUR	100	FC	
Congress Centrum Skyline Plaza Beteiligung GmbH	Hamburg	25,000	EUR	50	AEJV	
Congress Centrum Skyline Plaza GmbH & Co. KG	Hamburg	25,000	EUR	50	AEJV	

<sup>1)</sup> FC full consolidation, AEJV at equity consolidation joint ventures

<sup>2)</sup> F foundation, A acquisition

<sup>3)</sup> Common control

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method <sup>1)</sup>	Foundation/ First time consolidation in 2022
Congress Centrum Skyline Plaza Verwaltung GmbH	Hamburg	25,000	EUR	50	AEJV	
CA Immo Mainz Hafenspitze GmbH	Mainz	25,000	EUR	100	FC	
CA Immo Mainz Quartiersgarage GmbH	Mainz	25,000	EUR	100	FC	
CA Immo Mainz Rheinallee III GmbH & Co. KG	Mainz	5,000	EUR	100	FC	
CA Immo Mainz Rheinwiesen II GmbH & Co. KG	Mainz	5,000	EUR	100	FC	
CA Immo Mainz Verwaltungs GmbH	Mainz	25,000	EUR	100	FC	
Mainzer Hafen GmbH	Mainz	25,000	EUR	50	AEJV	
Zollhafen Mainz GmbH & Co. KG	Mainz	1,200,000	EUR	50.1 <sup>2)</sup>	AEJV	
SEG Kontorhaus Arnulfpark Beteiligungsgesellschaft mbH	München	25,000	EUR	99	FC	
Skyline Plaza Generalübernehmer GmbH & Co. KG	Oststeinbek	25,000	EUR	50	AEJV	
Skyline Plaza Generalübernehmer Verwaltung GmbH	Oststeinbek	25,000	EUR	50	AEJV	

<sup>1)</sup> FC full consolidation, AEJV at equity consolidation joint ventures

<sup>2)</sup> Common control

Vienna, 22.3.2023

The Management Board



Silvia Schmitt-Walgenbach  
(Chief Executive Officer/CEO)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)

## DECLARATION OF THE MANAGEMENT BOARD PURSUANT TO SECTION 124 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT

The management board confirms to the best of their knowledge that the consolidated financial statements of CA Immobilien Anlagen Aktiengesellschaft, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, give a true and fair view of the consolidated financial position of CA Immo Group and its consolidated financial performance and of its consolidated cash flows and that the group management report gives a true and fair view of the business development, the financial performance, and financial position of the Group, together with a description of the principal risks and uncertainties the CA Immo Group faces.

Vienna, 22.3.2023

The Management Board



Silvia Schmitt-Walgenbach  
(Chief Executive Officer/CEO)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)

# AUDITOR'S REPORT <sup>\*)</sup>

## Report on the Consolidated Financial Statements

### Audit Opinion

We have audited the consolidated financial statements of

#### CA Immobilien Anlagen Aktiengesellschaft, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2022 and its financial performance for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

### Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following is the key audit matter that we identified:

*Titel*

#### Valuation of Investment Property

*Risk*

CA Immobilien Anlagen Aktiengesellschaft reports investment properties in the amount of €4,965,793 K and investment properties under development in the amount of €596,632 K in its consolidated financial statements as of December 31, 2022. The consolidated financial statements as of December 31, 2022 also include a result from revaluation amounting to €-94,070 K.

Investment properties are measured at fair value based on valuation reports from external, independent valuation experts.

The valuation of investment properties is subject to material assumptions and estimates. The material risk for every individual property exists when determining assumptions and estimates such as the discount/capitalization rate and rental income and for investment properties under development the construction and develop-

ment costs to completion and the developer's profit. A minor change in these assumptions and estimates can have a material impact on the valuation of investment properties.

The respective disclosures relating to accounting policies and significant judgments, assumptions and estimates are shown in Section "3.1 Long-term property assets" in the consolidated financial statements.

#### *Consideration in the audit*

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures with involvement of our internal property valuation experts:

- Assessment of concept and design of the underlying property valuation process
- Assessment of design and effectiveness of relevant key controls in the underlying process based on a sample
- Assessment of the competence, capability and objectivity of the external valuation experts engaged by management
- Assessment of the applied methods and the mathematical accuracy of selected valuation reports as well as assessment of the plausibility of the underlying assumptions (eg. Rental income, discount/capitalization rate, usable space, vacancy rate) by means of comparison with market data if available
- Check of certain input-data as included in the valuation reports with data in the accounting system or underlying agreements
- Inquiry of project-management for selected properties under development regarding reasons for deviations between plan and actual costs and current estimation of cost to completion; check of actual costs for those projects through review of project-documentation and vouching on a sample basis as well as evaluation of the derived percentage of completion
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

We received the consolidated Corporate Governance Report until the date of this audit opinion; the rest of the annual report is estimated to be provided to us after the date of the auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and of the Audit Committee for the Consolidated Financial Statements**

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such

internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

##### **Comments on the Management Report for the Group**

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

##### **Opinion**

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising the details in accordance with Section 243a Austrian Company Code UGB, and is consistent with the consolidated financial statements.

##### **Statement**

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

##### **Additional information in accordance with article 10 EU regulation**

We were elected as auditor by the ordinary general meeting at May 5, 2022. We were appointed by the Supervisory Board on July 28, 2022. We are auditors since the financial year 2017.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

**Responsible Austrian Certified Public Accountant**

The engagement partner is Alexander Wlasto, Certified Public Accountant.

Vienna, March 22, 2023

Ernst & Young  
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Alexander Wlasto mp

Mag. (FH) Isabelle Vollmer mp

Wirtschaftsprüfer / Certified Public Accountant

Wirtschaftsprüferin / Certified Public Accountant

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\*) This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

FINANCIAL STATEMENTS AND  
MANAGEMENT REPORT



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### FINANCIAL STATEMENTS AND MANAGEMENT REPORT

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**Liabilities and shareholders' equity**

	31.12.2022	31.12.2021
	€	€1,000
<b>A. Shareholders' equity</b>		
I. Share capital		
Share capital drawn	774,229,017.02	774,229
Treasury shares	– 49,875,115.27	– 42,021
	<b>724,353,901.75</b>	<b>732,208</b>
II. Tied capital reserves	998,958,619.09	998,959
III. Tied reserves for treasury shares	49,875,115.27	42,021
IV. Net profit	439,079,979.39	440,139
of which profit carried forward: €440,138,865.80; 31.12.2021: €293,378 K		
	<b>2,212,267,615.50</b>	<b>2,213,327</b>
<b>B. Grants from public funds</b>	<b>344,217.76</b>	<b>377</b>
<b>C. Provisions</b>		
1. Provision for severance payment	466,655.00	396
2. Tax provisions	5,000.00	464
3. Other provisions	12,868,630.51	17,782
	<b>13,340,285.51</b>	<b>18,642</b>
<b>D. Liabilities</b>		
1. Bonds	1,291,621,000.00	1,434,032
thereof with a residual term of up to one year: €116,621,000.00; 31.12.2021: €142,411 K		
thereof with a residual term of more than one year: €1,175,000,000.00; 31.12.2021: €1,291,621 K		
2. Liabilities to banks	153,788,270.52	100,833
thereof with a residual term of up to one year: €3,274,657.82; 31.12.2021: €1,225 K		
thereof with a residual term of more than one year: €150,513,612.70; 31.12.2021: €99,608 K		
3. Trade payables	627,150.74	818
thereof with a residual term of up to one year: €591,440.72; 31.12.2021: €757 K		
thereof with a residual term of more than one year: €35,710.02; 31.12.2021: €61 K		
4. Payables to affiliated companies	145,236,888.73	38,222
thereof with a residual term of up to one year: €145,236,888.73; 31.12.2021: €38,222 K		
5. Other liabilities	18,670,991.24	269,470
of which from taxes: €1,001,826.13 €; 31.12.2021: €329 K		
of which social security related: €156,075.78; 31.12.2021: €163 K		
thereof with a residual term of up to one year: €15,176,962.59; 31.12.2021: €269,470 K		
thereof with a residual term of more than one year: €3,494,028.65 31.12.2021: €0 K		
	<b>1,609,944,301.23</b>	<b>1,843,375</b>
thereof with a residual term of up to one year: €280,900,949.86; 31.12.2021 €452,085 K		
thereof with a residual term of more than one year: €1,329,043,351.37; 31.12.2021: €1,391,290 K		
<b>E. Deferred income</b>	<b>4,104,298.93</b>	<b>5,767</b>
	<b>3,840,000,718.93</b>	<b>4,081,488</b>

## INCOME STATEMENT FOR THE YEAR ENDED 31.12.2022

	€	2022 €	€1,000	2021 €1,000
<b>1. Gross revenues</b>		<b>33,282,674.44</b>		<b>30,739</b>
<b>2. Other operating income</b>				
a) Income from the disposal of fixed assets except of financial assets	10,567,731.77		14,684	
b) Income from the reversal of provisions	357,143.47		194	
c) Other income	1,411,191.94	<b>12,336,067.12</b>	644	<b>15,522</b>
<b>3. Staff expense</b>				
a) Salaries	- 12,288,772.75		- 13,503	
b) Social expenses	- 2,684,437.99	<b>- 14,973,210.74</b>	- 2,610	<b>- 16,113</b>
thereof expenses in connection with pensions: €233,786.99; 2021: €254 K				
thereof expenses for severance payments and payments into staff welfare funds: €259,416.97; 2021: €364 K				
thereof payments relating to statutory social security contributions as well as payments dependent on remuneration and compulsory contributions: €1,998,241.87; 2021: €1,769 K				
<b>4. Depreciation on intangible fixed assets and tangible fixed assets</b>		<b>- 7,221,890.11</b>		<b>- 8,140</b>
<b>5. Other operating expenses</b>				
a) Taxes	- 704,721.36		- 861	
b) Other expenses	- 16,040,934.07	<b>- 16,745,655.43</b>	- 19,390	<b>- 20,251</b>
<b>6. Subtotal from lines 1 to 5 (operating result)</b>		<b>6,677,985.28</b>		<b>1,757</b>
<b>7. Income from investments</b>		<b>28,183,598.52</b>		<b>179,486</b>
of which from affiliated companies: €28,100,947.35; 2021: €179,337 K				
<b>8. Income from loans from financial assets</b>		<b>8,420,084.26</b>		<b>14,109</b>
of which from affiliated companies: €8,420,084.26; 2021: €14,109 K				
<b>9. Other interest and similar income</b>		<b>3,816,179.58</b>		<b>3,315</b>
of which from affiliated companies: €0.00; 2021: €12 K				
<b>10. Income from the disposal and revaluation of financial assets</b>		<b>15,065,326.35</b>		<b>11,366</b>
<b>11. Expenses for financial assets, thereof</b>		<b>- 5,764,938.17</b>		<b>- 34,496</b>
a) Impairment: €5,760,758.97; 2021: €34,495 K				
b) Expenses from affiliated companies: €5,764,676.05; 2021: €34,490 K				
<b>12. Interest and similar expenses</b>		<b>- 26,853,518.93</b>		<b>- 31,460</b>
of which relating to affiliated companies: €301,731.95; 2021: €74 K				
<b>13. Subtotal from lines 7 to 12 (financial result)</b>		<b>22,866,731.61</b>		<b>142,320</b>
<b>14. Result before taxes</b>		<b>29,544,716.89</b>		<b>144,077</b>
<b>15. Taxes on income</b>		<b>1,843,306.78</b>		<b>2,684</b>
thereof income deferred taxes: €564,279.35; 2021: €826 K				
<b>16. Net profit for the year</b>		<b>31,388,023.67</b>		<b>146,761</b>
<b>17. Allocation to reserve from retained earnings</b>		<b>- 32,446,910.08</b>		<b>0</b>
<b>18. Profit carried forward from the previous year</b>		<b>440,138,865.80</b>		<b>293,378</b>
<b>19. Net profit</b>		<b>439,079,979.39</b>		<b>440,139</b>

## NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2022

### ACCOUNTING AND VALUATION PRINCIPLES AND GENERAL INFORMATION

CA Immobilien Anlagen Aktiengesellschaft (“CA Immo AG”) is classified as public interest entity according to section 189a Austrian Commercial Code (UGB) and as a large company according to section 221 Austrian Commercial Code (UGB).

The annual financial statements were prepared in accordance with Austrian Generally Accepted Accounting Principles in the current version and with the principles of proper accounting and general standards, to present a true and fair view of assets, financial situation and profit and loss. Furthermore, going concern principle, prudence and completeness as well as individual valuation of assets and liabilities were taken into account in the preparation of the financial statements.

For profit and loss, classification by nature was used.

#### 1. Makroeconomic environment

Global inflationary pressures, the war in Ukraine and the resurgence of Covid-19 in China stressed the global economy in 2022. The market conditions prevailing over the past few quarters, characterised in particular by geopolitical uncertainties, weakening economic momentum and sharply rising interest rates, have significantly changed the environment for the real estate sector. Immediate global effects include high energy prices, rapidly rising construction costs and significant interest rate increases. These factors are leading to increased volatility on international financial markets.

#### Impact on CA Immo AG and its subsidiaries

The current situation has no impact on the accounting policies applied

CA Immo AG and its subsidiaries are affected by the developments described above by rising energy and financing costs as well as rising prices in the construction industry. Furthermore, the changed economic environment and fears of recession are having an impact on property valuations, in terms of increased real estate yields, transaction markets as well as the valuation of the company on the equity market.

All of the core markets of CA Immo AG and its subsidiaries experienced a challenging environment for business operations, which is characterised in particular by significantly weakened transaction activity. If letting activities also weaken significantly, longer marketing and vacancy times for unlet space can also be expected in the future.

In view of the recent high level of utilization in the construction industry, there are risks for CA Immo AG and its subsidiaries in project developments in terms of both availability and construction costs. This means that rising construction costs, supply and timing problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values are to be expected.

The majority of the rents are either linked to an index or fixed graduated rents have been agreed, which allows CA Immo AG and its subsidiaries to mitigate the risk of inflation.

The effects of geopolitical developments and developments on the stock and financial markets on the future financial position, financial performance and cash flows of CA Immo AG and its subsidiaries cannot be conclusively assessed and are evaluated on an ongoing basis.

The Covid-19 pandemic had no significant impact on the financial position, financial performance and cash flows of CA Immo AG or its subsidiaries as at 31.12.2022.

CA Immo AG or its subsidiaries do not have any properties in Russia or Ukraine in their portfolio.

## 2. Fixed assets

### Intangible and tangible fixed assets

Intangible and tangible assets are stated at acquisition or production cost reduced by scheduled depreciation, if depreciable, and unscheduled depreciation, where required.

	from	Years to
Software	3	4
Fit-outs	5	10
Buildings	33	50
Other assets, office furniture and equipment	2	20

Scheduled depreciation is performed on a linear basis, with the depreciation period corresponding to useful life expectancy. Additions in the first half of the business year are subject to full annual depreciation, while additions in the second half are subject to half of the annual depreciation.

Unscheduled depreciation is only carried out where it is anticipated that permanent value impairments will occur. Reversal of impairments recognised in prior periods are recorded if the fair value is higher than the book value at the balance sheet date, but below amortised costs.

### Financial assets

Shares in affiliated companies and investments are stated at acquisition costs less unscheduled depreciation.

Loans to affiliated companies are stated at acquisition costs less repayments made and unscheduled depreciation.

Unscheduled depreciation is only recorded if permanent impairment losses are expected to occur. A reversal of impairment losses recognised in prior periods is recorded if the fair value is considerably higher than the book value at the balance sheet date. The valuation is done by a simplified subsidiary valuation model based on the fair value of the respective property for IFRS purposes adjusted for other assets or liabilities of the subsidiary.

## 3. Current assets

Receivables are stated at nominal value. Identifiable default risks are considered by carrying out individual value adjustments. Income from investments is recognised on the basis of shareholders' resolutions. Interest receivables are recognised based on of the agreed interest rates.

Reversal of short-term assets impairments or the release of allowances are made when the underlying reasons for such decreases are no longer valid. The basis for determining the fair values of interest receivables is the market value of the properties of the respective subsidiaries (based on market value appraisals used for the IFRS consolidated financial statements purposes).

#### 4. Deferred charges and deferred income

Prepayments are recorded under deferred charges. Additionally, the disagio of the bond is capitalised under this item and released over the redemption period, according to the effective interest rate method.

Cloud software solutions do not fulfil the criteria of a clearly identifiable asset due to the lack of control over the software. Programming costs incurred by the software developer are deferred and recognised as an expense over the term of the agreement.

Rent prepayments and investment allowances from tenants are shown under deferred income and will be released over the minimum lease term.

#### 5. Deferred taxes

Deferred taxes are recognised in accordance with Art 189 par 9 and 10 in Austrian Commercial Code using the balance sheet approach and without discounting on the basis of the corporate tax rate according to the tax reform for the realization in 2023 and from 2024 of 24% or 23% respectively (31.12.2021: 25%). Deferred taxes with a tax rate of 3% were also applied to deferred taxes of tax members, which themselves account for only 21% of group tax (instead of 23%/24% corporate income tax; 31.12.2021: 25%). CA Immo AG records tax losses amounting to the maximum of netted deferred tax assets and deferred tax liabilities, taking into account the 75% threshold. A surplus of tax losses carried forward is not recognised. The tax reform adopted in Austria in 2022 resulted in a reduction in deferred tax assets as of 1.1.2022 in the amount of €131 K.

#### 6. Grants from public funds

The grants relate entirely to buildings and are released over the remaining useful life of the building.

#### 7. Provisions

Provisions for severance payments amount to 630% (31.12.2021: 569%) of the imputed statutory notional severance payment obligations at the balance sheet date. The calculation is performed using the PUC method, which is recognised in international accounting, based on an interest rate of 3.2% (31.12.2021: -0.04%) and future salary increases (including inflation rate) of 7.10% (31.12.2021: 3%). For the computation of severance payments provisions, AVÖ 2018-P was used as actuarial basis. The period for build-up is until retirement, i.e. for a maximum of 25 years. Interest as well as effects from the change in interest rate were recorded in “personnel expenses”.

Tax and other provisions are made on a prudent basis, in accordance with anticipated requirements. They take into account all identifiable risks and not yet finally assessed liabilities.

#### 8. Liabilities

Liabilities are stated at the amount to be paid.

#### 9. Tax group

In business year 2005 a group and tax compensation agreement was concluded for the formation of a tax group within the meaning of section 9 of the Austrian Corporation Tax Act (KStG) effective from business year 2005. In the subsequent years this was expanded by additional group members or reduced by members leaving the group. The group is headed by CA Immo AG. In business year 2022 the tax group comprised 11 Austrian group companies (2021: 12), in addition to the group head entity. In 2022, one group member was merged retroactively to 31.12.2021.

The allocation method used by the CA Immo tax group is the distribution method where tax profits of a group member are offset against pre-group tax losses carried forward and the remaining profit of the group member taxed at a rate of 22% (in 2023: 21%), respectively up to a tax rate of 25% (in 2023: up to 24%) if the tax group has a profit. Losses carried forward of a group member are retained. In case of termination of the tax group or the withdrawal of a tax group member, CA Immo AG, as group head entity, is obliged to pay a final compensation payment for unused tax losses that have been allocated to the head of the group. These compensation payments are based on the fair value of all (notional) prospective tax reductions, which the group member would have potentially realised, if it had not joined the tax group. Upon withdrawal of a tax group member or termination of the tax group, the final compensation payment will be determined through the professional opinion of a mutually appointed chartered accountant. As at 31.12.2022 the possible obligations against group companies resulting from a possible termination of the group, were estimated at €20,646 K with a corporate income tax rate of 24% (31.12.2021: €22,372 K with a corporate income tax rate of 25%).

Tax expenses in the profit and loss are reduced by the tax compensation of tax group members.

#### 10. Note on currency translation

Foreign exchange receivables are valued at the purchase price or the lower exchange rate as at the balance sheet date. Foreign exchange liabilities are valued at the purchase price or the higher exchange rate as at the balance sheet date.

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### EXPLANATORY NOTES ON THE BALANCE SHEET AND INCOME STATEMENT

#### 11. Explanatory notes on the balance sheet

##### a) Fixed assets

The breakdown and development of fixed assets can be seen in the assets analysis in Appendix 1.

##### Tangible assets

Additions to property and buildings or assets under construction mainly relate to investments in Erdberger Lände. In 2022 one investment property was sold. As at the balance sheet date, the tangible assets comprise 6 properties (31.12.2021: 7 properties). The acquisition/production costs of the buildings include capitalised interest in the amount of €133 K, which will be depreciated over a period of 40 years following the put into function in 2018.

In 2022 there was no unscheduled depreciation on tangible assets (2021: €0 K) and no reversals of impairment losses (2021: €0 K) were recorded.

##### Financial assets

The notes on affiliated companies can be found in Appendix 2.

Impairment losses on financial assets in the amount of €5,761 K (2021: €34,495 K) and reversals of impairment losses in the amount of €1,330 K (2021: €1,675 K) were recognised in 2022.

Book value of investments in affiliated companies amounts to €3,175,900 K (31.12.2021: €3,219,269 K). Current additions are the result of various shareholders' contributions. The disposals mainly relate on repayment of capital in the amount of €36,704 K and the sale and liquidation of one Hungarian company each.

Loans to affiliated companies are made up as follows:

€1,000	31.12.2022	31.12.2021
4P - Immo. Praha s.r.o., Prague	34,589	36,589
RCP Amazon, s.r.o., Prague	28,788	31,388
Vaci 76 Kft, Budapest	25,426	27,526
EUROPOLIS City Gate Ingatlanberuházási Kft, Budapest	22,700	22,700
Duna Irodaház Kft., Budapest	19,439	19,439
INTERMED CONSULTING & MANAGEMENT S.R.L., Bucharest	0	23,200
EUROPOLIS ORHIDEEA B.C. S.R.L., Bucharest	0	22,424
CA Immo Invest GmbH, Frankfurt	0	21,300
Other up to €17 m	47,816	88,100
	<b>178,758</b>	<b>292,666</b>

Loans to affiliated companies to the value of €74,777 K (31.12.2021: €41,708 K) have a remaining term of up to one year.

#### b) Current assets

All receivables – as in the previous year – have a due date of less than one year. There is no exchangeable securitization issued in connection with receivables.

Trade receivables amounting to €854 K (31.12.2021: €731 K) include outstanding rent and invoiced operating costs.

Receivables from affiliated companies are made up as follows:

€1,000	31.12.2022	31.12.2021
Trade receivable (current invoicings to affiliated companies)	1,385	218
Receivables from tax compensation	1,894	2,378
Receivables from capital repayment	0	49,567
Receivables from interest	0	395
	<b>3,279</b>	<b>52,558</b>

Other receivables amounting to €192 K (31.12.2021: €19 K) mainly include receivables from income tax and accrued interest from fixed-term deposits (31.12.2021: invoiced expenses).

#### c) Deferred charges

€1,000	31.12.2022	31.12.2021
Disagio bonds	5,559	7,376
Other	929	469
	<b>6,487</b>	<b>7,845</b>

**d) Deferred tax assets**

Deferred taxes comprise the offsetting of deferred tax assets and deferred tax liabilities and are based on the differences between tax and corporate value approaches for the following (+ deferred tax assets / - deferred tax liabilities):

€1,000	31.12.2022	31.12.2021
Land and buildings	- 3,990	- 8,935
Partnership	14	240
Ancillary bond expenses	4,069	5,343
Other loans ancillary expenses	1,188	1,237
Provisions for severance payments	47	43
Deferred income	4,014	4,730
<b>Base for tax rate 23 % / 24 % (31.12.2021: 25 %)</b>	<b>5,342</b>	<b>2,658</b>
Out of which resulted deferred tax assets	1,229	665
less: offsetting with tax losses carried forward	0	0
<b>As at 31.12.</b>	<b>1,229</b>	<b>665</b>

Movements in deferred taxes are presented below:

€1,000	2022	2021
As at 1.1. deferred tax assets / provision for deferred taxes	665	- 161
Changes affecting profit and loss for deferred taxes	564	826
<b>As at 31.12. deferred tax assets</b>	<b>1,229</b>	<b>665</b>

**e) Shareholders' equity**

Share capital is equivalent to the fully paid in nominal capital of €774,229,017.02 (31.12.2021: €774,229,017.02). It is divided into 106,496,422 (31.12.2021: 106,496,422) bearer shares and four registered shares of no par value. Out of nominal capital 6,860,401 treasury shares (31.12.2021: 5,780,037), each amounting to €7.27, thus totaling €49,875,115.27 (31.12.2021: €42,020,868.99), were deducted from shareholders' equity. The registered shares are held by SOF-11 Klimt CAI S.à r.l., Luxemburg, an entity managed by Starwood Capital Group, each granting the right to nominate one member of the Supervisory Board. The Supervisory Board currently consists of two members elected by the Annual General Meeting as well as two members elected by the registered shares and two delegated by the works council.

On 3.5.2022 the Management Board resolved a share buyback programme in accordance with Article 65 para 1 no. 8 of the Austrian Corporation Act (AktG) on the basis of the authorizing resolution of the 34th Annual General Meeting on 6.5.2021. On 19.10.2022 the share buyback programme was completed as planned. 1,000,000 bearer shares were acquired, which corresponds to a proportion of the share capital of approximately 0.94%. The highest price paid per share acquired was €32.10, the lowest price paid per share acquired was €26.25. The weighted average price paid per share acquired was €30.33 and the total value of the shares acquired was €30,327,788.47. After the completion of the share buyback programme CA Immo AG held 6,780,037 treasury shares, which corresponds to a share of around 6.4% of the total number of issued shares with voting rights.

On 19.12.2022 the Management Board resolved another share buyback programme in accordance with Article 65 para 1 no. 8 of the Austrian Corporation Act (AktG) on the basis of the authorizing resolution of the 34th Annual General

Meeting on 6.5.2021. The volume totals up to two million shares (representing approx. 1.9% of the current share capital of the company). The share buyback programme foresees share purchases via the stock exchange. The terms and conditions of such purchases follow the Authorisation. In particular, the lowest amount payable on repurchase must not be less than 30% and must not exceed 10% of the average unweighted price at the close of the market on the ten trading days preceding the repurchase. The share buyback programme is expected to start on 23.12.2022 at the earliest and will end no later than 3.11.2023. Until 31.12.2022, 80,364 shares had been acquired in the current programme. The highest consideration paid per share acquired was €28.10, the lowest consideration paid per share acquired was €25.65. The weighted average consideration paid per share acquired was €26.37 and the total value of shares acquired was €2,119,121.61. As at 31.12.2022 CA Immo AG therefore held 6,860,401 treasury shares, which corresponds to a share of approximately 6.4% of the total number of issued voting shares.

As at 31.12.2022, CA Immobilien Anlagen AG held 6,860,401 treasury shares in total (31.12.2021: 5,780,037 treasury shares). Given the total number of voting shares issued 106,496,426 (31.12.2021: 106,496,426), this is equivalent to around 6.4% (31.12.2021: 5.4%) of the voting shares.

The total net profit as at 31.12.2022 amounting to €439,080 K (31.12.2021: €440,139 K) is subject to a distribution restriction in the amount of the deferred tax asset of €1,229 K (31.12.2021: €665 K).

As at 31.12.2022, there exists unused authority capital in the amount of €350,069,852.74, which can be utilised until 18.9.2023 at the latest, as well as contingent capital in the amount of €143,667,319.09 earmarked for servicing convertible bonds that will be issued in the future based on the authorization of the Annual General Meeting as of 9.5.2018 (contingent capital 2018).

The declared revenues reserves are tied and the book value corresponds to the nominal value of the treasury shares deducted from the share capital.

€1,000	31.12.2022	31.12.2021
Other additional expenses for treasury shares	- 78,256	- 53,663
Nominal treasury shares in share capital	49,875	42,021
Reserves for other acquisition costs for treasury shares	78,256	53,663
<b>Tied revenue reserves for treasury shares</b>	<b>49,875</b>	<b>42,021</b>

The requirement of the legal reserve up to 10% of the share capital is fulfilled.

#### f) Grants from public funds

The grants were given in previous years and refer to the construction of buildings having a net book value amounting to €344 K (31.12.2021: €355 K). Due to the sale of a property in 2022, a grant in the amount of €22 K was reversed and shown as income.

#### g) Provisions

Provisions for severance payment amount to €467 K (31.12.2021: €396 K) and include severance payment entitlements of company employees and Management Board members.

Tax provisions in the amount of €5 K (31.12.2021: €464 K) relate to provisions for corporate tax from previous years.

Other provisions are made up as follows:

€1,000	31.12.2022	31.12.2021
Premiums	8,435	8,774
Staff (vacation and overtime)	1,226	1,059
Construction services	1,069	723
Legal, auditing and consultancy fees	795	1,262
Borrowing costs	420	1,354
Derivative transactions	0	3,547
Other	924	1,063
	<b>12,869</b>	<b>17,782</b>

Long Term Incentive (LTI) Programme:

In order to promote a high level of identification with the company's objectives, all selected executives are entitled to variable remuneration in addition to their fixed salary, thus enabling them to participate in the company's success. In line with the compensation system of the Management Board, the prerequisite for this is the attainment of the budgeted quantitative and qualitative annual targets as well as a positive consolidated result.

The long term incentive programme (LTI) is revolving and does not provide for any personal investment. The plan grants performance-related remuneration in the form of virtual shares in CA Immo AG. The final number of virtual shares is determined on the basis of performance criteria linked to the medium-term strategy and share performance. The target amount of the LTI is divided by the volume-weighted average CA Immo AG share price (= closing price on the Vienna Stock Exchange) over the 3-month period prior to 31.12. of the respective bonus year. This method is used to calculate the preliminary number of virtual shares. Based on the performance criteria measured at the end of the four-year performance period, the final number of virtual shares is determined. The LTI is generally determined as of 31.12. of the last year of the four-year performance period. Equal-weighted performance criteria for the LTI are Funds From Operations ("FFO") I and Relative Total Shareholder Return ("TSR") against the EPRA Nareit Developed Europe ex UK Index. Each tranche starts with a target value based on the executive's respective function, which would be received at the end of the term of the respective tranche if 100% of the targets were achieved. The amount allocated to a performance criterion is determined by comparing agreed targets with values actually achieved and expressed as a percentage. Allocation between the performance thresholds is linear. The final number of virtual shares is capped at 200% of the preliminary number of virtual shares. For the payout, the final number of virtual shares is multiplied by the volume-weighted average price of the last three months of the performance period. The resulting amount is paid out in cash, subject to a cap of 250% of the LTI target amount.

The bonus payment for the Management Board is linked to long-term operational and quality-based targets and also takes account of non-financial performance criteria. It is limited to 200% of the annual salary. Of the variable remuneration, half is linked to the attainment of short-term targets defined annually by the remuneration committee (annual bonus). The other half is based on outperformance of the following indicators defined annually by the remuneration committee: return on equity (ROE), funds from operations (FFO) and NAV growth. The level of the bonus actually paid depends on the degree of target attainment: the values agreed and actually achieved at the end of each business year are determined by the Remuneration Committee.

Half of performance-related remuneration takes the form of immediate payments (short term incentive); the remaining 50% flows in long term incentive (LTI) model and are paid in cash after a certain holding period. This (LTI) performance-related remuneration is converted into phantom shares on the basis of the average rate for the last quarter of the business year. For the LTI tranches started until 2021, the payment of phantom shares is made in cash in three equal parts after 12 months, 24 months (mid term incentive) and 36 months (long term incentive). The conversion of the

phantom shares is made at the average rate for the last quarter of the year preceding the payment year. The last tranche of this LTI programme is in place until 2024 (payment in 2025). Starting with 2022 the LTI programme is for the Management Board was aligned with that of the selected executives.

For this kind of share-based remuneration, which is settled in cash, the liability incurred is recognised over the vesting period as a provision in the amount of the attributable fair value. Until the debt is settled, the attributable fair value is determined afresh on every closing date and settlement date. All changes are recognised in the income statement in the relevant business year.

#### h) Liabilities

31.12.2022 €1,000	Maturity up to 1 year	Maturity 1 - 5 years	Maturity more than 5 years	Total
Bonds	116,621	1,175,000	0	1,291,621
Liabilities to banks	3,275	77,613	72,900	153,788
Trade payables	591	36	0	627
Payables to affiliated companies	145,237	0	0	145,237
Other liabilities	15,177	3,169	325	18,671
<b>Total</b>	<b>280,901</b>	<b>1,255,818</b>	<b>73,225</b>	<b>1,609,944</b>

31.12.2021 €1,000	Maturity up to 1 year	Maturity 1 - 5 years	Maturity more than 5 years	Total
Bonds	142,411	791,621	500,000	1,434,032
Liabilities to banks	1,225	43,807	55,801	100,833
Trade payables	757	61	0	818
Payables to affiliated companies	38,222	0	0	38,222
Other liabilities	269,470	0	0	269,470
<b>Total</b>	<b>452,085</b>	<b>835,489</b>	<b>555,801</b>	<b>1,843,375</b>

In bonds, the maturities are accounted for based on the repayment date. The bonds item for 31.12.2022 comprises the following liabilities:

	Nominal value €1,000	Nominal interest rate	Issue	Repayment
Bond 2016-2023	116,621	2.75%	17.02.2016	17.02.2023
Bond 2017-2024	175,000	1.88%	22.02.2017	22.02.2024
Bond 2020-2025	350,000	1.00%	27.10.2020	27.10.2025
Bond 2018-2026	150,000	1.88%	26.09.2018	26.03.2026
Bond 2020-2027	500,000	0.88%	05.02.2020	05.02.2027
	<b>1,291,621</b>			

Liabilities to banks comprise investment loans amounting to €80,790 K (31.12.2021: €100,803 K), which are secured by mortgages in the land register and pledge of bank credits, pledges of property insurance policies, blank bills of exchange including bill of exchange dedication as well as assignments of rental receivables and claims from derivative transactions, and a promissory loan in the amount of €72,000 K placed at various banks in May 2022.

Trade payables item essentially comprises liabilities for consulting, maintenance and fitout of offices, software changes and security deposits as well as general administrative costs.

The liabilities shown under payables to affiliated companies relate to an intercompany loan to an affiliated company amounting to €145,000 K (31.12.2021: €38,000 K capital contributions not yet paid) and trade payables amounting to €237 K (31.12.2021: €222 K).

Other liabilities are mainly made up of a promissory loan to insurance companies in the amount of €3,000 K (31.12.2021: €0 K) and accrued interest for bonds amounting to €12,335 K (31.12.2021: €15,747 K). As at 31.12.2021, the 2<sup>nd</sup> tranche of the special dividend resolved on 30.11.2021 in the amount of €251,791 K was included, which was paid in March 2022.

#### i) Deferred income

€1,000	31.12.2022	31.12.2021
Investment grants from tenants	3,640	4,730
Rent prepayments received	464	1,037
	<b>4,104</b>	<b>5,768</b>

#### j) Contingent liabilities

	Maximum amount as at 31.12.2022		Outstanding on reporting date 31.12.2022	Outstanding on reporting date 31.12.2021
	1,000		€1,000	€1,000
Guarantees and letters of comfort in connection with sales made by affiliated companies	465,002	€	465,002	115,546
Guarantees for loans granted to affiliated companies	20,148	€	20,148	15,345
Guarantees in connection with sales made by other group companies	15,699	€	15,699	19,699
Guarantees for loans granted to other group companies	0	€	0	700
	<b>500,849</b>		<b>500,849</b>	<b>151,290</b>

The shares of in the following companies are secured by a pledge in favour of the financing banks of the subsidiaries:

- CA Immo AG in Visionary Prague, s.r.o., Prague
- CA Immo Sasaki Point Sp. Z o.o., Warsaw
- CA Immo Bitwy Warszawskiej Sp. Z o.o., Warsaw
- CA Immo Sienna Center sp. Z o.o., Warsaw
- CA Immo Warsaw Towers sp. Z o. o., Warsaw

For claims of third parties against sold project companies, CA Immo AG is liable on the basis of subsequent liabilities in the amount of 40 % of any claim determined by a court (by way of a legally binding judgement).

Out of reported cash and cash equivalence, an amount of €2,000 K is pledged in favour of the financing banks of the subsidiaries.

In connection with the disposals, marketable guarantees for coverage of possible warranty and liability claims exist and - where necessary - financial provisions were made.

In the first quarter of 2022, CA Immo AG was served with an action for annulment directed against the resolutions passed at the Extraordinary General Meeting of 30.11.2021 regarding the distribution of a basic additional dividend and a super dividend. In addition, another action for annulment was filed in the second quarter of 2022, which essentially seeks the annulment of the resolutions of the ordinary 35th Annual General Meeting of 5.5.2022 with regard to the discharge of the Management Board and the Supervisory Board

In 2020, CA Immo AG filed an action for damages of approx. €1.9 bn against the Republic of Austria and the state of Carinthia in connection with the privatization of the state residential construction company (BUWOG) in 2004. After a dismissing judgement by the Federal Administrative Court from 2.10.2021 with regard to the asserted exemption from court fees, CA Immo AG had to pay around €25 M court fees in 2021 for this action. CA Immo AG filed a constitutional complaint (without suspensive effect) against this judgement with the Constitutional Court.

#### k) Liabilities from the utilisation of tangible assets

The lease-related liability from the utilisation of tangible assets not reported in the balance sheet is €740 K (31.12.2021: €825 K) for the subsequent business year and €2,780 K (31.12.2021: €3,892 K) for the subsequent five business years.

Out of this, €92 K (31.12.2021: €740 K) is attributable to affiliated companies for the subsequent business year and €92 K (31.12.2021: €3,693 K) for the subsequent five business years. The above mentioned amounts refer to the Rennweg office/Mechelgasse 1. The rental agreement was concluded until 31.12.2026, the building was sold to an unrelated company in mid-February 2023.

#### l) Details of derivative financial instruments - swaps

€ 1,000		Nominal value	Fixed interest rate	Interest reference	Fair value	thereof considered
Start	End	31.12.2022	as at 31.12.2022	rate	31.12.2022	as provisions 31.12.2022
06/2017	06/2027	10.428	0,79%	3M-EURIBOR	967	0
06/2017	06/2027	25.866	0,76%	3M-EURIBOR	2.355	0
08/2017	12/2029	28.796	1,12%	3M-EURIBOR	3.074	0
		<b>65.090</b>			<b>6.396</b>	<b>0</b>

€1,000		Nominal value	Fixed interest rate	Interest reference	Fair value	thereof considered
Start	End	31.12.2021	as at 31.12.2021	rate	31.12.2021	as provisions 31.12.2021
06/2017	06/2027	10.668	0.79%	3M-EURIBOR	- 440	- 440
06/2017	06/2027	26.821	0.76%	3M-EURIBOR	- 1,041	- 1,041
08/2017	12/2029	28.796	1.12%	3M-EURIBOR	- 2,066	- 2,066
		<b>66.285</b>			<b>- 3,547</b>	<b>- 3,547</b>

The fair value corresponds to the value CA Immo AG would receive upon termination of the contract at the balance sheet date. The value would be received from the financial institution, with which the contract was signed. The quoted value is a cash value. Future cash flows from variable payments as well as discount rates will be calculated based on generally accepted financial models. For the valuation, inter-bank middle rates are used. Specific bid/ ask rates as well as other termination expenses are not included in the valuation.

## 12. Explanatory notes on the income statement

### Gross revenues

#### By type

€1,000	2022	2021
Rental income from real estate	14,694	16,877
Operating costs passed on to tenants	4,226	5,335
Income from management services	13,615	7,825
Other revenues	748	702
	<b>33,283</b>	<b>30,739</b>

In 2022 reductions in rental income in Austria due to Covid-19 amounted to €31 K (2021: €139 K).

#### By region

€1,000	2022	2021
Austria	24,036	24,091
Germany	3,559	186
Eastern Europe	5,688	6,462
	<b>33,283</b>	<b>30,739</b>

### Other operating income

The income from the disposal of fixed assets relates to the sale of one property in both 2022 and of 2021.

The revenues from the release of provisions mainly refers to provisions for Annual General Meeting, legal fees and other consulting expenses as in the previous year.

Other operating income of €1,411 K (2021: €644 K) results from costs recharged, insurance proceeds and the release of the grants from public funds.

### Staff expense

This item, totalling €14,973 K (2021: €16,113 K), includes expenses for the 76 staff members (2021: 72) employed by the company on average.

The expenses for retirement benefits are as follows:

€1,000	2022	2021
Pension fund contributions for Management Board members and senior executives	160	180
Pension fund contributions for other employees	74	74
	<b>234</b>	<b>254</b>

Expenses for severance payments dependent on remuneration and compulsory contributions are made up as follows:

€1,000	2022	2021
Change in provision for severance payments to Management Board members and senior executives	64	- 102
Change in provision for severance payments to other employees	7	- 8
Severance payments to Management Board members	0	307
Pension fund contributions for Management Board members and senior executives	124	92
Pension fund contributions for other employees	64	75
	<b>259</b>	<b>364</b>

### Depreciation

€1,000	2022	2021
Depreciation of intangible fixed assets	342	309
Scheduled depreciation of buildings	6,623	7,534
Depreciation of other assets, office furniture and equipment	250	289
Low-value assets	7	8
	<b>7,222</b>	<b>8,140</b>

### Other operating expenses

Taxes, which do to fall under taxes on income are made up as follows:

€1,000	2022	2021
real estate charges	168	208
non - deductible input VAT	537	653
	<b>705</b>	<b>861</b>

Other expenses are made up as follows:

€1,000	2022	2021
<b>Expenses directly related to properties</b>		
Operating costs passed on to tenants	4,061	5,132
Own operating costs (vacancy costs)	1,184	717
Maintenance costs	547	955
Administration and agency fees	150	47
Other	50	162
<b>Subtotal</b>	<b>5,992</b>	<b>7,013</b>
<b>General administrative costs</b>		
Legal, auditing and consultancy fees	4,333	7,977
Costs charged through	1,094	405
Office rent including operating costs	758	748
Advertising and representation expenses	730	520
Administrative and management costs	717	725
Other fees and bank charges	384	255
Licence costs	338	301
Insurance general	331	244
Supervisory Board remuneration	257	308
Other	1,107	894
<b>Subtotal</b>	<b>10,049</b>	<b>12,377</b>
<b>Total other operating expenses</b>	<b>16,041</b>	<b>19,390</b>

### Income from investments

This item comprises dividends paid from companies in Austria in amount of €28,099 K (2021: €53,623 K) as well as companies in Germany and Central Eastern Europe in amount of €84 K (2021: €125,863 K).

### Income from loans from financial assets

This item comprises interest income from loans.

### Other interest and similar income

€1,000	2022	2021
Revaluation of derivative transactions	3,547	2,934
Interest income from derivative transactions	197	0
Other	72	381
	<b>3,816</b>	<b>3,315</b>

**Income from the disposal and revaluation of financial assets and short-term securities**

€1,000	2022	2021
Release of impairment due to increase in value	1,330	1,675
Sale of financial assets	13,735	9,316
Repayment of loans above book value	0	375
	<b>15,065</b>	<b>11,366</b>

**Expenses for financial assets and interest receivables in current assets**

€1,000	2022	2021
Depreciation of financial assets	5,761	34,495
Loss from disposal	4	1
	<b>5,765</b>	<b>34,496</b>
of which due to dividends payments	0	34,174

**Interest and similar expenses**

€1,000	2022	2021
Interest costs for bonds	19,498	24,691
Interest and costs for other loans	3,459	1,222
Interest for bank liabilities for the financing of real estate assets	1,905	2,161
Expenses for derivative transactions	822	1,074
Negative interest	817	2,238
Interest costs in respect of affiliated companies	302	74
Other	51	0
	<b>26,854</b>	<b>31,460</b>

**Taxes on income**

€1,000	2022	2021
Tax compensation tax group members	1,942	2,340
Corporate income tax	- 663	- 482
Deferred taxes	564	826
<b>Tax revenues</b>	<b>1,843</b>	<b>2,684</b>

## OTHER INFORMATION

**13. Affiliated companies**

CA Immobilien Anlagen AG, Vienna, is the main parent company of CA Immo Group. The consolidated financial statements are drawn up pursuant to International Financial Reporting Standards (IFRS) and the supplementary provisions of section 245a of the Austrian Commercial Code (UGB) and filed at the Vienna Commercial Court.

The main shareholder SOF-11 Klimt CAI S.à.r.l., Luxembourg, is not obliged to prepare consolidated financial statements in Luxembourg and is not obliged to publish voluntary prepared consolidated financial statements.

#### 14. Corporate bodies of CA Immobilien Anlagen Aktiengesellschaft, Vienna

##### Management Board

Silvia Schmitt-Walgenbach (from 1.1.2022)

Dr. Andreas Schillhofer (from 1.6.2019)

Keegan Viscius (from 1.11.2018)

Total salary payments (excluding salary-based deductions) to Management Board members in office in the respective reporting year amounted in 2022 to €2,927 K (2021: €3,464 K). The salary-based deductions totalled €214 K (2021: €198 K). Total fixed salary components amounted to €1,606 K (2021: €1,581 K) and were made up of the base salary of €1,460 K (2021: €1,410 K), other benefits (in particular remuneration in kind for cars, expense allowances and travel expenses) of €54 K (2021: €48 K) and contributions to pension funds of €92 K (2021: €123 K). Variable compensation components amounted to €1,321 K (2021 restated: €1,576 K). Special payments amounted to €0 K (2021: €307 K).

As at the balance sheet date 31.12.2022, severance payment provisions for Management Board members totalled €375 K (31.12.2021: €311 K).

Towards former members of the Management Board (i.e. not in office in the reporting year) there were payment obligations totalling €907 K, consisting of variable remuneration components of €904 K and other benefits of €3 K. As at 31.12.2022 provisions from variable remuneration components from current LTI tranches still exist for former members of the Management Board and these amount to €937 K; provisions were booked accordingly in the previous year.

No loans or advances were granted to members of the Management Board.

As at 31.12.2022, based on assumption of 100% target achievement, provisions amounting to €3,689 K (31.12.2021: €5,329 K) had been made up for the Management Board under the variable remuneration system.

##### Supervisory Board

###### Elected by the General Meeting:

Torsten Hollstein, Chairman

Jeffrey G. Dishner, Second Deputy Chairman

Dr. Monika Wildner, Deputy Chairwoman (until 31.10.2022)

Univ.-Prof. MMag. Dr. Klaus Hirschler (until 31.10.2022)

Michael Stanton (until 31.10.2022)

###### Delegated by registered share:

Sarah Broughton

David Smith, First Deputy Chairman (since 1.11.2022)

Laura Rubin (until 31.10.2022)

###### Delegated by works council:

Georg Edinger, BA, REAM (IREBS)

Sebastian Obermair

Nicole Kubista (until 31.10.2022)

Walter Sonnleitner (until 31.10.2022)

As at the balance sheet date, the Supervisory Board comprised two capital representatives elected by the Annual General Meeting, two capital representatives appointed by means of registered shares and two employee representatives.

In business year 2022 (for 2021), total remuneration of €309 K (2021: €328 K) was paid out (including attendance fees of €133 K; 2021: €113 K). Moreover, expenditure of €86 K was reported in connection with the Supervisory Board in business year 2022 (2021: €202 K). Of this, cash outlays for travel expenses accounted for approximately €40 K (2021: €13 K) and other expenditure (including training costs and license costs) accounted for €34 K (2021: €33 K). Legal and other consultancy services accounted for €12 K (2021: €156 K). No other fees (particularly for consultancy or brokerage activities) and no loans or advances were paid to Supervisory Board members.

Total Supervisory Board remuneration of €219 K for business year 2022 will be proposed to the Annual General Meeting on the basis of the same criteria (fixed annual payment of €30 K per Supervisory Board member plus attendance fee of €1 K per meeting), taking account of the waiver of remuneration for Supervisory Board members appointed on the basis of registered shares or related to the Starwood Capital Group, respectively. The remuneration was taken into account in the financial statements as at 31.12.2022.

All business transactions conducted between the company and members of the Supervisory Board which oblige such members to perform services for the CA Immo AG outside of their Supervisory Board activities in return for remuneration of a not inconsiderable value must conform to industry standards and be approved by the Supervisory Board. The same applies to contracts with companies in which a Supervisory Board member has a significant economic interest. Sarah Broughton, David Smith and Jeffrey G. Dishner perform comprehensive management functions within Starwood Capital Group.

#### **Starwood Capital Group (Starwood)**

Since 27.9.2018, SOF-11 Klimt CAI S.à r.l. is the company's largest single shareholder.

In the business year 2022, Starwood Capital Group (via its vehicle SOF- 11 Klimt CAI S.à r.l.) increased its stake in CA Immo AG from around 57.89% of the share capital to around 59.09% through acquisitions on and off the stock exchange.

As of 31.12.2022, SOF- 11 Klimt CAI S.à.r.l. held 62,924,265 bearer shares and four registered shares of CA Immo AG, this corresponds to 59.09% of the company's share capital. SOF- 11 Klimt CAI S.à.r.l. is a company controlled by Starwood Capital Group ("Starwood"). Starwood Capital Group is a private investment firm with a primary focus on global real estate.

## 15. Employees

The average number of staff employed by the company during the business year was 76 (2021: 72).

## 16. Auditor's remuneration

There is no indication of the auditor's remuneration for the business year pursuant to section 237 para 14 of the Austrian Commercial Code (UGB), as this information is contained in the consolidated financial statements of CA Immo AG.

## 17. Events after the balance sheet date

CA Immobilien Anlagen AG continued its share buyback programme started in December 2022 also after the balance sheet date. As of the reporting date 15.3.2023, CA Immobilien Anlagen AG holds a total of 7,561,315 treasury shares (31.12.2022: 6,860,401). With a total number of 106,496,426 shares issued, this corresponds to around 7.1% (31.12.2022: 6.4%).

The Supervisory Board of CA Immobilien Anlagen AG and the Chairwoman of the Management Board, Silvia Schmitten-Walgenbach, have mutually agreed on 21.3.2023 that Silvia Schmitten-Walgenbach's contract will be terminated as of 31.3.2023.

## 18. Proposal for the appropriation of net earnings

It is proposed to use part of the net retained earnings of €439,079,979.39 to pay a dividend of €1.00 per share, i.e. a total of €99,636,025, to the shareholders. The remainder of the net retained earnings in the amount of €339,443,954.39 is intended to be carried forward.

Vienna, 22.3.2023

The Management Board



Silvia Schmitten-Walgenbach  
(Chief Executive Officer/CEO)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)



## ASSET ANALYSIS FOR THE BUSINESS YEAR 2022

	Acquisition and production costs as at 1.1.2022	Addition	Disposal	Acquisition and production costs as at 31.12.2022
	€	€	€	€
<b>I. Intangible fixed assets</b>				
Software	4,124,776.68	48,305.50	794,231.66	3,378,850.52
	<b>4,124,776.68</b>	<b>48,305.50</b>	<b>794,231.66</b>	<b>3,378,850.52</b>
<b>II. Tangible fixed assets</b>				
1. Land and buildings				
a) Land value	36,329,109.40	0.00	7,907,181.82	28,421,927.58
b) Building value	282,680,728.33	452,995.39	45,194,295.09	237,939,428.63
	<b>319,009,837.73</b>	<b>452,995.39</b>	<b>53,101,476.91</b>	<b>266,361,356.21</b>
2. Other assets, office furniture and equipment	3,542,719.86	103,857.81	315,582.82	3,330,994.85
3. Prepayments made and construction in progress	0.00	50,620.00	0.00	50,620.00
	<b>322,552,557.59</b>	<b>607,473.20</b>	<b>53,417,059.73</b>	<b>269,742,971.06</b>
<b>III. Financial assets</b>				
1. Investments in affiliated companies	3,435,262,041.03	4,408,061.25	43,781,277.86	3,395,888,824.42
2. Loans to related companies	292,666,035.74	0.00	113,907,939.75	178,758,095.99
3. Investments in associated companies	279,251.50	0.00	32,500.00	246,751.50
	<b>3,728,207,328.27</b>	<b>4,408,061.25</b>	<b>157,721,717.61</b>	<b>3,574,893,671.91</b>
	<b>4,054,884,662.54</b>	<b>5,063,839.95</b>	<b>211,933,009.00</b>	<b>3,848,015,493.49</b>

Accumulated depreciation as at 1.1.2022	Depreciation and amortisation in 2022	Reversal of impairment losses in 2022	Accumulated depreciation disposal	Accumulated depreciation as at 31.12.2022	Book value as of 31.12.2022	Book value as of 31.12.2021
€	€	€	€	€	€	€
2,914,048.43	342,365.44	0.00	192,852.41	3,063,561.46	315,289.06	1,210,728.25
<b>2,914,048.43</b>	<b>342,365.44</b>	<b>0.00</b>	<b>192,852.41</b>	<b>3,063,561.46</b>	<b>315,289.06</b>	<b>1,210,728.25</b>
1,458,109.59	0.00	0.00	0.00	1,458,109.59	26,963,817.99	34,870,999.81
98,477,443.49	6,623,337.98	0.00	19,663,976.28	85,436,805.19	152,502,623.44	184,203,284.84
<b>99,935,553.08</b>	<b>6,623,337.98</b>	<b>0.00</b>	<b>19,663,976.28</b>	<b>86,894,914.78</b>	<b>179,466,441.43</b>	<b>219,074,284.65</b>
2,580,560.84	256,186.69	0.00	227,412.35	2,609,335.18	721,659.67	962,159.02
0.00	0.00	0.00	0.00	0.00	50,620.00	0.00
<b>102,516,113.92</b>	<b>6,879,524.67</b>	<b>0.00</b>	<b>19,891,388.63</b>	<b>89,504,249.96</b>	<b>180,238,721.10</b>	<b>220,036,443.67</b>
215,993,626.54	5,760,758.97	1,330,000.00	436,000.00	219,988,385.51	3,175,900,438.91	3,219,268,414.49
0.00	0.00	0.00	0.00	0.00	178,758,095.99	292,666,035.74
7,105.29	0.00	0.00	6,206.29	899.00	245,852.50	272,146.21
<b>216,000,731.83</b>	<b>5,760,758.97</b>	<b>1,330,000.00</b>	<b>442,206.29</b>	<b>219,989,284.51</b>	<b>3,354,904,387.40</b>	<b>3,512,206,596.44</b>
<b>321,430,894.18</b>	<b>12,982,649.08</b>	<b>1,330,000.00</b>	<b>20,526,447.33</b>	<b>312,557,095.93</b>	<b>3,535,458,397.56</b>	<b>3,733,453,768.36</b>

## INFORMATION ABOUT GROUP COMPANIES

### Direct investments

Company	Registered office	Share capital		Interest in %	Profit/loss 31.12.2022		Shareholders' equity as at 31.12.2022		Profit/loss 31.12.2021		Shareholders' equity as at 31.12.2021	
					in 1,000		in 1,000	in 1,000	in 1,000	in 1,000		
CA Immo Holding B.V.	Amsterdam	1,800,000	EUR	100	436	EUR	81	EUR	- 2,039	EUR	29,845	EUR
CA Immo d.o.o.	Belgrad	32,822,662	RSD	100	1,719	RSD	6,856	RSD	1,577	RSD	5,138	RSD
Duna Irodaház Kft., Budapest	Budapest	277,003,015	HUF	100	- 644,793	HUF	13,279,251	HUF	- 153,186	HUF	14,688,477	HUF
Duna Termál Hotel Ingatlanfejlesztő Kft.	Budapest	390,906,655	HUF	100	- 554,740	HUF	13,842,126	HUF	- 384,787	HUF	14,411,027	HUF
Duna Business Hotel Ingatlanfejlesztő Kft.	Budapest	452,844,530	HUF	100	- 112,218	HUF	18,205,507	HUF	267,716	HUF	19,203,786	HUF
Kapas Center Kft.	Budapest	772,560,000	HUF	100	218,525	HUF	2,377,743	HUF	326,997	HUF	2,159,218	HUF
Kilb Kft.	Budapest	30,000,000	HUF	100	272,644	HUF	4,206,106	HUF	410,356	HUF	3,933,462	HUF
Millennium Irodaház Kft.	Budapest	997,244,944	HUF	100	- 238,129	HUF	10,412,019	HUF	- 93,680	HUF	10,131,822	HUF
Váci 76 Kft.	Budapest	3,100,000	HUF	100	- 158,569	HUF	5,565,310	HUF	338,197	HUF	5,723,879	HUF
CA Immo Invest GmbH	Frankfurt	50,000	EUR	51	- 541	EUR	16,651	EUR	- 330	EUR	17,193	EUR
DRG Deutsche Realitäten GmbH	Frankfurt	500,000	EUR	49	330	EUR	830	EUR	169	EUR	669	EUR
CAINE B.V.	Hoofddorp	97,100,000	EUR	100	- 84	EUR	365	EUR	- 314	EUR	4,349	EUR
Visionary Prague, s.r.o.	Prague	200,000	CZK	100	103,274	CZK	283,473	CZK	49,974	CZK	241,000	CZK
CA Immo Bitwy Warszawskiej Sp. z o.o.	Warsaw	47,956,320	PLN	100	2,026	PLN	71,114	PLN	5,008	PLN	73,220	PLN
CA Immo New City Sp.z.o.o	Warsaw	796,000	PLN	100	- 1,333	PLN	324	PLN	- 385	PLN	- 304	PLN
CA Immo P14 Sp.z.o.o	Warsaw	10,000	PLN	100	13,180	PLN	166,108	PLN	- 944	PLN	152,747	PLN
CA Immo Saski Crescent Sp. z o.o.	Warsaw	140,921,250	PLN	100	- 11,609	PLN	138,177	PLN	- 2,367	PLN	151,646	PLN
CA Immo Saski Point Sp. z o.o.	Warsaw	55,093,000	PLN	100	- 2,841	PLN	76,069	PLN	6,407	PLN	66,384	PLN
CA Immo Sienna Center Sp. z o.o.	Warsaw	116,912,640	PLN	100	6,113	PLN	162,636	PLN	2,794	PLN	156,636	PLN
CA Immo Warsaw Spire B Sp. z o.o.	Warsaw	5,050,000	PLN	100	4,437	PLN	282,127	PLN	10,861	PLN	286,281	PLN
CA Immo Warsaw Spire C Sp. z o.o.	Warsaw	2,050,000	PLN	100	100	PLN	247,118	PLN	17,742	PLN	259,522	PLN
CA Immo Warsaw Towers Sp. z o.o.	Warsaw	155,490,900	PLN	100	12,260	PLN	184,121	PLN	8,312	PLN	174,304	PLN
CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs KG	Vienna	7,000	EUR	100	14	EUR	13,302	EUR	5,470	EUR	13,288	EUR
CA Immo BIP Liegenschaftsverwaltung GmbH	Vienna	3,738,127	EUR	39	463	EUR	10,806	EUR	357	EUR	10,342	EUR
CA Immo International Holding GmbH	Vienna	35,000	EUR	100	- 2,741	EUR	2,085,186	EUR	194,642	EUR	2,112,927	EUR
CA Immo Konzernfinanzierungs GmbH	Vienna	100,000	EUR	100	5,739	EUR	435,539	EUR	2,817	EUR	432,888	EUR
CA Immo Rennweg 16 GmbH	Vienna	35,000	EUR	100	5,378	EUR	13,931	EUR	- 1,902	EUR	8,553	EUR

Information on participations for 2022 is based on preliminary figures in financial statements prepared according to local accounting standards.

## MANAGEMENT REPORT

## GROUP STRUCTURE

CA Immo is a real estate company with its headquarters in Vienna and branch offices in Germany, Poland, the Czech Republic, Hungary and Serbia. The parent company of the Group is CA Immobilien Anlagen Aktiengesellschaft, a listed company based in Vienna whose main activity is the strategic and operational management of domestic and foreign subsidiaries. The various branch offices act as largely decentralised profit centres. Following the liquidation of almost all Cypriot companies and the exit from Romania, further subsidiaries exist in the Netherlands. As at key date 31 December 2022, the Group comprised 144 entities (31.12.2021: 165) with 392 employees (441 on 31.12.2021).

CA Immo's core competence is the development and management of modern Class A office properties in core Europe. Our strategic business model is geared towards sustainable value creation, taking into account ecological, economic, social and legal dimensions. The company covers the entire value chain in the commercial real estate sector - from land preparation, involvement in the master plan and creation of building rights to the realisation of the surrounding infrastructure and the construction and operation of new buildings.

The core regions comprise Germany, Austria, Poland, the Czech Republic and Hungary. While business activities in Germany are concentrated in the cities of Berlin, Munich, Frankfurt and Duesseldorf, the strategic focus in the other countries is on the respective capitals (Vienna, Warsaw, Prague, Budapest). Germany is an important anchor market for the company, accounting for around 66% of the total portfolio. Additional earnings contributions are generated by the preparation and utilisation of land reserves in the Development business segment. CA Immo either incorporates completed projects into its own investment portfolio or sells them to an end investor. The Group currently controls property assets of around €5.9 bn in Germany, Austria and Central and Eastern Europe (31.12.2021: €6.3 bn).

### Austria

The company's domestic properties are held in direct or indirect subsidiaries of CA Immobilien Anlagen AG. As at 31 December 2022, the parent company also directly held property assets of approximately €261 m (€302 m on 31.12.2021). As at 31 December 2022, the total Austrian portfolio consists exclusively of investment properties with a balance sheet value of €377 m (31 December 2021: €497 m).

### COMPANIES BY REGION

Number of companies <sup>1)</sup>	31.12.2022	31.12.2021
Austria	13	18
- Of which joint ventures	0	3
Germany <sup>2)</sup>	95	97
- Of which joint ventures	22	22
Central and Eastern Europe <sup>3)</sup>	36	50
- Of which joint ventures	0	0
<b>Group-wide</b>	<b>144</b>	<b>165</b>
- Of which joint ventures	22	25

<sup>1)</sup> Joint ventures involving consolidated companies.

<sup>2)</sup> Includes one company in Switzerland.

<sup>3)</sup> Including the two holding companies in the Netherlands and one company in Cyprus that are part of the Eastern European investments.

### Germany

The operational platform for all Group activities in Germany is CA Immo Deutschland GmbH, which has branches in Berlin, Frankfurt and Munich. Aside from investment properties, the company's property assets mainly comprise properties under construction and undeveloped plots alongside a portfolio of properties intended for trading or sale.

Investment properties are largely held in direct holdings and managed by DRG Deutsche Realitäten GmbH, a joint venture set up with the Austrian estate agent and property management firm ÖRAG. A number of development projects (in Munich and Mainz, for example) are being realised through joint ventures. Construction management is carried out by CA Immo's subsidiary omniCon, which also performs these services for third parties.

### Central- and Eastern Europe (CEE)

In the CEE region, the strategic focus is also on commercial class A buildings in the respective capitals. The CEE investment property portfolio is held by direct or indirect CA Immo subsidiaries. All Central and Eastern European properties are managed by the regional branches.

## ECONOMIC ENVIRONMENT

### ECONOMIC ENVIRONMENT<sup>1)</sup>

Global inflationary pressures, Russia's war in Ukraine and the resurgence of Covid-19 in China weighed on the global economy in 2022, and the first two factors are expected to continue doing so in 2023. Despite these headwinds, real GDP in the third quarter of 2022 was surprisingly strong in many economies, including the United States, the euro area, and major emerging and developing economies. In many cases, the causes of these surprises were of national origin: higher-than-expected private consumption as well as investment in combination with positively developing labor markets and higher-than-expected fiscal support. Households spent more to meet pent-up demand as the economy reopened after the lockdowns in early 2022. Business investment increased to meet demand. On the supply side, supply chain bottlenecks and transportation costs eased, putting downward pressure on commodity prices and allowing a recovery in previously constrained sectors, such as the automotive industry. Even though energy prices are still historically high, energy markets have adjusted faster than expected to the price shock from Russia's invasion of Ukraine.

However, by the fourth quarter of 2022, this modestly positive trend has eased in most - though not all - major economies. Growth in the U.S. remains stronger than expected as consumers continue to live off their savings, unemployment is at historic lows, and job opportunities abound. In other countries economic indicators generally point to a slowdown in economic activity.

Compared with the previous quarter, seasonally adjusted GDP increased by 0.1% in the euro area in the fourth quarter of 2022 and remained unchanged in the EU. This is the result of a preliminary flash estimate published by Eurostat, the statistical office of the European Union. In the third quarter of 2022, GDP had increased by 0.3% in both the euro area and the EU. According to a first estimate of the annual growth rate for 2022, based on seasonally and calendar adjusted quarterly data, GDP increased by 3.5% in the euro area and by 3.6% in the EU. Compared to the corresponding quarter of the previous year, seasonally adjusted GDP in the fourth quarter of 2022 increased by 1.9% in the euro area and by 1.8% in the EU, after +2.3% in the euro area and +2.5% in the EU in the previous quarter.

In December 2022, the seasonally adjusted unemployment rate in the euro area was 6.6%, unchanged from November 2022 and a decrease from 7.0% in December

2021. The unemployment rate in the EU was 6.1% in December 2022, also unchanged from November 2022 and a decrease from 6.4% in December 2021.

Annual inflation in the euro area in January 2023 is estimated at 8.5%, up from 9.2% in December. In terms of the main components of euro area inflation, "energy" is expected to have the highest annual rate in January (17.2%), followed by "food, alcohol and tobacco" (14.1%), "non-energy industrial goods" (6.9%) and "services" (4.2%).

At its last meeting in early February 2023, the Governing Council of the ECB decided to continue on its chosen path by raising interest rates significantly and at a steady pace, keeping them at sufficiently restrictive levels to ensure a timely return of inflation to its medium-term 2% target. The Governing Council therefore raised the three key ECB interest rates by 50 basis points each. Accordingly, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility were raised to 3.00%, 3.25% and 2.50%, respectively, effective February 8, 2023. It also expects to increase them further. Given pressures related to underlying inflation, the Governing Council intends to raise rates by an additional 50 basis points at its next monetary policy meeting in March. Furthermore, the Governing Council also decided on the modalities for the reduction of the Eurosystem's securities holdings in the context of the Asset Purchase Programme (APP). As announced in December 2022, the APP portfolio will decrease by an average of €15 billion per month from the beginning of March until the end of June 2023. The subsequent pace of portfolio reduction will be determined over time. The redemption amounts will be partially re-invested, largely in line with current practice.

In the latest World Economic Outlook from January 2023, the International Monetary Fund projects global growth to decline from an estimated 3.4% in 2022 to 2.9% in 2023 and then rebound to 3.1% in 2024. The 2023 forecast is 0.2 percentage points higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000-2019) average of 3.8%. Central bank rate hikes to tackle inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of Covid-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to decline from 8.8% in 2022 to 6.6% in 2023

<sup>1)</sup> Sources: International Monetary Fund, World Economic Outlook January 2023 Update; Eurostat Euro Indicators; ECB

and 4.3% in 2024, still above the pre-pandemic (2017-2019) level of about 3.5%.

The CA Immo Group is affected by the developments described above both by rising financing costs due to higher base interest rates and risk premiums as well as rising prices in the construction industry. Furthermore, the changed economic environment and fears of recession are having an impact on property valuations and transaction markets as well as the valuation of the company on the equity market.

#### OUTLOOK<sup>1)</sup>

Based on the circumstances described, the global economy is expected to remain fragile in 2023. Uncertainty is high due to an unprecedented confluence of factors - Russia's invasion of Ukraine, supply chain disruptions, the rapid rise in inflation and tighter monetary policy around the world. The potential for mild recession or stagflation in certain economies is high.

While inflation in some countries has come down from its recent peak, energy prices could remain high for some time, further affecting consumer and business confidence. Notwithstanding efforts to become less dependent on Russian energy sources, the urgent need for a rapid transition to a sustainable economy is also likely to put upward pressure on long-term inflation. Regardless of when and how the war in Ukraine ends, the impact on energy production, global trade, and capital flows is likely to be enormous. These dynamics are likely to affect how and what (central) banks do to support and work with economic players around the world.

Although some central banks entered the cycle of interest rate hikes later than others, which is why different de-

velopments in key interest rates can be assumed worldwide, interest rate cuts are not expected in the near future.

Even though there was discussion of an easing of inflationary pressures in the U.S.A. at the beginning of 2023 and it was assumed that further interest rate steps would slow down or even that key interest rate cuts would be possible, a short time later it became apparent that inflation would be more difficult to manage than assumed. In mid-March, Federal Reserve Chairman Jay Powell told the Senate Banking Committee that "the ultimate level of interest rates is likely to be higher than previously thought" and that recent economic data were "stronger than expected." The central bank had most recently reduced the size of its rate hikes from 0.75 percentage point between June and November to a half percentage point in December. In February, it went back to its traditional quarter-percentage-point increase. As a result, the Fed key interest rate is in a target range of 4.5 to 4.75 percent, down from near zero this time last year. Powell's comments signal that he is willing to put further pressure on the economy to reduce inflation.

His hawkish rhetoric is consistent with remarks by Christine Lagarde, president of the European Central Bank, who recently warned that price pressures are "persistent" and require further action to fight the "inflation monster." Financial markets now expect the European key interest rate to rise from 2.5 percent to over 4 percent.

The sharp rise in key interest rates and risk premiums in 2022 and early 2023 has fundamentally changed the financing environment for companies compared with previous years. On the basis of current forecasts, it is not expected that these will be corrected significantly downward in the short term.

<sup>1)</sup> ECB, Financial Times, Deloitte

## PROPERTY MARKETS

### GENERAL MARKET CONDITIONS

Although market sentiment has deteriorated over the last few quarters, unemployment reacted very slowly and remained at or near historic lows. CA Immo's core markets recorded unemployment rates of between 2.3% (Czech Republic) and 5% (Austria) at the end of 2022.

Despite the lack of positive news, demand for office space, measured in terms of net absorption (total amount of space that tenants physically moved into minus total amount of space that tenants physically moved out) amounted to 3.38 m sqm in 2022 across CA Immo's eight core markets (+7% y-o-y). Thanks particularly to strong demand in Munich, Budapest, Prague and Warsaw, overall demand was relatively evenly distributed throughout the year. However, a small decline in the fourth quarter may indicate a slower start in 2023. Demand as measured by net absorption in 2022 was the strongest since the outbreak of the pandemic, as all markets except Düsseldorf (-8,300 sqm) performed positively (740,000 sqm in total, compared to -5,000 sqm in 2021).

Solid demand and low new supply in most markets have led to further increases of prime rents, most notably in Düsseldorf, Prague, and Munich (33%, 10% and 8% respectively). Prime rents have only remained at their last year's value in Budapest.

On the back of stronger tenant demand, vacancy rates contracted in Warsaw (-107 bps), Frankfurt (-42 bps), Vienna (-29 bps), Munich (-12 bps), and Prague (-8 bps). Budapest (+213 bps), Berlin (+66 bps) and Düsseldorf on the other hand have experienced increases due to stronger new supply.

### OFFICE MARKETS IN GERMANY <sup>1)</sup>

#### Demand

Despite the challenging economic environment, the office letting market in the four core markets of CA Immo in Germany performed comparatively well in 2022 with a small decline of 3% y-o-y. However, this result would have been much weaker if it wasn't for the robust demand in Munich (+14% y-o-y). Whereas all markets lay ahead of their y-o-y values in Q3 2022, the drop in activity towards the end of the year pulled the results back for Frankfurt,

Berlin and Düsseldorf (-15%, -9% and -5% y-o-y respectively).

The patterns of sectoral demand structure remained largely unchanged in 2022, with the only notable shift in Berlin in favor of the IT and high-tech and manufacturing sector. This is a positive shift indicating that the start-up capital of Germany is able to use its workforce capacity to transition into more traditional segments. The public sector and professional services remain the backbone of demand in Düsseldorf, while consumer services and manufacturing have weakened. Consumer services was the only sector to weaken significantly in Munich, while IT and high-tech, professional services and the manufacturing sectors gained in importance. Professional services delivered a strong result in Frankfurt, as did the financial sector. The public sector continues to play a substantial role in generating office demand in the German markets, with Berlin (22%) and Düsseldorf (29%) taking the prime spots.

#### Rents

Prime rents continued to grow in 2022 reaching €46.4 per sqm in Frankfurt (+2% y-o-y), €45.0 per sqm in Munich (+8% y-o-y), €43.5 per sqm in Berlin (+6% y-o-y) and €38.0 per sqm in Düsseldorf (+33% y-o-y). Average rents expanded at a much slower pace in all markets except Frankfurt, underpinning the ongoing market bifurcation and low availability of office space meeting the highest standards.

#### New supply and vacancy

Less new office space was completed in 2022 than was assumed at the end of last year due to construction delays. The biggest decline took place in Berlin, where only 396,200 sqm came onto the market, whereas the forecast at the end of 2021 was more than three times as high. In the four core markets, roughly the same amount or even less new space was completed in 2022 than in the previous year. Supply is expected to increase moderately in 2023 in all markets except Berlin, where new completions are again forecast to exceed 1.2m sqm.

Vacancy rates have contracted in Frankfurt and Munich (to 8.8% and 4.4% respectively) thanks to lower construction activity and stable demand. Stronger supply in Düsseldorf and weaker demand in Berlin have contributed to growing vacancy rates in these markets in 2022 (to 9.8% and 3.4%, respectively).

<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

## OFFICE MARKET DEVELOPMENT IN CA IMMO CORE MARKETS IN GERMANY

	2022	2021	Change in %/bps
<b>Berlin</b>			
Take up in sqm	741,200	817,000	-9.3
Vacancy rate in %	3.4	2.8	66 bps
Prime rent in €/sqm net	43.50	41.00	6.1
Prime yield in %	3.55	2.50	105 bps
<b>Düsseldorf</b>			
Take up in sqm	287,500	301,500	-4.6
Vacancy rate in %	9.8	9.0	83 bps
Prime rent in €/sqm net	38.00	28.50	33.3
Prime yield in %	3.80	2.75	105 bps
<b>Frankfurt am Main</b>			
Take up in sqm	369,000	436,800	-16.0
Vacancy rate in %	8.8	9.2	-42 bps
Prime rent in €/sqm net	46.40	45.50	2.0
Prime yield in %	3.75	2.70	105 bps
<b>Munich</b>			
Take up in sqm	736,500	643,900	14.4
Vacancy rate in %	4.4	4.5	-12 bps
Prime rent in €/sqm net	45.00	41.50	8.4
Prime yield in %	3.55	2.50	105 bps

Source: CBRE; Data supplied by CBRE Research, Q4 2022

OFFICE MARKETS IN AUSTRIA AND CEE<sup>1)</sup>**Demand**

The capitals in Austria and the CEE region regained significant momentum in 2022 with a net increase of 30%. The main drivers included Warsaw, Prague and Budapest (+47%, +38% and +13%, respectively), while demand in Vienna only grew by 3%. Similar to Germany, the region saw a slowdown in demand in the final quarter of 2022, with the notable exception of Warsaw, where a strong start and finish to the year contributed to an overall positive result.

The financial sectors demand for office space made a comeback in 2022 after two years of subdued interest, most notably in Warsaw. Manufacturing along with the financial sector were the most significant drivers of net take-up in Budapest. Prague has established itself as one of the leading locations for IT and high-tech companies and has a reliable presence of the manufacturing segment. Vienna has experienced less demand from the traditionally dominant public sector while it recorded a stronger than usual interest from the IT and high-tech, consumer services and mainly business services seg-

ments. Warsaw saw a return to the pre-pandemic dominance of the financial and business services sectors, with no major hits to other segments.

**Rents**

Prime rents have grown in 2022 in all markets except Budapest, where rents remained stable. Prime rents were achieved €27.0 in Vienna (+4% y-o-y), €26.5 per sqm in Prague (+10% y-o-y), €26.0 per sqm in Warsaw (+2% y-o-y) and €24.0 per sqm in Budapest (no change y-o-y). Except for Prague, prime rental growth in Austria and CEE has been notably slower compared to the German markets. On the other hand, average rents grew at the same rate or even faster than prime rents, confirming the broader definition of prime locations in these markets.

**New supply and vacancy**

The supply of new office space has increased in Vienna and Prague in 2022 (+98% and +31% y-o-y, respectively), although the growth rates were driven by the comparatively low starting point in the previous year. While also sharing a low base of 2021, Budapest also struggled with a low starting point in 2021, but delivered 267,000 sqm in 2022, the largest amount of new office space in the last decade. Warsaw, on the other hand, had an addition of only 237,000 sqm (-27% y-o-y) in 2022. The forecast for

<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

2023 predicts a doubling of project completions in Prague and Vienna, while new construction in Budapest could fall by around 32% and in Warsaw even to just over 42,000 sqm of delivered space.

The vacancy rate development was positive in all markets except Budapest, thanks to stronger demand and moderate construction activity. The Hungarian capital faced increased supply, which raised the vacancy rate to 11.3% in 2022.

#### OFFICE MARKET DEVELOPMENT IN THE CA IMMO CORE MARKETS IN CENTRAL AND EASTERN EUROPE

	2022	2021	Change in %/bps
<b>Budapest</b>			
Take up in sqm	247,000	217,900	13.3
Vacancy rate in %	11.3	9.2	213 bps
Prime rent in €/sqm net	24.00	24.00	0.0
Prime yield in %	6.00	5.25	75 bps
<b>Prague</b>			
Take up in sqm	295,300	217,300	37.9
Vacancy rate in %	7.7	7.8	-8 bps
Prime rent in €/sqm net	26.50	24.00	10.4
Prime yield in %	4.80	4.25	55 bps
<b>Vienna</b>			
Take up in sqm	171,000	166,000	3.0
Vacancy rate in %	3.9	4.2	-29 bps
Prime rent in €/sqm net	27.00	26.00	3.8
Prime yield in %	3.90	3.20	70 bps
<b>Warsaw</b>			
Take up in sqm	522,700	356,600	46.6
Vacancy rate in %	11.6	12.7	-107 bps
Prime rent in €/sqm net	26.00	25.50	2.0
Prime yield in %	5.25	4.50	75 bps

Source: CBRE; Data supplied by CBRE Research, Q4 2022

#### TRANSACTION MARKETS IN GERMANY, AUSTRIA AND CEE<sup>1)</sup>

The prevailing market conditions over the last few quarters, characterized in particular by geopolitical uncertainties, weakening economic momentum and sharp rises in interest rates, have significantly impacted investors' willingness to invest in real estate assets. CA Immo's core markets were all affected by this slowdown to roughly the same extent.

Total real estate transactions in the four main markets of CA Immo in Germany reached €23.2 bn in 2022, representing a dramatic decline from €56.8 bn a year earlier (-59% y-o-y). While somewhat smaller, the decline in the capitals of Austria and CEE amounted to -42% y-o-y as volumes shrunk to €6.7 bn, having reached €11.6 bn in 2021. The decline in activity in the fourth quarter of 2022 across most segments is particularly meaningful, as this is traditionally the strongest quarter for transactions.

Office investment declined in 2022 in all markets except Duesseldorf. However, at €17.0 bn (down 29% y-o-y), the overall decline was more muted than in the overall commercial investment sector. The more significant decline in transaction activity in Germany can be attributed in part to the fall in residential transactions.

A decade of uninterrupted yield compression (with the minor exception of pandemic-weakened yields in Warsaw and Budapest) has come to a halt. One of the immediate drivers of yield decompression was the rise in interest rates in the eurozone and neighbouring countries. Prime yields have expanded first where they were lowest: Germany and Vienna in the first half of 2022, followed by CEE from Q3 onwards. The overall yield expansion was 105 bps in Germany, while in CEE the highest was in Warsaw at 85 bps.

<sup>1)</sup> Source: CBRE; Data supplied by CBRE Research, Q4 2022

## PROPERTY ASSETS

The CA Immo Group divides its core activity into the business areas of letting investment properties and developing real estate. In both of these business areas, CA Immo specialises in commercial real estate with a clear focus on office properties in capital cities in the centre of Europe. The objective is to expand the focused portfolio of high quality and profitable investment properties within the core markets of Germany, Austria, Poland, the Czech Republic, and Hungary. Additional earnings will be generated through the development, construction and utilisation of land reserves in the development area.

### CA IMMO GROUP'S PROPERTY ASSETS

As a result of the sales activities and despite the transfer of own project completions into the investment portfolio CA Immo has decreased the value of its property assets in 2022 by –5% to €5.9 bn (2021: €6.3 bn). Of this figure, investment properties account for €5.0 bn (84% of the total portfolio), property assets under development represent €0.6 bn (10%) and short-term properties<sup>1)</sup> €335 m (6%). With a proportion of 66% of total property assets, Germany is the biggest regional segment.

### PORTFOLIO OF CA IMMOBILIEN ANLAGEN AG

Property assets directly held by CA Immobilien Anlagen AG represent a rentable effective area of 99,962 sqm (2021: 122,805 sqm). As at the balance sheet date, these assets comprised six investment properties in Austria

with a market value (including prepayments made and construction in progress) of €179,517 K (eight seven properties; €219,074 K on 31.12.2021). This portfolio generated rental income of €14,694 K in 2021 (€16,877 K in 2021).

#### Lettings

An approximate of 13,990 sqm of floor space was newly let or extended in 2022 (20,670 sqm in 2020). Of this, around 7,040 sqm relates to extensions or renewals of existing contracts. The economic occupancy rate in the investment portfolio is around 82% (2020: 84%).

#### Investments

In 2022, the company invested €504 K in its asset portfolio (€165 K in 2021). These largely went into tenant improvements in the investment property VIE in Erdberger Lände in Vienna, which was developed by the company itself in the past.

#### Disposals

In 2022, CA Immo continued its path of selling non-core property assets with the successful sale of Handelskai 388 office building in Vienna. Income of €10,568 K was generated from the sale.

<sup>1)</sup> Incl. properties intended for trading or sale

## RESULTS

### KEY FIGURES FROM THE INCOME STATEMENT

CA Immo recorded a –13% decrease in **rental income** to €14,694 K in 2022 (€16,877 K in 2021). Operating expenses passed on to tenants also decreased as well by –21% from €5,335 K in 2021 to €4,226 K in 2022. **Management revenue** for services provided to subsidiaries increased by 74% year-on-year to €13,615 K (€7,825 K in 2021). As a result, this led to a 8% increase in **gross revenues** to €33,283 K (€30,739 K in 2021), distributed as follows: Austria 72%, Germany 11% and 17% in Eastern Europe.

**Other operating income** decreased by –21% to €12,336 K (€15,522 K in 2021). In 2022, income of €10,568 K was generated from the sale of the property Handelskai 388 in Vienna. In 2021 €14,683 K income was generated by the sale of a property in the Wolfganggasse in Vienna. No write-ups were made to tangible assets in 2022. Income from the reversal of provisions amounted to €357 K (€194 K in 2021) and mainly relates to provisions for the Annual General Meeting, legal advice and other consulting costs. The other operating income of €1,411 K (2021: €644 K) resulted from cost transfers, insurance proceeds and the reversal of deferred income from public grants.

**Personnel expenses** decreased by –7% from €16,113 K in 2021 to €14,973 K in 2022. In 2022, the company employed 76 staff members on average (72 staff members in 2021).

**Depreciation on intangible fixed assets and tangible fixed assets** totalled €–7,222 K (€–8,140 K in 2021). No impairment losses were recognised on real estate in the financial year 2022.

**Other operating expenditures** totalled €–16,746 K (€–20,251 K in 2021). Of this, an amount of €–705 K was attributable to tax expense. The prior-year comparative amounted to €–861 K. Other expenses directly related to properties stood at €–5,992 K (€–7,013 K in 2021). An amount of €–10,049 K (€–12,377 K in 2021) was spent on general administrative costs such as project-related legal, auditing and consulting fees, advertising and marketing or administrative management costs.

As a result, the developments described above led to a positive **operating result** of €6,678 K compared to €1,757 K in the previous year.

The company received **income from investments** totalling €28,184 K (€179,486 K in 2021) via subsidiary dividend distributions. This item was offset by expenses linked to financial assets (write-downs on equity holdings) of €–5,765 K compared to €–34,496 K in 2021, of which €0 K due to dividend distributions (€–34,174 K in 2021).

Income of €8,420 K (€14,109 K in 2021) was generated from loans granted to subsidiaries. The item **other interest and similar income** stood at €3,816 K (compared to €3,315 K in 2021).

**Income from the disposal and revaluation of financial investments** amounted to €15,065 K (€11,366 K in 2021) and include write-ups on investments in affiliated companies amounting to €1,330 K (€1,675 K in 2021).

**Interest expense** decreased in total by –15% to €–26,854 K (€–31,460 K in 2021). Interest for bank loans or **real estate financing** declined by –12% to €–1,905 K (€–2,161 K in 2021). The costs and commitment interest for other bank financing and promissory loans amounted to €–3,459 K (€–1,222 K in 2021). Expenses for derivative transactions fell to €–822 K (€–1,074 K in 2021). Interest costs in respect of affiliated companies increased from €–74 K in 2021 to €–302 K in 2022. The largest amount, totalling €–19,498 K, concern interest costs for bonds; last year, this figure stood at €–24,691 K.

Due to the factors outlined above, the **financial result** declined by –84% to €22,867 K (€142,320 K in 2021). **Earnings before taxes** stood at €29,545 K (against €144,077 K in 2021). After taking into account **taxes on income** of €1,843 K (€2,684 K in 2021), the annual **net profit** as at 31 December 2022 stands at €31,388 K, compared to €146,761 K on 31 December 2021 (–79%). After taking into account the allocation to reserve from retained earnings in connection with the buyback of treasury shares of €–32,447 K and the profit carried forward from the previous year in the amount of €440,139 K (€293,378 K in 2021) the annual financial statements of CA Immobilien Anlagen AG show a **net profit** of €439,080 K (€440,139 K in 2021).

### Proposed dividend for 2022

For fiscal year 2022, the Executive Board proposes a dividend of €1.00 per dividend-bearing share. Based on the closing price at December 31, 2022 (€28.35), the dividend yield is around 3.5%. The proposed appropriation of earnings reflects the current assessment of the Executive

Board and Supervisory Board. The distribution amount exceeding the base target of 70% of FFO I reflects the profitable sales activity in connection with the strategic capital rotation programme.

#### Cash-flow

In the year under review, cash-flow from operating activities (operating cash-flow plus changes in net working capital) stood at €12,344 K (€160,577 K in 2021). Cash-flow from investment activities was €221.812 K (€-56.312 K in 2021) and cash-flow from financing activities was €-227.871 K (€-512.467 K in 2021).

### BALANCE SHEET ANALYSES

#### Assets

CA Immobilien Anlagen AG's **total assets** declined year-on-year from €4,081,488 K as at 31 December 2021 to €3,840,001 K as at 31 December 2022.

**Fixed assets** decreased slightly from €3,733,454 K as at 31 December 2021 to €3,535,458 K on 31 December 2022. Fixed assets accounted for 92% of total assets on 31 December 2022 (91% on 31.12.2021). Intangible assets, which solely comprise EDP software, decreased to €315 K (€1,211 K on 31.12.2021). Following the successful sale of the property Handelskai 388 in Vienna, the company's **property assets** at the balance sheet date comprised a total of seven properties in Austria with a book value of €179,466 K (€219,074 K on 31.12.2021). **Tangible fixed assets** recorded a decrease of -18% totalling €180,239 K (€220,036 K on 31.12.2021). In 2022, like in the previous year, no impairment losses and no write-ups were recognized on property, plant and equipment.

**Financial assets** decreased by -4% to €3,354,904 K (€3,512,207 K on 31.12.2021). As of the balance sheet date, the book value of investments in affiliated companies stood at €3,175,900 K (€3,219,269 K on 31.12.2021). The additions result from shareholder contributions. The disposals mainly result from capital repayments of €36,704 K and the sale and liquidation of one Hungarian company each.

**Current assets** showed a decrease by -13% from €339,524 K as at 31 December 2021 to €296,826 K on 31 December 2022. **Receivables** recorded an decrease of -92% to €4,326 K (€53,308 K on 31.12.2021). On 31 December 2022, the company has **cash and cash equivalents** of €292,500 K (€286,216 K on 31.12.2021).

#### Liabilities

As at the balance sheet date **shareholders' equity** decreased to €2,212,268 K (€2,213,327 K on 31.12.2021). The equity ratio on the key date was approximately 58% (54% on 31.12.2021). Equity covered 63% of fixed assets (59% on 31.12.2021).

**Provisions** amounted to €13,340 K (€18,642 K on 31.12.2021). An amount of €8,435 K was recognized for bonus payments (€8,774 K on 31.12.2021). Provisions for derivative transactions amount to €0 (€3,547 K on 31.12.2021).

**Liabilities** declined from €1,843,375 K at the end of 2021 to €1,609,944 K as at 31 December 2022. The proportion of unsecured financing at the Group parent company level has significantly grown since the company was rated investment grade in 2015. five CA Immo corporate bonds (including one green bond) were trading on the unlisted securities market of the Vienna Stock Exchange and partly on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) as of the balance sheet date. The total nominal value of the corporate bonds amounted to €1,291,621 K (€1,434,032 K on 31.12.2021).

The bonds and promissory loans provide unsecured financing at Group parent company level; they are on equal footing to one another and to all other unsecured financing of CA Immobilien Anlagen AG. All bond conditions contain a loan-to-value (LTV) covenant. The two bonds issued in 2020 contain two further covenants relating to the secured financing volume and the Group's interest rate coverage.

Liabilities to banks comprise investment loans and promissory loans amounting to €153,788 K (€100,833 K on 31.12.2021).

## DEVELOPMENT OF SHAREHOLDERS' EQUITY

€1,000	31.12.2021	Change Treasury share reserve	Dividend payments	Annual result	Addition to reserves	31.12.2022
Share capital	732,208	-7,854	0	0	0	724,354
Tied capital reserves	998,959	0	0	0	0	998,959
Retained Earnings	42,021	7,854	0	0	0	49,875
Net profit	440,139	0	0	31,388	-32,447	439,080
<b>Total equity</b>	<b>2,213,327</b>	<b>0</b>	<b>0</b>	<b>31,388</b>	<b>-32,447</b>	<b>2,212,268</b>

## FINANCIAL PERFORMANCE INDICATORS

The strategic focus of business activity at CA Immo is the long-term increase in the value of the company. This is supported by key financial performance indicators which are important tools to identify the factors that contribute to the sustained increase in enterprise value and quantifying those factors for the purposes of value management.

**Performance indicators of the CA Immo Group**

The primary financial performance indicator is the net income generated on the Company's average equity (**return on equity** or RoE). The aim is to produce a figure higher than the calculated cost of capital (assuming a medium-term rate of around 7.0%), thus generating shareholder value.

The other quantitative factors used to measure and manage our shareholders' long-term return include the change in NAV per share, operating cash flow per share, and Funds from Operations (FFO I and FFO II) per share.

**FFO I**, a key indicator of the Group's long-term earning power, is reported before taxes and adjusted for the sales result and other non-permanent effects. **FFO II**, which includes the sales result and applicable taxes, is an indicator of the overall profitability of the Group.

## NON-FINANCIAL PERFORMANCE INDICATORS

Since the key financial indicators ultimately demonstrate the operational success of the property business,

they are preceded by a series of other non-financial performance indicators which are key to measuring and managing the operational business.

The key non-financial performance indicators of operational property business are among others as follows:

- The **occupancy rate** is an indicator of the quality of the portfolio and the success in managing it. The economic occupancy rate of CA Immobilien Anlagen AG in its investment property portfolio remained unchanged year-on-year at around 90% (around 89% on 31 December 2021).<sup>1)</sup>
- The **vacancy rate** shows the ratio of unlet space to the total space in the real estate portfolio and therefore plays an important role in terms of the return to be generated. The higher the vacancy rate, the lower the rental income. The real estate portfolio of CA Immobilien Anlagen AG has a vacancy rate of around 10% as of 31 December 2022 (around 11% on 31 December 2021).
- WAULT – Weighted Average (Unexpired) Lease Term** is a key indicator in the commercial real estate sector. It provides information on the average remaining lease term of the real estate portfolio and amounts to 4.4 years at CA Immobilien Anlagen AG as of 31 December 2022 (4.0 years on 31 December 2021 adjusted (without Romania)).
- The **quality of a location** and its **infrastructure** are critical to the marketability of properties. The majority of CA Immo office properties are situated in CBD- or central business locations of Central- and Eastern European cities.
- Sustainability Certificate**: The development of sustainable buildings for its own stock to enhance the quality of the investment portfolio has been an important part of

<sup>1)</sup> 2022: Excl. own-used properties; excl. the properties ONE (Frankfurt), Grasblau (Berlin), completed in 2022 and taken over into the investment portfolio, which are still in the stabilisation phase; 2021: Excl. own-used properties and excl. the office buildings Mississippi House, Missouri Park (Prague) and ZigZag (Mainz), completed in 2021 and taken over into the investment portfolio, which were still in the stabilisation phase.

CA Immo's sustainability strategy for many years. In order to provide transparent, internationally comparable and objective proof of building quality across the entire portfolio, CA Immo also has strategic core investment properties certified.

- **Local presence and market knowledge:** A decentralised organisational structure with own branches in the core markets ensures efficient management and tenant retention.
- **Reduction of the carbon intensity** of the investment portfolio as an indication for a targeted active improvement of the energy performance of the buildings and thus an increase in the attractiveness of the existing portfolio. CA Immo focuses in particular on measures such as increasing the energy efficiency of buildings. This includes renovation and modernization measures, a gradual switch to renewable energy sources, and the incorporation into the company's own portfolio of its own project completions that have been realised with a view to sustainability.

The non-financial performance indicators relating to environmental, employee and social issues as well as respect for human rights and the fight against corruption and bribery are presented and explained in detail in the Group Management Report ("ESG Report" section).

## ENVIRONMENT AND SOCIAL ASPECTS

CA Immo is an investor, developer and long-term holder of high-quality office buildings. Our strategic business model is geared towards sustainable value creation, taking into account ecological, economic, social and legal dimensions. This goes hand in hand with our claim to meet the diverse interests and needs of CA Immo stakeholders in a targeted and responsible manner, thereby securing competitiveness in the long term. With this in mind, we evaluate and manage the requirements of our stakeholders as well as the impact of our business activities on our ecological and social environment.

CA Immo wants to make a contribution to keeping global warming below 1.5° Celsius and protecting the environment. We have therefore set ourselves the goal of reducing the carbon footprint of our buildings, increasing the resilience of our portfolio to climate risks and evaluating and, if necessary, intensifying the measures we have taken to date to protect the environment.

### **Social, environmental and economic impacts, risks and opportunities arising from CA Immo business activities**

To define and manage our strategic sustainability activities, the impacts of our business activities on the environment, society and governance across the entire value chain were evaluated. The following direct (own activities) and indirect (supply chain) material impacts as well as risks and opportunities were identified.

#### **Environment:**

- Management of energy efficiency and CO2 emissions, waste generation, resource consumption and circular economy principles over the entire life cycle of the buildings
- Pollution prevention
- Green procurement and supply chain
- Brownfield vs. greenfield development (protection of biodiversity)
- Sustainable product definition for urban district developments and new construction projects

#### **Society and economy:**

- Social standards in urban district and project development (product definition, e.g. social infrastructure, affordable housing), response to social change
- Health and safety for tenants, contractors, and own employees in building operations and on construction sites, dealing with pandemic risks
- Working conditions and income effects of own and external employees (contractors), employee rights, staff development and retention
- Social commitment
- Independent and responsible corporate governance, compliance with social and environmental requirements, observance of human rights, avoidance of corruption and bribery, reputational risk, cybersecurity

#### **CA Immo climate risks and opportunities**

The analysis of specific climate risks for our business is extremely complex and involves a number of unknown variables. The climate and general sustainability risks relevant to CA Immo are re-evaluated and assessed annually by the responsible departments as part of the Group-wide risk catalog. Risk-reducing measures are derived accordingly (risk profiles). If the assessments reveal a need for additional measures or changes in strategy, these are subsequently implemented by the relevant departments. CA Immo pursues a proactive approach to ensure that any risks are minimized through early countermeasures and that the company can respond to any changes in good time. In 2022, a risk and vulnerability analysis of

climate risks was also carried out in accordance with EU taxonomy guidelines.

### Social engagement

CA Immo also takes measures in the social sphere to set positive impulses and responsible standards within its sphere of influence. Our strategic focus here is particularly on the topics of well-being, health & safety, employee development, diversity, impact on communities, and the social aspects of a sustainable supply chain and urban neighborhood development.

Further information on the topic of "Environment and Social Responsibility" can be found in the Group Management Report ('ESG Report' chapter).

### Employees

Our employees are our most valuable resource; their expertise and commitment are crucial to our success. CA Immo values a corporate culture that is characterized by pride, trust and self-determined work. As an employer, we want to create the best possible conditions for our employees to develop their potential, strengths and competencies to the full. We offer safe and attractive

working environments, a wide range of international development opportunities and careful, forward-looking personnel development with the aim of offering our employees what our office properties stand for: a "place where people love to work".

As an employer, CA Immo has been locally anchored in its markets for many years and employs almost exclusively local staff in its international branches. In principle, CA Immo employs staff on full-time, permanent contracts. CA Immo supports the work-life-balance and compatibility of career and family at different stages of employees' lives by offering flexible working hours and part-time models, home office arrangements, individual parental leave models and paternity leave. In addition, a large number of employee-related regulations have been established in cooperation with the Austrian Works Council within the framework of company agreements. Information on diversity, equality and inclusion as well as employee rights can be found in the Group Management Report (chapter "ESG Report").

For information on diversity, equality, inclusion and employee rights, please refer to the Group Management Report ('ESG Report' chapter).

## PERSONNEL DISTRIBUTION WITHIN THE CA IMMO GROUP <sup>1)</sup>

Headcount	Number of employees		Share of women 31.12.2022 in %	Joining / Leaving <sup>2)</sup> 2022	New hires <sup>3)</sup> 2022 in %	Turnover <sup>4)</sup> 2022 in %		
	31.12.2021	31.12.2022					Change in %	2022 Ø
Austria	92	85	-8	91	64	15/21	17	23
Germany/Switzerland <sup>5)</sup>	247	235	-5	240	40	24/38	10	16
CEE	102	72	-29	90	72	7/14	8	16
<b>Total</b>	<b>441</b>	<b>392</b>	<b>-11</b>	<b>421</b>	<b>51</b>	<b>46/73</b>	<b>11</b>	<b>17.3</b>

<sup>1)</sup> Headcounts, thereof around 11% part-time staff, incl. 28 employees on unpaid leave; excl. 22 employees of joint venture companies, the calculations for this table are based on the GRI guidelines (GRI 401-1)

<sup>2)</sup> The departures do not include the departure of the employees of the Romanian entity, which was taken over by the purchaser together with the local portfolio (discontinued operations).

<sup>3)</sup> New hires: Joiners 2022 / average number of employees in 2022 (Headcount)

<sup>4)</sup> Turnover: Leavers 2022 / average number of employees in 2022 (Headcount)

<sup>5)</sup> At the end of 2022, 10 local employees were employed at the Basel branch of the 100% CA Immo construction subsidiary omniCon

## INFORMATION ACC. SECTION 243A UGB (AUSTRIAN COMMERCIAL CODE)

### SHARE CAPITAL & SHAREHOLDER STRUCTURE

The share capital of the company amounts to €774,229,017.02 and is divided into four registered shares and 106,496,422 ordinary bearer shares, each representing €7.27 of the share capital. The bearer shares are listed on the Prime Market of the Vienna Stock Exchange (ISIN: AT0000641352).

With a stake of around 59% (62,924,265 bearer shares and four registered shares at the time of reporting), SOF-11 Klimt CAI S.à r.l., Luxembourg, a company managed by Starwood Capital Group, is CA Immo's largest shareholder. Starwood Capital Group is a private investment firm with a primary focus on global real estate. The remaining outstanding shares of CA Immo are held in free float by both institutional and private investors who, with the exception of Petrus Advisers Ltd. (5.01% as of latest notice), each hold a stake below the 4% threshold required by law to be reported. The company held 6,860,401 treasury shares at the balance sheet date. For more information on the organisation of the shares and the rights of shareholders, please refer to the Corporate Governance Report<sup>1)</sup>.

### CAPITAL DISCLOSURES

At the 31st Annual General Meeting of 9 May 2018, the Management Board was authorized, with the consent of the Supervisory Board, to increase the capital stock by up to €359,168,301.36 (approx. 50% of the current capital stock) by issuance of up to 49,404,168 new ordinary bearer shares in return for contributions in cash or in kind (also in several tranches and by exclusion of shareholders' subscription rights if required). In addition to the conditional capital available for this purpose, authorised capital of €9,098,448.62 was used to service the conversion rights exercised by holders of convertible bonds, resulting in unused authorised capital of €350,069,852.74 as of 31 December 2022, which can be drawn down until 18 September 2023 at the latest.

In the same Annual General Meeting the Management Board was authorized, with the consent of the Supervisory Board, until 8 May 2023 to issue convertible bonds up to a total nominal amount of €750 m with conversion and/or subscription rights in respect of up to 19,761,667 ordinary bearer shares of the company representing a pro-rata amount of the share capital of the company of up to €143,667,319.09 ('contingent capital 2018'), also in

several tranches and to determine all other terms of the convertible bonds as well as in respect of the issuance and the conversion procedure. Under this authorisation, convertible bonds may only be issued, if the total number of new shares for which conversion and/or subscription rights are granted by such convertible bonds shall not exceed 20% of the share capital at the time this authorisation is resolved upon. The shareholders' subscription rights were excluded (article 174 para 4 in connection with article 153 Austrian Stock Corporation Act (AktG)).

### SHARE BUYBACK

At the 34th Annual General Meeting held on 6 May 2021, the Management Board was authorised in accordance with article 65 para 1 no 8 and para 1a and para 1b Austrian Stock Corporation Act (AktG) for a period of 30 months from the date of the adopted resolution (until 5 November 2023), with the consent of the Supervisory Board, to repurchase treasury shares in the company, whereas the company's stock of treasury shares must not exceed 10% of its share capital. The consideration shall not be lower than 30% and shall not exceed 10% of the average unweighted market price at the close of the market on the ten trading days preceding the repurchase.

The Management Board is further authorised to determine the respective other terms and conditions of the repurchase, whereby the treasury shares may be acquired at the discretion of the Management Board via the stock exchange, by way of a public offer, or by any other lawful and appropriate way, in particular off market, and/or from individual shareholders and under exclusion of the shareholders' pro rata rights (reverse subscription right). The authorisation may be exercised in full or in part or in multiple partial amounts and in pursuit of one or more purposes by the company, subsidiaries (article 189a no 8 Commercial Code (UGB)) or by third parties for their account. The authorisation may be repeatedly exercised. In addition, the Management Board was authorised, with the consent of the Supervisory Board, to transfer the acquired treasury shares by all legally permissible means and to determine the terms and conditions of the transfer of shares or to cancel the treasury shares without an additional resolution by the General Meeting.

On May 03, 2022, the Management Board decided to implement a further share buyback programme on the basis of the authorization resolution of the 34th Annual General Meeting on May 6, 2021, pursuant to Section 65

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/corporate-governance/>

(1) 8 AktG. On October 19, the share buyback programme was completed as planned. 1,000,000 bearer shares (ISIN AT0000641352) were acquired, which corresponds to approximately 0.94% of the share capital. The highest consideration paid per share acquired was €32.10, the lowest consideration paid per share acquired was €26.25. The weighted average consideration paid per share acquired was €30.33 and the total value of shares acquired was €30,327,788.47. CA Immo held 6,780,037 treasury shares after the end of the buyback program, which corresponds to a share of approximately 6.4% of the total number of issued voting shares.

On December 19, 2022, the Management Board again decided to implement a further share buyback programme based on the authorization resolution of the 34th Annual General Meeting of May 6, 2021, pursuant to Section 65 (1) 8 AktG. By December 31, 2022, 80,364 shares with a value of around €2.1 m had been acquired in the course of this share buyback programme.

A total of 1,080,364 treasury shares were acquired in 2022. As of December 31, 2022, CA Immo held 6,860,401 treasury shares.

Details of the transactions carried out under the share buyback programmes and any changes to the current share buyback programme are published on the company's website.<sup>1</sup>

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## INFORMATION ON THE MANAGEMENT AND SUPERVISORY BOARDS

According to the articles of association, the Management Board of CA Immo comprises one, two or three persons. The age limit for Management Board members is defined as 65 in the Articles of Association. The final term of office for Management Board members concludes at the end of the Annual General Meeting that follows the 65th birthday of a Board member. The Supervisory Board comprises no less than three and no more than twelve members. At any time, Supervisory Board members appointed through registered shares may be asked to step down by the person entitled to nominate and replaced by another. The provisions of the Articles of Association re-

garding terms of office and elections to appoint replacements do not apply to them. The other Supervisory Board members are elected by the Annual General Meeting.

The age limit for Supervisory Board members is defined as 70 in the Articles of Association. Supervisory Board members must step down from the Board at the end of the Annual General Meeting that follows their 70th birthday. The Shareholder's Meeting resolves on the dismissal of members of the Supervisory Board on the basis of a majority of at least 75% of the capital stock represented (article 21 of the Articles of Association of CA Immo).

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## CHANGE-OF-CONTROL CLAUSES

The new Management Board contracts concluded in fiscal year 2021 do not contain any commitments assuring payments in the event of premature termination of Management Board duties following a change of control ("change of control" provisions),

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## COMMITTED TO OBSERVING THE AUSTRIAN CORPORATE GOVERNANCE CODE

Compliance with legal provisions applicable in the CA Immo Group's target markets is a high priority for the company. The Management Board and Supervisory Board are committed to observing the Austrian Corporate Governance Code<sup>2)</sup> and thus to transparency and principles of good corporate management. The rules and recommendations of the version of the Corporate Governance Code applicable in business year 2022 (January 2021 amendment) are implemented almost in full. Discrepancies are noted in respect of C Rules no. 2 (right of appointment to the Supervisory Board) and no. 45 (executive positions with competitor companies). The evaluation carried out by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. concerning compliance with rules 1 to 76 of the Austrian Corporate Governance Code for business year 2022 found that declarations of conformity submitted by CA Immo with regard to compliance with the C and R Rules of the Code were correct. The corporate governance report is also available on the company's web site<sup>3)</sup>.

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo>

<sup>2)</sup> The Austrian Corporate Governance Code may be viewed on the web site of the Austrian Working Group for Corporate Governance at [www.corporate-governance.at](http://www.corporate-governance.at).

<sup>3)</sup> <https://www.caimmo.com/en/investor-relations/corporate-governance/>

## OUTLOOK

### ANTICIPATED DEVELOPMENTS AND MAIN OPPORTUNITIES AND THREATS

The general conditions on the real estate markets were increasingly burdened by general economic and political developments in the course of 2022. Above all, the rapid rise in interest rates as a result of high inflation poses challenges for the real estate industry, which are reflected, among other things, in a strong weakening of the real estate investment markets. This prevailing uncertainty and volatility will continue to shape the real estate sector in 2023.

In addition, our tenants' requirements for office space are increasing against the backdrop of hybrid working environments and the transition to a sustainable economy. However, as a leading prime office player with Germany as an anchor market, we see this change as an opportunity. For many years, we have been meeting the demand for high-quality, energy-efficient and innovative offices in prime locations in major European cities. Thanks in part to this strategic orientation, we were able to achieve important strategic milestones in the 2022 financial year and further strengthen our stable balance sheet and defensive financing structure - a solid foundation for future value-creating growth.

#### **Strategic focus to ensure the resilience of the business model**

In view of these fundamental macroeconomic changes, we will continue to focus on securing and increasing our competitiveness and resilience. In doing so, we are essentially following three directions:

Firstly, a further increase in the quality of our portfolio through a clear focus on our core markets and the successive sale of properties that do not or no longer meet the strategic requirement profile.

-- Secondly, we want to accelerate our transformation into a sustainable company.

- Thirdly, we are pursuing the consistent optimisation of our organisational and cost structures in order to continue to generate value for all our stakeholders.

#### **Continuous increase in portfolio quality**

In addition to the increased focus of the portfolio on prime office buildings in the core markets of Berlin, Munich, Vienna, Prague and Warsaw, our focus remains on sustainability and intensive tenant retention. The goal with our buildings is to offer the best product, the best support and the greatest possible flexibility for our tenants.

The share of the two core markets Germany and Austria is expected to increase to over 80% in the medium term.

Our deep value chain around high-quality office properties in attractive metropolitan areas makes us the ideal partner for blue-chip companies. We want to use and further expand these strengths to consolidate our good market position in the long term.

The profitable sale of non-strategic properties as part of the strategic capital rotation programme should further increase our portfolio quality and resilience. The reinvestment of proceeds from the sale of non-strategic properties in acquisitions or in the company's strategic development pipeline aims to optimise the quality of the portfolio in terms of location, structural and sustainable quality, resilience and management efficiency. In addition, the implementation of innovative utilisation concepts is intended to raise the ecological and technological standard of the entire portfolio.

#### **Successive realisation of the strategic development pipeline**

In 2022, we were able to add two high-quality buildings to our portfolio with the successful completion of the ONE project in Frankfurt (total investment volume of around €444 m) and Grasblau in Berlin (total investment volume of around €72 m). The completion of the Berlin project Hochhaus am Europaplatz (total investment volume of around €143 m), which is currently under construction, is expected for the end of 2023/beginning of 2024. Both this and the second development project upbeat in Berlin (total investment volume of around €334 m), which has been under construction since last year, are 100% pre-let.

The development of extensive land reserves in central locations in the German metropolises of Munich, Frankfurt and especially Berlin represents significant long-term organic growth potential for CA Immo, which is to be realised successively as the necessary conditions and requirements are met. While office development projects are generally dedicated to the company's own portfolio, projects with a different focus of use are generally earmarked for sale.

#### **Key business factors**

Key factors that may influence the business development planned for 2023 include:

--Economic developments in the regions in which CA Immo is active and the effects of these on demand

- for rental premises and rental prices (core indicators include GDP growth, employment and inflation).
- The development of general interest rate levels.
  - The financing environment as regards the availability and cost of long-term financing with outside capital (both secured financing from banks on property level and unsecured capital market financing on group level), and accordingly the development of the market for real estate investment, price trends and their impact on the valuation of the CA Immo portfolio.
  - The speed at which planned development projects are realised will also depend on the market factors outlined above and the availability of necessary debt and equity.
  - Impact of flexible and hybrid forms of work ("work-from-home") on the demand for office real estate.
  - Political, fiscal, legal and economic risks, transparency and the development level on our real estate markets.

#### Dividend

CA Immo intends to maintain its profit-oriented dividend policy. The amount of the dividend is based on the profitability, growth prospects and capital requirements of the CA Immo Group. At the same time, a continuous payout ratio of around 70% of recurring earnings (FFO I) is intended to maintain the continuity of the dividend development.

After a thorough evaluation, CA Immo decided in the previous year to propose to the Annual General Meeting on 5 May 2022 to deviate from its previous dividend policy and carry forward the entire net profit for the 2021 financial year. The background to this decision was the fact that - including special distributions - a dividend of €3.50 per share was already distributed to the shareholders in the 2021 financial year and a further dividend of €2.50 per share in the 2022 financial year from the net profit as at 31 December 2020.

For the 2022 financial year, the Executive Board proposes a dividend of €1.00 per share entitled to dividend. Based on the closing price on 31 December 2022 (€28.35), the dividend yield is around 3.5%. The proposal for the appropriation of profits reflects the current assessment of the Executive Board and the Supervisory Board. The distribution amount exceeding the base target of 70% of FFO I reflects the profitable sales activity in connection with the strategic capital rotation program.

#### Share buyback

After a share buyback programme for 1,000,000 shares was completed in 2022, the Executive Board decided in December 2022 to carry out another share buyback programme with a volume of up to 2,000,000 shares on the basis of the authorisation resolution of the 34th Annual General Meeting of 6 May 2021 pursuant to § 65 para 1 item 8 of the Austrian Stock Corporation Act. By 31 December 2022, 80,364 shares with a value of approximately €2.1m had been acquired in the course of this share buyback programme.

#### Financial target 2023

For the 2023 financial year, an EBITDA of over €200 m is expected on the basis of profitable sales as part of the strategic capital rotation programme, which would result in a significant increase compared to the figure for 2022 (€149.5 m).<sup>1)</sup>

The annual target for the recurring result (FFO I) is expected to be announced as part of the first quarter reporting in May 2023.

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#### RESEARCH AND DEVELOPMENT

Technological and social change continues to transform the office environment and the knowledge-based economy. In order to develop and revitalize office properties today in such a way that they can be efficiently and profitably managed in future, CA Immo monitors changes to working processes and corporate requirements in terms of premises; at the same time, it trials new technical solutions along with space and building concepts on selected development projects. The current focus is on new requirements relating to energy efficiency, environmental protection and protective measures in relation to viral infections (pandemic protection).

In the course of theoretical and practical research activity, CA Immo maintains partnerships with institutions involved in real estate related research. For example, CA Immo is a **partner to the Office 21 joint research project of the Fraunhofer IAO Institute** ([www.office21.de](http://www.office21.de)) and the **Innovation platform RE!N (Real Estate Innovation Network)**, with the objective of pilot testing external and own innovation approaches at an early stage. CA Immo is also an active member of relevant platforms in the real estate industry.

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<sup>1)</sup> Based on transactions signed and closed to date.

## RISK REPORT

# RISK UNIVERSE OF CA IMMO

### Development risks

Cost risk  
Quality risk  
Permit risk  
Partner risk  
Time risk

### Investment Property Risks

Vacancy risk  
Portfolio risk  
Valuation risk  
Tenant default risk

### Financial risks

Currency risk  
Capital market risk  
Transaction risk  
Liquidity risk  
Tax risk

### ESG Risks

Climate risk  
Governance risk  
Social risk

### Other risks

Operating risk  
Legal risk  
IT risk  
HR risk  
Insurance risk

## RISK MANAGEMENT AT CA IMMO

To ensure the success of CA Immo as a business in the long term and enable the company to meet its strategic objectives, effective management of new and existing risks is essential. A commensurate measure of risk must be accepted if we are to utilise market opportunities and exploit the potential for success they hold. For this reason, risk management and the internal monitoring system (IMS) deliver an important contribution to the Group's corporate governance (defined as the principle of responsible management).

CA Immo's risk management system is based on the following elements:

- Risk culture: CA Immo's reputation is central to our identity and business success. Therefore, compliance with established principles of corporate governance and value management (Code of Ethics, Code of Conduct) is a matter of course. For CA Immo, risk culture implies raising of risk awareness and consciously addressing risks in day-to-day business both for managers and individual employees.
- Risk strategy: The risk strategy describes how risks arising from CA Immo's business strategy or business model are managed. It sets out the framework for the nature, extent and appropriateness of risks, thus reflecting the company's own definition of a "sensible" approach to risks and describing these risks in terms of their impact on the economic situation of the company and the guidelines for managing risks that are to be derived from this.

### Strategic alignment and tolerance of risk

The Management Board, with the involvement of the Supervisory Board, determines the strategic direction of the CA Immo Group as well as the nature and extent of those risks which the Group is prepared to assume in order to achieve its strategic objectives. The Management Board is supported by the Risk Management department in assessing the risk landscape and developing potential strategies to increase long-term stakeholder value. In addition, an internal risk committee with representatives from all divisions as well as the Chief Financial Officer has been established, which meets on a quarterly basis or in special meetings if necessary. The aim of this committee is to establish a regular, cross-functional assessment of the Group's risk situation, including the initiation of any necessary measures. This is to ensure that the

company's direction is optimally chosen against the background of available alternatives.

### Identification of risks and assessment

At CA Immo, the opportunity/risk situation is assessed on a quarterly basis within the framework of reports which are drawn up on the basis of the results of the risk committee, among other things. Risks are evaluated both at individual property and project level and at (sub-)portfolio level. Early warning indicators such as rent forecasts, vacancy analyses, continuous monitoring of lease terms and termination options as well as continuous monitoring of construction costs for project realisations are included. Scenario presentations regarding the development of the value of the property portfolio, exit strategies and liquidity planning supplement risk reporting and increase planning certainty. CA Immo takes account of the precautionary principle in that multi-year planning and investment decisions cover the entire time horizon of investments.

In addition, CA Immo now carries out an annual inventory and evaluation of individual risks according to content, impact and probability of occurrence. An annual update is also carried out with regard to the estimated impact on the result, assets and liquidity of CA Immo ("extent of damage") and the probability of occurrence within one year. Measures and controls already implemented are taken into account to determine the net risk. This data serves as the basis for the Management Board to determine the level and type of risks it deems acceptable in pursuing the strategic objectives. Once the board has approved the strategy, it is incorporated into the group's 3-year planning and helps to communicate the group's risk appetite and expectations both internally and externally.

CA Immo's risk policy is specified by a series of guidelines. Compliance with them is continuously monitored and documented through controlling processes. Risk management is implemented in a binding manner at all levels of the company. The Management Board is involved in all risk-relevant decisions and bears overall responsibility. Decisions are made at all levels according to the principle of dual control. As an independent department, the internal audit department examines the operational and business processes; if necessary, external experts are consulted. In reporting and evaluating the audit results, it is not bound by instructions.

### Evaluating the functionality of risk management

The proper functioning of the risk management system is evaluated annually by the Group auditor in line with the requirements of C Rule no. 83 of the Austrian Corporate Governance Code. The results are reported to the Management Board and the Audit Committee.

### KEY FEATURES OF THE INTERNAL MONITORING SYSTEM (IMS)

CA Immo's internal control system encompasses all principles, procedures and measures to ensure the effectiveness, efficiency and regularity of accounting as well as compliance with the relevant legal regulations and corporate guidelines. Taking management processes into account, the ICS is integrated into the individual business processes. The aim is to prevent or detect errors in accounting and financial reporting and thus ensure early correction. Transparent documentation enables the processes for accounting, financial reporting and auditing activities to be presented. All operational areas are integrated into the accounting process. The responsibility for the implementation and monitoring of the ICS lies with the respective local management. The managing directors of the subsidiaries are required to evaluate and document compliance with the controls through self-audits. The effectiveness of the ICS is reviewed on a random basis by the Group's internal audit department and the efficiency of the business processes is continuously evaluated. The results of the audit are reported to the respective management, the entire Management Board of CA Immo and at least once a year to the Audit Committee.

### INVESTMENT PROPERTY RISKS

#### Risks arising from the market environment and portfolio composition (portfolio risk)

The economic success of CA Immo depends, among other things, on the development of the property markets relevant to the Group. The main factors influencing economic development include the global economic situation as a whole, rental price trends, the rate of inflation, the level of government debt and interest rates. In the office property segment, factors such as economic growth, industrial activity, unemployment rate, consumer confidence and other elements that are decisive for economic development also play a significant role. All these factors are beyond the company's control. They could have negative effects on the entire European economy and thus also on economically strong nations such as Germany and Austria, for example, or have a negative impact on

the financial and real estate sector as a whole. Any negative change in the economic situation could result in a decline in demand for real estate, which in turn could affect the occupancy rate, property values or even the liquidity of properties. Economic instability and limited access to debt and equity financing may lead to possible defaults by counterparties and a general slowdown in market activity. If there is a lack of liquidity in the property investment market, there is a risk that it may not be possible to sell individual properties or only at unattractive conditions.

The value of real estate depends not only on the development of the general economic conditions and in particular on rental prices, but also on the initial yields in the real estate economy. Due to the current market environment, there is still a risk that initial yields for commercial properties will correct further upwards. The historically exceptionally high price level for property investments and the low level of property yields therefore harbour risks for the **property values** of the CA Immo portfolio. As was already apparent in the fourth quarter of 2022, it cannot be ruled out that a rise in general interest rates will lead to a further increase in property yields and a subsequent decline in property values.

In view of the risks outlined above, CA Immo regularly reviews its own **property valuations**. Following an almost complete external valuation of the Group's portfolio in the fourth quarter of 2022, the values for the property assets as at the reporting date of 31 December 2022 were adjusted on the basis of binding purchase agreements or on the basis of the external valuations. Taking into account the current exceptional market conditions (see chapter "Economic environment") as well as the currently low level of transactions, a higher degree of caution must continue to be applied to the property valuations than is otherwise the case. Further information on changes in market values can be found in the chapter "Property valuation".

CA Immo counteracts **market risk** through broad diversification across different countries. CA Immo counters **country risk** by concentrating on strategic core markets with local branches and its own local staff, and by adjusting regional allocation within the core markets. The focus here is on markets with long-term structural trends such as increasing urbanisation, positive demographic change and structural supply shortages, as well as high investment liquidity. Market knowledge, ongoing evaluation of the strategy, continuous monitoring of the portfolio as

well as targeted portfolio management within the framework of strategic decisions (e.g. determination of exit strategies, medium-term planning for sales) enable a timely response to economic and political events.

CA Immo prevents any **transfer risk** through the targeted repatriation of liquid funds from investment markets with weaker credit ratings. Active portfolio management is designed to prevent **concentration risks** and maintain a balanced portfolio structure. CA Immo is currently active in Germany, Austria and selected CEE markets. With a share of around 66% of the total portfolio, Germany is currently CA Immo's largest single market. CA Immo is part of the EPRA Developed Europe Index, which supports capital market positioning and the overall rating. The aim is to achieve an aggregate EBITDA contribution of more than 50% from Germany, Austria and Poland. In terms of asset classes, CA Immo concentrates on modern, high-quality office properties with a focus on prime inner-city locations. The Development business area primarily develops high-quality office properties for the company's own portfolio. In addition, property developments and, to a lesser extent, construction projects with other types of use such as residential properties are realised, which are generally sold after successful development or completion.

**Individual investments** should not exceed 5% of total property assets in the long term. Exceptions are possible after approval (e.g. ONE). As at the balance sheet date, only the Skygarden investment property in Munich and ONE in Frankfurt fell into this category. Overall, the portfolio shows a high degree of diversification: the top 10 portfolio properties of the Group represent around 40% of the total portfolio. The concentration risk in relation to individual tenants is also manageable: as at 31 December 2022, around 22% of rental income was generated by ten top tenants. With a share of around 3% of total rental income, PricewaterhouseCoopers, followed by Intercity Hotel GmbH, were the largest single tenants in the portfolio as at the reporting date. In general, single tenants should not account for more than 5% of total annual rental income over a longer period of time, although tenants with excellent credit ratings (AAA/AA) may be an exception. For **single-tenant buildings**, such scenarios should be avoided unless the tenant's credit rating is considered excellent (AAA/AA). A single-tenant scenario is defined as cases in which more than 75% of the annual rental income (single property level) is attributable to a single tenant. In principle, rental income from single-tenant build-

ings should not exceed 20% of the total annual rental income. In addition, the average lease term for single-tenant properties should be more than ten years.

**Other risk concentrations** resulting from factors such as the holding of several properties with a market value of more than €100 m in the same city, the industry mix of tenants, the identity of contractual partners or suppliers or lenders, etc., which cannot be effectively measured or limited quantitatively, are subject to appropriate regular review.

The economic success of CA Immo depends, among other things, on the development of real estate markets of relevance to the Group. Key factors influencing the economic trend include the overall global economy, the trend in rental prices, the inflation rate, levels of national debt and interest rates. In the office properties segment, factors such as economic growth, industrial activity, the unemployment rate and consumer confidence play a major role alongside other factors critical to the economic trend. These circumstances – all of which are beyond the company's control – may have a negative impact on the broad economic picture in Europe and thus adversely affect economically powerful countries like Germany and Austria; they may also impair the finance and real estate sector generally. Any downturn in the economic situation has the potential to reduce demand for real estate, which in turn can adversely affect occupancy rates, property values and even the liquidity of real estate. Economic instability and limited access to loan capital and equity-based financing can lead to business partners opting out. Where the liquidity of the real estate investment market is insufficient, there is a risk that sales of individual properties with a view to strategic adjustment of the real estate portfolio may prove impossible or only possible under unacceptable conditions.

Political and economic developments in countries in which CA Immo operates also have a significant impact on **occupancy rates** and rent defaults. If the Group is unable to extend expiring leases on favourable terms and find or retain suitable creditworthy tenants, this affects the earnings power and market value of the properties concerned. The creditworthiness of a tenant, especially during an economic downturn, may decline in the short or medium term, which may affect rental income. In critical situations, the Group may decide to reduce rents in order to maintain an acceptable occupancy rate.

All of CA Immo's core cities experienced a challenging operating environment due to the current prevailing economic conditions and the effects of the Russia/Ukraine conflict, which is characterised in particular by a significant slowdown in transaction activity. Should letting activity also weaken significantly, longer marketing and vacancy periods for unlet units are to be expected in the future as well. Since the demand for office space depends primarily on the overall economic development, it remains to be seen how the partially declining office space turnover in the course of 2022 will develop in the 2023 financial year. Furthermore, it remains to be seen how the crisis-related expansion of digital work processes and the trend towards flexible or hybrid working ("work-from-home") will affect the demand for office properties in the medium term. It cannot be ruled out that the trends towards flexible office space rentals and co-working could shape the office market even more in the future.

CA Immo counters the risk of rent defaults by analysing the property portfolio, the tenant structure and the cash flow, among other things, and carries out various analysis scenarios to assess the risks. In principle, a case-by-case assessment is always necessary here. Through targeted monitoring and proactive measures (e.g. requesting security deposits, checking tenants for creditworthiness and reputation), the **rent default risk** in the Group has remained at a low level despite the recent negative effects of the pandemic on individual tenants. All outstanding receivables are evaluated on a quarterly basis and value adjusted according to their risk content. A default risk was sufficiently taken into account in the valuation of the property. Many of the Group's leases (around 95%) contain value protection clauses, mostly with reference to the country-specific consumer price index. Therefore, the amount of income from such leases and from new leases is highly dependent on the development of inflation (**value hedging risk**).

In the rental market, **competition** for reputable tenants is intense; in many markets, rents are under pressure. In order to remain attractive to tenants, CA Immo could be forced to accept lower rents. In addition, misjudgements about the attractiveness of a location or its potential use can make letting more difficult or severely compromise the desired rental conditions.

The Group's portfolio also includes, to a lesser extent, **other asset classes** such as shopping centres and hotels, whose operation is associated with its own risks. Poor

management of the building or the tenants, falling visitor numbers and the increasing competitive situation can lead to falling rents or the loss of important tenants and thus to rent losses and problems with new lettings. Although CA Immo does not operate any hotels itself, the Group's earnings situation is influenced by the quality of external hotel management and the development of the hotel markets. Last but not least, there are pandemic measures ordered by the authorities, such as lockdowns, which have a particularly severe impact on hotel operators and the retail sector.

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#### RISKS ASSOCIATED WITH THE PROJECT DEVELOPMENT FIELD

In real estate development projects, only costs are typically incurred in the initial phase. Revenues are only generated in later phases of the project. Development projects can often be associated with **cost overruns** and **delays** in completion, which are frequently caused by factors outside CA Immo's control. This can impair the economic success of individual projects and lead to contractual penalties or claims for damages. If no suitable tenants can be found, this can lead to vacancies after completion.

CA Immo has taken a number of measures to manage these risks to a large extent (cost controls, deviation analyses, multi-year liquidity planning, etc.). With few exceptions, projects are only started once a corresponding pre-letting rate has been achieved that can cover future debt service through rental income. An exception is only made in special constellations of the project and/or market situation (e.g. extreme regional shortage of lettable space with foreseeable rising rents and low letting risk during the project phase). Such exceptions require explicit examination when obtaining project approval.

In view of the recent high level of capacity utilisation in the construction industry, CA Immo is exposed to risks with regard to the (timely) availability of construction services as well as construction prices and quality. This has recently been noticeable not only in Germany - the core market for project developments - but in all core regions of CA Immo. Despite the fact that project reserves have been priced in, it cannot be ruled out that a further rise in construction costs could pose risks to budget compliance and overall project success. In addition, despite defensive project costing, there is a risk that current property yields could change and reduce the targeted

project profit (developer profit). CA Immo is therefore increasingly focusing on appropriate market and cost analyses in the development sector. Particularly under the current market conditions, which have been tested by high inflation, rising interest rates, supply bottlenecks and a general increase in market uncertainty and volatility, a higher uncertainty factor is unavoidable in project developments with rising construction costs, supply and time problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values. Land values could therefore fluctuate much more than would be the case under normal circumstances. The projects upbeat and Hochhaus am Europaplatz in Berlin, which are currently being implemented, show 100% pre-letting and are continuously evaluated with regard to the cost risk.

CA Immo creates sustainable value through a comprehensive value chain ranging from letting and management to the construction, planning and development of investment properties with strong competences within the company. This reduces functional (performance) risks and maximises opportunities along this value chain (developer profit). However, due to their high capital commitment without ongoing inflows, **land reserves** and **projects to create building rights** entail specific risks (e.g. approval risk), but at the same time offer considerable potential for value appreciation by obtaining or improving building rights. Risks are regularly reduced through the sale of non-strategic land reserves. On the remaining sites, the creation of building rights is being rapidly pursued with the company's own capacities. Overall, CA Immo aims for a balanced portfolio; on the basis of balance sheet values, this means around 85% investment properties and around 15% developments under construction, including land reserves.

CA Immo also realises project developments in **joint ventures** and is partly dependent on partners and their ability to pay and perform (**partner risk**). The Group is also exposed to the credit risk of its counterparties. Depending on the agreement in question, CA Immo could also be jointly and severally liable with its co-investors for costs, taxes or other third-party claims and, in the event of a default by its co-investors, have to bear their credit risk or their share of costs, taxes or other liabilities.

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## FINANCIAL RISKS

### Capital market, liquidity, investment and refinancing risk

**(Re)financing** on the financial and capital markets is one of the most important factors for property companies. CA Immo requires debt capital in particular to re-finance existing financial liabilities and to finance project developments and acquisitions. As a result, it is dependent on the willingness of banks and capital markets to provide additional capital or to prolong existing financing at reasonable conditions. The market conditions for property financing are constantly changing. The attractiveness of financing options depends on a number of factors, not all of which can be influenced by the Group (market interest rates, required collateral, etc.). This can have a significant impact on the Group's ability to increase the percentage of completion of its development portfolio, to invest in suitable acquisition projects or to meet its obligations under financing agreements.

From today's perspective, the CA Immo Group has sufficient liquidity. Nevertheless, restrictions at the level of individual subsidiaries must be taken into account, as access to liquid funds is limited due to commitments for ongoing projects or there is a need for liquidity in individual cases for the required stabilisation of loans. In addition, there is a risk that planned sales activities cannot be realised, or can only be realised with delays or below the price expectations. Other risks include unforeseen obligations to make **additional funding obligations** in the case of project financing and covenant violations in the area of property financing or the corporate bonds issued by CA Immo. If these covenants are breached or in the event of default, the respective contractual partners would be entitled to call in financing and demand immediate repayment. This could force the Group to sell properties or conclude refinancing agreements at unfavourable conditions.

CA Immo has fluctuating holdings of liquid funds, which it invests according to the respective operational and strategic requirements and objectives. In order to maintain or improve the long-term issuer **investment grade** rating from Moody's (currently Baa3 with a negative outlook) in the long term, it is also necessary to have adequate capital resources, solid interest cover and a sufficiently large pool of unencumbered properties.

CA Immo counters any risk with continuous monitoring of the covenant agreements as well as with a well-developed liquidity planning and safeguarding system. The financial effects of the strategic objectives are also taken into account. In addition, the Group has a revolving current account line at the level of the parent company with a volume of €300 m to manage liquidity peaks. This ensures that unforeseen liquidity needs can be met throughout the Group. In line with the investment horizon for real estate, loans are generally concluded on a long-term basis. As a basic rule, appropriate financing (e.g. loan, bond) must be guaranteed before binding contracts are concluded in connection with property purchases. In the past, capital partnerships (joint ventures) were also entered into at project level as an alternative and supplement to the previous (equity) capital procurement sources.

Despite careful planning, however, a liquidity risk cannot be ruled out, particularly in the case of joint venture partners, due to the impossibility of calling up funds. In addition, CA Immo Germany has a high level of capital commitment, which is typical for project developments. The financing of all projects already under construction is secured. There is a need for additional financing for new projects.

#### **Interest rate risk**

The current economic environment, characterised among other things by high inflation and the associated significant **rise in interest rates**, has recently had a negative effect on the real estate market and subsequently on the valuation of real estate and disinvestment projects. Raising equity and debt capital on capital markets has become considerably more difficult over the last few quarters, as a result of which growth aspects could not be implemented or could only be implemented in part.

Market-related fluctuations in interest rates affect both the level of the financing rate and the market value of the interest rate hedges concluded. CA Immo uses domestic and foreign banks and issues corporate bonds for financing purposes and ensures that the interest rate hedging ratio is as high as possible. Derivative financial instruments (interest rate caps, interest rate swaps and interest rate floors) are increasingly used to hedge against impending **changes in interest rates** and the associated fluctuations in financing costs. However, such hedging transactions could turn out to be inefficient or unsuitable for the achievement of objectives or lead to losses recognised in profit or loss. Furthermore, the valuation of derivatives

could have a negative impact on the result or equity. The extent to which the Group makes use of derivative instruments depends on assumptions and market expectations regarding future interest rate levels, in particular the 3-month Euribor. If these assumptions prove to be incorrect, this can lead to a considerable increase in interest expenses.

Permanent monitoring of the interest rate risk is therefore essential. There are currently no risks that pose a significant and sustained threat to CA Immo. CA Immo's financing strategy is based on a balanced mix of secured bank financing and unsecured capital market financing. Currently, 92% of the total financing volume is accounted for by fixed-interest financing (including in the form of corporate bonds) or financing secured by derivatives. The continuous optimisation of the financing structure in recent years has led to a reduction in average borrowing costs, an improvement in the maturity profile and an increase in the share of interest-rate-hedged financial liabilities. The robustness of the financial profile has thus been further strengthened.

#### **Tax risks**

All companies are subject to income tax in the respective country with regard to both current income and capital gains. Significant discretionary decisions must be made in connection with the amount of tax provisions to be made. In addition, the extent to which deferred tax assets are to be recognised must be determined.

Income from the sale of participations may be fully or partially exempt from income tax if certain conditions are met. Even if the intention is to meet the conditions, deferred tax liabilities are nevertheless recognised in full for the property assets in accordance with IAS 12.

Significant assumptions must also be made about the extent to which deductible temporary differences and loss carryforwards can be offset against taxable profits in the future and thus deferred tax assets recognised. Uncertainties exist regarding the amount and timing of future income as well as the interpretation of complex tax regulations. In the case of uncertainties regarding the income tax treatment of transactions, an assessment is required as to whether the relevant tax authority is likely to accept the interpretation of the tax treatment of the transaction or not. Based on this assessment, the CA Immo Group recognises tax liabilities at the amount considered most probable in the event of uncertainty. Uncertainties and complexities can, however, result in

future tax payments being significantly higher or lower than the obligations currently assessed as probable and recognised in the balance sheet.

The CA Immo Group holds a significant portion of its real estate portfolio in Germany, where numerous complex tax regulations must be observed. These include in particular (i) regulations on the transfer of hidden reserves to other assets, (ii) legal requirements on real estate transfer tax or the possible incurrence of real estate transfer tax in the case of indirect and direct changes of shareholders in German partnerships and corporations, (iii) the tax recognition of outsourcing of operating facilities, (iv) the distribution of trade income among several permanent establishments or (v) the deduction of input tax on construction costs in development projects. The CA Immo Group takes all steps to comply with all tax regulations. Nevertheless, there are circumstances - also outside the sphere of influence of the CA Immo Group - such as changes in the shareholding structure, changes in the law or changes in interpretation on the part of the tax authorities and courts, which can lead to the aforementioned tax issues having to be treated differently than before and can therefore have an influence on the recognition of taxes in the consolidated financial statements.

Furthermore, there are uncertainties in connection with past restructuring in Central and Eastern Europe regarding the possible retrospective application of subsequent tax changes. However, CA Immo considers the probability of an actual charge to be low.

With regard to the tax deductibility of service charges within the Group, CA Immo always endeavours to charge an arm's length price for internal services and to document this sufficiently in order to comply with all legal requirements (transfer price documentation). However, it is possible that the tax authorities may take a different view and come to a conclusion that could lead to tax consequences with regard to the deductibility of internal service charges made in the past and thus trigger subsequent tax payments.

#### Currency risks

The possible reintroduction of national **currencies** by individual Eurozone members would also have serious consequences for the European economies and financial markets. Finally, the exit of individual nations from European Monetary Union could lead to a complete collapse of the monetary system.

Since CA Immo is active on a number of markets outside the eurozone, the company is subject to various currency risks. Where rents are payable in currencies other than the euro on these markets and cannot be fully adjusted to current exchange rates in time, **incoming payments may be reduced** by means of exchange rate changes. Where expenses and investments are not transacted in euros, exchange rate fluctuations can impair the **payment capacity** of Group companies and adversely affect the Group's profits and earnings situation.

CA Immo generally counters such risk in that foreign currency inflows are secured by pegging rents to the euro; no significant and direct currency risk exists at present.

The pegging of rents affects the **creditworthiness of tenants** and thus produces an indirect currency risk that can result in payment bottlenecks and loss of rent. Since incoming payments are mainly received in local currency, however, free liquidity (rental revenue less operating costs) is converted into euros upon receipt. This process is continually overseen by the responsible country managers. There is no currency risk on the liabilities side. Currency risks linked to construction projects are hedged according to need on a case-by-case basis, taking account of the currency underlying the order and lease agreement, likely exchange rate development and the calculation rate.

#### Transaction risk and risks from sales transactions

After many years of high demand and record transaction volumes on the European real estate market as well as on CA Immo's core markets, particularly in Germany, the transaction markets slumped in 2022 due to significant changes in the general conditions for real estate investments. The risk of transactions being paused or even cancelled due to problems with pricing, availability and financing costs remains high.

Sales transactions can produce risks linked to contractual agreements and assurances. These might relate to **guaranteed** income from rental payments and can subsequently reduce purchase sums agreed or received. Sufficient financial provision has been made to counter recognised risks to revenue from transacted sales, and liquidity risk is considered in liquidity planning. Contractual obligations in the form of follow-on costs (e.g. residual construction work) form part of relevant project cost estimates.

## OTHER RISKS

### Operational and organisational risks

Weaknesses in the CA Immo Group's **structural and process organisation** can lead to unexpected losses or additional expenditure. This risk can arise from shortcomings in **EDP** and other **information systems** as well as human error and inadequate internal inspection procedures. Flawed program sequences as well as automated EDP and information systems pose a high operational risk where their type and scope fail to take account of business volumes or prove vulnerable to cyber-crime (**IT and cyber risks**). Human risk factors include an insufficient understanding of corporate strategy, inadequate internal risk monitoring (and especially business process controls) and excessive decision-making authority at individual level, which can lead to unconsidered actions or a proliferation of decision-making bodies that hinder flexible responses to changes in the market. Some real estate management tasks and other administrative duties are outsourced to external third parties. In the process of transferring administrative tasks, it is possible that knowledge of managed properties and administrative processes can be lost, and that CA Immo could prove incapable of identifying and contractually committing suitable service providers within the necessary timeframe.

Nonetheless, the **expertise** possessed by a company and its workforce constitutes a significant competitive factor and a unique point of distinction over competitors. When key members of staff leave, therefore, the company is exposed to the risk of loss of expertise, which generally requires a significant commitment of corporate resources (money, time, recruitment of new employees) to redress the balance (**HR risk**).

CA Immo takes various measures to counter these risk factors. In the case of corporate mergers, structured processes of organisational integration are observed. Process organisation (i.e. system/process integration) is firmly established; activities to ensure the long-term implementation of operational processes are ongoing. The Group structure is regularly scrutinised and examined to ensure predefined structures take account of the size of the company. CA Immo counters risks linked to personal expertise (which can arise with the resignation of key knowledge holders) through regular transfers of knowledge (via training courses) and by documenting know-how (in manuals, etc.); far-sighted staff planning also plays a part.

### Legal risks

In the course of normal business activity, the companies of the Group can become involved in **legal disputes**, both as plaintiffs and as defendants. Such cases are heard in various jurisdictions. The law applicable in each case, the varying degrees of efficiency of the competent courts and the complexity of the matters in dispute may in some cases result in a considerable length of proceedings or other delays. CA Immo is confident that it has made sufficient financial provisions for legal disputes. At present, no lawsuits or arbitration proceedings that could threaten the company's survival are imminent or pending.

In spring 2020, CA Immo filed claims for damages against the Republic of Austria and the State of Carinthia for a preliminary amount of €1.9 bn on the grounds of unlawful and culpable partisan influence on the best bidder procedure in the context of the privatisation of the federal housing companies in 2004 ("**BUWOG**") and the unlawful failure to award a contract to CA Immo. The first-instance criminal verdicts of the "**BUWOG** criminal proceedings" of January 2022 against the defendants, former Federal Minister of Finance Grasser et al., which are relevant to these civil proceedings and - due to the pending appeal proceedings - not legally binding, essentially confirmed from CA Immo's point of view that unlawful and partisan actions were taken to the detriment of CA Immo in connection with the BUWOG privatisation proceedings. An assessment of the effects of the criminal proceedings on the pending civil proceedings for damages will only be possible once all appeal proceedings have been concluded and a final criminal verdict has been reached.

It is not possible to predict changes to **legal regulations**, case law and administrative practice, or the impact of these on business results and operations; such changes may in particular adversely affect real estate values or the cost structure of the CA Immo Group. CA Immo proactively manages such legal risks by taking numerous measures. These include the regular assessment of historical and existing legal risks, continual monitoring of legislative changes and changes in case law, the incorporation of lessons learned into business processes and continuous informative and training measures.

## ESG RISKS

Current developments on capital markets (e.g. EU Green Deal) as well as new legal requirements create pressure for companies to report more strongly than before on ESG risks resulting from their business activities.

Environmental, social and governance aspects also play an essential role in the entire real estate sector.

Buildings are seen as one of the key factors for climate protection due to their high energy consumption, which is why attention is currently still primarily focused on environmental issues, but social and governance factors are also becoming increasingly relevant.

### Environmental risks

Energy use in buildings for lighting, heating or cooling leads to direct or indirect CO<sub>2</sub> emissions. Building materials contain carbon that is produced during their extraction, manufacture, transport and processing. As carbon is present in almost every phase of the construction and operation of buildings, companies should start implementing appropriate **decarbonisation programmes for real estate** in time to contribute to the ambitious goal of climate neutrality in Europe by 2050.



As a responsible player in the European real estate sector, CA Immo fully supports the **United Nations climate goals** and the associated transition to a low-carbon, sustainable economy. To best meet the associated requirements and secure its long-term competitiveness, CA Immo embeds corresponding goals, measures, processes and systems in its strategic orientation (e.g. sustainability certifications, ESG reporting, green financing, etc.).

For CA Immo, improving the **energy efficiency** of existing buildings is a key factor in achieving **climate neutrality**. In this way, we prevent higher energy consumption and the associated higher operating costs. Since the results of carbon efficiency depend to a large extent on decisions made in the planning phase, we pay attention to future environmental impacts at a very early stage in our project developments. Where possible, we focus on increasing the proportion of sustainable materials, paying attention to the carbon footprint of conventional materials and generating energy from on-site renewable sources (solar panels, heat pumps, heat grids, etc.). Our procurement process also ensures that the high ecological requirements are met in accordance with the certification standard provided for the building in question. We oblige our construction service providers to comply with the

sustainability standards according to DGNB Gold or LEED Gold (e.g. material declaration, worker protection).

Detailed information on this – in particular on climate risks and opportunities including risk assessment – can be found in the Group Management Report ('ESG Report' chapter).

### Other environmental and climate risks

Environmental and safety regulations include actual as well as latent obligations to remediate contaminated properties. Compliance with these regulations may involve significant investment and other costs. These obligations could relate to properties that are currently or were in the past owned, managed or developed by CA Immo. In particular, this relates to **contamination** with previously undiscovered harmful materials or pollutants, war material or other environmental risks such as soil contamination, etc. Some regulations sanction the release of emissions into the air, soil and water, which form the basis of CA Immo's **liability** to third parties and can have a significant impact on the sale, letting or rental income of the properties concerned. **Natural disasters** and extreme weather events can also cause considerable damage to properties. In principle, insurable risks are insured to the usual extent (e.g. all-risk insurance for development projects). However, if there is insufficient **insurance cover** for such damage, this could have adverse effects. In order to minimise risk, CA Immo also includes these aspects in its due diligence before every purchase. Corresponding guarantee declarations are required from the seller. Wherever possible, the CA Immo Group uses environmentally compatible materials and energy-saving technologies. CA Immo takes account of the ecological precautionary principle by carrying out project developments and (re)developments exclusively on the basis of certifiability.

### Social risks

 In the social area, our strategic focus is on the following topics in particular: Well-being, health and safety, employee development, diversity, community impact, social aspects of a sustainable supply chain and neighbourhood development. In the case of construction services, for example, CA Immo requires and monitors its contractors for compliance with statutory regulations on health and safety at work, regulations on workplaces and working hours, and collective agreements.

Information on the main social risks for CA Immo and the comprehensive protective measures implemented by

CA Immo in the wake of the Covid 19 pandemic to ensure a safe working environment for CA Immo employees, tenants and on CA Immo construction sites can be found in the ESG report.

### Governance risks

§ Exemplary corporate governance represents an opportunity for CA Immo to increase its value in the long term. Conversely, failure to comply with governance and compliance standards entails high risks, which can range from penalties and fines to loss of reputation. These include not only compliance with legal requirements, governance rules and (internal) guidelines, but also the transparent handling of conflicts of interest, the payment of appropriate remuneration, the promotion of open communication with all stakeholders, respect for human rights and adherence to our ethical principles and corporate values. CA Immo takes a clear position against any form of unequal treatment, human rights violations, organised crime (e.g. fraud, extortion, bribery and corruption), money laundering or terrorist financing. In contrast, we want to promote integrity and diversity at all levels.

The **risk of corruption** is addressed, for example, by the Code of Conduct ("Zero Tolerance") and the related Gifts and Donations Policy. Employees are required to report any suspicions internally. In addition, employees and external third parties who suspect misconduct can report it anonymously via the electronic **whistleblowing system**<sup>1)</sup> set up by CA Immo on the company's website.

The Supervisory Board is informed at least once a year about measures taken to combat corruption. Corruption-related matters are audited on the basis of the audit plan approved by the Audit Committee or on the basis of special audit assignments from the Management Board, Audit Committee or full Supervisory Board. All operationally active Group companies are audited for corruption risks on a regular basis.

As early as the awarding process, we require our **contractors and suppliers (vendors)** to recognise and comply with our Code of Ethics and Code of Conduct as well as the governance, social and environmental standards we have defined. CA Immo checks its business partners - especially construction companies - as part of the award process not only with regard to their professional qualifications and economic situation, but also with regard to social aspects. As part of a **third-party compliance** check, compliance with governance, social and environmental standards is queried and checked by means of questionnaires and the use of company and risk databases for undesirable media, sanctions, watchlists, etc., and taken into account in award processes. In the area of governance, we pay particular attention to compliance with laws, our internal guidelines for contract partners, for example, with regard to corporate ethics, ensuring compliance and measures to combat corruption, money laundering and the financing of terrorism.

Details of our key standards and the associated control mechanisms are available on our website.<sup>2)</sup>

<sup>1)</sup> <https://www.caimmo.com/en/investor-relations/whistleblower-system/>

<sup>2)</sup> <https://www.caimmo.com/en/investor-relations/corporate-governance/our-values/>

Vienna, 22.3.2023

The Management Board



Silvia Schmitt-Walgenbach  
(Chief Executive Officer/CEO)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)

## DECLARATION OF THE MANAGEMENT BOARD DUE TO SECTION 124 OF THE AUSTRIAN STOCK EXCHANGE ACT (BÖRSEGESETZ)

The Management Board confirms to the best of their knowledge that the financial statements of CA Immobilien Anlagen Aktiengesellschaft, which were prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the CA Immobilien Anlagen Aktiengesellschaft and that the management report gives a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties the CA Immobilien Anlagen Aktiengesellschaft faces.

Vienna, 22.3.2023

The Management Board



Silvia Schmitt-Walgenbach  
(Chief Executive Officer/CEO)



Dr. Andreas Schillhofer  
(Member of the Management Board)



Keegan Viscius  
(Member of the Management Board)

# AUDITOR'S REPORT<sup>\*)</sup>

## Report on the Financial Statements

### Audit Opinion

We have audited the financial statements of

#### CA Immobilien Anlagen Aktiengesellschaft, Vienna,

These financial statements comprise the balance sheet as of December 31, 2022, the income statement for the fiscal year then ended and the notes.

Based on our audit the accompanying financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Company as of December 31, 2022 and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

### Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards 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 Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the fiscal year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following is the key audit matter that we identified:

<i>Titel</i>	<b>Valuation of investments in and loans to affiliated companies</b>
<i>Risk</i>	The financial statements of CA Immobilien Anlagen Aktiengesellschaft as of December 31, 2022 show material investments in affiliated companies (€3,175,900 K) as well as material loans to affiliated companies (€178,758 K). Furthermore, the financial statements show impairments of investments in and loans to affiliated companies of €5,761 K and income from revaluation of such of €1,330 K.

All investments in and loans to affiliated companies are tested for impairment. These impairment assessments require significant assumptions and estimates.

Due to the fact that most of the affiliated companies are real estate companies the impairment test is based on a simplified entity value which is mainly influenced by the property valuation reports by external, independent valuation experts or contractually agreed purchase prices. The material risk within the valuation reports exists when determining assumptions and estimates such as the discount/capitalization rate and rental income and for prop-

erties under development the construction and development costs to completion and the developer's profit. A minor change in these assumptions and estimates can have a material impact on the valuation of investments in and loans to affiliated companies.

The respective disclosures relating to investments in and loans to affiliated companies are shown in Section "2 Financial assets", in Section "11 a) – Financial assets" and in "appendix 2 – Information about group companies" in the financial statements as of December 31, 2022.

*Consideration in the audit*

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures with involvement of our internal property valuation experts:

- Assessment of concept and design of the underlying business process
- Assessment of the applied methods and the mathematical accuracy of the calculations and supporting documentation
- Assessment of design and effectiveness of relevant key controls in the property valuation process based on a sample
- Assessment of the competence, capability and objectivity of the external valuation experts engaged by management
- Assessment of the applied methods and the mathematical accuracy of selected property-valuation reports as well as assessment of the plausibility of the underlying assumptions (eg. Rental income, discount/capitalization rate, usable space, vacancy rate) by means of comparison with market data if available
- Check of certain input-data as included in the valuation reports with data in the accounting system or underlying agreements
- Inquiry of project-management for selected properties under development regarding reasons for deviations between plan and actual costs and current estimation of cost to completion; review of actual costs for those projects through review of project-documentation and vouching on a sample basis as well as evaluation of the derived percentage of completion
- Assessment of the adequacy and completeness of the disclosures made in the financial statements by the management

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the financial statements, the management report and the auditor's report thereon.

We received the consolidated Corporate Governance Report until the date of this audit opinion; the rest of the annual report is estimated to be provided to us after the date of the auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and of the Audit Committee for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles, for them to present a true and fair view of the assets, the financial position and the financial performance of the Company and for such internal controls as management determines are 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.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

**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 the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

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

We communicate with the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

##### **Comments on the Management Report**

Pursuant to Austrian Generally Accepted Accounting Principles, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the management report was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report.

##### **Opinion**

In our opinion, the management report for the Company was prepared in accordance with the valid legal requirements, comprising the details in accordance with Section 243a Austrian Company Code UGB, and is consistent with the financial statements.

##### **Statement**

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

##### **Additional information in accordance with Article 10 EU regulation**

We were elected as auditor by the ordinary general meeting at May 5, 2022. We were appointed by the Supervisory Board on July 28, 2022. We are auditors since the financial year 2017.

We confirm that the audit opinion in the Section "Report on the financial statements" is consistent with the additional report to the audit committee referred to in Article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

**Responsible Austrian Certified Public Accountant**

The engagement partner is Alexander Wlasto, Certified Public Accountant.

Vienna, March 22, 2023

Ernst & Young  
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Alexander Wlasto mp  
Wirtschaftsprüfer / Certified Public Accountant

Mag. (FH) Isabelle Vollmer mp  
Wirtschaftsprüferin / Certified Public Accountant

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\*) This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the financial statements together with our auditor's opinion is only allowed if the financial statements and the management report are identical with the German audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.



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## DISCLAIMER

This Annual Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met or the risks set out in the risk management report materialise, then the actual results may deviate from the results currently anticipated. This Annual Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

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We ask for your understanding that gender-conscious notation in the texts of this Annual Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

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